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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shanghai Fosun Pharmaceutical (Group) Co., Ltd.\*, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**ANNUAL REPORT 2021  
BOARD REPORT 2021  
SUPERVISORY COMMITTEE REPORT 2021  
FINAL ACCOUNTS REPORT 2021  
PROFIT DISTRIBUTION PROPOSAL 2021  
RE-APPOINTMENT OF AUDITORS  
ESTIMATES OF ONGOING RELATED PARTY TRANSACTIONS FOR 2022  
APPRAISAL RESULTS  
APPRAISAL PROGRAM  
ENTRUSTED LOAN/BORROWING QUOTA  
TOTAL CREDIT APPLICATIONS  
AUTHORISATION TO DISPOSE OF LISTED SECURITIES  
COMPLIANCE WITH CONDITIONS FOR THE PROPOSED ISSUANCE OF  
CORPORATE BONDS  
PROPOSED ISSUANCE OF CORPORATE BONDS  
AUTHORIZATION OF CORPORATE BONDS  
PROPOSED ADOPTION OF THE SHARE OPTION SCHEME OF FOSUN HEALTH  
RENEWED AND ADDITIONAL GUARANTEE QUOTA  
GRANT OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES  
GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES  
GRANT OF GENERAL MANDATE TO REPURCHASE A SHARES  
RE-ELECTION OF THE BOARD OF DIRECTORS  
RE-ELECTION OF THE SUPERVISORY COMMITTEE  
AND  
NOTICE OF AGM  
NOTICE OF H SHAREHOLDERS CLASS MEETING**

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A letter from the Board is set out on pages 8 to 38 of this circular. Notices convening the AGM and H Shareholders Class Meeting to be held at Hilton Shanghai Hongqiao, No. 1116 Hong Song East Road, Shanghai, the PRC on Wednesday, 1 June 2022 at 1:00 p.m. are set out on pages AGM-1 to HCM-5 of this circular. The forms of proxy for the AGM and H Shareholders Class Meeting are enclosed herewith and also published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.fosunpharma.com>).

Whether or not you are able to attend the said meetings, you are reminded to complete, sign and return the forms of proxy enclosed, in accordance with the instructions printed thereon. The forms of proxy shall be lodged at the Company's Hong Kong share registrar for H Shares, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 24 hours before the time appointed for the convening of the relevant meetings. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the AGM and the H Shareholders Class Meeting should you so wish.

\* for identification purposes only

28 April 2022

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## DEFINITIONS

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*Unless the context otherwise requires, the following expressions in this circular shall have the following meanings:*

“A Share(s)”	domestic share(s) with a nominal value of RMB1 each of the Company, which is (are) listed on the Shanghai Stock Exchange and traded in RMB
“A Shareholder(s)”	holder(s) of the A Shares
“A Shareholders Class Meeting”	the 2022 first class meeting of A Shareholders to be held upon the conclusion of the AGM on Wednesday, 1 June 2022 or any adjournment thereof
“A Share Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase, according to the repurchase plan to be determined by the Board, not exceeding 10% of the number of A Shares in issue as at the date of passing the proposed relevant resolutions at the AGM, the H Shareholders Class Meeting and the A Shareholders Class Meeting, details of which are set out in the notices of the AGM, the H Shareholders Class Meeting and the A Shareholders Class Meeting
“Administration Committee”	the administration committee established under the board of directors of Fosun Health
“Adoption Date”	the date on which the Scheme will be adopted by the shareholders’ meeting of Fosun Health
“AGM”	the annual general meeting of the Company to be held at Hilton Shanghai Hongqiao, No. 1116 Hong Song East Road, Shanghai, the PRC on Wednesday, 1 June 2022 at 1:00 p.m. or any adjournment thereof
“Articles” or “Articles of Association”	the articles of association of the Company in effect at the time
“Articles of Association of Fosun Health”	the articles of association of Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司), as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Auditors”	the auditors appointed by Fosun Health from time to time
“Board”	the board of directors of the Company

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## DEFINITIONS

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“Business Day(s)”	prior to a Listing, Monday to Friday (except for public holidays in the PRC), and in the event of a Listing, such day shall also be a day (excluding Saturdays and Sundays) on which securities are traded on the relevant stock exchange on which Fosun Health is listed (if applicable)
“close associate(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Company” or “Fosun Pharma”	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a joint stock limited company incorporated 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
“Company Law”	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“CSRC”	China Securities Regulatory Commission
“Date of Grant”	the date on which an Option is granted by Fosun Health to a Participant
“Director(s)”	the director(s) of the Company
“Effective Period”	the effective period of the Scheme, which shall be 10 years from the Adoption Date
“Exercise Price”	the price which is determined when an Option is granted by Fosun Health to a Participant and at which such Participant will subscribe for the underlying shares of Fosun Health in respect of the Option

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## DEFINITIONS

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“Exercise Window Period”	the dates or periods that the board of directors of Fosun Health or the Administration Committee will determine from time to time. On such dates or during such periods, a Participant may exercise his or her vested Options which remain within the relevant Option Period. The Administration Committee will notify the Participants of such dates or periods
“Financial Adviser”	independent financial adviser appointed by Fosun Health from time to time
“Fosun Finance”	Shanghai Fosun Group Finance Corporation Limited* (上海復星高科技集團財務有限公司), a company registered in the PRC with limited liability, and a related party/connected person of the Company
“Fosun Group”	Fosun International and its subsidiaries (for purposes of the Scheme, excluding the Fosun Health Group)
“Fosun Health”	Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司) (formerly known as Shanghai Fosun Medical (Group) Co. Ltd.* (上海復星醫療(集團)有限公司)), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Fosun Health Group”	Fosun Health and its subsidiaries
“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 registered in the PRC with limited liability, and a direct wholly-owned subsidiary of Fosun International and the controlling shareholder of the Company
“Fosun International”	Fosun International Limited, a company registered in Hong Kong with limited liability, the shares of which are listed on the main board of the Hong Kong Stock Exchange (stock code: 00656), and the controlling shareholder of the Company
“General Mandate to Issue A Shares and/or H Shares”	the general mandate to allot, issue or otherwise deal with A Shares and/or H Shares proposed to be granted at the AGM

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## DEFINITIONS

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“Gland Pharma”	Gland Pharma Limited, a company established under the laws of India and listed on the BSE Limited and the National Stock Exchange of India Limited (stock code: GLAND), which is a subsidiary of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) with nominal value of RMB1.00 each of the Company, which is (are) listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of H Shares
“H Shareholders Class Meeting”	the 2022 first class meeting of H Shareholders to be held upon the conclusion of the AGM and the A Shareholders Class Meeting on Wednesday 1 June 2022 or any adjournment thereof
“H Share Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase not exceeding 10% of the number of H Shares in issue as at the date of passing the proposed relevant resolutions at the AGM, the H Shareholders Class Meeting and the A Shareholders Class Meeting, details of which are set out in the notices of the AGM, the H Shareholders Class Meeting and the A Shareholders Class Meeting
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	20 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

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## DEFINITIONS

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“Listing”	the initial public offering, listing and trading of the shares of Fosun Health (or, after being reorganized, another member of the Fosun Health Group or any other company which serves as the proposed listing entity for the listing of the then Fosun Health Group or its business) on the Hong Kong Stock Exchange or other stock exchange as may be determined by the shareholders’ meetings of relevant companies (or their shareholders in general meeting (as the case may be)) after the adoption of the Scheme
“Ningbo Liding”	Ningbo Liding Enterprise Management Partnership (Limited Partnership)* (寧波礪定企業管理合夥企業(有限合夥)), a limited liability partnership established in December 2020 under the laws of the PRC and a subsidiary of the Company
“Nomination Committee”	the nomination committee of the Board
“Option”	the right awarded to a Participant pursuant to an Option granted, which entitles the Participant to purchase a specified number of shares of Fosun Health within a specified period in the future at a price that is pre-determined or calculated in accordance with the basis set forth in the Scheme, subject to its vesting after the fulfillment of the conditions provided under the Scheme
“Option Period”	the period during which the Participants may exercise their Options to subscribe for shares of Fosun Health; in respect of a specific Option, such period may be determined or adjusted at the discretion of the board of directors of Fosun Health in accordance with the terms of the Scheme, but in no event shall such period exceed 10 years from the Date of Grant
“Option Shares”	underlying shares of Fosun Health in respect of the Options granted to the Participants under the Scheme, each representing RMB1 registered capital of Fosun Health; reference to a share of Fosun Health means the underlying equity interests in respect of RMB1 registered capital of Fosun Health
“Participants”	persons who meet the conditions specified in the Scheme and can participate in the Scheme

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## DEFINITIONS

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“PRC” or “China”	the People’s Republic of China excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan region
“Reporting Period”	the 12-month period ended 31 December 2021
“RMB”	Renminbi, the lawful currency of the PRC
“R&D”	research and development
“Repurchase Mandates”	the A Share Repurchase Mandate and the H Share Repurchase Mandate
“SAFE”	the State Administration of Foreign Exchange of the PRC
“Scheme” or “Share Option Scheme”	the core and key employee share incentive scheme of Fosun Health to be adopted (as amended from time to time in accordance with the provisions thereof) by Fosun Health
“Securities Depository”	China Securities Depository and Clearing Corporation Limited, Shanghai Branch (中國證券登記結算有限責任公司上海分公司)
“Securities Law”	the Securities Laws of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Stock Exchange” or “SSE”	the Shanghai Stock Exchange
“Share(s)”	share(s) of the Company, comprising H Shares and A Shares
“Shareholder(s)” or the “shareholder(s) of Fosun Pharma”	holder(s) of Share(s)

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## DEFINITIONS

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“Sinopharm”	Sinopharm Group Co., Ltd.* (國藥控股股份有限公司), a company whose H shares are listed on the Hong Kong Stock Exchange (stock code: 01099)
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, as amended from time to time
“subsidiary(ies)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the committee of Supervisors
“Takeovers Codes”	the Codes on Takeovers and Mergers and Share Buy-backs
“Third Party Investment in Fosun Health”	the introduction of strategic investors or financial investors into Fosun Health or similar market-based fundraising activities
“US” or “United States”	the United States of America
“US dollars” or “US\$”	the United States dollar, the lawful currency of the United States
“Vesting Date”	the first date from which a Participant is entitled to exercise an Option pursuant to the relevant provision of the Scheme
“Vesting Period”	the period from the Date of Grant of an Option to the Vesting Date of that Option, i.e. the period from the Date of Grant to the date from which the Option may be exercised
“%”	percent

# 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)

*Executive Directors:*

Mr. WU Yifang (Chairman, CEO)  
Mr. WANG Kexin  
Ms. GUAN Xiaohui

*Registered office:*

9th Floor, No. 510 Caoyang Road  
Putuo District  
Shanghai, 200063, China

*Non-executive Directors:*

Mr. CHEN Qiyu  
Mr. YAO Fang  
Mr. XU Xiaoliang  
Mr. PAN Donghui

*Headquarter:*

Building A, No. 1289 Yishan Road  
Shanghai, 200233, China

*Independent Non-executive Directors:*

Ms. LI Ling  
Mr. TANG Guliang  
Mr. WANG Quandi  
Mr. YU Tze Shan Hailson

*Principal Place of Business  
in Hong Kong:*

Level 54  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

28 April 2022

*To the Shareholders*

Dear Sir or Madam,

**ANNUAL REPORT 2021  
BOARD REPORT 2021  
SUPERVISORY COMMITTEE REPORT 2021  
FINAL ACCOUNTS REPORT 2021  
PROFIT DISTRIBUTION PROPOSAL 2021  
RE-APPOINTMENT OF AUDITORS  
ESTIMATES OF ONGOING RELATED PARTY TRANSACTIONS FOR 2022  
APPRAISAL RESULTS  
APPRAISAL PROGRAM  
ENTRUSTED LOAN/BORROWING QUOTA  
TOTAL CREDIT APPLICATIONS  
AUTHORISATION TO DISPOSE OF LISTED SECURITIES  
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CORPORATE BONDS  
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PROPOSED ADOPTION OF THE SHARE OPTION SCHEME OF FOSUN HEALTH  
RENEWED AND ADDITIONAL GUARANTEE QUOTA  
GRANT OF GENERAL MANDATE TO ISSUE A SHARES AND/OR H SHARES  
GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES  
GRANT OF GENERAL MANDATE TO REPURCHASE A SHARES  
RE-ELECTION OF THE BOARD OF DIRECTORS  
RE-ELECTION OF THE SUPERVISORY COMMITTEE  
AND  
NOTICE OF AGM  
NOTICE OF H SHAREHOLDERS CLASS MEETING**

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## LETTER FROM THE BOARD

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### I. INTRODUCTION

The purpose of this circular is to give you notices of the AGM and H Shareholders Class Meeting and to provide you with information regarding certain ordinary resolutions and/or special resolutions to be proposed at the aforementioned meetings relating to the following matters to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the meeting:

At the AGM, resolutions will be proposed to approve, among others:

- (1) the annual report of the Group for the year 2021 (the “**Annual Report 2021**”);
- (2) the work report of the Board for the year 2021 (the “**Board Report 2021**”);
- (3) the work report of the Supervisory Committee for the year 2021 (the “**Supervisory Committee Report 2021**”);
- (4) the final accounts report of the Group for the year 2021 (the “**Final Accounts Report 2021**”);
- (5) the profit distribution proposal of the Company for the year 2021 (the “**Profit Distribution Proposal 2021**”);
- (6) the re-appointment of Ernst & Young Hua Ming LLP as the PRC financial report and internal control report auditors of the Company for the year 2022 and re-appointment of Ernst & Young as international financial report auditor of the Company for the year 2022 and the approval of remuneration packages for the PRC and international auditors for the year 2021 (the “**Re-appointment of Auditors**”);
- (7) the estimates of ongoing related party transactions of the Group for 2022 (the “**Estimates of Ongoing Related Party Transactions for 2022**”);
- (8) the appraisal results and remunerations of Directors for 2021 (the “**Appraisal Results**”);
- (9) the appraisal program of Directors for 2022 (the “**Appraisal Program**”);
- (10) the renewed and additional entrusted loan/borrowing quota of the Group (the “**Entrusted Loan/Borrowing Quota**”);
- (11) the additional credit applications of the Company (the “**Total Credit Applications**”);
- (12) the authorisation of the management to dispose of the shares of the listed companies held by the Group (the “**Authorisation to Dispose of Listed Securities**”);
- (13) the compliance with conditions for the proposed issuance of corporate bonds of the Company (the “**Compliance with Conditions for the Proposed Issuance of Corporate Bonds**”);

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## LETTER FROM THE BOARD

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- (14) the proposed issuance of corporate bonds (the “**Proposed Issuance of Corporate Bonds**”);
- (15) the authorization to the Board (or its authorized representatives) to handle affairs related to public issuance of corporate bonds at its sole discretion, (the “**Authorization of Corporate Bonds**”);
- (16) the proposed adoption of the Share Option Scheme of Fosun Health (the “**Proposed Adoption of Fosun Health Share Option Scheme**”), and to authorize the Board of the Company, the board of directors of Fosun Health and their respective authorized persons to execute such documents and take such action as they deem appropriate to implement and give effect to the Share Option Scheme;
- (17) the authorisation to the renewed and additional guarantee quota of the Group (the “**Renewed and Additional Guarantee Quota**”);
- (18) the proposed grant of the general mandate to the Board to issue A Shares and/or H Shares (the “**Grant of General Mandate to Issue A Shares and/or H Shares**”);
- (19) the proposed grant of the general mandate to repurchase H Shares (the “**Grant of General Mandate to Repurchase H Shares**”);
- (20) the proposed grant of the general mandate to repurchase A Shares (the “**Grant of General Mandate to Repurchase A Shares**”);
- (21) the re-election of the executive Directors and non-executive Directors of the ninth session of the Board;
- (22) the re-election of the independent non-executive Directors of the ninth session of the Board (together with (21) and (22), the “**Re-election of the Board of Directors**”); and
- (23) the re-election of the Supervisors of the ninth session of the Supervisory Committee (the “**Re-election of the Supervisory Committee**”).

## II. DETAILS OF THE RESOLUTIONS

### (1) Annual Report 2021

An ordinary resolution will be proposed at the AGM to pass the Annual Report 2021. The Annual Report 2021 (for H Shares) is published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

### (2) Board Report 2021

An ordinary resolution will be proposed at the AGM to pass the Board Report 2021. The full text of the Board Report 2021 to be passed is set out in Appendix I to this circular.

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## LETTER FROM THE BOARD

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### **(3) Supervisory Committee Report 2021**

An ordinary resolution will be proposed at the AGM to pass the Supervisory Committee Report 2021. The full text of the Supervisory Committee Report 2021 to be passed is set out in Appendix II to this circular.

### **(4) Final Accounts Report 2021**

An ordinary resolution will be proposed at the AGM to pass the Final Accounts Report 2021. The full text of the Final Accounts Report 2021 to be passed is set out in Appendix III to this circular.

### **(5) Profit Distribution Proposal 2021**

An ordinary resolution will be proposed at the AGM to pass the Profit Distribution Proposal 2021. The Profit Distribution Proposal 2021 to be passed is set out as follows:

Pursuant to the Articles and other relevant rules, the Board has proposed the payment of a final dividend of RMB5.6 per Share (before tax) to all Shareholder based on undistributed profit for every 10 Shares.

Dividends will be distributed to A Shareholders and H Shareholders in RMB and HK\$, respectively. The actual amount of dividend for H Shares shall be calculated in HK\$ based on the average benchmark exchange rate between RMB and HK\$ published by the People's Bank of China for the five (5) business days immediately before the date of the AGM.

It is also proposed to the AGM that the Board or its authorized representatives be authorized to implement the aforesaid Profit Distribution Proposal 2021. The Company will give further notice on the record date and book closure dates for the purpose of determining the entitlement of Shareholders to the aforesaid final dividend for H Shares.

### **(6) Re-appointment of Auditors**

An ordinary resolution will be proposed at the AGM to pass the Re-appointment of Auditors, and the remuneration packages for the PRC and international auditors for the year 2021, which is set out as follows:

As at the end of 2021, Ernst & Young Hua Ming LLP had been providing the Company with domestic annual report auditing services for 14 years and internal control annual audit for 9 years, while Ernst & Young had been providing the Company with international annual report auditing services for 10 years. Based on the auditing services in the previous years, the Company intends to re-appoint Ernst & Young Hua Ming LLP as the PRC financial report and internal control auditors of the Company for the year 2022, and to re-appoint Ernst & Young as the international financial report auditors of the Company for the year 2022.

## LETTER FROM THE BOARD

It is proposed to the AGM to approve the remuneration to be paid to Ernst & Young Hua Ming LLP for providing the PRC financial report and internal control auditing services for the Company amounting to RMB2.80 million and RMB0.75 million, respectively, and the remuneration to be paid to Ernst & Young for providing international financial report auditing services for the Company amounting to RMB1.21 million, for the year 2021.

It is also proposed to the AGM that the Board or its authorized representatives be authorized to implement the aforesaid remuneration packages for auditors.

