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FOSUN PHARMA

复星医药

上海復星醫藥（集團）股份有限公司

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02196)

**CONNECTED TRANSACTION
CAPITAL INCREASE AGREEMENT AND EQUITY TRANSFER AGREEMENT
IN RELATION TO XINGMAI TECHNOLOGY**

The Board is pleased to announce that on 29 July 2022, Fosun Pharmaceutical Industrial, Guoyao Zhongjin, Anting Industrial and the Target (amongst others) entered into the Capital Increase Agreement in relation to, among other things, the Capital Increase in the Target pursuant to which each of Fosun Pharmaceutical Industrial, Guoyao Zhongjin and Anting Industrial proposes to contribute in the amount of RMB50 million to subscribe for additional registered capital of RMB6.640625 million in the Target respectively (i.e. a total of RMB19.921875 million for capital increase in the registered capital of the Target). On the same date, Fosun Pharmaceutical Industrial and Yadong Zhijian entered into the Equity Transfer Agreement, pursuant to which Yadong Zhijian agreed to sell and Fosun Pharmaceutical Industrial agreed to acquire from Yadong Zhijian the Sale Equity for a cash consideration of RMB362.35 million.

Upon completion of the Capital Increase and the Equity Transfer, Fosun Pharmaceutical Industrial's shareholding in the Target will increase from approximately 25.8824% to approximately 70.6502%, and the Company's equity interest in the Target through Fosun Pharmaceutical Industrial and Foshan Hospital will increase from approximately 28.2353% to approximately 72.6316% in the aggregate. The Target will therefore become a subsidiary of the Company.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, Yadong Zhijian is a subsidiary of Fosun High Tech, the Company's controlling shareholder and the Target is held as to approximately 51.7647% by Yadong Zhijian. As such, the Target is an associate of Fosun High Tech, and each of Yadong Zhijian and the Target is a connected person of the Company. Therefore, the transactions contemplated under the Capital Increase Agreement and the Equity Transfer Agreement each constitute a connected transaction of the Company pursuant to Rule 14A of the Hong Kong Listing Rules. As the Capital Increase Agreement and the Equity Transfer Agreement are related to Fosun High Tech and/or its associate, the transactions under the Capital Increase Agreement, the Equity Transfer Agreement and the Previous Connected Transactions are aggregated pursuant to Rule 14A.81 of the Hong Kong Listing Rules.

As the applicable percentage ratios in respect of the transactions under the Capital Increase Agreement and the Equity Transfer Agreement are, on an aggregation basis, more than 0.1% but less than 5%, the transactions under the Capital Increase Agreement and the Equity Transfer Agreement are subject to the reporting and announcement, but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

THE CAPITAL INCREASE AGREEMENT

On 29 July 2022, Fosun Pharmaceutical Industrial, Guoyao Zhongjin, Anting Industrial and the Target (amongst others) entered into the Capital Increase Agreement in relation to, among other things, the capital increase to the Target. The principal terms of the Capital Increase Agreement are summarized below:

Date

29 July 2022

Parties to the Capital Increase Agreement

- (1) Target
- (2) Fosun Pharmaceutical Industrial
- (3) Guoyao Zhongjin
- (4) Anting Industrial
- (5) Foshan Hospital
- (6) Ningbo Puximai

- (7) Ningbo Songmai
- (8) Ningbo Fumai
- (9) Shanghai Lanmai
- (10) Shanghai Youmai
- (11) Fosun Nanfeng

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Guoyao Zhongjin, Anting Industrial and their respective ultimate beneficial owners are Independent Third Parties. Further information on the other parties to the Capital Increase Agreement is set out in the section headed "Information on the Group and other parties to the transactions" below in this announcement.

Subject Matter

Pursuant to the Capital Increase Agreement, each of Fosun Pharmaceutical Industrial, Guoyao Zhongjin and Anting Industrial will contribute RMB50 million in cash in the Target to subscribe for additional registered capital of RMB6.640625 million in the Target respectively (i.e. a total of RMB19.921875 million for the capital increase in the registered capital of the Target). Such capital increase amounts shall be paid to the designated bank account of the Target in one lump sum within 10 business days (or such longer period as may be agreed between the Target and other parties) after the satisfaction of the conditions precedent for the Capital Increase as set out below (or the waiver in writing at the sole discretion of the relevant Capital Increase Party(ies)). Fosun Pharmaceutical Industrial intends to settle the capital increase amounts by its self-raised funds.