### (7) Estimates of Ongoing Related Transactions for 2022

An ordinary resolution will be proposed at the AGM to consider and approve the estimates of the ongoing related party transactions of the Group for 2022 (the “**Ongoing Related Party Transactions**”). The estimates of the Ongoing Related Party Transactions are submitted to the AGM for consideration for the sole purpose of complying with the relevant requirements of the SSE Listing Rules. The details of the resolution in relation to the Estimates of Ongoing Related Party Transactions are as follows:

#### A. Estimates of Ongoing Related Party Transactions

Based on the related party transactions of the Group carried out in the recent years as well as the future development needs, the estimates for the Ongoing Related Party Transactions (except estimated annual caps of the ongoing related party transactions with Sinopharm and Fosun Finance, which have been approved at the relevant general meeting) are shown as below:

			<i>Unit: RMB</i>	
Type of Transaction	Related Party	Details of transaction	Amount incurred for 2021	Estimated amount for 2022
Procurement of raw materials or goods from related party	Saladax Biomedical, Inc.	Diagnostic products, etc.	12,040,735	20,000,000
	Anhui Shanhe Pharmaceutic Adjuvant Company Limited* <i>(Note 1)</i>	Pharmaceutical products, adjuvants, etc.	1,555,193	10,000,000
	Fosun International <sup><i>(Note 1)</i></sup>	Customized products, daily necessities, food and beverages, cultural and creative products, etc.	19,917,788	200,000,000
	<b>Subtotal</b>	<b>/</b>	<b>33,513,716</b>	<b>230,000,000</b>

## LETTER FROM THE BOARD

Type of Transaction	Related Party	Details of transaction	Amount incurred for 2021	Estimated amount for 2022
Sales of raw materials or goods to related party	Fosun International <sup>(Note 1)(Note 2)</sup>	Pharmaceutical products, diagnostic products, medical devices, etc.	7,090,520	150,000,000
	Jingfukang Pharmaceutical Co., Ltd.* <sup>(Note 1)</sup>	Pharmaceutical products, etc.	2,189,597	5,000,000
	Shanghai Fosun Foundation* <sup>(Note 2)</sup>	Pharmaceutical products, diagnostic products, medical devices, etc.	8,912,240	50,000,000
	Shanghai LinkedCare Information Technology Co., Ltd.*	Medical devices, etc.	17,130,538	25,000,000
	<b>Subtotal</b>	<b>/</b>	<b>35,322,895</b>	<b>230,000,000</b>
Provision of services to related party	Fosun International <sup>(Note 1)(Note 4)</sup>	Provision of services	221,885	50,000,000
	Fosun Kite Biotechnology Co., Ltd.*		4,607,000	40,000,000
	Intuitive Surgical-Fosun Medical Technology (Shanghai) Co., Ltd.*, Intuitive Fosun (HK) Co., Ltd.*		60,075	5,000,000
	<b>Subtotal</b>	<b>/</b>	<b>4,888,960</b>	<b>95,000,000</b>
Receipt of services from related party	Fosun International <sup>(Note 1)(Note 5)</sup>	Receipt of services	19,063,219	200,000,000
	Fosun United Health Insurance Co., Ltd.*		2,955,149	20,000,000
	Shanghai Xingchen Children's Hospital Co., Ltd.*		0	5,000,000
	Tong De Equity Interests Investment Management (Shanghai) Co., Ltd.*		2,213,699	12,500,000
	Intuitive Surgical-Fosun Medical Technology (Shanghai) Co., Ltd.*, Intuitive Fosun (HK) Co., Ltd.*		10,601,496	20,000,000
	<b>Subtotal</b>	<b>/</b>	<b>34,833,563</b>	<b>257,500,000</b>
Property leasing and receipt of property management	Fosun International <sup>(Note 1)</sup>	Property leasing and receipt of property management services	27,381,209	80,000,000
	Shanghai Fosun Property Estate Co., Ltd.*		7,570,700	10,000,000
	<b>Subtotal</b>	<b>/</b>	<b>34,951,909</b>	<b>90,000,000</b>

## LETTER FROM THE BOARD

Type of Transaction	Related Party	Details of transaction	Amount incurred for 2021	Estimated amount for 2022
Property leasing and provision of property management services	Fosun International <sup>(Note 1)</sup>	Property leasing and provision of property management services	2,905,544	60,000,000
	Fosun Kite Biotechnology Co., Ltd.*		10,135,063	15,000,000
	Tong De Equity Interests Investment Management (Shanghai) Co., Ltd.*		941,959	2,000,000
	Intuitive Surgical-Fosun Medical Technology (Shanghai) Co., Ltd.*		263,991	1,000,000
	<b>Subtotal</b>	<b>/</b>	<b>14,246,557</b>	<b>78,000,000</b>
Donation through related party	Shanghai Fosun Foundation* <sup>(Note 3)</sup>	Cash, pharmaceutical products, diagnostic products, medical devices, etc.	23,605,302	60,000,000
	<b>Subtotal</b>	<b>/</b>	<b>23,605,302</b>	<b>60,000,000</b>
	<b>Total</b>	<b>/</b>	<b>181,362,902</b>	<b>1,040,500,000</b>

*Note 1:* Refers to “it and/or its subsidiaries”.

*Note 2:* As relevant subsidiaries of the Company were qualified for the operation and import and export of medical devices, diagnostic reagents and medicines, the Group provided supply in relation to relevant epidemic prevention materials (including but not limited to pharmaceutical products, diagnostic products, medical devices etc.).

*Note 3:* The Group made donations to social charity projects through the Shanghai Fosun Foundation.

*Note 4:* The Group provided medical, diagnosis, health check-ups and health risk assessments as well as other medical assessment services, consultation services in relation to the supply of epidemic prevention materials, import and export agency and relevant services, professional consultations, etc.

*Note 5:* Fosun International<sup>(Note 1)</sup> provided services such as conference affairs, IT, business travel, training, logistics, warehousing, insurance brokerage, business development, professional consultations, etc.

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## LETTER FROM THE BOARD

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### **B. Profile of Related Parties and Relationships Under the Estimates of Ongoing Related Party Transactions**

1. *Saladax Biomedical, Inc.* (“**Saladax**”)

Place of incorporation : the United States

Relationship : As one of the directors of Saladax is senior management of the Company in the previous 12 months, Saladax is a related party of the Company according to the SSE Listing Rules.

2. *Anhui Shanhe Pharmaceutical Adjuvant Company Limited\** (安徽山河藥用輔料股份有限公司) (“**Shanhe Pharmaceutical Adjuvant**”)

Place of registration : Anhui, the PRC

Legal representative : Yin Zhenglong

Registered capital : RMB180,467,070

Type of registration : Other company limited by shares (listed)

Scope of business : Production of pharmaceutical adjuvants, pharmaceutical intermediaries, production and sales of fine chemical products (excluding hazardous chemicals and controlled chemicals), operation of its own products and their import and export as well as sales of domestic and foreign adjuvants and their import and export as an agent (except goods and technologies restricted or prohibited from import and export by the State), and production of food additives (within the scope permitted by the production license). [For those subject to license control under the law, approvals shall be obtained from the relevant authorities before commencement of such operation].

Relationship : As one of the directors of Shanhe Pharmaceutical Adjuvant is senior management of the Company in the previous 12 months, Shanhe Pharmaceutical Adjuvant is a related party of the Company according to the SSE Listing Rules.

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## LETTER FROM THE BOARD

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3. *Fosun International*

Place of incorporation : Hong Kong, the PRC

Chairman : Guo Guangchang

Main business : Positioning itself as a global innovation-driven household consumer Group, Fosun International has been making full efforts in the construction of the four major businesses, namely health, happiness, wealth and intelligent manufacturing, and to provide high quality products and services to global families.

Relationship : As both Fosun International and the Company are controlled by Mr. Guo Guangchang, Fosun International is a related party of the Company according to the SSE Listing Rules.

4. *Fosun Kite Biotechnology Co., Ltd.\* (復星凱特生物科技有限公司) (“**Fosun Kite**”)*

Place of registration : China (Shanghai) Pilot Free Trade Zone

Legal representative : Huang Hai

Registered capital : US\$164 million

Type of registration : Limited liability company (Sino-foreign joint venture)

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## LETTER FROM THE BOARD

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Scope of business : Technology development, technology transfer, technology consultation, technology service and transfer of technology results; pharmaceutical production; chemical products (excluding the hazardous chemicals, controlled chemicals, fireworks and crackers, civil explosives, precursor chemicals), instrument and apparatus, the import and export of machineries and equipment, the wholesale and commission agency (except auction), investment consultation (except finance and securities) in the fields of bio- technology and medical technology (excluding diagnosis and treatment, psychological consultation, human stem cell, the technology development and application of gene diagnosis and therapy). [For items which require license according to the law, their operation shall only commence after receiving approval from relevant authorities].

Relationship : As some of the directors of Fosun Kite are also senior management of the Company, Fosun Kite is a related party of the Company according to the SSE Listing Rules.

5. *Fosun United Health Insurance Co., Ltd.* (復星聯合健康保險股份有限公司)  
(“**United Health Insurance**”)

Place of registration : Guangdong, the PRC

Legal representative : Zeng Mingguang

Registered capital : RMB500 million

Type of registration : Other company limited by shares (non-listed)

Scope of business : Health insurance; accident insurance; reinsurance; short-term health insurance; insurance business (specific business items are subject to the Insurance Company Legal Person License\* 《保險公司法人許可證》 issued by the Insurance Regulatory Commission\* (保險監督管理委員會)).

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## LETTER FROM THE BOARD

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Relationship : As one of the directors of United Health Insurance is director of the Company, United Health Insurance is a related party of the Company according to the SSE Listing Rules.

6. *Jingfukang Pharmaceutical Co., Ltd.\** (頸復康藥業集團有限公司)  
(“*Jingfukang*”)

Place of registration : Hebei, the PRC

Legal representative : Li Shenming

Registered capital : RMB120 million

Type of registration : Other limited liability company

Scope of business : Production and sales of granules, hard capsule, tablets, mixtures, oral solution, tincture, syrup, soft capsule, pills (water pill, water- honeyed pill, honey pill and condensed pill), rubber paste, pharmaceutical adjuvant, class I medical device, food and health food products; operation of the export of its own products and relevant technologies; operating the import of raw and collateral materials and mechanic equipment necessary for its own production and research; operating the processing of incoming materials and “three- plus-one” business; transfer of drug research results and new product and technological achievement and technical consulting; technical service; planting and sale of Chinese medicine (excluding varieties restricted by the State); import and sales of daily necessities; the following items are limited to branch institutions that have obtained business qualifications: eupolyphaga breeding and sales; production and sales of APIs and Chinese medicine extracts; general cargo road transport (excluding flammable and explosive hazardous chemicals) [For items which require license according to the law, their operation shall only commence after receiving approval from relevant authorities].

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## LETTER FROM THE BOARD

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Relationship : As one of the directors of Jingfukang is senior management of the Company, Jingfukang is a related party of the Company according to the SSE Listing Rules.

7. *Shanghai Fosun Foundation\** (上海復星公益基金會) (“**Fosun Foundation**”)

Place of registration : Shanghai, the PRC

Chairman : Li Haifeng

Scope of business : Relief for natural disasters, poverty alleviation, disability support, cultural and education public welfare undertakings, youth entrepreneurship and other social undertakings.

Relationship : As some of the directors of Fosun Foundation are directors of the Company, Fosun Foundation is a related party of the Company according to the SSE Listing Rules.

8. *Shanghai Fosun Bund Property Co., Ltd.\** (上海復星外灘置業有限公司) (“**Fosun Property**”)

Place of registration : Shanghai, the PRC

Chairman : Chen Jianhao

Registered capital : RMB7,000 million

Type of registration : Limited liability company (a sole proprietorship of a legal person invested or controlled by a non-natural person)

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## LETTER FROM THE BOARD

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Scope of business : Scope of business: Engaged in the development, construction and operation of real estate projects in the Land Parcel 8-1 of the Bund Finance Center in Huangpu District, property management, rental of self-owned property, parking lot (garage) operation and management, fitness services, sales of general merchandise, edible agricultural products, arts and crafts, furniture, household items, household appliances, toys, maternal and infant products, children products, pet products, apparel, clothing and accessories, shoes and hats, luggage and bags, leather products, textiles, clocks and watches, glasses, gold and silver jewelry, jewelry, cosmetics, personal care products, computers, mobile phones, communication equipment, electronic products, sports and fitness products, bicycles, office supplies, decorative materials, renovation materials, auto parts, hardware and electrical equipment, photographic equipment, kitchen utensils, sanitary wares, flowers and seedlings, and medical devices, tobacco retailing (must be licensed to commence operations), alcoholic products (excluding bulk wine), catering business management, beauty salons, foot bath, e-commerce (prohibited from engaging value-added telecommunication and financial business), brand management, conference services, convention services, exhibition and display services, ticket agency, design, production, agency and publishing of advertisements, business information consultation, marketing planning, publication management, high-risk sports, and sales of food [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

Relationship : As one of the directors of Fosun Property is a previous director of the Company who retired in the previous 12 months, Fosun Property is a related party of the Company according to the SSE Listing Rules.

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## LETTER FROM THE BOARD

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9. *Shanghai LinkedCare Information Technology Co., Ltd.\** (上海領健信息技術有限公司) (“*LinkedCare Information*”)

Place of registration : China (Shanghai) Pilot Free Trade Zone

Legal representative : Wu Zhijia

Registered capital : RMB24,069,627

Type of registration : Limited liability company (Hong Kong, Macao and Taiwan investment, non-sole proprietorship)

Scope of business : Licensed items: class III medical device operation; publication wholesale [For items which required license according to the law, their operation shall only commence after receiving approval from relevant authorities. Specific operation items shall be subject to approvals or licenses from relevant authorities]. General items: technology development, technology consulting, technology transfer and technology services in the fields of information technology, computer technology, pharmaceutical technology, biotechnology and health technology (excluding technology development and application of human stem cell, gene diagnosis and therapy); sale of computer hardware and software and accessories; e-commerce (it is forbidden to be engaged in financial services); sales of instrumentation, electronic products, rubber products, cosmetics, general merchandise, sterilizers, hygiene products, office supplies, craft gifts (except for ivory and its products); exhibition and show services, conference services; corporate business management consulting, business information consulting, and health consulting; marketing planning; information consulting services (excluding licensed information consulting services); design, production, agency, and release of advertisements (non-radio, television, newspaper publishing units); and imports and exports of goods and technologies [Except for items that are subject to approval in accordance with the law, operation activities are permitted with a business licenses in compliance with the law].

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## LETTER FROM THE BOARD

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Relationship : As one of the directors of LinkedCare Information is a retired senior management of the Company in the previous 12 months, LinkedCare Information is a related party of the Company according to the SSE Listing Rules.

10. *Shanghai Xingchen Children's Hospital Co., Ltd.\** (上海星晨兒童醫院有限公司) (“*Shanghai Xingchen*”)

Place of registration : Shanghai, the PRC

Legal representative : Zhang Binyun

Registered capital : RMB299.8 million

Type of registration : Limited liability company (invested or held by a natural person)

Scope of business : Hospital preparation, investment management, asset management, marketing planning, investment consulting, corporate management consulting, financial consulting (excluding brokerage), business information consulting (consulting projects except brokers) and property services [For items which required license according to the law, their operation shall only commence after receiving approval from relevant authorities].

Relationship : As some of the directors of Shanghai Xingchen are director and senior management of the Company, Shanghai Xingchen is a related party of the Company according to the SSE Listing Rules.

11. *Tong De Equity Interests Investment Management (Shanghai) Co., Ltd.\** (通德股權投資管理(上海)有限公司) (“*Tongde Equity Interests*”)

Place of registration : China (Shanghai) Pilot Free Trade Zone

Legal representative : Xiao Zhenyu

Registered capital : US\$2 million

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## LETTER FROM THE BOARD

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Type of registration : Limited liability company (foreign corporate owned)

Scope of business : Entrusted to manage the investment for equity investment enterprises and provide them with related services, equity investment advisory. [For items which require license according to the law, their operation shall only commence after receiving approval from relevant authorities].

Relationship : As one of the directors of Tongde Equity Interests is a director of the Company, Tongde Equity Interests is a related party of the Company according to the SSE Listing Rules.

12. *Intuitive Surgical-Fosun Medical Technology (Shanghai) Co., Ltd.\** (直觀復星醫療器械技術(上海)有限公司) (“***Intuitive Fosun Shanghai***”)

Place of registration : Shanghai, the PRC

Legal representative : DAVID JOSEPH ROSA

Registered capital : US\$100 million

Type of registration : Limited liability company (Sino-foreign joint venture)

Scope of business : R&D of class I, class II, and class III medical apparatus and instruments and related components and parts, production of medical robot systems and supporting consumables, transfer of their own R&D results; and wholesale, import and export, and commission agency (except auction) of class I, class II, and class III medical apparatus and instruments and related components and parts as well as related ancillary after-sales and technical services [For items which require license according to the law, its operation shall only commence after receiving approval from relevant authorities].

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## LETTER FROM THE BOARD

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Relationship : As one of the directors of Intuitive Fosun Shanghai is a senior management of the Company, Intuitive Fosun Shanghai is a related party of the Company according to the SSE Listing Rules.

13. *Intuitive Fosun (HK) Co., Ltd\** (直觀復星(香港)有限公司) (“***Intuitive Fosun HK***”)

Place of registration : Hong Kong

Chairman : DAVID JOSEPH ROSA

Scope of business : Sales of medical devices

Relationship : As one of the directors of Intuitive Fosun (HK) is a senior management of the Company, Intuitive Fosun HK is a related party of the Company according to the SSE Listing Rules.

### ***C. Basis for the Pricing of Related Party Transactions***

The Ongoing Related Party Transactions are conducted between the Group and the related parties in the principles of voluntariness, equality, reciprocity and fairness. The Group's transactions with the related parties are basically in line with the same type of transactions conducted with non-related parties in terms of transaction methods and pricing basis. Based on prevailing market price and with reference to, among other things (i) the type, nature, quantity and territory of the relevant products/services/property leasing, and (ii) quotations from independent third-party suppliers, the market price of the similar products, etc., the price is determined after arm's-length negotiations between the parties and on normal commercial terms without prejudice to the interests of the non-related shareholders.

The management of the Group will conduct regular reviews and random inspections to verify whether the price of the Ongoing Related Party Transactions is in compliance with the above pricing principles.

### ***D. Determination of Annual Caps***

The subject products and services of the Ongoing Related Party Transactions that may be supplied by the Group fall within the ordinary and usual course of business of the Group, and the subject products and services of the Ongoing Related Party Transactions that may be acquired by the Group are what the Group may require from time to time in the ordinary course of its normal business operations. Therefore, the Ongoing Related Party Transactions provides the Group with more alternatives.

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## LETTER FROM THE BOARD

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The Group has upstream and downstream relationships with related parties engaged in the R&D, production, and distribution of medicine/diagnostics/medical devices, and daily business transactions are unavoidable. The annual caps for the Ongoing Related Party Transactions have taken into account the estimated growth due to new acquisitions/estimated acquisitions by both parties in 2022 as well as the business development.

In addition, annual caps for the related party transactions with Fosun International and its subsidiaries have also considered:

1. Since the relevant subsidiaries of the Company have the qualifications for the operation and import and export of medical devices, diagnostic reagents, and pharmaceuticals, the Group provides Fosun International and/or its subsidiaries with supply in relation to epidemic prevention materials (including but not limited to the supply of medicine, diagnostic products, medical devices, etc., the same below), as well as medical services, diagnosis testing services, medical examination and health risk assessment services, and other services of consultation, import and export agency and related services in relation to the supplied materials for epidemic prevention. Meanwhile, Fosun International and/or its subsidiaries provide the Group with non-medical materials for epidemic prevention, logistics, warehousing and other services. Considering the relatively improved domestic epidemic situation in 2021 and the significantly rising demands for epidemic prevention materials and related services since 2022 caused by the recurring domestic epidemic, accordingly, the estimated amount of products and services of the related party transactions with Fosun International and/or its subsidiaries in 2022 is expected to increase to a certain extent compared with the amount incurred in 2021.
2. The size and location of certain premises of Fosun International and/or its subsidiaries are appropriate and feasible for conducting the Group's business operations, and the size and location of certain premises of the Group meet the business needs of Fosun International and its subsidiaries and will provide stable income to the Group.

### **E. Purpose of Related Party Transactions and the Impacts on the Group**

1. *Necessity and continuity of the transactions*
  - (a) The Group's business scope includes pharmaceutical manufacturing and R&D, medical devices and medical diagnosis, medical services, etc. The Group forms industry upstream-downstream relationships with related party companies engaged in pharmaceutical/diagnostic/medical device R&D, production and distribution businesses. Therefore, it is inevitable that procurement, sales and service provision are conducted in the ordinary course of business of the Group.

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## LETTER FROM THE BOARD

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- (b) Rented and leased buildings are primarily used as the daily business premises of the Group and its related party companies.

2. *Fairness of the transactions*

The pricing of the Ongoing Related Party Transactions is determined based on prevailing market price and therefore, the pricing is fair and reasonable, without prejudice to the interests of the Company and its shareholders, particularly the minority shareholders, as a result of the Ongoing Related Party Transactions.

3. *Impacts of the transactions on the independence of the Group*

The above Ongoing Related Party Transactions arising from the Group's business model are necessary and are continuing. The independence of the Group is not affected.

**F. *Opinion of Independent Non-executive Directors***

The Ongoing Related Party Transactions have been approved by the independent non-executive Directors and reviewed and approved by the 66th meeting (regular meeting) of the eighth session of the Board of the Company. After review, the opinion of the independent non-executive Directors is set out as follows: the Ongoing Related Party Transactions of the Group are necessary for its operation and are in compliance with the provisions of the Company Law, the Securities Law, the SSE Listing Rules, the SSE Related Party Transaction Guideline and the Hong Kong Listing Rules and relevant laws and regulations. The basis for the pricing of the transactions is fair, reasonable and in line with normal commercial terms. Board voting procedures for the related matters are legal and without prejudice to the interests of the Company and its shareholders, particularly the minority shareholders.

**G. *Annual Review by the Board***

The Company discloses in the annual report that the Board (including independent non-executive Directors) reviews the ongoing related party transactions incurred every year and confirms that the transactions are in accordance with the relevant agreements governing such transactions, and the basis for the pricing of the transactions is fair, reasonable and in line with normal commercial terms, and in the interests of the Shareholders of the Company as a whole.

**(8) Appraisal Results**

An ordinary resolution will be proposed at the AGM to pass the Appraisal Results. The full text of the Appraisal Results to be passed is set out in Appendix IV to this circular.

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## LETTER FROM THE BOARD

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### **(9) Appraisal Program**

An ordinary resolution will be proposed at the AGM to pass the Appraisal Program. The Appraisal Program to be passed is set out as follows:

In 2022, the appraisal of executive Directors (save for those who are also senior management of the Company) is mainly based on the 5-year strategic plan and the work focus in 2022, and the details of the appraisal are determined based on indexes such as finance, business, mechanism and talented person.

In 2022, the remuneration of the abovementioned executive Directors consists of monthly salaries and annual performance assessment bonus. The remuneration should be determined primarily based on the economic benefits received by the Company and by reference to other factors including the responsibilities and actual performance of the Directors and the remuneration standards of the industry.

### **(10) Entrusted Loan/Borrowing Quota**

An ordinary resolution will be proposed at the AGM to pass the Entrusted Loan/Borrowing Quota. The full text of the Entrusted Loan/Borrowing Quota to be passed is set out in Appendix V to this circular.

### **(11) Total Credit Applications**

An ordinary resolution will be proposed at the AGM to pass the Total Credit Applications. The full text of the Total Credit Applications to be passed is set out in Appendix VI to this circular.

### **(12) Authorisation to Dispose of Listed Securities**

An ordinary resolution will be proposed at the AGM to pass the Authorisation to Dispose of Listed Securities. Details of the resolution to be passed with respect to the Authorisation to Dispose of Listed Securities are set out as follows:

In order to better support the development of the principal businesses of the Group, it is proposed to the AGM to authorise the management to dispose of the shares of domestic and overseas listed companies held by the Group, as and when appropriate based on the conditions of the securities market. At the same time, it is proposed to the AGM to authorise the management to determine the detailed disposal plan (including but not limited to the subject matter, sale price, amount and method of the disposal), the total transaction amount of the disposal of the foregoing assets shall not exceed 15% (inclusive) of the Group's latest audited net assets attributable to the parent company's shareholders. Proceeds from the disposal shall be used for replenishment of working capital of the Group.

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## LETTER FROM THE BOARD

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This Authorisation to Dispose of Listed Securities shall be effective from the date of passing of this resolution at the AGM to the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the date on which the mandate granted under this resolution is revoked or varied by passing of a resolution at any general meeting of the Company.

As at the Latest Practicable Date, there is no transaction or proposed transaction in respect of listed securities held by the Group under the Authorisation to Dispose of Listed Securities that proposed to the Shareholders at the AGM. The Company will comply with, among others, the reporting, announcement and shareholders' approval requirements under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules, as and when applicable, in relation to the disposal of listed securities held by the Group.

### **(13) Compliance with Conditions for the Proposed Issuance of Corporate Bonds**

An ordinary resolution will be proposed at the AGM. Details of the resolution in relation to compliance with conditions for the Proposed Issuance of Corporate Bonds are set out as follows:

Pursuant to requirements under the Company Law, the Securities Law, the Administrative Measures for the Issuance and Trading of Corporate Bonds (《公司債券發行與交易管理辦》) and other laws, regulations and regulatory documents, and after self-examination and review, the Board is of the view that the Company is in compliance with prevailing policies and regulations in respect of issuance of corporate bonds, and fulfills all conditions for the public issuance of corporate bonds to qualified investors under the Administrative Measures for the Issuance and Trading of Corporate Bonds.

### **(14) Proposed Issuance of Corporate Bonds**

An ordinary resolution will be proposed at the AGM to pass and propose the issuance of corporate bonds. Full text of the Proposed Issuance of Corporate Bonds to be passed is set out in Appendix VII to this circular.

### **(15) Authorization of Corporate Bonds**

An ordinary resolution will be proposed at the AGM to pass and authorize the Board (or its authorized representatives) to handle all affairs in relation to the proposed issuance of corporate bonds at its sole discretion based on the principle of safeguarding the interests of the Company and in accordance with the laws and regulations and the ideas and suggestions of supervision organizations. Full text of the Authorization of Corporate Bonds to be passed is set out in Appendix VIII to this circular.

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## LETTER FROM THE BOARD

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### (16) The Proposed Adoption of the Fosun Health Share Option Scheme

The Scheme was approved by the board of directors of Fosun Health and the Company in April 2022. Adoption of the Scheme will be subject to the approvals of the Shareholders, the shareholders of Fosun International and the shareholders of Fosun Health.

With the adoption of the Scheme, Fosun Health will be able to establish a mechanism designed to strengthen the alignment of interests between its shareholders and operators, and such mechanism, if effectively implemented, may enable the Fosun Health Group to attract and retain core talent with significant influence on and contribution to its business growth, stimulate employees' passion for entrepreneurship and support its long-term development.

Fosun Health is a company incorporated in 2010 with its headquarters based in Shanghai, PRC, and it is principally engaged in technology development, technology consultancy, technology services and technology transfer in the field of health technology; investments in the medical and healthcare industry and its related fields (including the pharmaceutical and healthcare industry and pharmaceutical and educational industry); and performance of hospital management as entrusted by medical and healthcare institutions and provision of hospital management consultancy (except for brokerage). As at the date of this circular, the Company and Ningbo Liding directly hold 92% and 8% equity interests in Fosun Health, respectively.

As at the Latest Practicable Date, other than the equity incentive plan in relation to the existing shares of Fosun Health for its directors and core management as adopted by Fosun Health on 11 February 2022 (which is disclosed in the announcement of the Company dated 11 February 2022), there were no other share option schemes or equity incentive plans implemented by Fosun Health.

The underlying shares in respect of the Options under the Scheme will be shares of Fosun Health, not Shares of the Company. Shares of Fosun Health are not listed.

For the purposes of the effective implementation of and the orderly administration of the Scheme and option grants thereunder, Fosun Health plans to centrally manage the Option Shares under the Scheme through the share-holding platforms and related mechanism as set forth in the Scheme. As contemplated in the Scheme, subject to compliance with applicable laws, regulations, the Listing Rules and other regulatory requirements, Fosun Health plans to establish by itself or through its controlling shareholder Fosun Pharma (or its subsidiaries) (i) a limited partnership or other entity or other arrangements (the “**Direct Share-holding Entity**”) and issue to such Direct Share-holding Entity new registered capital of no more than RMB380,435,000 nor more than 10% of Fosun Health's registered capital as at the Adoption Date, and such registered capital is to be applied as Option Shares under the Scheme; and (ii) one or more limited partnerships or other entities or arrangements as the share-holding platform through which a Participant will indirectly hold the relevant Option Shares via the Direct Share-holding Entity upon exercise of his or her Option.

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## LETTER FROM THE BOARD

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A summary of the principal terms of the Scheme is set out in Appendix IX to this circular. A copy of the Scheme will be published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.fosunpharma.com>) for not less than 14 days before the date of the AGM and a copy of the Scheme is available for inspection at the AGM.

The Scheme complies with the applicable requirements under Chapter 17 of the Listing Rules.

### **(17) Renewed and Additional Guarantee Quota**

A special resolution will be proposed at the AGM to pass the Renewed and Additional Guarantee Quota. The full text of the Renewed and Additional Guarantee Quota to be passed is set out in Appendix X to this circular.

### **(18) Grant of General Mandate to Issue A Shares and/or H Shares**

In order to seize the market opportunities and to ensure the flexibility of issuing new shares, it is proposed to the AGM to approve granting an unconditional general mandate to the Board to exercise the power of the Company to issue, allot and deal with additional A Shares and H Shares subject to the market condition and the needs of the Company, and to make or grant offers, agreements and/or options in respect thereof, provided that the number of the Shares involved shall not exceed 20% of the respective total number of the A Shares and H Shares in issue as at the date of passing this resolution at the general meeting of the Company.

Under the Hong Kong Listing Rules, the proposed Grant of General Mandate to Issue A Shares and/or H Shares is subject to the approval of the Shareholders by special resolution at the AGM.

Further details of the resolution to be passed with respect to the grant of General Mandate to Issue A Shares and/or H Shares are set out in Appendix XI to this circular.

### **(19) Grant of General Mandate to Repurchase H Shares**

The Company Law provides that a joint stock limited company incorporated in the PRC shall not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) merging with another entity holding its shares; (c) utilizing its shares for the employee share ownership scheme or equity incentive scheme; (d) shareholders requiring the company to acquire their shares for the reason of objecting to the resolutions at the general meeting concerning the merger or division of the company; (e) a listed company utilizing its shares for conversion of corporate bonds which are convertible into the shares; or (f) a listed company taking necessary measures to preserve the value of the company and the interests of its shareholders. The Articles of Association provide that, subject to the approval of relevant regulatory authorities and in compliance with the Articles of Association, the Company shall only repurchase its Shares for the abovementioned purposes.

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## LETTER FROM THE BOARD

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In accordance with the Hong Kong Listing Rules, H Shares repurchased under this general mandate can only be cancelled and the registered capital of the Company shall be reduced accordingly.

The Hong Kong Listing Rules permit shareholders of a joint stock limited company incorporated in the PRC to grant a general mandate to its directors to repurchase H shares of such company listed on the Hong Kong Stock Exchange. Such mandate is required to be given by way of special resolution passed by shareholders in general meeting and by shareholders of A Shares and H Shares respectively at the class meetings. As H Shares are traded on the Hong Kong Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approvals of SAFE and other relevant competent authorities are also required.

In order to preserve the value of the Company and the interests of its Shareholders and to afford the Company the flexibility to repurchase H Shares as appropriate, pursuant to the Company Law, the Hong Kong Listing Rules, the Takeovers Code and other laws and regulations and regulatory documents as well as the requirements under the Articles of Association, a special resolution will be proposed at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting in relation to the grant of the general mandate for the Board to exercise the power of the Company to repurchase H Shares. Particulars of the mandate are as follows:

- (i) Subject to sub-paragraph (ii) below, granting of a general mandate to the Board, in compliance with all applicable laws and regulations (as amended from time to time) of the PRC government or securities regulatory authorities, the Hong Kong Stock Exchange or any other government or regulatory authority, to exercise all power of the Company to repurchase H Shares issued by the Company in order to preserve the value of the Company and the interests of its Shareholders on terms that it deems appropriate during the Relevant Period (as defined below).
- (ii) Subject to obtaining the approval for sub-paragraph (i) above, the total number of H Shares repurchased under the H Share Repurchase Mandate during the Relevant Period shall not exceed 10% of the total issued H Shares on the date the resolution is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting.
- (iii) The approval of the above sub-paragraph (i) shall be subject to the satisfaction of the following:
  - (a) the special resolution with the same terms as listed herein is passed at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting;
  - (b) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC.

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## LETTER FROM THE BOARD

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- (iv) Amending the relevant provisions in the Articles of Association based on actual H Share repurchase, cancellation and decrease of the Company's registered capital; notifying the creditors of the Company pursuant to requirements under relevant laws and regulations and the Articles of Association and publishing announcements; convening the bondholders' meeting (if applicable); and registering the changes and/or filing and related matters.
- (v) Other matters in relation to the repurchase of H Shares.

For the purpose of this paragraph (19), the "Relevant Period" refers to the period commencing from the date on which the resolution in relation to the grant of general mandate to repurchase H Shares is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the earlier of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the date on which the mandate granted under this resolution is revoked or varied by passing of a special resolution at a general meeting, the A Shareholders class meeting or the H Shareholders class meeting of the Company.

For the purpose of this paragraph (19), the "Repurchase Period" for repurchases under the H Share Repurchase Mandate during the Relevant Period refers to the specific period during which the Board repurchases H Shares pursuant to the H Share Repurchase Mandate.

An explanatory statement required by the Hong Kong Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandates is set out in Appendix XII to this circular.

### **(20) Grant of General Mandate to Repurchase A Shares**

The Company Law provides that a joint stock limited company incorporated in the PRC shall not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) merging with another entity holding its shares; (c) utilizing its shares for the employee share ownership scheme or equity incentive scheme; (d) shareholders requiring the company to acquire their shares for the reason of objecting to the resolutions at the general meeting concerning the merger or division of the company; (e) a listed company utilizing its shares for conversion of corporate bonds which are convertible into the shares; or (f) a listed company taking necessary measures to preserve the value of the company and the interests of its shareholders. The Articles of Association provide that, subject to the approval of relevant regulatory authorities and in compliance with the Articles of Association, the Company shall only repurchase its Shares for the abovementioned purposes.

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In accordance with the relevant requirements of the Hong Kong Listing Rules, a general mandate can be granted by shareholders of a listed issuer incorporated in the PRC to the directors, enabling them to devise a relevant plan for the repurchase of A Shares, and the relevant A Shares repurchased may be treated as treasury shares in accordance with the relevant PRC law and regulation and the Articles of Association. Such mandate shall be passed by Shareholders at the general meeting, and holders of A Shares and H Shares, respectively, at the relevant class meetings as special resolution.

In order to adapt to market changes and actual needs, and increase the flexibility to repurchase A Shares by way of centralized bidding under specific circumstances, subject to the Company Law, the Measures on Administration of Listed Companies' Repurchase of Shares held by the Public of CSRC, the Detailed Rules for Implementation of the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 7 — Repurchase of Shares (《上市公司自律監管指引第7號—回購股份》), the SSE Listing Rules, the Takeovers Codes and other laws, regulations and regulatory documents as well as the requirements under the Articles of Association, a special resolution will be proposed at the AGM, the A Shareholders Class Meeting and H Shareholders Class Meeting in relation to the grant of the general mandate for the Board to exercise the power of the Company to repurchase A Shares, and for the Board to formulate and implement the A Share repurchase scheme according to such mandate and the Articles of Association. Particulars of the mandate are as follows:

- (i) Subject to sub-paragraphs (ii) and (iii) below, granting of a general mandate to the Board to repurchase A Shares by way of centralized bidding on terms that it deems appropriate during the Relevant Period (as defined below), including but not limited to the Board, subject to relevant laws and regulations (as amended from time to time), formulating, modifying or terminating A Share repurchase scheme and handling all related matters at its own discretion. The Board shall have the right to authorize its authorized persons to handle all related matters according to the A Share repurchase scheme considered and approved by the Board. Such scheme shall be in compliance with all applicable laws and regulations and requirements under the Hong Kong Listing Rules (as amended from time to time), and shall be subject to the consideration and approval at the Board meeting attended by more than two-thirds of the Directors.
- (ii) Subject to the approval under sub-paragraph (i) above, the Company may repurchase A Shares only under any of the following circumstances:
  - (a) the Shares shall be used for the employee share ownership scheme or equity incentive scheme;
  - (b) the Shares shall be used for conversion of corporate bonds which are convertible into shares issued by the Company;

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## LETTER FROM THE BOARD

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- (c) necessary to preserve the value of the Company and the interests of its Shareholders.

of which, sub-paragraph (ii)(c) above shall be subject to the satisfaction of one of the following conditions:

- (A) the closing price of the A Shares of the Company shall be lower than the net asset per share of the latest financial period;
- (B) the cumulative decline in the closing price of the A Shares for 20 consecutive trading days reach 30%;
- (C) other conditions set out by the CSRC.

- (iii) Subject to obtaining the approval for sub-paragraph (i) above, the total number of A Shares repurchased under the A Share Repurchase Mandate during the Relevant Period shall not exceed 10% of the total issued A Shares on the date the resolution is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting.
- (iv) The approval of the above sub-paragraph (i) shall be subject to the satisfaction of the following:
  - (a) the special resolution with the same terms as listed herein is passed at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting;
  - (b) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC.
- (v) The A Share repurchase scheme formulated by the Board under the general mandate to repurchase A Shares under sub-paragraph (i) above shall include, among others, the Repurchase Period (as defined below), the purpose, method, range of price, amount, capital source and repurchase amount.
- (vi) Determining the implementation or termination of A Share repurchase scheme (if any) with consideration of the Company's actual operations, the performance of stock price and other factors.
- (vii) Setting up the securities account for repurchase or other relevant securities accounts upon the completion of relevant procedures.
- (viii) Handling the cancellation of A Shares not transferred during the period stipulated by relevant laws and regulations (as amended from time to time) under the repurchase scheme according to the implementation of A Share repurchase scheme formulated according to the A Share Repurchase Mandate in sub-paragraph (i)

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above, including amending relevant provisions in the Articles of Association, notifying the creditors of the Company pursuant to requirements under relevant laws and regulations and the Articles of Association and publishing announcements; convening the bondholders' meeting (if applicable); and registering the changes and/or filing and related matters.

- (ix) Other matters in relation to the repurchase of A Shares, except the power to be exercised by the shareholders at the general meeting as specified by laws, regulations and regulatory documents.

For the purpose of this paragraph (20), the "Relevant Period" refers to the period commencing from the date on which the resolution in relation to the grant of A Share Repurchase Mandate is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the earlier of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the date on which the mandate granted under the resolution in relation to A share repurchase is revoked or varied by passing of a special resolution at a general meeting, the A Shareholders class meeting or the H Shareholders class meeting of the Company.

For the purpose of this paragraph (20), the "Repurchase Period" refers to the specific period during which the Board repurchases A Shares under the A share repurchase scheme formulated pursuant to the A Share Repurchase Mandate.

An explanatory statement required by the Hong Kong Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandates is set out in Appendix XII to this circular.

### **(21) Re-election of the Board of Directors**

The term of office of the eighth session of the Board of the Company will expire on June 2022 (or until the conclusion of the forthcoming AGM where members of the new session of the Board are re-elected), the Board recommended that the Board of ninth session shall be composed of eleven Directors including three executive Directors, four non-executive Directors and four independent non-executive Directors.

The Board proposed (a) the re-election of Mr. Wu Yifang, Mr. Wang Kexin and Ms. Guan Xiaohui as executive Directors of the ninth session of the Board; (b) the re-election of Mr. Chen Qiyu, Mr. Yao Fang, Mr. Xu Xiaoliang and Mr. Pan Donghui as non-executive Directors of the ninth session of the Board; and (c) the re-election of Ms. Li Ling, Mr. Tang Guliang, Mr. Wang Quandi and Mr. Yu Tze Shan Hailson as independent non-executive Directors of the ninth session of the Board.

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## LETTER FROM THE BOARD

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Pursuant to the Articles of Association, the Company Law and the relevant and applicable laws and regulations, the term of office of the Directors shall be three years (except for independent non-executive Directors who have served for six years and are due for retirement) commencing from the date of the forthcoming AGM. New directors of the Board shall be re-elected at the general meeting, and the appointment shall be passed by votes representing more than one-half (1/2) of the voting rights represented by the Shareholders (including representatives of the Shareholders) present at the general meeting in favour of the appointment.

The Board has adopted nomination policy, setting out the standards and procedures for nomination and appointment of directors, to ensure the members of the Board have the skills, knowledge, experience and diversity that meet the Company's requirements and to ensure the continuity of the Board and maintain its leadership, for the nomination of candidates for directorship of the Company by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations.

In identifying suitable candidates for independent non-executive Directors, the Nomination Committee shall consider candidates on merit against objective criteria and with due regard to the benefits of the diversity of the Board. Selection of candidates and the assessment of his/her suitability shall be based on a number of factors, including but not limited to the following: (i) reputation for integrity; (ii) experience in the relevant industry and/or business strategy, management, legal and financial aspects; (iii) whether be able to assist the Board in effective performance of its responsibilities; (iv) perspectives, skills and experience that the individual can contribute to the Board; (v) diversity in a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service; (vi) long-term objectives of the Group; and (vii) the independence of such candidate with reference to, among other things, the requirements as set out in Rule 3.13 of the Hong Kong Listing Rules. The ultimate decision shall be based on merit and contribution that the selected candidates shall bring to the Board.

The Nomination Committee had assessed and reviewed the written confirmation of independence of each of Ms. Li Ling, Mr. Tang Guliang, Mr. Wang Quandi and Mr. Yu Tze Shan Hailson based on the independence criteria as set out in Rule 3.13 of the Hong Kong Listing Rules and is satisfied that each of them is independent in accordance with Rule 3.13 of the Hong Kong Listing Rules.

The Nomination Committee also considers that each of Ms. Li Ling, Mr. Tang Guliang, Mr. Wang Quandi and Mr. Yu Tze Shan Hailson can contribute to the diversity of the Board, in particular, with their diversified education background as well as experience in holding directorship in various other listed companies in Hong Kong and Shanghai.