Basis of determination of the consideration for the Capital Increase

The pre-money valuation for the Capital Increase was agreed to be RMB800 million after arm's length negotiation between parties to the Capital Increase Agreement and by reference primarily to the assessed value of the entire shareholders' equity of the Target as at Valuation Date (i.e. 31 May 2022) by an independent professional asset valuer.

The valuation by the asset valuer based on the market approach has adopted the price-to-research multiple (value of the entire shareholders' interest/research and development investment) as analysis reference for determination of value of entire shareholders' interest of the Target. A number of comparable companies in the medical imaging AI business with similar asset scale and nature of business with the Target are referred to in the valuation and their details are follows:

Comparable companies	Financing round	Time	Pre-money valuation (RMB million)	Research and development investments in the corresponding year (RMB million)
Shukun Technology	Round A+	July 2019	500	42.69
Airdoc Technology	Round B	April 2018	400	41.21
Keya Medical	Angel Round	September 2019	247	35.44

Note: information compiled from information published by comparable companies.

The applicable price-to-research ratio of the Target and the comparable companies are set out as follows:

	Shukun Technology	Airdoc Technology	Keya Medical
Adjusted price-to-research ratio ^(Note)	11.00	9.01	8.76
Price-to-research ratio of the Target		9.59	

Note: the adjustments to the price-to-research ratio of the comparable companies have taken into account (among other things) the relevant transaction date, financing round, the area of product application, technology advancement indicator and extent of commercialization etc.

The valuation result in respect of the Target's entire shareholders' equity = price-to-research ratio * the Target's research and development investments for the year ended 31 December 2022 estimated as at the Valuation Date^(Note 1) + the value of non-operating assets and liabilities^(Note 2)

$$= 9.59 \times 85.6646 + (-19.6792)$$

$$= 802.00 \text{ (Unit: RMB million with rounding)}$$

Note 1: the research and development investments of the Target from January to May 2022 amounted to RMB26.5006 million.

Note 2: the value of non-operating assets and liabilities is RMB(-19.6792) million.

Conditions precedent to the Capital Increase

The obligation of each of the Capital Increase Parties under the Capital Increase Agreement to make capital contribution is conditional upon the satisfaction of a number of conditions precedent or the waiver thereof by the relevant Capital Increase Party(ies). Conditions precedent mainly include the following:

- (i) the Capital Increase Agreement, the Shareholders' Agreement and the Xingmai New Articles of Association having been duly signed by the relevant parties;
- (ii) the consents and waivers required for the execution of the Capital Increase Agreement, the Shareholders' Agreement, the Xingmai New Articles of Association and actions relating to the Capital Increase having been obtained; and
- (iii) Fosun Pharmaceutical Industrial having entered into the Equity Transfer Agreement with Yadong Zhijian.

The Shareholders' Agreement

Pursuant to the Capital Increase Agreement, all parties thereto including the Capital Increase Parties and the Target will sign the Shareholders' Agreement which will make agreements on the management of the operations, governance and certain other matters of the Target. The principal terms of the Shareholders' Agreement include:

- (1) upon completion of the Capital Increase, the board of directors of the Target shall comprise five directors, amongst whom Fosun Pharmaceutical Industrial has the right to appoint two directors, Foshan Hospital has the right to appoint one director, Guoyao Zhongjin has the right to appoint one director and Ningbo Puximai has the right to appoint one director; Anting Industrial has the right to appoint a board observer, who has the right to attend the board meetings but has otherwise no right to vote.
- (2) the Capital Increase Parties are entitled to certain protections in respect of their respective investment in the Target, including pre-emptive right in the event of capital increase of the Target, right of first refusal in the event of potential transfer of equity interests by other shareholders, anti-dilution protection in the event that the subscription price of future capital increase of the Target being lower than the amount specified, the right to request Ningbo Puximai, Ningbo Songmai, Ningbo Fumai and Xingyu Commercial to repurchase the addition registered capital of the Capital Increase in compliance with the provisions of the Capital Increase Agreement, and information/inspection rights.

THE EQUITY TRANSFER AGREEMENT

On 29 July 2022, Fosun Pharmaceutical Industrial and Yadong Zhijian entered into the Equity Transfer Agreement, pursuant to which Yadong Zhijian agreed to sell and Fosun Pharmaceutical Industrial agreed to acquire from Yadong Zhijian the Sale Equity for a cash consideration of RMB362.35 million. The principal terms of the Equity Transfer Agreement are summarized below:

Date

29 July 2022

Parties

- (1) Fosun Pharmaceutical Industrial
- (2) Yadong Zhijian

Subject Matter

Pursuant to the Equity Transfer Agreement, Yadong Zhijian will transfer the registered capital in the amount of RMB55 million in the Target as held by it to Fosun Pharmaceutical Industrial for a consideration of RMB362.35 million. Fosun Pharmaceutical Industrial shall pay the entire consideration of the share transfer to Yadong Zhijian within 30 business days from the date of signing of the Equity Transfer Agreement. Fosun Pharmaceutical Industrial will settle the consideration with its self-raised funds. The original acquisition cost of the Sale Equity to Yadong Zhijian was approximately RMB230 million.

Basis of determination of the consideration for the Equity Transfer

The valuation basis of the Target is agreed by the parties to the Equity Transfer Agreement to be RMB700 million, by reference to which the consideration for the Equity Transfer is determined to be RMB362.35 million. Such valuation basis is mainly referred to factors such as the pre-money valuation for the Capital Increase and discount rate applied for transfer of existing equity. For details of the pre-money valuation for the Capital Increase, please refer to the section headed “Basis of determination of the consideration for the Capital Increase” above in this announcement.

SHAREHOLDING STRUCTURE OF THE TARGET

The following table sets out the shareholding structure of the Target immediately before and after the completion of the Capital Increase and the Equity Transfer:

Shareholders	Immediately before completion of the Capital Increase and the Equity Transfer		Immediately after completion of the Capital Increase and the Equity Transfer	
	Amount of Registered Capital Subscribed (RMB million)	Shareholding percentage	Amount of Registered Capital Subscribed (RMB million)	Shareholding percentage
Yadong Zhijian	55.0	51.7647%	—	—
Fosun Pharmaceutical Industrial	27.5	25.8824%	89.140625	70.6502%
Foshan Hospital	2.5	2.3529%	2.5	1.9814%
Ningbo Puximai	5.0	4.7059%	5.0	3.9628%
Ningbo Songmai	5.0	4.7059%	5.0	3.9628%
Ningbo Fumai	11.25	10.5882%	11.25	8.9164%
Guoyao Zhongjin	—	—	6.640625	5.2632%
Anting Industrial	—	—	6.640625	5.2632%
Total	<u>106.25</u>	<u>100%</u>	<u>126.171875</u>	<u>100%</u>

REASONS FOR AND THE BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT AND THE EQUITY TRANSFER AGREEMENT

The Target is a company that focuses on technology and innovation, and it is principally engaged in the development, production and sale of artificial intelligence software and digital solutions for medical imaging and pathology applications. A number of its products have been gradually commercialized for the market in 2021 and 2022. The completion of the Capital Increase and the Equity Transfer will facilitate the Group's presence in the digital healthcare field.

Upon completion of the Capital Increase and the Equity Transfer, Fosun Pharmaceutical Industrial's shareholding in the Target will increase from approximately 25.8824% to approximately 70.6502%, and the Company's indirect equity interest in the Target through Fosun Pharmaceutical Industrial and Foshan Hospital will increase from approximately 28.2353% to approximately 72.6316% in the aggregate. The Target will therefore become a subsidiary of the Company.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Capital Increase Agreement and the Equity Transfer Agreement are on normal commercial terms that are fair and reasonable, and the Fosun Pharmaceutical Industrial's investment in the Target (including through the Equity Transfer and the Capital Increase) is in the ordinary course of the Group's business, and is in the interest of the Company and its Shareholders as a whole.

Mr. Chen Qiyu, Mr. Yao Fang, Mr. Xu Xiaoliang, Mr. Pan Donghui, Mr. Wang Kexin and Ms. Guan Xiaohui, being Directors who currently take up certain positions in Fosun International and/or its subsidiaries (other than members of the Group), abstained from voting on the resolution of the Board in respect of the entering into the Capital Increase Agreement and the Equity Transfer Agreement as referred to above. The 5 remaining Directors (including 4 independent non-executive Directors) participated in the voting and approved unanimously.