The biographical details of the re-elected Director candidates as at the Latest Practicable Date are set out in Appendix XIII to this circular.

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## LETTER FROM THE BOARD

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### **(22) Re-election of the Supervisory Committee**

The term of office of the eighth session of the Supervisory Committee of the Company will expire on June 2022 (or until the conclusion of the forthcoming AGM where members of the new session of the Supervisory Committee are re-elected). The Supervisory Committee proposed the re-election of Mr. Cao Genxing and Mr. Guan Yimin as Supervisors of the ninth session of the Supervisory Committee, and proposed the resolutions of re-election to the shareholders for their consideration and approval at the AGM.

Pursuant to the Articles of Association, the Company Law and the relevant and applicable laws and regulations, the term of office of the Supervisors shall be three years commencing from the date of the forthcoming AGM. New supervisors of the Supervisory Committee (except for employee supervisors) shall be re-elected at the general meeting, and the appointment shall be passed by votes representing more than one-half (1/2) of the voting rights represented by the Shareholders (including representatives of the Shareholders) present at the general meeting in favour of the appointment.

The ninth session of the Supervisory Committee will consist of two Supervisors elected at the general meeting of the Company and one employee supervisor to be re-elected at the employee representative meeting of the Company.

As of the Latest Practicable Date, biographical details of the relevant Supervisors are set out in Appendix XIV of this circular.

### **III. AGM AND H SHAREHOLDERS CLASS MEETING**

The AGM and the H Shareholders Class Meeting will be held at Hilton Shanghai Hongqiao, No. 1116 Hong Song East Road, Shanghai, the PRC at 1:00 p.m. on Wednesday, 1 June 2022. Notices convening the AGM and the H Shareholders Class Meeting are respectively set out on pages AGM-1 to HCM-5 of this circular, and the forms of proxy for the AGM and the H Shareholders Class Meeting are enclosed therewith and also published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.fosunpharma.com>).

### **IV. CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlement of H Shareholders to attend and vote at the aforesaid AGM and H Shareholders Class Meeting, the register of members of the Company for H Shares will be closed from Friday, 27 May 2022 to Wednesday, 1 June 2022, both days inclusive. In order to qualify for attending and voting at the AGM, unregistered H Shareholders should ensure that all transfer documents for H Shares together with the relevant share certificates should be

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## LETTER FROM THE BOARD

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lodged for registration with the Company's Hong Kong share registrar for H Shares, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 26 May 2022.

### V. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all resolutions put forward at the AGM and the H Shareholders Class Meeting will be voted on by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Poll results will be announced by the Company in accordance with Rule 13.39(5) of the Hong Kong Listing Rules after the AGM and H Shareholders Class Meeting.

### VI. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### VII. RECOMMENDATIONS

The Board (including the independent non-executive Directors) considers that all resolutions set out in the notices of AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the resolutions proposed at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting.

### VIII. ADDITIONAL INFORMATION

Your attention is drawn to other sections of and the appendices to this circular.

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

\* *for identification purposes only*

Principal work of the Board for the year ended 31 December 2021<sup>(Note)</sup> is set out as follows:

## I. OVERALL OPERATIONS OF THE GROUP FOR THE REPORTING PERIOD

In 2021, with the intensified efforts in the reform of medical and healthcare system in the PRC, and the successive introduction of policies including the Marketing Authorization Holder system for pharmaceutical products and medical devices, national centralized procurement and price negotiation of pharmaceutical products, clinical guidelines for anti-tumor drugs based on clinical value, and the reform of payment methods in terms of diagnosis-related groups/diagnosis intervention packets (DRG/DIP), the overall pharmaceutical manufacturing industry entered a transition period along with significant adjustments in the industry structure, which placed further downward pressure on generic drugs. The research and development and launch of innovative drugs enjoyed a period of rapid development while the competition for innovation and research and development has been increasingly fierce. Medical devices and medical diagnosis benefited from innovative policies and domestic substitutes with opportunities instead of challenges. Due to the global pandemic outbreak, there was a strong demand for certain medical devices and medical consumables, which resulted in a significant increase in exports. By virtue of the stable pandemic situation in the PRC, the healthcare service market has been gradually recovering. In 2021, the government further emphasized the “Internet + Healthcare” model, and encouraged medical institutions to apply new technologies such as the Internet to build a new healthcare service industry offering integrating online and offline with comprehensive scenarios.

During the Reporting Period, the Group continued to adhere to its business philosophy of “Innovation for Good Health”, actively promoted innovation and transformation, fully accelerated international layout, enhanced integration of research and development, supply chain, production and commercialization systems, and promoted the improvement in corporate operations in terms of quality and efficiency, thereby achieving steady development in business performance.

During the Reporting Period, the revenue of the Group amounted to RMB39,005 million, representing a year-on-year increase of 28.70%. Net profit attributable to shareholders of the listed company amounted to RMB4,735 million, representing a year-on-year increase of 29.28%. Net profit (after extraordinary gain or loss) attributable to shareholders of the listed company amounted to RMB3,277 million, representing a year-on-year increase of 20.60%. Net cash flow from operating activities amounted to RMB3,949 million, representing a year-on-year increase of 53.07%.

*Note: The disclosure of financial information of the Board Report for 2021 is based on the Chinese Accounting Standards for Business Enterprises.*

## **II. THE DETAILS OF DAILY WORK CARRIED BY THE BOARD DURING THE REPORTING PERIOD**

In 2021, the eighth session of the Board and its committees carried out the work diligently, lawfully and efficiently in accordance with the Articles of Association, the Board Rules of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. and relevant provisions of implementation rules of each Board committee of the Company:

### **(I) Earnestly fulfilling the duties of the Board and ensuring the Board's operation in compliance with the laws and regulations**

During the Reporting Period, the Board actively fulfilled the responsibilities of Directors in strict compliance with the relevant laws and regulations including the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies issued by CSRC, the listing rules of the stock exchanges where the Company's shares were listed, as well as its internal rules and management systems such as the Articles of Association. The Board focused on aspects including the Group's development strategies, operation, foreign investment, related party/connected transactions, internal control, capital planning and capital operation, corporate governance and information disclosure of the Company, to ensure the steady development of the Group, and to further refine the corporate governance structure. During the Reporting Period, the eighth session of the Board held 28 meetings. The convening and approving procedures of the previous meetings were in compliance with the relevant laws, regulations, rules and the Articles of Association.

### **(II) Giving full play to the advantage of the expertise and functions of the Board committees**

During the Reporting Period, the Board committees under the eighth session of the Board fully took advantage of the expertise of independent non-executive Directors and proactively provided recommendations for decision-making to the Board so as to further improve the decision-making efficiency of the Board. Details of the work carried out by such committees are as follows:

1. During the Reporting Period, the strategic committee of the eighth session held 1 meeting, during which it reviewed the Group's medium-and long-term strategic plans for 2021–2031.
2. During the Reporting Period, the audit committee of the eighth session of the Board held 16 meetings, during which they reviewed the periodic reports, audit plan, implementation of internal control and material and daily related party/connected transactions; provided the Group with recommendations for improving the internal control system.

3. During the Reporting Period, the nomination committee of the eighth session of the Board held 5 meetings, during which they discussed and reviewed the selection, employment and adjustment of the candidates for director and senior management and other matters.
4. During the Reporting Period, the remuneration and appraisal committee of the eighth session of the Board held 2 meetings, during which it reviewed the matters in relation to the share incentive scheme, appraisal results and remuneration plan for the Directors/senior management of the Company and the implementation of last year.
5. During the Reporting Period, the ESG Committee of the eighth session of the Board held 3 meetings, during which reviewed the 2020 ESG report and participated in the formulation of the 2021 ESG key goals and action plans.

### **(III) Convening of general meetings**

During the Reporting Period, the Board also convened 1 annual general meeting, 3 extraordinary general meetings, 1 A Shareholders' class meeting and 1 H Shareholders' class meeting pursuant to the Articles of Association and the Group's actual needs.

## **III. THE CORPORATE GOVERNANCE DURING THE REPORTING PERIOD**

Pursuant to the provisions and requirements of the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies of CSRC, the Corporate Governance Code as contained in Appendix 14 to the Hong Kong Listing Rules and other relevant laws and regulations, the Company continuously improved corporate governance structure and strengthened the internal control of the Group in 2021. Under the Board, there are strategic committee, audit committee, nomination committee, remuneration and appraisal committee, and ESG committee which strengthened the structure and decision-making professionalism of the Board.

During the past year, with the joint efforts of the Board, the management and all our staff, the Group managed to make significant progress in improving operational results and governance structures. In 2022, the Board will continue to operate in a standardized manner and work diligently to fulfill its duties strictly in accordance with provisions and requirements of relevant laws and regulations as well as the Articles of Association and to facilitate the continuous improvement of the competitiveness of the Company, thereby paying back the investors with better operational results.

Principal work of the Supervisory Committee for the year ended 31 December 2021 is set out as follows:

**1. THE DAILY OPERATION OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD IS AS FOLLOWS:**

In 2021, the eighth session of the Supervisory Committee of the Company attended and participated in the discussion of the Board, and held 7 Supervisory Committee's meetings in accordance with the Articles of Association and the Rules of Procedures for the Supervisory Committee's Meeting of the Company, and their details are as follows:

1. On 12 March 2021, the Company convened the first meeting of the eighth session of the Supervisory Committee in 2021 (a special meeting) to review and approve the draft 2021 Restricted A Share Incentive Scheme of the Company (the “**2021 Restricted Share Incentive Scheme**”) and its summary, the implementation management measures on the 2021 Restricted Share Incentive Scheme and the proposal on checking the list of first grant to the 2021 Restricted Share Incentive Scheme.
2. On 29 March 2021, the Company convened the second meeting of the eighth session of the Supervisory Committee in 2021 (a regular meeting) to review and approve the 2020 Annual Report, the Working Report of the Supervisory Committee for 2020, the Special Report of the Placement and Actual Use of the Proceeds in 2020 and the 2020 Internal Control Assessment Report of the Group.
3. On 6 April 2021, the Company convened the third meeting of the eighth session of the Supervisory Committee in 2021 (a special meeting) to review and approve, the resolution on the Plan to adjust the non-public issuance of A shares, the resolution on revising the proposal for the non-public issuance of A shares, the resolution on revising feasibility report on the use of proceeds from the non-public issuance of A shares, the resolution to revise the dilution of immediate return resulting from the non-public issuance of A shares and its remedial measures.
4. On 26 April 2021, the Company convened the fourth meeting of the eighth session of the Supervisory Committee in 2021 (a regular meeting) to review and approve the 2021 First Quarterly Report of the Group.
5. On 17 June 2021, the Company convened the fifth meeting of the eighth session of the Supervisory Committee in 2021 (a special meeting) to review and approve the proposal on the report of the placement on the use of proceeds previously raised.
6. On 23 August 2021, the Company convened the sixth meeting of the eighth session of the Supervisory Committee in 2021 (a regular meeting) to review and approve the 2021 Interim Report of the Group, the 2021 Interim Internal Control Assessment Report and the Interim Special Report of the Placement and Actual Use of the Proceeds in 2021.

7. On 26 October 2021, the Company convened the seventh meeting of the eighth session of the Supervisory Committee in 2021 (a regular meeting) to review and approve the 2021 Third Quarterly Report of the Group.

## **II. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE LAWFUL OPERATION OF THE COMPANY**

The Supervisory Committee is of the view that the operation of the Company has been consistent with the provisions of the Company Law, the Securities Law and the Articles of Association; that the decision-making process of the Company has been in compliance with the laws, and the Company has established a relatively comprehensive internal control system; and it is not aware of any violation of laws, regulations or the Articles of Association of the Directors and senior management in discharging the duties of Company, or any act that is prejudicial to the interests of the Company.

## **III. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE FINANCIAL POSITION OF THE GROUP**

The Supervisory Committee agreed with the audit opinion issued by Ernst & Young Hua Ming LLP and Ernst & Young on the 2021 annual financial report of the Group, and those financial reports have given a true view of the financial position and the operating results of the Group.

## **IV. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE ACQUISITIONS OR DISPOSALS OF ASSETS BY THE GROUP**

The Supervisory Committee is of the view that the Group acquired and disposed of assets at reasonable prices, and it is not aware of any insider dealing or any act that is prejudicial to the interests of Shareholders or resulting in any loss of assets of the Group.

## **V. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON RELATED PARTY/CONNECTED TRANSACTIONS OF THE GROUP**

The Supervisory Committee is of the view that the related party/connected transactions of the Group were fair and were not prejudicial to the interests of the Group.

## **VI. THE REVIEW OF THE INTERNAL CONTROL ASSESSMENT REPORT BY THE SUPERVISORY COMMITTEE**

The Supervisory Committee has reviewed the 2021 Internal Control Assessment Report of the Group, and considers that the Group has established an appropriate internal control system in all material respects and the internal control system has operated efficiently, ensuring the implementation of the internal control measures and the normal conduct of production and operation.

## I. CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

During the Reporting Period, the revenue of the Group amounted to RMB39.005 billion, representing a year-on-year increase of 28.70%. Revenue from the pharmaceutical manufacturing segment amounted to RMB28.904 billion, representing a year-on-year increase of 32.10%. Revenue from medical devices and medical diagnosis amounted to RMB5.938 billion, representing a year-on-year increase of 13.82%. Revenue from the healthcare service segment amounted to RMB4.118 billion, representing a year-on-year increase of 29.82%.

Major accounting data and financial indicators of the Group for 2021 were as follows:

Unit: Yuan Currency: RMB

Major accounting data	2021	2020	Year on year increase/ decrease (%)
Revenue <sup>(Note 1)</sup>	39,005,086,602.41	30,306,981,264.17	28.70
Total profit	6,053,838,409.84	4,677,844,351.41	29.42
Net profit attributable to shareholders of the listed company	4,735,269,690.83	3,662,812,937.98	29.28
Net profit attributable to shareholders of the listed company, after deducting extraordinary gains and losses	3,277,296,375.56	2,717,507,998.68	20.60
Net cash flow from operating activities <sup>(Note 2)</sup>	3,948,747,009.13	2,579,774,349.87	53.07
	As at the end of 2021	As at the end of 2020	Year on year increase/ decrease (%)
Total assets	93,293,790,957.96	83,686,009,701.58	11.48
Owners' equity attributable to shareholders of the listed company	39,191,949,140.14	36,995,533,131.22	5.94

*Note 1:* The increase in revenue as compared with the corresponding period last year was mainly due to the revenue contribution from new products and sub-new products, including but not limited to Comirnaty (mRNA vaccine for coronavirus), Han Li Kang (Rituximab injection solution), Han Qu You (Trastuzumab injection solution) and Su Ke Xin (Avatrombopag Maleate tablets), as well as the contribution from revenue growth of overseas subsidiaries Gland Pharma and Sisram Medical Ltd.

*Note 2:* The increase in net cash flow from operating activities as compared with the corresponding period last year was mainly due to (1) the cash flow contribution from the growth of revenue and recurring income; (2) the impact of the timing difference in settlement of Comirnaty (mRNA vaccine for coronavirus) during the Reporting Period.

<b>Major financial indicators</b>	<b>2021</b>	<b>2020</b>	<b>Year on year increase/ decrease (%)</b>
Basic earnings per share (Yuan/share)	1.85	1.43	29.37
Diluted earnings per share (Yuan/share)	1.85	1.43	29.37
Basic earnings per share, after deducting extraordinary gains and losses (Yuan/share)	1.28	1.06	20.75
Return on weighted average net assets (%)	12.39	10.84	Increase by 1.55 percentage point
Return on weighted average net assets, after deducting extraordinary gains and losses (%)	8.58	8.04	Increase by 0.54 percentage point
Net cash flow per share from operating activities (Yuan/share) <sup>(Note 3)</sup>	1.54	1.01	52.48

	<b>As at the end of 2021</b>	<b>As at the end of 2020</b>	<b>Year on year increase/ decrease (%)</b>
Net asset per share attributable to shareholders of the listed company (Yuan/share) <sup>(Note 3)</sup>	15.29	14.44	5.89

*Note 3:* Calculated by weighted average number of shares.

## II. HONG KONG FINANCIAL REPORTING STANDARD

The Company, being a company listed in both the A-share and H-share markets, is required to disclose its annual reports prepared in accordance with the China Accounting Standards for Business Enterprises and the Hong Kong Financial Reporting Standards, respectively. There was no difference in the net profit for 2021 and 2020 stated in the consolidated financial statements as prepared by the Company in accordance with the China Accounting Standards for Business Enterprises and the Hong Kong Financial Reporting Standards. The difference of RMB56,887,027.61 between the net assets as at 31 December 2021 and the net assets as at 31 December 2020 was resulted from the differences in the accounting treatment in the cost of the right of circulation for split shares under the China Accounting Standards for Business Enterprises and the Hong Kong Financial Reporting Standards<sup>(Note 4)</sup>. In addition, the presentation items and method of presentation in the financial statements are different, specifics of which are as follows:

*Unit: Yuan Currency: RMB*

Financial Position	China Accounting Standards for Business Enterprises		Hong Kong Financial Reporting Standards	
	As at the end of 2021	Year-on-year change (%)	As at the end of 2021	Year-on-year change (%)
Total assets	93,293,790,957.96	11.48	93,236,903,930.35	11.49
Total liabilities	44,918,226,506.44	19.14	44,918,226,506.44	19.14
Net assets	48,375,564,451.52	5.20	48,318,677,423.91	5.21
Equity attributable to shareholders of the listed company	39,191,949,140.14	5.94	39,135,062,112.53	5.95
Debt-to-asset ratio (%)	48.15	Increase by 3.10 percentage points	48.18	Increase by 3.10 percentage points
Return on weighted average net assets (%)	12.39	Increase by 1.55 percentage point	12.41	Increase by 1.55 percentage point

*Note 4:* The cost of the right of circulation for split shares referred to above is essentially the consideration offered by owners of non-tradable shares to owners of tradable shares for companies listed in China without compensation in order to obtain the right of circulation. Such consideration is recognized as assets under the China Accounting Standards for Business Enterprises but is directly included in the cost when incurred under the Hong Kong Financial Reporting Standards and therefore a difference is resulted between the financial statements as prepared in accordance with the above standards.

*Unit: Yuan Currency: RMB*

Operating results	China Accounting Standards for Business Enterprises		Hong Kong Financial Reporting Standards	
	2021	Year-on- year change (%)	2021	Year-on- year change (%)
Revenue	39,005,086,602.41	28.70	38,858,084,912.37	28.83
Total profits	6,053,838,409.84	29.42	6,053,838,409.84	29.42
Net profits	4,987,438,072.29	26.59	4,987,438,072.29	26.59
Net profit attributable to shareholders of the listed company	4,735,269,690.83	29.28	4,735,269,690.83	29.28
Net cash flow from operating activities	3,948,747,009.13	53.07	3,948,747,009.13	53.07
Basic earnings per share (Yuan/share)	1.85	29.37	1.85	29.37
Diluted earnings per share (Yuan/share)	1.85	29.37	1.85	29.37

Details of the appraisal results and remuneration of Directors of the Company for 2021 are set out as follows:

## I. BASIC PRINCIPLES GOVERNING THE APPRAISAL AND REMUNERATION OF DIRECTORS

### 1. Basic Principles Governing the Appraisal and Remuneration of Directors:

- (1) Executive Directors concurrently acting as senior management of the Company do not receive remuneration from the Company for their duties as an executive Director. Instead, they receive remuneration from the Company based on their concurrent duties as senior management. The Board will assess and determine their remuneration. Salaries of executive Directors (who are not also senior management of the Company) are determined at the general meeting primarily based on the economic benefits of the enterprise. Moreover, it will be determined according to their job responsibilities and actual performance with reference to a combination of factors, including the level of remuneration paid in external sectors.
- (2) Allowances for independent non-executive Directors are determined by the Shareholders at the general meeting. During the Reporting Period, the amount of allowances standard for independent non-executive Directors was RMB300,000/year (before tax).

## II. REMUNERATION/ALLOWANCES PAID TO DIRECTORS IN 2021

As at 31 December 2021, there were altogether eleven Directors on the Board. In 2021, the total amount of remuneration or allowances received by the Directors was RMB39.4868 million and details are set out as follows:

*Unit: RMB (in ten thousand)*

Name	Position	Remuneration or allowances received from the Group in 2021 (before tax)	Remarks
Wu Yifang <sup>(Note 1)</sup>	Executive Director, Chairman and Chief Executive Officer	1,098.40	
Wang Kexin <sup>(Note 1)</sup>	Executive Director, Co-President	718.79	Wang Kexin's term of office as an executive Director began from 7 December 2021.
Guan Xiaohui <sup>(Note 1)</sup>	Executive Director, Executive President, Chief Financial Officer	488.79	Guan Xiaohui's term of office as an executive Director began from 7 December 2021.
Chen Qiyu <sup>(Note 2)</sup>	Non-executive Director	600.00	
Yao Fang <sup>(Note 2)</sup>	Non-executive Director	922.48	

Name	Position	Remuneration or allowances received from the Group in 2021 (before tax)	Remarks
Xu Xiaoliang	Non-executive Director	0.00	Xu Xiaoliang did not receive remuneration from the Company during the Reporting Period.
Pan Donghui	Non-executive Director	0.00	Pan Donghui did not receive remuneration from the Company during the Reporting Period.
Li Ling	Independent non-executive Director	30.00	
Tang Guliang	Independent non-executive Director	30.00	
Wang Quandi	Independent non-executive Director	14.09	Wang Quandi's term of office began from 11 June 2021.
Yu Tze Shan Hailson	Independent non-executive Director	14.09	Yu Tze Shan Hailson's term of office began from 11 June 2021.
Gong Ping	Non-executive Director	0.00	Gong Ping's term of office ended on 9 November 2021. He did not receive remuneration from the Company during the Reporting Period.
Zhang Houlin	Non-executive Director	0.00	Zhang Houlin's term of office ended on 9 November 2021. He did not receive remuneration from the Company during the Reporting Period.
Jiang Xian	Independent non-executive Director	16.02	Jiang Xian's term of office ended on 11 June 2021.
Wong Tin Yau Kelvin	Independent non-executive Director	16.02	Wong Tin Yau Kelvin's term of office ended on 11 June 2021.
Total		<u>3,948.68</u>	

*Note 1:* Mr. Wu Yifang, Mr. Wang Kexin and Ms. Guan Xiaohui are served as senior management of the Company during the Reporting Period and the remuneration received by them in 2021 refer to, among others, ① fixed monthly salaries in 2021; and ② 2020 performance bonus issued according to the year-end performance appraisal results for 2020 in 2021.

*Note 2:* Mr. Chen Qiyu and Mr. Yao Fang were changed from executive Directors to non-executive Directors from October 2020 and the remuneration received by them in 2021 refer to, among other, ① the 2020 annual appraisal bonus issued in 2021 based on the 2020 appraisal results; and ② the deferred payment of bonuses for investment projects they had participated in during their past tenure as an executive Directors (distribution according to their corresponding performance milestones).

Details of the resolution in relation to the additional entrusted loan/borrowings quota of the Group are set out as follows:

## **I. SUMMARY OF TRANSACTIONS**

Based on the business plan of the Group for 2022 and its funding needs, it is proposed to approve the quota for renewed and additional entrusted loans/borrowings to the Group since the date of passing the resolution at the AGM in an equivalent amount not exceeding RMB8,500 million (including those between the Company and its subsidiaries and those between the subsidiaries (note: subsidiaries include wholly-owned subsidiaries and non-wholly owned subsidiaries) including the subsidiaries with an asset-liability ratio exceeds 70%, similarly hereinafter). The proposal will be submitted to the general meeting to authorize the management to determine the actual borrowing rate within a range of no less than 2% per annum (applicable to RMB) or no less than 1% per annum (applicable to foreign currency) and not less than the financing cost of the lender while the term of the entrusted loans/borrowings is subject to the agreement.

In addition, it is proposed to authorize the management and/or its delegates to determine and make specific adjustments to the entrusted loan/borrowings and to execute relevant legal documents within the approved renewed and additional entrusted loan/borrowings quota referred to above in accordance with the actual business needs.

With regard to the entrusted loans/borrowings within the entrusted loans/borrowings quota subject to renewal and addition, provided that the borrower serves as a non-wholly-owned subsidiary of the Company, and the Group provides the full amount entrusted of loans/borrowings independently, counter guarantee shall be provided by other shareholders of the borrower or the borrower itself.

Such entrusted quota of loans/borrowings subject to renewal and addition shall be effective from the date of passing this resolution at the AGM to the earlier of:

1. the date of the next annual general meeting of the Company;
2. the date on which the mandate granted under this resolution is revoked or varied by resolution at any general meeting of the Company.

## **II. IMPACT OF THE ENTRUSTED LOANS/BORROWINGS ON THE GROUP IN TERMS OF CAPITAL INCOME AND PROFIT, ETC**

All of the entrusted loans/borrowings within the entrusted loans/borrowings quota subject to renewal and addition are made between Fosun Pharma and its subsidiaries and between the subsidiaries, and therefore the aforesaid entrusted loans/borrowings have no impact on the profit of the Group in the consolidated financial statements.

**III. POTENTIAL RISK OF THE ENTRUSTED LOANS/BORROWINGS AND  
COUNTERMEASURES**

All of the entrusted loans/borrowings subject to renewal and addition are made between Fosun Pharma and its subsidiaries and between the subsidiaries, and therefore the risk is relatively controllable.

Details of the aggregate credit applications of the Company are set out as follows:

Based on the needs of the operation, it is proposed to the general meeting to approve the new credit application amount from the Company to banks and other financial institutions since the date of passing the resolution at the AGM in an aggregate amount of up to the equivalent of RMB38,500 million (including new credit and adjustment to the original amount). For specific details of the credit applications, the approval from the banks and other financial institutions will prevail. In addition, it is proposed that the management of the Company and/or its delegates be authorized to determine and adjust specific matters, and to sign relevant legal documents within the approved credit quota referred to above (including such quota) based on the actual operating needs.

The credit applications shall be effective from the date of passing the resolution at the AGM to the earlier of:

1. the date of the next annual general meeting of the Company;
2. the date on which the authorization granted under this resolution is revoked or varied by resolution at any general meeting of the Company.

The expected quota of these credit applications are as follows (subject to the actual grant):

*Unit: RMB (in ten thousand)*

Name of Bank/Financial Institutions	Amount of Credit	Type of Credit	Credit Term (not more than)
Shanghai Branch of Bank of Beijing Co., Ltd.	200,000	Composite Credit	3 years
Shanghai Branch of KBC Bank N.V.	US\$25 million (Equivalent to approximately RMB159.39 million (Note 1))	Composite Credit	3 years
Shanghai Branch of China Development Bank	150,000	Composite Credit	10 years
Shanghai Branch of Citibank (China) Co., Ltd.	US\$130 million (Equivalent to approximately RMB828.84 million (Note 1))	Composite Credit	3 years
OCBC Wing Hang Bank (China) Limited	50,000	Composite Credit	3 years
HSBC Bank (China) Co., Ltd.	70,000	Composite Credit	3 years
Shanghai Jing'an Sub-branch of Bank of Communications Co., Ltd.	60,000	Composite Credit	3 years
Bank of Ningbo Co., Ltd.	180,000	Composite Credit	3 years
Changning Branch of Shanghai Pudong Development Bank	200,000	Composite Credit	3 years
Puxi Sub-branch of Bank of Shanghai Co., Ltd.	150,000	Composite Credit	3 years
Shanghai Branch of Ping An Bank Co., Ltd.	50,000	Composite Credit	3 years
Shanghai Branch of Standard Chartered PLC	70,000	Composite Credit	3 years
Shanghai Branch of China ZheShang Bank Co., Ltd.	30,000	Composite Credit	3 years

Name of Bank/Financial Institutions	Amount of Credit	Type of Credit	Credit Term (not more than)
Shanghai Branch of China Construction Bank Co., Ltd.	100,000	Composite Credit	3 years
Shanghai Branch of China Everbright Bank Co., Ltd.	110,000	Composite Credit	3 years
Shanghai Branch of Industrial and Commercial Bank of China Co., Ltd.	175,000	Composite Credit	3 years
The Export-Import Bank of China	380,000	Composite Credit	10 years
Shanghai Branch of Agricultural Bank of China Co., Ltd.	100,000	Composite Credit	3 years
Shanghai Huangpu Sub-branch of Bank of China Co., Ltd.	75,000	Composite Credit	3 years
Shanghai Pilot Free Trade Zone Branch of Postal Savings Bank of China Co., Ltd.	200,000	Composite Credit	3 years
Shanghai Branch of China Merchants Bank Co., Ltd.	200,000	Composite Credit	3 years
Shanghai Branch of China CITIC Bank Co., Ltd.	140,000	Composite Credit	3 years
Shanghai Rural Commercial Bank Co., Ltd.	40,000	Composite Credit	3 years
MUFG Bank (China), Ltd.	50,000	Composite Credit	3 years
Minsheng Banking Corp., Ltd.	100,000	Composite Credit	3 years
Industrial Bank Co., Ltd.	80,000	Composite Credit	3 years
China Bohai Bank Co., Ltd.	50,000	Composite Credit	3 years
Korea Development Bank	60,000	Composite Credit	3 years
BNP Paribas (China) Limited	80,000	Composite Credit	3 years
DBS Bank (China) Limited	US\$20 million (Equivalent to approximately RMB127.51 million (Note 1))	Composite Credit	3 years
Shang Branch of Sumitomo Mitsui Trust & Banking Co., Ltd.	20,000	Composite Credit	3 years
Natixis	EUR50 million (Equivalent to approximately RMB360.99 million (Note 1))	Composite Credit	3 years
Mizuho Bank (China), Ltd	US\$60 million (Equivalent to approximately RMB382.54 million (Note 1))	Composite Credit	3 years
Shanghai Branch of Bank of Jiangsu Co., Ltd.	20,000	Composite Credit	3 years
The above and other banks or financial institutions	474,073 <sup>(Note 2)</sup>	Composite Credit	10 years

*Note 1:* For statistics purposes, the amount has been converted at the middle price of RMB against USD and EUR published by the People's Bank of China as at 31 December 2021. The actual amount of credit is granted in USD and EUR.

*Note 2:* It refers to application of other amount of credit mandate by banks or financial institutions. For the convenience of presentation, the amount is shown at the quota of RMB38,500 million net of the aforementioned credit calculated at the exchange rate of RMB on 31 December 2021.

In order to further optimize debt structure, broaden financing channel and satisfy funding needs, it is hereby proposed to the general meeting to approve the Company to contemplating an issue of corporate bonds (the “**Corporate Bonds**”), the proposed issue is as follows:

#### **1. SIZE AND METHOD OF THE ISSUANCE**

The size of the Corporate Bonds shall not exceed RMB8.0 billion (inclusive) and shall comply with the relevant regulations on issue of the Corporate Bonds. The Corporate Bonds takes the form of public issuance to qualified investors at one time or in tranches upon approval by the relevant stock exchange and registration with the China Securities Regulatory Commission. The specific size and method of the issuance shall be determined by the Board (or its delegate), which is to be authorized by the general meeting, within the aforesaid range at its absolute discretion in accordance with the requirements under the relevant laws and regulations, advices and recommendations of the regulatory authorities, the funding requirements of the Company and the prevailing market conditions at the time of the Proposed Issuance with a view to safeguarding the interests of the Company.

#### **2. COUPON RATE OR ITS DETERMINATION MECHANISM**

The coupon rate of the Corporate Bonds and its calculation and the coupon payment method shall be determined by the Board (or its authorized representatives), which is to be authorized by the general meeting, and the lead underwriter in accordance with the relevant laws and regulations and the market conditions.

#### **3. MATURITY PERIOD, METHOD OF PRINCIPAL REPAYMENT AND INTEREST PAYMENT, AND OTHER SPECIFIC ARRANGEMENTS**

The maturity period of the Corporate Bonds shall not exceed 7 years (inclusive). The Corporate Bonds may have a single maturity period, or may be hybrid bonds of various maturity periods. The specific maturity periods and the size of each type of bonds of different maturity periods shall be determined by the Board (or its authorized representatives), which is to be authorized by the general meeting, in accordance with the relevant requirements and the prevailing market conditions at the time of the issuance.

#### **4. USE OF PROCEEDS**

The proceeds raised from the Corporate Bonds (excluding the expenses relating to the issuance) are intended to be used for replenishment of the working capital of the Group and repayment of the principal of and interest on interest-bearing debts. The specific purposes shall be determined by the Board (or its authorized representatives), which is to be authorized by the general meeting, taking into consideration the financial position and the funding requirements of the Company.

**5. ISSUANCE TARGET AND THE PLACING ARRANGEMENT FOR SHAREHOLDERS OF THE COMPANY**

The issuance target of the Corporate Bonds will be the qualified investors pursuant to the requirements under the Administrative Measures. The specific persons to whom the Company will issue the Corporate Bonds shall be determined by the Board (or its authorized representatives), which is to be authorized by the general meeting, in accordance with, the relevant laws and regulations, the market conditions and other matters relating to the proposed issuance.

**6. GUARANTEE ARRANGEMENT**

The issuance of the Corporate Bonds does not have any guarantee arrangement.

**7. PROVISIONS ON REDEMPTION OR REPURCHASE**

Provisions on redemption or repurchase of the Corporate Bonds shall be determined by the Board (or its authorized representatives), which is to be authorized by the general meeting, in accordance with the relevant laws and regulations, the conditions of the Company and the circumstances in the relevant bond market.

**8. CREDIT STANDING OF THE COMPANY AND SAFEGUARDS FOR DEBT REPAYMENT**

The Board resolved to put forward a resolution to the general meeting of the Company to authorize the Board (or its authorized representatives) to adopt the following protective measures in the event that the Company anticipates that it will be, or becomes, unable to repay the principal and interests of the Corporate Bonds as and when they fall due in accordance with the relevant laws and regulations and the Articles of Association:

- (1) no distribution of any dividend to the Shareholders;
- (2) suspension of major projects requiring capital expenditures, such as significant external investments and mergers and acquisitions;
- (3) reduction or suspension of the salary and bonus payable to the Directors and senior management;
- (4) no re-designation of the key personnel in charge of the issuance.

**9. UNDERWRITING METHOD**

The unsubscribed portion of the Corporate Bonds shall be underwritten by the underwriter syndicate formed by the lead underwriter.

**10. LISTING ARRANGEMENT**

The Board (or its authorized representatives), which is to be authorized by the Shareholders at the general meeting, shall decide on matters in relation to the listing of the Corporate Bonds upon issuance taking into consideration the circumstances of the Company, the method of issue and the market conditions.

**11. VALIDITY OF THE RESOLUTIONS**

The resolution relating to the Corporate Bonds shall be valid for 24 months from the date of passing of the relevant resolution by the Shareholders at the general meeting. In the event that the Board (or its authorized representatives) has determined to carry out the issuance of the Corporate Bonds within the validity period and the Company has also obtained the approval, permit, filing or registration of the issuance (if applicable) from regulatory authorities during the validity period of such authorization, the Company may complete such issuance or part of the issuance of the Corporate Bonds during the validity period so far as such approval, permit, filing or registration remains valid.

In order to effectively coordinate the specific matters during the course of the public issuance of the Corporate Bonds, to the Board resolved that a resolution will be proposed at the general meeting to authorize the Board (or its delegate) to deal with all matters in relation to the public issuance of the Corporate Bonds at its sole discretion in accordance with the provisions of the relevant laws and regulations, advices and recommendations of the regulatory authorities and the framework and principles approved by the general meeting, with a view to safeguarding the interests of the Company, including but not limited to:

1. to authorize the Board (or its delegate) to formulate and adjust the specific terms in relation to the proposed issuance of the Corporate Bonds, including but not limited to all matters relating to the specific size of issuance, maturity period, coupon rate, issuance arrangements, rating arrangements, specific subscription methods, specific placement arrangements, provisions on redemption or repurchase, use of proceeds, and listing of Corporate Bonds, in accordance with the laws and regulations in the PRC, the relevant requirements of PRC securities regulatory authorities and the resolutions of general meetings of the Company, and based on the specific conditions of the Company and bond market;
2. to authorize the Board and (or its delegate) to determine and engage intermediaries to deal with the filing and issuance matters in relation to the proposed issuance of the Corporate Bonds and proceed with the listing matters and payments of principal and interests with respect to the Corporate Bonds upon completion of the proposed issuance of the Corporate Bonds, including but not limited to the authorization, execution, implementation, amendment and completion of all necessary documents, contracts, agreements and undertakings in connection with the proposed issuance of the Corporate Bonds and listing of Corporate Bonds (including but not limited to the underwriting agreement, bond trustee agreement and other legal documents), and information disclosure in accordance with the relevant laws and regulations and the listing rules of the exchanges where the Company's securities are listed (including but not limited to all announcements and circulars in relation to the issue of Corporate Bonds);
3. to authorize the Board and (or its delegate) to select trustee(s) for the proposed issuance of the Corporate Bonds, sign the bonds trust agreement(s) and formulate rules for meetings of the bondholders;
4. to undertake all filings and listing matters (if applicable) in relation to the proposed issuance of the Corporate Bonds by the Company, including but not limited to, preparation, revision and submission of the issue and listing of the Corporate Bonds and signing of the applications and filing documents and other legal documents;
5. to authorize the Board (or its delegate) to make relevant adjustments to matters relating to the proposed issuance of the Corporate Bonds based on the advice of the regulatory authorities or the changes in policies or market conditions, or to determine whether to continue with all or part of the work in respect of the proposed issuance of the Corporate

Bonds in accordance with the prevailing circumstances (except where the matter concerned would require revoting at the general meeting pursuant to the relevant laws and regulations and the articles of association of the Company);

6. to authorize the Board (or its delegate) to deal with other matters in connection with the proposed issuance of the Corporate Bonds;
7. subject to approval of the above authorization at the general meeting, to authorize the Board to authorize its delegate to determine specific matters in connection with the proposed issuance of the Corporate Bonds and handle all specific matters in connection with the proposed issuance of the Corporate Bonds at their full discretion; and
8. such mandate shall remain effective for 24 months commencing from the date on which the resolution is approved at the general meeting of the Company. If the Board (or its delegate) has determined to carry out the proposed issuance of the Corporate Bonds within the validity period and the Company has also obtained the approval, permit, filing or registration of the issuance (if applicable) from regulatory authorities during the validity period of such authorization, the Company may complete such issuance or part of such issuance of the Corporate Bonds during the validity period so far as such approval, permit, filing or registration remains valid. For matters in relation to completion of the issuance or part of the issuance, the mandate mentioned above shall remain valid until the date of completion of such issuance or part of the issuance.

The delegate of the Board as mentioned above shall be the chairman or vice chairman of the Company. Such delegate shall be able to exercise the above general mandate from the date on which the relevant resolution is approved at the general meeting of the Company.

The following is a summary of the principal terms of the Share Option Scheme of Fosun Health to be adopted at the AGM:

### **1. PURPOSE OF THE SCHEME**

The purpose of the Scheme is to effectively attract and retain core talent with significant influence on and contribution to the Fosun Health Group's business growth, establish a mechanism designed to align interests between its shareholders and operators, stimulate employees' passion for entrepreneurship and support the Fosun Health Group's long-term development.

### **2. ADMINISTRATION**

The shareholders' meeting of Fosun Health is responsible for considering and approving the adoption of the Scheme and has the authority to consider and approve, on its own (or by delegation to the boards of directors of Fosun Health), the implementation, alteration and termination of the Scheme. Except as otherwise expressly provided in the Scheme, the implementation of the Scheme, the grant of options under the Scheme and other related matters in respect of the Scheme are delegated to the board of directors of Fosun Health by the shareholders' meeting of Fosun Health.

The board of directors of Fosun Health is the administrator of the Scheme and, subject to the scope of the authorities as approved by the shareholders' meeting of Fosun Health, is responsible for the formulation, review and approval of option grants under the Scheme and the implementation of the Scheme. The board of directors of Fosun Health shall have the final authority to interpret and construe the provisions of the Scheme. Except as otherwise expressly provided in the Scheme, the decisions of the board of directors of Fosun Health with respect to the Scheme shall be final and binding on all parties.

The Administration Committee is established by and under the board of directors of Fosun Health and it shall be responsible for the concrete implementation and day-to-day administration of the option grants under the Scheme.

### **3. PARTICIPANTS**

The Participants of the Scheme shall comprise the core and key employees of Fosun Health, its subsidiary companies/hospitals and investee companies/hospitals.

Subject to the approval of the board of directors of Fosun Health, the following persons may qualify as the aforesaid core and key employees under the Scheme:

- (a) employees of Fosun Health with ranks ranging from director-level (總監級) to department head;

- (b) the senior management of a subsidiary company/hospital of Fosun Health, or employees of such subsidiary company/hospital, who have been officially recognized by the relevant government authority as national, provincial or municipal-level leaders in respect of any research area or subject, or directors of any high-performing department of such subsidiary company/hospital;
- (c) the chief executive or president of an investee company/hospital of Fosun Health or employees of such investee company/hospital who have been officially recognized by the relevant government authority as national or provincial-level leaders in respect of any research area or subject; and
- (d) any other employee of Fosun Health, its subsidiary companies/hospitals or investee companies/hospitals whom the board of directors of Fosun Health determines has made or may make substantive contribution to the business and growth of the Fosun Health Group.