INFORMATION ON THE GROUP AND THE OTHER PARTIES TO THE TRANSACTIONS

The Group

The Group is a leading pharmaceutical and healthcare industry group rooted in the PRC and principally engaged in the pharmaceutical manufacturing, medical devices, medical diagnosis, healthcare services and pharmaceutical distribution and retail business.

Fosun Pharmaceutical Industrial

Fosun Pharmaceutical Industrial is a subsidiary of the Company. It is principally engaged in industrial investments, medical industry investments, import and export of goods and technologies.

Foshan Hospital

Foshan Hospital is a profit-making medical institution approved by Population, Health and Drug Administration of Chancheng District, Foshan* (佛山市禪城區人口和衛生藥品監督管理局) and is a subsidiary of the Company. It is principally engaged in the provision of healthcare services.

Yadong Zhijian

Yadong Zhijian is a company incorporated in the PRC and a subsidiary of Fosun High Tech, the controlling shareholder of the Company which is a subsidiary of Fosun International. Its principal business includes corporate management consultancy.

Ningbo Puximai

Ningbo Puximai is a limited liability partnership established in the PRC. As at the date of this announcement: (i) its general partner is Xingyu Commercial, which in turn is owned by He Chuan (何川) and Fang Qu (房劬) as to 70% and 30%, respectively; and (ii) its limited partners are Yadong Zhijian, Yunji Information, He Chuan (何川), Fang Qu (房劬), Wang Jialian (王嘉廉), Song Qiong

(宋瓊) and Liu Weiping (劉維平). Yunji Information is a company incorporated in PRC which is a subsidiary of Fosun High Tech. Ningbo Puximai is principally engaged in the investment management and investment consultation.

On 28 July 2022, Yadong Zhijian, Yunji Information and Xingyu Commercial entered into an equity interest transfer agreement pursuant to which Yadong Zhijian and Yunji Information has transferred all their respective equity interest of 21% and 19.998% in Ningbo Puximai to Xingyu Commercial. As at the date of this announcement, the registration changes at the relevant administration for industry and commerce with respect to such transfer are pending to be processed.

Ningbo Songmai

Ningbo Songmai is a limited liability partnership established in the PRC. As at the date of this announcement: (i) its general partner is Xingyu Commercial; and (ii) its limited partner are Yunji Information and Wang Jialian (王嘉廉). It is principally engaged in the enterprise management services.

On 28 July 2022, Yunji Information and Xingyu Commercial entered into an equity interest transfer agreement pursuant to which Yunji Information has transferred all its 69.998% equity interest in Ningbo Songmai to Xingyu Commercial. As at the date of this announcement, the registration changes at the relevant administration for industry and commerce with respect to such transfer are pending to be processed.

Ningbo Fumai

Ningbo Fumai is a limited liability partnership established in the PRC. As at the date of this announcement: (i) its general partner is Xingyu Commercial; and (ii) its limited partner is Yunji Information. As at the date of this announcement, as the financial statements of Ningbo Fumai are consolidated into the financial statements of Fosun High Tech, the Company's controlling shareholder, Ningbo Fumai is a subsidiary of Fosun High Tech and hence a connected person of the Company under the Hong Kong Listing Rules. Ningbo Fumai is principally engaged in the investment management and investment consultation.

On 28 July 2022, Yunji Information and Jiumai Commercial entered into an equity interest transfer agreement pursuant to which Yunji Information has transferred all its 99.998% equity interest in Ningbo Fumai to Jiumai Commercial. Jiumai Commercial is a company established under the laws of the PRC and is owned by He Chuan (何川) and Ma Zhibin (馬志彬) as to 90% and 10%, respectively. As at the date of this announcement, the registration changes at the relevant administration for industry and commerce with respect to such transfer are pending to be processed.

Xingmai Technology

The Target was incorporated in February 2018 in the PRC and it is principally engaged in the development, production and sale of artificial intelligence software and digital solutions for medical imaging and pathology applications.