The list of the Participants of the Scheme shall be approved by the board of directors of Fosun Health from time to time.

#### **4. EFFECTIVE PERIOD**

Unless terminated earlier in accordance with the provisions of the Scheme, the Scheme shall be effective for a period of 10 years from the Adoption Date. After such period, no further Options may be granted by Fosun Health under the Scheme, but the provisions of the Scheme shall remain in full force and effect in all other respects. The provisions of the Scheme shall remain in full force and effect with respect to the outstanding Options that are yet to be exercised at the expiration of the period referred to above in this paragraph.

#### **5. OPTION SHARES, FORM OF OPTION GRANT AND CONDITIONS FOR OPTION GRANT**

The Option Shares under the Scheme are new shares of Fosun Health that will be issued by Fosun Health.

Any such new shares of Fosun Health to be issued under the Scheme, once issued, will rank *pari passu* with, and be identical to, all shares in the share capital of Fosun Health then in issue and the holder thereof shall be entitled to voting, dividend and other distribution, and other rights attached to such shares in accordance with the Company Law and the Articles of Association of Fosun Health.

The Scheme adopts the annual performance-based grant as the form of option grants thereunder, and Options under the Scheme are granted based on the preconditions that the annual performance targets of Fosun Health and the Participant's individual performance appraisal targets shall both have been achieved.

As a precondition for an annual grant of options, Fosun Health shall have achieved the performance targets set by its board of directors for the previous year.

A Participant is eligible for option grant only if such Participant has reached or exceeded the level of “meeting expectations” (GP) in the previous year’s individual performance appraisal or is considered to have met the conditions by the board of directors of Fosun Health.

## 6. OPTION GRANT

The Administration Committee will issue a grant notice (the “**Notice**”) to the relevant Participants pursuant to the option grant as reviewed and approved by the board of directors of Fosun Health. The date of the approval of the option grant by the board of directors of Fosun Health is the Date of Grant of the relevant Options.

The relevant Participants shall sign an option grant agreement (the “**Option Grant Agreement**”) with Fosun Health and such other party as designated by Fosun Health (if any) within the period specified in the Notice. The agreement will set out the terms applicable to the relevant option grant, including (among other things):

- (a) the name of the relevant Participant and his or her main position in Fosun Health, its subsidiary companies/hospitals or investee companies/hospitals;
- (b) the Exercise Price (if known);
- (c) the number of Option Shares in respect of the Option;
- (d) the relevant Option Period; and
- (e) other terms and conditions relating to the option grant, including (i) any Vesting Period; (ii) performance assessment criteria or other vesting conditions; and/or (iii) such other terms as may be applicable generally or on a case-by-case basis as the board of directors of Fosun Health may in its discretion impose, provided that such terms shall not be inconsistent with the provisions of the Scheme, applicable laws or relevant requirements under the Hong Kong Listing Rules.

Upon signing of the Option Grant Agreement by Fosun Health, such other party as designated by Fosun Health (if any) and the relevant Participant, the relevant Options shall be deemed to be accepted by such Participant.

If the relevant Participant does not sign the Option Grant Agreement within the period specified in the Notice (or, if applicable, any such extended period as the Administration Committee shall consent to in its discretion), the relevant option grant will be deemed to be irrevocably declined by such Participant.

The relevant Participant is not required to pay any cash or other consideration to Fosun Health in respect of the option grant.

No Participant shall be entitled to any rights of a shareholder of Fosun Health solely by virtue of the grant of an Option pursuant to the Scheme unless and until relevant Option Shares are received by the Participant pursuant to exercise of such Option. Prior to the relevant Participant directly (or indirectly through the share-holding platform or other share-holding entity arranged or approved by the board of directors of Fosun Health) holding the relevant Option Shares, the Participant shall not have any voting rights, rights to participate in dividends, transfer rights, rights arising in the liquidation of Fosun Health, or other rights in respect of the underlying shares of Fosun Health for the relevant Option.

## 7. NUMBER OF OPTION SHARES AND RELATED PROVISIONS

The total share capital that corresponds to the aggregate number of Option Shares in respect of the Options to be granted under the Scheme shall not exceed RMB380,435,000 of the registered capital of Fosun Health, nor shall it exceed 10% of the total registered capital of Fosun Health as at the Adoption Date. Pursuant to the relevant provisions of the Hong Kong Listing Rules, the total number of shares (or total share capital corresponding thereto) of Fosun Health which may be issued upon exercise of all options granted under the Scheme and any other option schemes of Fosun Health shall not in aggregate exceed 10% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue as at the date of adoption of the Scheme (the “**Scheme Mandate Limit**”). Options that lapse pursuant to the terms of the Scheme or any other option schemes of Fosun Health are disregarded for purposes of calculating the Scheme Mandate Limit.

Subject to the prior approval of the shareholders’ meeting of Fosun Health and, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, the shareholders of Fosun Pharma and/or Fosun International in general meeting (as the case may be), the Scheme Mandate Limit may be refreshed, provided that the total number of shares (or total share capital corresponding thereto) of Fosun Health that may be issued upon exercise of all Options to be granted under the Scheme and Fosun Health’s other option schemes under the limit as refreshed shall not exceed 10% of the total number of shares (or total share capital) of the relevant class of Fosun Health outstanding as of the date of approval of the refreshed limit (the “**Refreshed Limit**”). Options previously granted under the Scheme (including options that are unexercised, cancelled, lapsed or exercised under the Scheme) will not be counted for purposes of calculating the Refreshed Limit. A circular containing the information required by the Hong Kong Listing Rules will be sent to shareholders of both Fosun Pharma and Fosun International, respectively, for the purpose of the above shareholders’ approval.

The number of shares (or share capital corresponding thereto) of Fosun Health that may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other option schemes of Fosun Health shall not exceed 30% of the total number of shares

(or total share capital) of the relevant class that may be issued by Fosun Health from time to time. No option may be granted under any of Fosun Health's option schemes if such grant would result in the issuance of shares in excess of such limit.

The total number of shares (or share capital corresponding thereto) of Fosun Health issued and to be issued upon exercise of the Options granted to each Participant (including exercised, cancelled and outstanding options) in any 12-month period must not exceed 1% of the total number of shares (or total share capital) of the relevant class of Fosun Health outstanding as of the date of the proposed Options. Where any further grant of Options to the Participant would result in the number of shares (or share capital corresponding thereto) of Fosun Health issued and to be issued upon exercise of all options granted and to be granted to the Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total number of shares (or total share capital) of the relevant class in issue, such further grant must be separately approved in advance by the shareholders' meeting of Fosun Health and, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, the shareholders of Fosun Pharma and/or Fosun International in general meeting (as the case may be) with such Participant and his or her close associates (or his or her associates if the Participant is a connected person) abstaining from voting. The circular containing the information required under the Hong Kong Listing Rules will be sent to the shareholders of Fosun Pharma and Fosun International, respectively, for the purpose of the above shareholders' approval.

In addition, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, each grant of Options under the Scheme to a director, chief executive or substantial shareholder of Fosun Pharma or Fosun International or their respective associates (as the case may be) must also be approved by the independent non-executive directors of Fosun Pharma or Fosun International (excluding any independent non-executive director to whom an Option is granted). Where the grant of an Option to a substantial shareholder or an independent non-executive director of Fosun Pharma or Fosun International or any of their associates will result in the shares (or share capital corresponding thereto) of Fosun Health issued and to be issued upon the exercise of all Options already granted or to be granted (including Options exercised, cancelled and outstanding) during the 12-month period ending on the date of grant of the option to such person exceeding, in the aggregate, 0.1% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue (or such other percentage as may be prescribed by the Hong Kong Stock Exchange from time to time), then such proposed further grant of Options shall be subject to the approval of the shareholders of Fosun Health and, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, the approval of the shareholders of Fosun Pharma and/or Fosun International (as the case may be). A circular shall be issued to the shareholders by Fosun Pharma and Fosun International for the purpose of the above shareholders' approval. At such general meetings, the relevant Participant and his or her associates and all core connected persons of Fosun Pharma and Fosun International shall abstain from voting in favour thereof.

**8. EXERCISE PRICE**

The Exercise Price for the inaugural option grant under the Scheme, (which is planned to be made shortly after the adoption of the Scheme) will be determined based on the higher of the net asset value per share (i.e. per RMB1 registered capital) and RMB1 per registered capital unit/share of Fosun Health as at 31 October 2021. As at 31 October 2021, the unaudited consolidated net assets of Fosun Health were RMB3,875 million and its total registered capital was RMB3,804,350,000. Therefore, the net asset value per share (i.e. per RMB1 registered capital) of Fosun Health is approximately RMB1.0 (rounded to 1 decimal place), and accordingly the Exercise Price for the inaugural option grants under the Scheme will be RMB1.0 per Option Share.

Except for the inaugural option grant, the Exercise Price of Options granted will be the higher of 50% of the fair value per share (i.e. per RMB1 registered capital) of Fosun Health (if any) at the time when the option grant is approved by the board of directors of Fosun Health and the net asset value per share (i.e. per RMB1 registered capital) of Fosun Health at the time of the option grant, and such Exercise Price shall not be less than the Exercise Price of Options granted in the inaugural option grant. For purposes of the Scheme, (i) the fair value per share (i.e. RMB1 registered capital) of Fosun Health at the time when the option grant is approved by the board of directors of Fosun Health shall be the purchase price of shares of Fosun Health in connection with the most recent Third Party Investment in Fosun Health and (ii) the net asset value per share (i.e. per RMB1 registered capital) of Fosun Health at the time of the option grant shall be calculated/determined based on the most recent annual financial statements of Fosun Health or its other more recent financial statements (including monthly management accounts), as determined by the board of directors of Fosun Health.

For the avoidance of doubt, with regard to any future option grant subsequent to the inaugural option grant, if at the time when the option grant is approved by the board of directors of Fosun Health, no Third Party Investment in Fosun Health has yet to occur, unless otherwise provided by the resolution of the board of directors of Fosun Health, the Exercise Price for the option grant shall be the then net asset value per share (i.e. per RMB1 registered capital) of Fosun Health.

Notwithstanding the foregoing, after Fosun Health has resolved to seek a Listing or during the period commencing six months prior to its filing of a listing application with the relevant stock exchange and ending on the date of the Listing, no Options may be granted at an exercise price lower than the new issue price (if any) pursuant to the Listing. In such case, the Exercise Price of the Options granted during the relevant period may be adjusted to not less than the new issue price (if any) at the discretion of the board of directors of Fosun Health.

Should Fosun Health consummate a Listing, no further Options will be granted under the Scheme on or after the date of its Listing.

**9. VESTING, EXERCISE OF OPTION, TRANSFER RESTRICTIONS AND  
CANCELLATION OF OPTIONS****Vesting and Exercise of Option**

Options granted under the Scheme are subject to such Vesting Period and vesting arrangements as the board of directors of Fosun Health shall determine.

Except as otherwise approved by the board of directors of Fosun Health, Options granted to a Participant which are due to vest in a given year according to the relevant Vesting Period may vest in that year only if such Participant shall have reached the level of “meeting expectations” (GP) or above in the previous year’s individual performance appraisal; otherwise, Options which are due to vest in that given year shall lapse automatically.

The first Business Day after the expiration of the Vesting Period for the relevant Option held by a Participant who has satisfied the vesting conditions shall be the Vesting Date of such Option. Commencing from that date, the Participant will be entitled to exercise the Option. Options held by a Participant who has not satisfied the vesting conditions will automatically lapse upon the expiration of the relevant Vesting Period, and the Participant shall not exercise such Options.

After its vesting and within the relevant Option Period, an Option may be exercised by the Participant during any Exercise Window Period arranged by Fosun Health.

Within the Option Period, the Participant may make a written request during an Exercise Window Period to exercise the vested and unexercised Option. The written request shall specify the number of underlying shares of Fosun Health in respect of the Option to be exercised pursuant to such request and other information as required by Fosun Health. The Participant shall pay the Exercise Price in respect of such shares in such manner and within such period as stipulated by Fosun Health.

**Transfer Restrictions**

No Option under the Scheme may be, directly or indirectly, sold, transferred, pledged or otherwise disposed of to any person whether during its Vesting Period or after such Option has vested.

Prior to any third party acquiring the entire issued share capital of Fosun Health or the consummation of a Listing (if applicable), except as otherwise provided in the Scheme, no Participant who remains employed by Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals may, in principle, directly or indirectly, sell, transfer, pledge or otherwise dispose of, to any person, the Option Shares that such Participant has acquired pursuant to exercise of Options under the Scheme; provided however that the Participant may hold the shares of Fosun Health acquired pursuant to the exercise of the Options through the

share-holding platform as provided in the Scheme (or other entity arranged or approved by the board of directors of Fosun Health); provided further that, subject to the exceptions set forth in the Scheme or consented to by the board of directors of Fosun Health, (i) such Participant may not sell, transfer, pledge or otherwise dispose of his or her equity or similar interests in such share-holding platform or entity, directly or indirectly, to any person so as to circumvent the foregoing restrictions; and (ii) the foregoing restrictions shall apply equally to the disposition by such share-holding platform or entity of the relevant shares of Fosun Health.

In the event of occurrence of any change in personal circumstances of a relevant Participant as specified in the Scheme (including but not limited to being transferred to another Fosun Group entity, retirement, resignation, dismissal, violation of regulations or disciplines or occurrence of other acts prohibited by Fosun Health implicating such Participant) (the “**Changes in Personal Circumstances**”) (as described in further details in Paragraph 10(iv) of this summary below), the Scheme provides that, with respect to the shares of Fosun Health held by such Participant pursuant to exercise of vested Options, based on the relevant duration of such Participant’s employment with the Fosun Health Group and its investee companies/hospitals, Fosun Pharma shall be entitled to designate a transferee entity to purchase such shares at the prices specified in the Scheme from that Participant. If Fosun Pharma does not exercise such repurchase right, such Participant will continue to hold the shares through the share-holding platform as specified in the Scheme and, subject to the transfer restrictions provided in the Scheme, will divest such shares at relevant fair value per share when a Third Party Investment in Fosun Health occurs and/or sell such shares after Listing (if applicable), as specifically provided for in the Scheme.

### **Option Cancellation**

Any Options granted but not exercised may be cancelled with consent of the relevant Participant and new Options may be granted to such Participant; provided that such new Options fall with the limits set forth in the Scheme (excluding the cancelled Options), and are otherwise granted in accordance with the terms and conditions of the Scheme.

## **10. LAPSE OF OPTION**

An Option granted under the Scheme will automatically lapse (if not exercised by then) upon the earliest of:

- (i) the expiration of the Option Period of such Option;
- (ii) the date of completion of the liquidation or dissolution of Fosun Health;
- (iii) the automatic lapse of the Option upon the expiration of its Vesting Period due to the failure of the relevant Participant to satisfy the vesting conditions; and

(iv) in the event of occurrence of any Change in Personal Circumstances of the relevant Participant, his or her Options will lapse in accordance with the provisions of the Scheme as specified below:

- (a) in the event that the Participant is transferred to another Fosun Group entity not due to his or her personal reasons (excluding changes due to such causes as his or her inability to perform the job, failure to meet the standards in an appraisal, violation of regulations or disciplines, or dereliction of duty, etc.), such Participant officially retires and does not continue to enter into a service contract with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals of Fosun Health, or such Participant's labour relationship with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals is terminated due to death, disability or incapacity, then (x) such Participant's unvested Options shall lapse automatically; and (y) if such Participant has been employed with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals for less than 2 years, his or her Options which have vested and are yet to be exercised shall lapse automatically;
- (b) when the Participant resigns on his or her own initiative, his or her labor contract is not renewed upon expiration, or his or her labor contract with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals is terminated by mutual agreement: (x) such Participant's unvested Options shall lapse automatically; and (y) his or her Options which have vested and are yet to be exercised shall lapse automatically if such Options have vested for less than four years; and
- (c) when the Participant is dismissed by Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals due to his or her failure to meet the standards in appraisal or his or her inability to perform the job, or when there is an occurrence of acts prohibited by Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals (such as violation of regulations or disciplines, dereliction of duty, etc.) that implicates such Participant, his or her Options which are unvested or have vested and are yet to be exercised shall all lapse automatically.

## **11. REORGANIZATION OF CAPITAL STRUCTURE**

In the event of any change in the capital structure of Fosun Health of the following types while any Option remains exercisable: capitalisation of profits or reserves, rights issue, reduction of capital, share consolidation or share sub-division, the board of directors of Fosun Health shall make such adjustments, if any, accordingly as it may in its discretion deem appropriate in respect of:

- (i) the number of shares underlying any Option or any part thereof not currently exercised;
- (ii) the Exercise Price; or

(iii) a change in the manner in which the Options are exercised.

Provided that such adjustment shall be made so that the relevant Participant's proportionate share of the issued share capital of Fosun Health after such adjustment is the same as the proportion to which it was previously entitled and such adjustment shall not result in any share being issued at less than their nominal value (if any) and no such adjustment shall be required where shares are issued as consideration for transactions in which Fosun Health participates. In respect of any such adjustment, unless made in connection with a capitalisation issue, the Financial Adviser or Auditors must confirm in writing to the board of directors of Fosun Health that the adjustment complies with the relevant provisions of the Hong Kong Listing Rules.

No such adjustment shall be made unless the Financial Advisor or Auditor has provided the board of directors of Fosun Health with a written confirmation that, in its opinion, such adjustment is fair and reasonable either generally or as regards any particular Participant. The Financial Adviser or Auditor so appointed shall act as an expert and not as an arbitrator and its written confirmation shall be conclusive and binding on the relevant Participants and Fosun Health. In addition, any such adjustment shall be subject to Chapter 17 of the Hong Kong Listing Rules and any guidance/interpretation issued by the Hong Kong Stock Exchange from time to time.

## 12. SHARE-HOLDING PLATFORM AND MANAGEMENT OF OPTION SHARES

For the purpose of the effective implementation and the orderly administration of the Scheme and option grants thereunder, Fosun Health plans to centrally manage the Option Shares under the Scheme through the relevant share-holding platforms and related mechanism as set forth below.

After the Scheme has been considered and approved for adoption by the shareholders' meeting of Fosun Health and as the Scheme is implemented, subject to compliance with applicable laws, regulations, the Hong Kong Listing Rules and other regulatory requirements, Fosun Health plans to establish by itself or through its controlling shareholder Fosun Pharma (or its subsidiaries) the Direct Share-holding Entity and, at an appropriate time, issue to such Direct Share-holding Entity new registered capital of no more than RMB380,435,000 nor more than 10% of Fosun Health's registered capital as at the Adoption Date, and such registered capital is to be applied as the Option Shares under the Scheme. In addition, subject to compliance with applicable laws, regulations, the Hong Kong Listing Rules and other regulatory requirements, Fosun Health also plans to establish by itself or through its controlling shareholder Fosun Pharma (or its subsidiaries) one or more limited partnerships or other entities or arrangements as the share-holding platform (the "**Share-holding Platform**") through which the Participants will hold the Option Shares under the Scheme. The Share-holding Platform will indirectly hold the relevant Option Shares via the Direct Share-holding Entity and centrally manage the affairs related to the relevant shares of Fosun Health upon and after exercise of the Options granted under the Scheme. The exact structure of the Share-holding Platform shall be determined by the board of directors of Fosun Health.