The audited financial information for the two financial years ended 31 December 2021 are set out as follows:

Unit: RMB million

	For the year ended	
	31 December 2021	31 December 2020
Net profit/(loss) before taxation	(91.0)	(87.1)
Net profit/(loss) after taxation	(91.8)	(87.1)

The Target recorded an audited total assets and net assets as at 31 May 2022 amounting to approximately RMB80.6 million and RMB34.8 million respectively attributable to owners of the parent.

Shanghai Lanmai, Shanghai Youmai and Fosun Nanfeng

Shanghai Lanmai is a wholly-owned subsidiary of the Target and has yet to commence business.

Shanghai Youmai is a wholly-owned subsidiary of the Target which mainly carries Xingmai Technology's cardiovascular product lines and operate their related businesses.

Fosun Nanfeng is a subsidiary of the Target and is owned by each of the Target and Foshan Hospital as to 50%. It mainly carries the SaaS service business of Xingmai Technology, and develops new business models such as operation of professional departments.

Guoyao Zhongjin

Guoyao Zhongjin is a limited liability partnership established in the PRC and its principal business is investments in equity, projects and businesses. The general partner of Guoyao Zhongjin is Guoyao Zhongjin (Shanghai) Private Equity Investment Management Company Limited* (國藥中金(上海)私募股權投資管理有限公司), which holds approximately 0.6464% of the property of Guoyao Zhongjin; it is ultimately owned by China International Capital Corporation Limited. The other limited partners of Guoyao Zhongjin are Xiamen Qizhe Innovative Equity Investment Fund Partnership (Limited Partnership)* (廈門祺澤創新股權投資基金合夥企業(有限合夥)), Jinxian County Qianyi Liangbang Enterprise Management Company Limited* (進賢縣千醫良邦企業管理有限公司), Nanchang Industrial Control Investment Fund Management Company Limited* (南昌工控投資基金管理有限公司), Zhongjin Pucheng Investment Company Limited* (中金浦成投資有限公司), Sinopharm Group Co. Ltd.* (國藥控股股份有限公司), Zhejiang Wahaha Venture Investment Company Limited* (浙江娃哈哈創業投資有限公司), and 25 other limited partners, all of whom are Independent Third Parties.

Anting Industrial

Anting Industrial is a limited liability partnership established in the PRC and its principal businesses include non-exclusive domestic trading, business investments and consultation services. As at the date of this announcement, Anting Industrial is ultimately and beneficially controlled as to 60.9375%, by the Tamiao Villagers Committee of Anting Town, Jiading District* (嘉定區安亭鎮塔廟村民委員會) (an autonomous organization established under the laws of the PRC), and the People's Government of Anting Town, Jiading District* (嘉定區安亭鎮人民政府) holds 39.0625% equity interest in Anting Industrial.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, Yadong Zhijian is a subsidiary of Fosun High Tech, the Company's controlling shareholder, and the Target is held as to approximately 51.7647% by Yadong Zhijian. As such, the Target is an associate of Fosun High Tech, and each of Yadong Zhijian and the Target is a connected person of the Company. Therefore, the transactions contemplated under the Capital Increase Agreement and the Equity Transfer Agreement each constitute a connected transaction of the Company pursuant to Rule 14A of the Hong Kong Listing Rules. As the Capital Increase Agreement and the Equity Transfer Agreement are related to Fosun High Tech and/or its associate, the transactions under the Capital Increase Agreement, the Equity Transfer Agreement and the Previous Connected Transactions are aggregated pursuant to Rule 14A.81 of the Hong Kong Listing Rules.

As the applicable percentage ratios in respect of the transactions under the Capital Increase Agreement and the Equity Transfer Agreement are, on an aggregation basis, more than 0.1% but less than 5%, the transactions under the Capital Increase Agreement and the Equity Transfer Agreement are subject to the reporting and announcement, but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“A Share(s)”	the domestic share(s) of the Company with a nominal value of RMB1 each, which are listed on the Shanghai Hong Kong Stock Exchange and traded in RMB
“Airdoc Technology”	Beijing Airdoc Technology Co., Ltd.* (北京鷹瞳科技發展有限公司)
“Anting Industrial”	Shanghai Anting Industrial Development Company Limited* (上海安亭實業發展有限公司)
“Board”	the board of Directors of the Company

“Capital Increase”	the proposed contribution by each of Fosun Pharmaceutical Industrial, Guoyao Zhongjin and Anting Industrial in the amount of RMB50 million to subscribe for additional registered capital of RMB6.640625 million in the Target respectively (i.e. a total of RMB19.921875 million for capital increase in the registered capital of the Target)
“Capital Increase Agreement”	The capital increase agreement dated 29 July 2022 entered into between Fosun Pharmaceutical Industrial, Guoyao Zhongjin, Anting Industrial and the Target(amongst others) in relation to, among other things, a capital increase to the Target.
“Capital Increase Party(ies)”	collectively, Fosun Pharmaceutical Industrial, Guoyao Zhongjin and Anting Industrial
“Company”	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares and A Shares of which are listed and traded on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“connected person(s)”	shall have the meaning ascribed to it under the Hong Kong Listing Rules
“controlling shareholder”	Shall have the meaning ascribed to it under the Hong Kong Listing Rules
“Dalian Fund Partnership Agreement”	the partnership agreement dated 7 January 2022 entered into between Dalian Fujian Xingweilai Venture Capital Investment Management Partnership (Limited Partnership)* (大連復健星未來創業投資管理合夥企業(有限合夥)), Ningbo Fuying Investment Co., Ltd.* (寧波復瀛投資有限公司), Fosun High Tech, Dalian Rongda Investment Co., Ltd.* (大連融達投資有限責任公司) and Dalian Lvshunkou District State-owned Assets Investment Group Co., Ltd.* (大連市旅順口區國有資本投資運營集團有限公司) (as supplemented by a supplemental agreement of even date) in relation to the formation of Dalian Xingweilai Venture and Innovation Fund Partnership (Limited Partnership)* (大連星未來創業創新基金合夥企業(有限合夥))

“Dalian Partnership Agreement”	the partnership agreement dated 24 November 2021 entered between Shanghai Fujian Equity Investment Fund Management Company Limited* (上海復健股權投資基金管理有限公司), the Company, Fosun High Tech and Ningbo Xingyao Furui Corporate Management Partnership (Limited Partnership)* (寧波星曜復瑞企業管理合夥企業(有限合夥)) in relation to formation of Dalian Fujian Xingweilai Venture Capital Investment Management Partnership (Limited Partnership)* (大連復健星未來創業投資管理合夥企業(有限合夥))
“Director(s)”	director(s) of the Company
“Equity Transfer”	the sale by Yadong Zhijian and the acquisition by Fosun Pharmaceutical Industrial of the Sale Equity pursuant to the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 29 July 2022 entered into between Fosun Pharmaceutical Industrial and Yadong Zhijian
“FMH Share Transfer Agreement”	the equity transfer agreement dated 9 December 2021 between Fosun Industrial Co., Ltd. and Windgothenburg (HK) Limited in relation to the acquisition of 45% equity interest in Fosun Medical Holdings AB held by Windgothenburg (HK) Limited
“Foshan Hospital”	Foshan Fosun Chancheng Hospital Limited* (佛山復星禪誠醫院有限公司), a medical institution established as approved by the Population, Health and Drug Administration of Chancheng District, Foshan* (佛山市禪城區人口和衛生藥品監督管理局), and a subsidiary of the Company
“Fosun High Tech”	Shanghai Fosun High Technology (Group) Company Limited* (上海復星高科技(集團)有限公司), a company established in the PRC with limited liability, it is a subsidiary of Fosun International and it is a controlling shareholder of the Company
“Fosun International”	Fosun International Limited (復星國際有限公司), whose shares are listed and traded on the Hong Kong Stock Exchange (stock code: 00656)
“Fosun Nanfeng”	Fosun Nanfeng (Shenzhen) Medical Technology Co., Ltd.* (復星南風(深圳)醫療技術有限公司), a company established in the PRC with limited liability and a subsidiary of the Target