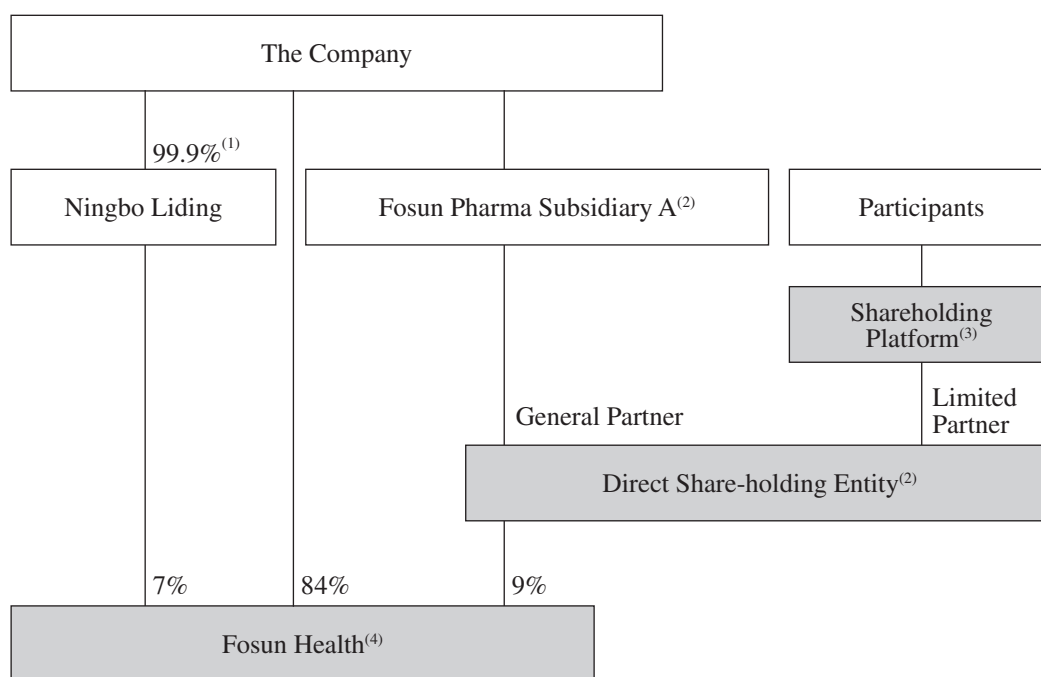
After a Participant has been granted the Options and exercised such Options (including payment of the Exercise Price), such Participant will receive relevant interests in the Share-holding Platform, indirectly hold the relevant Option Shares through the Share-holding Platform and enjoy the rights to distributions in respect of such shares.

Upon exercise of the Options held by a Participant in accordance with the provisions of the Scheme, the Share-holding Platform will record the relevant interests in the Share-holding Platform and the corresponding Option Shares under the name of such Participant and provide the relevant written evidence to such Participant.

Should Fosun Health seek a Listing, then after its Listing and expiration of the relevant share lock-up period, a Participant may sell or transfer, via the Share-holding Platform, the shares of Fosun Health it indirectly holds and receive the relevant proceeds.

The sale or transfer of Fosun Health's shares held by a Participant via the Share-holding Platform shall be in compliance with the laws, regulations, Hong Kong Listing Rules and Fosun Health's regulations and rules regarding share transfers (including lock-up period, etc.).

Below is a diagram of the above shareholding structure and arrangement for Option Shares under the Scheme for illustrative purposes.



Notes:

- (1) The Company indirectly holds 99.9% of partnership equity in Ningbo Liding through a wholly-owned subsidiary Shanghai Fosun Pingyao Investment Management Co., Ltd.\* (上海復星平耀投資管理有限公司) which is the general partner of Ningbo Liding as at the Latest Practicable Date.

- (2) As contemplated under the Scheme, (i) Fosun Health will cause the establishment of a limited partnership as the Direct Share-holding Entity through a subsidiary of Fosun Pharma, i.e. Fosun Pharma Subsidiary A in the above diagram; and (ii) Fosun Health will issue new registered capital of no more than RMB380,435,000 nor more than 10% of Fosun Health's total registered capital as at the Adoption Date to the Direct Share-holding Entity, and upon completion of such issuance and assuming no other issue of registered capital by Fosun Health, the Direct Share-holding Entity will hold approximately 9% of the enlarged registered capital of Fosun Health.
- (3) As contemplated under the Scheme, (i) Fosun Health will further cause the establishment of another entity as the Share-holding Platform when the establishment of such platform is required for the implementation of the Scheme, and the form of the Share-holding Platform will be determined by the board of directors of Fosun Health at that time; (ii) following the exercise of his or her Options, the relevant Participant may indirectly hold the relevant Option Shares via the Share-holding Platform; and (iii) the Share-holding Platform will indirectly hold the relevant Option Shares and centrally manage the affairs related to the Option Shares. Subject to the terms set forth in the Scheme, a Participant may sell or transfer, via the Share-holding Platform, the shares of Fosun Health it indirectly holds and receive the relevant proceeds.
- (4) The diagram is for illustration purposes only. The exact structure of the Share-holding Platform and related arrangements shall be determined by the board of directors of Fosun Health.

### **13. ADJUSTMENT IN IMPLEMENTATION AND ALTERATION OF THE SCHEME**

In the event of any of the following circumstances occurs with respect to Fosun Health, the board of directors of Fosun Health shall determine as to the continuation, amendment or termination of the Scheme, based on the extent of changes in relevant conditions, except where such authority is expressly required to be exercised by the shareholders' meeting of Fosun Health under the provision of the Scheme, any shareholders' resolutions of Fosun Health, the Articles of Association of Fosun Health, applicable laws or the Hong Kong Listing Rules:

- (i) a change of control of Fosun Health;
- (ii) a merger or subdivision occurs with respect to Fosun Health;
- (iii) other significant changes involving or affecting Fosun Health.

Any amendment/alteration to the Scheme made by the board of directors of Fosun Health pursuant to this provision shall be made in compliance with (and subject to) the relevant provisions of the Scheme in respect of the reorganization of capital structure of Fosun Health and the alteration of the Scheme.

Any aspect of the Scheme may be altered by a resolution of the board of directors of Fosun Health, provided that the provisions of the Scheme relating to the matters set out in Rule 17.03 of the Hong Kong Listing Rules (as amended from time to time), shall not be amended in favour of any Participant or potential Participant and no change to the authority of the board of directors of Fosun Health under the Scheme in relation to any alteration of the terms of the Scheme shall be made without the approval of the shareholders of Fosun Health and obtaining the necessary prior

approval (including (for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International) approval from the shareholders of Fosun Pharma and/or Fosun International (as the case may be)) as required under the Hong Kong Listing Rules.

For so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, any alterations to the terms and conditions of the Scheme, which are of a material nature, or any change to the terms of Options granted under the Scheme, shall be subject to the approval by the shareholders of Fosun Pharma and/or Fosun International in general meeting (as the case may be), except where the alterations take effect automatically under the existing terms of the Scheme.

The terms of the Scheme or the Options as altered shall comply with the relevant requirements of Chapter 17 of the Hong Kong Listing Rules.

#### **14. TERMINATION**

Fosun Health by resolution of its shareholders' meeting (or its board of directors pursuant to the provisions of the Scheme) may terminate the operation of the Scheme at any time and, in such event, no further Options may be granted, provided that the provisions of the Scheme shall remain in full force and effect in all other respects. Options granted during the Effective Period of the Scheme shall continue to be valid and exercisable until and unless the Option Period of such Options expires. For so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, to the extent required under the Hong Kong Listing Rules, details of Options granted (including Options exercised and outstanding under the Scheme and Options which become void or unexercisable as a result of termination) will be disclosed in the circular to shareholders of Fosun Pharma and/or Fosun International (as the case may be) seeking approval for the establishment of the first new share option scheme after such termination.

#### **15. GOVERNING LAW**

The Scheme and the Options granted under the Scheme shall be governed by and construed in accordance with the laws of the PRC.

Details of the proposed renewed and additional guarantee quota are set out as follows:

## I. SUMMARY OF THE GUARANTEES

Based on the business plan of the Group for 2022, it is proposed to the general meeting to approve the renewed and additional guarantee quota with an equivalent amount not exceeding RMB31,000 million since the date of passing the resolution at the AGM for the purposes of: (1) the Company providing guarantees for its subsidiaries, the subsidiaries providing guarantees for the Company or providing guarantees among subsidiaries (note: subsidiaries include wholly-owned subsidiaries and non-wholly owned subsidiaries (including subsidiaries whose debt-to-asset ratio exceeds 70%), the same in the following); and (2) the Company or its subsidiaries providing guarantees for their performance obligations with their own assets. The terms of the above guarantees are subject to the agreements:

1. The guarantees provided by the Company to its subsidiaries, the guarantees provided by the subsidiaries or the guarantees provided between the subsidiaries:
  - (1) The total amount of guarantee provided for the guaranteed party with an asset-liability ratio of less than 70% (excluding the principal) shall not exceed the equivalent of RMB24,320 million;
  - (2) The total amount of guarantee provided for the guaranteed party with an asset-liability ratio of more than 70% (including the principal) shall not exceed the equivalent of RMB5,854 million.

If, according to the needs of business development, the above guarantee quota provided by the guaranteed party with an asset-liability ratio of more than 70% (including the principal) still has an unused balance, such quota can be adjusted for providing guarantee to the subsidiaries with an asset-liability ratio of less than 70% (excluding the principal).

The preliminary estimates of such guarantees are as follows (the actual situation shall prevail due a large number of the subsidiaries and may increase or decrease due to mergers and acquisitions):

*Unit: RMB (in ten thousand)*

<b>The guaranteed party (all are the subsidiaries)</b>	<b>Expected renewal and additional guarantee quota</b>	<b>Debt maturity (not exceed)</b>
Fosun Industrial Co., Limited	1,200,000	7 years
Shanghai Fosun Pharmaceutical Industrial Development Company Limited*	700,000	10 years
Shanghai Henlius Biopharmaceuticals Co., Ltd.*	300,000	10 years

The guaranteed party (all are the subsidiaries)	Expected renewal and additional guarantee quota	Debt maturity (not exceed)
Shanghai Fosun Health Technology (Group) Co., Ltd.*	250,000	15 years
Shanghai Henlius Biologics Co., Ltd.*	200,000	10 years
Fosun Pharmaceutical (Xuzhou) Co., Ltd.*	40,000	10 years
Jiangsu Xingnuo Pharmaceutical Technology Co., Ltd.*	40,000	10 years
Fosun Medical Holdings AB	28,000	3 years
Shandong Erye Pharmaceutical Co., Ltd.*	27,000	10 years
Fosun Pharmaceutical AG	26,000	7 years
Chongqing Fochon Pharmaceutical Research Co., Ltd.*	25,000	10 years
Shanghai Chemo Wanbang Biopharma Co., Ltd.*	25,000	10 years
Fosun Beiling (Beijing) Medical Technology Co., Ltd.*	25,000	7 years
Yueyang Guangji Hospital Company Limited*	24,000	15 years
Fosun Antejin (Chengdu) Biomedical Co., Ltd.*	20,000	10 years
Dalian Aleph Biomedical Co., Ltd.*	21,000	10 years
Xuzhou Xingchen Women's and Children's Hospital Co., Ltd.*	20,000	15 years
Suqian Zhongwu Hospital Co., Ltd.*	20,000	15 years
Shanghai Fusheng Pharmaceutical Technology Development Co., Ltd.*	7,000	10 years
Hengenix Biotech, Inc.	6,400	7 years
Fosun Lead (Shanghai) Healthcare Technology Co., Ltd.*	3,000	3 years
Shanghai Jingshan Biotechnology Co., Ltd.*	5,000	3 years
Fosun Orinove Pharma Tech Inc.*	5,000	10 years

With regard to the external guarantee under such guarantee quota proposed to be renewed and increased, provided the guaranteed person serves as the non-wholly-owned subsidiary of the Company, the Group usually undertakes liability of guarantee corresponding to the stock equity/interests held by the Group. The guarantee beyond the ratio of stock equity/interests held by the Group shall be provided with counter guarantee by other shareholders of the guaranteed person or the guaranteed person.

2. Within the renewal and additional guarantee quota approved at the general meeting (i.e. not exceeding the equivalent of RMB31,000 million), in addition to the quota actually used in item 1 above, the company or its subsidiaries may, according to actual business needs, use its own assets to provide guarantee for its own performance obligations.

The renewed and additional guarantee quota shall be effective from the date of passing of this resolution at the AGM to the earlier of:

- (1) the date of the next annual general meeting of the Company;
- (2) the date on which the mandate granted under this resolution is revoked or varied by resolution at any general meeting of the Company.

## **II. GENERAL INFORMATION OF THE GUARANTEED COMPANIES**

### **1. Fosun Industrial Co., Limited (“Fosun Industrial”)**

Fosun Industrial was established in September 2004. Its chairman of the board is Yao Fang. Its scope of business includes foreign investment, sales and advisory services for Chinese and Western medicine, diagnostic reagents, medical equipment products, as well as related export and import business.

As at the Latest Practicable Date (i.e. 20 April 2022, the same as below), the Company holds 100% equity interests in Fosun Industrial.

Based on the management’s accounts (prepared based on the Hong Kong Accounting Standards, on an individual basis and unaudited) of Fosun Industrial, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to US\$2,340.49 million, US\$1,052.85 million and US\$1,287.64 million, respectively, among which total bank loans amounted to US\$833.93 million and total current liabilities amounted to US\$918.96 million; in 2021, Fosun Industrial generated revenue and net profit of US\$683.82 million and US\$315.35 million, respectively.

### **2. Shanghai Fosun Pharmaceutical Industrial Development Company Limited\* (上海復星醫藥產業發展有限公司) (“Fosun Pharmaceutical Industrial”)**

Fosun Pharmaceutical Industrial was established in November 2001. Its legal representative is Wu Yifang. Its scope of business includes the following licensed items: wholesale of pharmaceutical products; import and export of goods; import and export of technologies; entrusted manufacturing of pharmaceutical products. (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities. Specific operation items shall be subject to approvals or licenses from relevant authorities.) Its scope of business also includes the following general items: industrial investment, investment in pharmaceutical industry, technology development, technology consultation, technology transfer and technical services in the field of biotechnology, the R&D of pharmaceutical products, chemical reagents and medical devices, and sales of drug testing instruments, special equipment for pharmaceutical manufacturing, packaging materials and products. (Except for items which are subject to approval according to law, its operation activities are permitted with a business license in compliance with the law).

As at the Latest Practicable Date, Fosun Pharmaceutical Industrial had a registered capital of RMB2,253.3080 million, and the Company holds 100% equity interests in Fosun Pharmaceutical Industrial.

Based on the management's accounts (on an individual basis and unaudited) of Fosun Pharmaceutical Industrial, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB17,086.74 million, RMB5,217.16 million and RMB11,869.58 million, respectively, among which bank loans amounted to RMB1,354.36 million and total current liabilities amounted to RMB6,794.04 million; in 2021, Fosun Pharmaceutical Industrial generated revenue and net profit of RMB758.06 million and RMB684.58 million, respectively.

**3. Shanghai Henlius Biopharmaceuticals Co., Ltd.\* (上海復宏漢霖生物製藥有限公司) (“Henlius Biopharmaceuticals”)**

Henlius Biopharmaceuticals was established in June 2014. Its legal representative is Yan Zihou. Its scope of business includes technology development, technical services, technology transfer and technical consultation in the field of biotechnology (excluding genetically modified organisms and human stem cell genetic diagnosis), sales of chemical reagents (excluding medical diagnostic reagents), instruments and meters, import and export of goods and technologies, and pharmaceutical production [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Henlius Biopharmaceuticals had a registered capital of RMB740 million, and Shanghai Henlius Biotech, Inc., a controlled subsidiary of the Company, holds 100% equity interests in Henlius Biopharmaceuticals.

Based on the management's accounts (on an individual basis and unaudited) of Henlius Biopharmaceuticals, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB2,640.53 million, RMB399.29 million and RMB2,241.24 million, respectively, among which total bank loans amounted to RMB865.42 million and total current liabilities amounted to RMB1,838.1 million; in 2021, Henlius Biopharmaceuticals generated revenue and net profit of RMB1,517.79 million and RMB308.52 million, respectively.

**4. Shanghai Fosun Health Technology (Group) Co., Ltd.\* (上海復星健康科技(集團)有限公司) (“Fosun Health”)**

Fosun Health was established in December 2010. Its legal representative is Yao Fang. Its scope of business includes technology development, technology consultancy, technology services and technology transfer in the field of health technology; investments in the medical and healthcare industry and its related fields including the pharmaceutical and healthcare industry and pharmaceutical and educational industry); and performance of hospital management as entrusted by medical and healthcare institutions and provision of hospital management consultancy (except for brokerage).

As at the Latest Practicable Date, Fosun Health had a registered capital of RMB3,804.35 million, and the Company and its holding company Ningbo Liding Enterprise Management Partnership (Limited Partnership)\* (寧波礪定企業管理合夥企業(有限合夥)) together hold 100% equity interests in Fosun Health.

Based on the management's accounts (on an individual basis and unaudited) of Fosun Health, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB6,048.88 million, RMB3,143.12 million and RMB2,905.76 million, respectively, among which bank loans amounted to RMB324.76 million and total current liabilities amounted to RMB778.06 million; in 2021, Fosun Health generated revenue and net profit of RMB0 and RMB-56.7 million, respectively.

**5. Shanghai Henlius Biologics Co., Ltd.\* (上海復宏漢霖生物醫藥有限公司) (“Henlius Pharmaceutical”)**

Henlius Pharmaceutical was established in December 2017. Its legal representative is Guo Xinjun. Its scope of business includes technology development, technical services, technology transfer and technical consultation in the field of biotechnology, and import and export of goods and technologies [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Henlius Pharmaceutical had a registered capital of RMB1,000 million, and Shanghai Henlius Biotech, Inc., a controlled subsidiary of the Company, holds 100% equity interests in Henlius Pharmaceutical.

Based on the management's accounts (on an individual basis and unaudited) of Henlius Pharmaceutical, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB1,265.1 million, RMB353.04 million and RMB912.06 million, respectively, among which total bank loans amounted to RMB 529.02 million and total current liabilities amounted to RMB 285.27 million; in 2021, Henlius Pharmaceutical generated revenue and net profit of RMB64.94 million and RMB-103.19 million, respectively.

**6. Fosun Pharmaceutical (Xuzhou) Co., Ltd.\* (復星醫藥(徐州)有限公司) (“Xuzhou Fosun Pharma”)**

Xuzhou Fosun Pharma was established in January 2019. Its legal representative is Wu Yifang. Its scope of business includes R&D, production and sales of pharmaceutical products, biochemical products, medical devices, diagnostic reagents and reagents; instruments and meters, electronic products, computers, biotechnology development, technology transfer, technical consultation and technical services; import and export of goods and technologies (except for those prohibited by the State or subject to administrative approval); non-vocational skills training in medical technology for adults (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities).

As at the Latest Practicable Date, Xuzhou Fosun Pharma had a registered capital of RMB300 million, and Fosun Industrial and Fosun Pharmaceutical Industrial, the controlled subsidiaries of the Company, together hold 100% equity interests in Xuzhou Fosun Pharma.

Based on the management's accounts (on an individual basis and unaudited) of Xuzhou Fosun Pharma, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB242.5 million, RMB184.33 million and RMB58.17 million, respectively, among which total bank loans amounted to RMB1.39 million and total current liabilities amounted to RMB56.78 million; in 2021, Xuzhou Fosun Pharma generated revenue and net profit of RMB0.23 million and RMB0.32 million, respectively.

**7. Jiangsu Xingnuo Pharmaceutical Technology Co., Ltd.\* (江蘇星諾醫藥科技有限公司) (“Jiangsu Xingnuo”)**

Jiangsu Xingnuo was established in October 2018. Its legal representative is Li Dongming. Its scope of business includes development, production and sales of chemical drug APIs, and import and export of goods and technologies [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Jiangsu Xingnuo had a registered capital of RMB300 million, and Fosun Pharmaceutical Industrial and Fosun Industrial, the controlled subsidiaries of the Company, together hold 100% equity interests in Jiangsu Xingnuo.

Based on the management's accounts (on an individual basis and unaudited) of Jiangsu Xingnuo, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB377.35 million, RMB299.89 million and RMB77.46 million, respectively, among which bank loans amounted to RMB7.97 million and total current liabilities amounted to RMB47.46 million; in 2021, Jiangsu Xingnuo generated revenue and net profit of RMB0 and RMB-0.54 million, respectively.

**8. Fosun Medical Holdings AB (“FMH”)**

FMH was established in 2016. Its chairman of the board and chief executive officer are Liu Yi. Its major assets are its 100% equity interests in Breas Medical Holdings AB (“Breas”). Breas and its subsidiaries are mainly engaged in design, R&D, manufacturing and sales of professional ventilators.

As at the Latest Practicable Date, Fosun Industrial holds 100% equity interests in FMH.

Based on the management's accounts (prepared based on the International Financial Reporting Standards, on an individual basis and unaudited) of FMH, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to EUR120.23 million, EUR44.36

million and EUR75.87 million, respectively, among which total bank loans amounted to EUR70 million and total current liabilities amounted to EUR72.53 million; in 2021, FMH generated revenue and net profit of EUR0 and EUR–1.99 million, respectively.