“Fosun Pharmaceutical Industrial”	Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd.* (上海復星醫藥產業發展有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Futuo Equity Transfer Agreement”	the equity transfer agreement dated 29 July 2022 entered into between the Company and Shanghai Fosun Health Industry Holding Company Limited* (上海復星健康產業控股有限公司) in respect of the acquisition of 49% equity interest in Shanghai Futuo Biotech Development Co., Ltd.* (上海復拓生物科技發展有限公司) as held by Shanghai Fosun Health Industry Holding Company Limited* (上海復星健康產業控股有限公司)
“Group”	the Company and its subsidiaries
“Guoyao Zhongjin”	GongQingcheng Qixin Equity Investment Partnership (Limited Partnership)* (共青城祺信股權投資合夥企業(有限合夥))
“H Share(s)”	the overseas listed share(s) of the Company with a nominal value of RMB1 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollar
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	Party(ies) independent of the Company
“Jiumai Commercial”	Shanghai Jiumai Commercial Consultancy Co. Ltd. (上海久脈商務諮詢有限公司)
“Keya Medical”	Beijing Keya Medical Technology Co., Ltd.* (北京科亞方舟醫療科技股份有限公司)
“Ningbo Fumai”	Ningbo Meishan Bonded Port Area Fumai Investment Management Partnership (Limited Partnership)* (寧波梅山保稅港區復脈投資管理合夥企業(有限合夥))
“Ningbo Puximai”	Ningbo Meishan Bonded Port Area Puximai Investment Management Partnership (Limited Partnership)* (寧波梅山保稅港區普希脈投資管理合夥企業(有限合夥))

“Ningbo Songmai”	Ningbo Meishan Bonded Port Area Songmai Corporation Management Partnership (Limited Partnership)* (寧波梅山保稅港區松脈企業管理合夥企業(有限合夥))
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan region
“Previous Connected Transactions”	Xingchen Joint Venture Agreement, Shenzhen Fosun Health ETAs, Suzhou Partnership Agreement, Dalian Partnership Agreement, Tianjin Xingyao Capital Reduction Agreement, FMH Share Transfer Agreement, Xingchuang Equity Transfer Agreement, Zhuorui Capital Increase Agreement, Dalian Fund Partnership Agreement, Suzhou Xingsheng Yuanfeng Fund PA, Xingmai Capital Increase Agreement and Futuo Equity Transfer Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	equity interest of RMB55 million in the registered capital of the Target, representing approximately 51.7647% of the total equity interest in the Target before taking into account the effect of the transactions under the Capital Increase Agreement
“Shanghai Lanmai”	Shanghai Lanmai Information Technology Co., Ltd.* (上海蘭脈信息科技有限公司), a company established in the PRC with limited liability and a subsidiary of the Target
“Shanghai Youmai”	Shanghai Youmai Technology Co., Ltd.* (上海友脈科技有限責任公司), a company established in the PRC with limited liability and a subsidiary of the Target
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Agreement”	a shareholders’ agreement of Xingmai Technology dated 29 July 2022 entered into by (amongst others) the all those shareholders of Xingmai Technology upon the completion of the Capital Increase
“Share(s)”	A Share(s) and H Share(s)

“Shenzhen Fosun Health ETAs”	the equity transfer agreements dated 26 October 2021 entered into between Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司), Fosun High Tech, Shanghai Youle Information Technology Company Limited* (上海有叻信息科技有限公司) and Foshan Fosun Chancheng Hospital Limited* (佛山復星禪誠醫院有限公司) in relation to the transfer of 36.5424% equity interest in Shenzhen Fosun Health Information Technology Co., Ltd.* (深圳復星健康信息科技有限公司)
“Shukun Technology”	Shukun (Beijing) Technology Co., Ltd.* (數坤(北京)網絡科技股份有限公司)
“Suzhou Partnership Agreement”	the partnership agreement dated 26 October 2021 entered between Shanghai Fujian Equity Investment Fund Management Company Limited* (上海復健股權投資基金管理有限公司), the Company, Fosun High Tech and Suzhou Xingsheng Health Industry Management Partnership (Limited Partnership)* (蘇州星盛健康產業管理合夥企業(有限合夥)) in relation to formation of Suzhou Xingsheng Fuying Corporate Management Partnership (Limited Partnership)* (蘇州星盛復盈企業管理合夥企業(有限合夥))
“Suzhou Xingsheng Yuanfeng Fund PA”	the partnership agreement dated 24 January 2022 entered into between Suzhou Xingsheng Fuying Corporate Management Partnership (Limited Partnership)* (蘇州星盛復盈企業管理合夥企業(有限合夥)), Ningbo Fuying Investment Co., Ltd.* (寧波復瀛投資有限公司), Fosun High Tech and Suzhou Tianshi Investment Guidance Fund (Limited Partnership)* (蘇州天使投資引導基金(有限合夥)) in relation to the formation of the Suzhou Xingsheng Yuanfeng Venture and Investment Partnership (Limited Partnership)* (蘇州星盛園豐創業投資合夥企業(有限合夥))
“Target” or “Xingmai Technology”	Shanghai Xingmai Information Technology Co., Ltd.* (上海杏脈信息科技有限公司), a company established in the PRC with limited liability

“Tianjin Xingyao Capital Reduction Agreement”	the capital reduction agreement dated 9 December 2021 entered into between the Company, Shanghai Fujian Equity Investment Fund Management Company Limited* (上海復健股權投資基金管理有限公司), Fosun High Tech, Tianjin Fuyao Business Management Partnership (Limited Partnership)* (天津復曜商業管理合夥企業(有限合夥)) and Xingyao (Tianjin) Investment Management Partnership (Limited Partnership)* (星耀(天津)投資管理合夥企業(有限合夥)) pursuant to which all partners of Xingyao (Tianjin) Investment Management Partnership (Limited Partnership)* (星耀(天津)投資管理合夥企業(有限合夥)) agreed to reduce the capital contribution in proportion to their respective partnership interest, and each partner will withdraw 50% of their respective capital contribution
“Valuation Date”	31 May 2022
“Xingchen Joint Venture Agreement”	the joint venture agreement dated 11 October 2021 entered into between Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司) and Shanghai Forte Industrial Development Group Co., Ltd.* (上海復地產業發展集團有限公司) in relation to the setting up of Suzhou Xingchen Children’s Hospital Co., Ltd.* (蘇州星晨兒童醫院有限公司)
“Xingchuang Equity Transfer Agreement”	the equity transfer agreement dated 9 December 2021 entered into between Fosun High Tech and Fosun Pharmaceutical Industrial in relation to the acquisition of a 87% equity interest in Shanghai Xingchuang Health Technology Co., Ltd.* (上海星創健康科技有限公司) held by Fosun High Tech
“Xingmai New Articles of Association”	The articles of association of Shanghai Xingmai Information Technology Co., Ltd. to be signed by all shareholders of Xingmai Technology after the completion of the Capital Increase
“Xingmai Capital Increase Agreement”	the capital increase agreement dated 24 January 2022 entered into between Fosun Pharmaceutical Industrial, Xingmai Technology, Yadong Zhijian and Ningbo Fumai in relation to the proposed capital increase in Xingmai Technology
“Xingyu Commercial”	Shanghai Xingyu Commercial Consulting Co., Ltd.* (上海杏愉商務諮詢有限公司), a company established in the PRC with limited liability, being the general partner of Ningbo Puximai, Ningbo Songmai and Ningbo Fumai

“Yadong Zhijian”	Yadong Zhijian Information Technology Co., Ltd.* (亞東智健信息科技有限公司), a company established in the PRC with limited liability and a subsidiary of Fosun High Tech
“Yunji Information”	Shanghai Yunji Information Technology Co., Ltd.* (上海雲濟信息科技有限公司), a company established in the PRC with limited liability and a subsidiary of Fosun High Tech
“Zhuorui Capital Increase Agreement”	the capital increase agreement dated 28 December 2021 entered into between Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司), Shanghai Xingshuangjian Investment Management Co., Ltd.* (上海星雙健投資管理有限公司), Shanghai Fosun Health Industry Holding Company Limited* (上海復星健康產業控股有限公司) and Shanghai Zhuorui Integrated Outpatient Limited Company* (上海卓瑞綜合門診部有限公司) in relation to the capital increase in Shanghai Zhuorui Integrated Outpatient Limited Company* (上海卓瑞綜合門診部有限公司)
“%”	per cent.

By order of the Board
Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*
Wu Yifang
Chairman

Shanghai, the PRC

29 July 2022

As at the date of this announcement, the executive directors of the Company are Mr. Wu Yifang, Mr. Wang Kexin and Ms. Guan Xiaohui; the non-executive directors of the Company are Mr. Chen Qiyu, Mr. Yao Fang, Mr. Xu Xiaoliang and Mr. Pan Donghui; and the independent non-executive directors of the Company are Ms. Li Ling, Mr. Tang Guliang, Mr. Wang Quandi and Mr. Yu Tze Shan Hailson.

* For identification purpose only