**9. Shandong Erye Pharmaceutical Co., Ltd.\* (山東二葉製藥有限公司) (“Shandong Erye”)**

Shandong Erye was established in July 2017. Its legal representative is Zhang Jian. Its scope of business includes production of preparations, APIs and pharmaceutical intermediates (license-related items shall be produced at the production address and within the scope of production as approved in the license; national restricted, prohibited and hazardous chemical products are not allowed to be produced); sales of the products produced by the company itself; self-operated and agency import and export of various commodities and technologies (except for those operated by State-designated companies or prohibited by the State for import and export); technology development, technology transfer, technology consultation and technical services in the field of pharmaceutical technology (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities).

As at the Latest Practicable Date, Shandong Erye had a registered capital of RMB112 million, and Suzhou Erye Pharmaceutical Co., Ltd.\* (蘇州二葉製藥有限公司), a controlled subsidiary of the Company, holds 100% equity interests in Shandong Erye.

As audited by Heze Jiangtian United Certified Public Accountants (on an individual basis), as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB784.52 million, RMB152.14 million and RMB632.38 million, respectively, among which total bank loans amounted to RMB132.15 million and total current liabilities amounted to RMB550.2 million; in 2021, Shandong Erye generated revenue and net profit of RMB324.29 million and RMB44.71 million, respectively.

**10. Fosun Pharmaceutical AG (“Fosun Pharma AG”)**

Fosun Pharma AG was established in 2017. Its chairman of the board is Wu Yifang. Fosun Pharma AG is mainly engaged in registration, R&D and sales of pharmaceutical products, and investment and related businesses in the fields of pharmaceutical and health.

As at the Latest Practicable Date, Fosun Industrial, a controlled subsidiary of the Company, holds 100% equity interests in Fosun Pharma AG.

Based on the management’s accounts (prepared based on the International Financial Reporting Standards, on an individual basis and unaudited) of Fosun Pharma AG, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to CHF114.53 million, CHF16.99 million and CHF97.54 million, respectively, among which total bank loans

amounted to CHF18.27 million and total current liabilities amounted to CHF96.04 million; in 2021, Fosun Pharma AG generated revenue and net profit of CHF0 and CHF-12.42 million, respectively.

**11. Chongqing Fochon Pharmaceutical Research Co., Ltd.\* (重慶復創醫藥研究有限公司) (“Chongqing Fochon”)**

Chongqing Fochon was established in March 2009. Its legal representative is Wu Yifang. Its scope of business includes the following general items: research and development of new drugs, technology transfer, technical services, technology consultation, project cooperation (The aforesaid scope of business prohibited by national laws and regulations shall not be conducted; operations subject to approval cannot be conducted unless approval is granted) (Except for items which are subject to approval according to law, its operation activities are permitted with a business license in compliance with the law).

As at the Latest Practicable Date, Chongqing Fochon had a registered capital of RMB94.386 million, and Fosun Pharmaceutical Industrial, Jiangsu Wanbang Biopharmaceutical Company Limited\* (江蘇萬邦生化醫藥集團有限責任公司) and Chongqing Pharmaceutical Research Institute Co., Ltd.\* (重慶醫藥工業研究院有限責任公司), the controlled subsidiaries of the Company, together hold 100% equity interests in Chongqing Fochon.

Based on the management’s accounts (on an individual basis and unaudited) of Chongqing Fochon, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB208 million, RMB171.43 million and RMB36.57 million, respectively, among which total bank loans amounted to RMB22.47 million and total current liabilities amounted to RMB22.56 million; in 2021, Chongqing Fochon generated revenue and net profit of RMB141.62 million and RMB35.22 million, respectively.

**12. Shanghai Chemo Wanbang Biopharma Co., Ltd.\* (上海凱茂生物醫藥有限公司) (“Chemo Biopharma”)**

Chemo Biopharma was established in November 2008. Its legal representative is Zhou Yongchun. Its scope of business includes the following licensed items: production of pharmaceutical products; inspection and testing services; import and export of goods; import and export of technologies. (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities. Specific operation items shall be subject to approvals or licenses from relevant authorities.) Its scope of business also includes the following general items: sales of machinery and equipment (Except for items which are subject to approval according to law, its operation activities are permitted with a business license in compliance with the law).

As at the Latest Practicable Date, Chemo Biophama had a registered capital of RMB153 million, and Jiangsu Wanbang Biopharmaceutical Company Limited\* (江蘇萬邦生化醫藥集團有限責任公司) and Ningbo Fuying Investment Co., Ltd.\* (寧波復瀛投資有限公司), the controlled subsidiaries of the Company, together hold 100% equity interests in Chemo Biophama.

Based on the management's accounts (on an individual basis and unaudited) of Chemo Biophama, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB398.55 million, RMB379.86 million and RMB18.69 million, respectively, among which total bank loans amounted to RMB0 and total current liabilities amounted to RMB17.96 million; in 2021, Chemo Biophama generated revenue and net profit of RMB151.57 million and RMB40.14 million, respectively.

**13. Fosun Beiling (Beijing) Medical Technology Co., Ltd.\* (復星北鈴(北京)醫療科技有限公司) (“Fosun Beiling”)**

Fosun Beiling was established in February 2010. Its legal representative is Liu Yi. Its scope of business includes technology promotion services; sales of automobiles (excluding passenger cars with nine seats or less), hardware and electrical equipment, electronic products, machinery and equipment, daily necessities, chemical products (excluding hazardous chemicals), household appliances, auto parts, class I medical devices, and class II medical devices; car decoration; corporate image planning; import and export of goods; agent import and export; import and export of technologies; rental of commercial and office premises; rental of machinery and equipment; computer system integration; technical services; technical consultation; software development; special equipment repair; computer and office equipment repair; communication equipment repair; sales of class III medical devices (Market entities shall choose their own business projects according to law to commence operations; for sales of class III medical devices and items which are subject to approval according to law, their operation shall only commence within the scope of approval after receiving approval from relevant authorities; business activities prohibited and restricted under the national and municipal industry policies are not allowed).

As at the Latest Practicable Date, Fosun Beiling had a registered capital of RMB12 million, among which, Qianda (Tianjin) International Trading Co., Ltd.\* (謙達(天津)國際貿易有限公司), a controlled subsidiary of the Company, holds 55% equity interests in Fosun Beiling, and Yang Jianpeng holds 45% equity interests in Fosun Beiling.

Based on the management's accounts (on an individual basis and unaudited) of Fosun Beiling, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB358.55 million, RMB196.66 million and RMB161.89 million, respectively, among which total bank loans amounted to RMB39.95 million and total current liabilities amounted to RMB159.33 million; in 2021, Fosun Beiling generated revenue and net profit of RMB443.56 million and RMB60.02 million, respectively.

**14. Yueyang Guangji Hospital Company Limited\* (岳陽廣濟醫院有限公司) (“Yueyang Guangji Hospital”)**

Yueyang Guangji Hospital was established in December 2004. Its legal representative is Yang Chuanhua. Its scope of business includes preventive care, general practice, internal medicine, surgery, obstetrics, pediatrics, child healthcare, ophthalmology, otorhinolaryngology, stomatology, dermatology, oncology, emergency medicine, rehabilitation medicine, occupational medicine, hospice care, anesthesiology, medical laboratory, pathology, medical imaging, traditional Chinese medicine, combined therapy of Chinese and Western medicine, investment in medical and health care industries with self-owned assets (Only foreign investment with self-owned legal funds (assets) is allowed, and it is not allowed to engage in equity investment, debt investment, short-term financial investment, and entrusted asset management for specific targets, and it is not allowed to engage in national financial supervision and financial credit business such as deposit-taking, fund-raising and collection, entrusted loans, and loan granting) [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Yueyang Guangji Hospital had a registered capital of RMB111.12 million, and Fosun Health, a subsidiary of the Company, holds approximately 98.71% equity interests in Yueyang Guangji Hospital. Approximately 1.29% of the equity interest in Yueyang Guangji Hospital is held by Liu Yaodan.

Based on the management’s accounts (on an individual basis and unaudited) of Yueyang Guangji Hospital, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB496.37 million, RMB192.96 million and RMB303.41 million, respectively, among which total bank loans amounted to RMB240 million and total current liabilities amounted to RMB33.41 million; in 2021, Yueyang Guangji Hospital generated revenue and net profit of RMB135.83 million and RMB4.42 million, respectively.

**15. Fosun Antejin (Chengdu) Biomedical Co., Ltd.\* (復星安特金(成都)生物製藥有限公司) (“Antejin”)**

Antejin was established in July 2012. Its legal representative is Wang Kexin. Its scope of business includes biotechnology research and development, and provision of technology consultation, technical services and technology transfer (excluding pre-approval items; post-approvals items shall be operated with licenses or approval documents).

As at the Latest Practicable Date, Antejin had a registered capital of RMB79.931 million, among which, Fosun Pharmaceutical Industrial, a controlled subsidiary of the Company, holds approximately 73.01% equity interests in Antejin, and the remaining 14 shareholders together hold approximately 26.99% equity interests in Antejin.

Based on the management’s accounts (on an individual basis and unaudited) of Antejin, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB3,261.24 million, RMB3,130.33 million and RMB130.91 million, respectively, among

which total bank loans amounted to RMB20 million and total current liabilities amounted to RMB98.28 million; in 2021, Antejin generated revenue and net profit of RMB3.87 million and RMB-78.01 million, respectively.

**16. Dalian Aleph Biomedical Co., Ltd.\* (大連雅立峰生物製藥有限公司) (“Dalian Aleph”)**

Dalian Aleph was established in February 2002. Its legal representative is Zhang Yuhui. Its scope of business includes biotechnology development and consultation services; production of influenza virus split vaccine; production of rabies vaccine for human use (Vero cells); SARS vaccine research (those subject to administrative licenses must be operated with a license), import and export of goods and technologies (excluding distribution of imported goods) (Except for the items prohibited by laws and administrative regulations, the items restricted by laws and administrative regulations shall only be operated after obtaining licenses). (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities).

As at the Latest Practicable Date, Dalian Aleph had a registered capital of RMB400 million, and Antejin, a controlled subsidiary of the Company, holds 100% equity interests in Dalian Aleph.

As audited by Dalian Ruihua Certified Public Accountants Co., Ltd.\* (大連瑞華會計師事務所有限公司) (on an individual basis), as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB805.39 million, RMB398.31 million and RMB407.08 million, respectively, among which total bank loans amounted to RMB30 million and total current liabilities amounted to RMB393.66 million; in 2021, Dalian Aleph generated revenue and net profit of RMB532.92 million and RMB82.99 million, respectively.

**17. Xuzhou Xingchen Women’s and Children’s Hospital Co., Ltd.\* (徐州星晨婦兒醫院有限公司) (“Xuzhou Xingchen Women’s and Children’s Hospital”)**

Xuzhou Xingchen Women’s and Children’s Hospital was established in July 2018. Its legal representative is Chen Qin. Its scope of business includes internal medicine, surgery, obstetrics, women’s healthcare, pediatrics, emergency medicine, medical laboratory, medical imaging, anesthesiology, traditional Chinese medicine, medical beauty, and intensive care medicine; medical services; food business (sales of pre-packaged food); catering services; sales of infant formula milk powder; pharmaceutical products retailing; health consultation services (excluding diagnosis and treatment services); technical services, technology development, technical consultation, technical exchange, technology transfer, technology promotion; information consultation services (excluding licensed information consultation services); hospital management; housekeeping services; conference and exhibition services; sales of class II medical devices; sales of class I medical devices; handicrafts and collectibles retailing (excluding ivory and its products); maternal and child products retailing ; rental of non-residential real estate [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Xuzhou Xingchen Women's and Children's Hospital had a registered capital of RMB300 million, among which, Fosun Health, a controlled subsidiary of the Company, holds 65% equity interests in Xuzhou Xingchen Women's and Children's Hospital, and Jiangsu Yinwan Investment Development Co., Ltd.\* (江蘇引萬投資發展有限公司) holds 35% equity interests in Xuzhou Xingchen Women's and Children's Hospital.

Based on the management's accounts (on an individual basis and unaudited) of Xuzhou Xingchen Women's and Children's Hospital, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB407.78 million, RMB260.66 million and RMB147.12 million, respectively, among which total bank loans amounted to RMB70.3 million and total current liabilities amounted to RMB56.41 million; in 2021, Xuzhou Xingchen Women's and Children's Hospital generated revenue and net profit of RMB5.97 million and RMB-34.97 million, respectively.

**18. Suqian Zhongwu Hospital Co., Ltd.\* (宿遷市鐘吾醫院有限責任公司) (“Suqian Zhongwu Hospital”)**

Suqian Zhongwu Hospital was established as a grade-two general hospital in March 2012. Its legal representative is Yang Chuanhua. Its scope of business includes internal medicine, surgery, obstetrics, pediatrics, ophthalmology, stomatology, otorhinolaryngology, dermatology, emergency medicine, intensive care medicine, rehabilitation medicine, traditional Chinese medicine, anesthesiology, pathology, medical laboratory, medical imaging, infectious disease clinic (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities).

As at the Latest Practicable Date, Suqian Zhongwu Hospital had a registered capital of RMB17.5 million, among which, Fosun Health, a controlled subsidiary of the Company, holds approximately 61.43% equity interests in Suqian Zhongwu Hospital, and 30 shareholders (natural persons) together hold approximately 38.57% equity interests in Suqian Zhongwu Hospital.

Based on the management's accounts (on an individual basis and unaudited) of Suqian Zhongwu Hospital, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB683.85 million, RMB233.56 million and RMB450.29 million, respectively, among which total bank loans amounted to RMB176.14 million and total current liabilities amounted to RMB316.94 million; in 2021, Suqian Zhongwu Hospital generated revenue and net profit of RMB352.42 million and RMB20.58 million, respectively.

**19. Shanghai Fusheng Pharmaceutical Technology Development Co., Ltd.\* (上海復盛醫藥科技發展有限公司) (“Fusheng Pharmaceutical”)**

Fusheng Pharmaceutical was established in November 2010. Its legal representative is Wen Deyong. Its scope of business includes technology consultation, technology development, technology transfer and technical services in the professional fields of pharmaceutical

products, biological products, healthcare products, diagnostic reagents, diagnostic medical devices and laboratory equipment, industrial investment, pharmaceutical investment, import and export of goods and technologies, rental of self-owned property, and property management [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Fusheng Pharmaceutical had a registered capital of RMB300 million, and Fosun Pharmaceutical Industrial, a controlled subsidiary of the Company, holds 100% equity interests in Fusheng Pharmaceutical.

Based on the management's accounts (on an individual basis and unaudited) of Fusheng Pharmaceutical, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB684.77 million, RMB284.29 million and RMB400.48 million, respectively, among which total bank loans amounted to RMB66.64 million and total current liabilities amounted to RMB348.71 million; in 2021, Fusheng Pharmaceutical generated revenue and net profit of RMB23.85 million and RMB8.14 million, respectively.

## **20. Hengenix Biotech, Inc. (“Hengenix”)**

Hengenix was established in 2015. Its chief executive officer is Zhang Wenjie. Its scope of business includes drug development and drug R&D.

As at the Latest Practicable Date, Shanghai Henlius Biotech, Inc., a controlled subsidiary of the Company, holds 100% equity interests in Hengenix.

Based on the management's accounts (unaudited) of Hengenix, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to US\$19.08 million, US\$–8.63 million and US\$27.71 million, respectively, among which total bank loans amounted to US\$10 million and total current liabilities amounted to US\$18.23 million; in 2021, Hengenix generated revenue and net profit of US\$0.24 million and US\$–15.41 million, respectively.

## **21. Fosun Lead (Shanghai) Healthcare Technology Co., Ltd.\* (復星領智(上海)醫藥科技有限公司) (“Fosun Lead”)**

Fosun Lead was established in December 2017. Its legal representative is Chen Bin. Its scope of business includes technology development, technology transfer, technology consultation and technical services in the fields of medical technology and biotechnology, business consultation, and import and export of goods and technologies [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Fosun Lead had a registered capital of RMB200 million, and Shanghai Futuo Biotech Development Co., Ltd.\* (上海復拓生物科技發展有限公司), a controlled subsidiary of the Company, holds 100% equity interests in Fosun Lead.

Based on the management's accounts (on an individual basis and audited) of Fosun Lead, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB148.35 million, RMB143.77 million and RMB4.58 million, respectively, among which total bank loans amounted to RMB0 and total current liabilities amounted to RMB4.58 million; in 2021, Fosun Lead generated revenue and net profit of RMB0 and RMB-28.47 million, respectively.

**22. Shanghai Jingshan Biotechnology Co., Ltd.\* (上海精繕生物科技有限責任公司) (“Jingshan Technology”)**

Jingshan Technology was established in December 2017. Its legal representative is Sun Kailiang. Its scope of business includes technology development, technology transfer, technology consultation and technical services in the fields of biotechnology and medical technology, business consultation, medical devices operation, import and export of goods and technologies [For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities].

As at the Latest Practicable Date, Jingshan Technology had a registered capital of RMB33.3333 million, among which, Fosun Lead, a controlled subsidiary of the Company, and Shanghai Zhishan Technology Partnership (Limited Partnership)\* (上海致繕科技合夥企業(有限合夥)) together hold 70% equity interests in Jingshan Technology, and Xu Hong and Wu Xiaoping (as shareholders (natural persons)) holds 18% and 12% equity interests in Jingshan Technology, respectively.

Based on the management's accounts (on an individual basis and unaudited), as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB51.18 million, RMB47.5 million and RMB3.68 million, respectively, among which total bank loans amounted to RMB0 and total current liabilities amounted to RMB3.68 million; in 2021, Jingshan Technology generated revenue and net profit of RMB0 and RMB-28.95 million, respectively.

**23. Fosun Orinove Pharma Tech Inc.\* (復星弘創(蘇州)醫藥科技有限公司) (“Fosun Orinove”)**

Fosun Orinove was established in July 2017. Its legal representative is HUI AIMIN. Its scope of business includes technology R&D, technology transfer, technical services and technical consultation in the field of biomedicine; production and sales of pharmaceutical products; import and export of the aforesaid commodities and technologies (For items which are subject to approval according to law, their operation shall only commence after receiving approval from relevant authorities).

As at the Latest Practicable Date, Fosun Orinove had a registered capital of RMB94.33 million, among which, Fosun Pharmaceutical Industrial, a controlled subsidiary of the Company, holds 75% equity interests in Fosun Orinove, and Suzhou Kedun Pharmaceutical

Technology Partnership (Limited Partnership)\* (蘇州科頓醫藥科技合夥企業(有限合夥)) and Suzhou Zengpaitegelin Pharmaceutical R&D Co., Ltd.\* (蘇州曾派特格林醫藥研發有限公司) holds 15% and 10% equity interests in Fosun Orinove, respectively.

Based on the management's accounts (on an individual basis and unaudited) of Fosun Orinove, as at 31 December 2021, its total assets, equity interests and total liabilities amounted to RMB58.34 million, RMB-9.28 million and RMB67.62 million, respectively, among which total bank loans amounted to RMB0 and total current liabilities amounted to RMB67.50 million; in 2021, Fosun Orinove generated revenue and net profit of RMB0 and RMB-26.77 million, respectively.

### **III. OPINION OF THE BOARD**

Given that the guarantees under such renewed and additional guarantee quota are made based on the operational needs of the Group and the guaranteed parties are the Company or its subsidiaries only, and the risks of the guarantees are relatively controllable, therefore the Board approved the above guarantees, and agreed to submit the same to the shareholders' general meeting for consideration.

*\* for identification purposes only*

Details of the resolution in relation to the proposed grant of General Mandate to Issue A Shares and/or H Shares are set out as follows:

**I. PARTICULARS OF THE MANDATE**

Set out below are the particulars of the general mandate, including but not limited to:

1. Granting of an unconditional and general mandate to the Board, subject to the market condition and the needs of the Company, to issue, allot and deal with additional A Shares and/or H Shares of the Company during the Relevant Period (as defined below).
2. Making or granting offers, agreements or options that might or would require A Shares and/or H Shares to be issued or other transferable rights to subscribe for or purchase A Shares and/or H Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, bonds, debentures or other Instruments convertible into Shares.
3. Issuing additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights issue, bonus or capitalisation issues.
4. The total number of the A Share and/or H Shares approved to be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Board (whether they are allotted pursuant to the share options or otherwise), and the number of the offers, agreements and/or options made or granted (including warrants, convertible bonds and other securities carrying rights of subscription for or conversion into A Shares and/or H Shares) based on the number of A Shares and/or H Shares converted to or allotted, shall not exceed 20% of the total number of the A Shares and/or H Shares in issue as at the date of passing of this resolution at the general meeting of the Company.
5. The Board shall be authorized to formulate and implement specific issuance plans when exercising the aforementioned general mandate, including but not limited to the class of new Shares to be issued, the pricing methods and/or the issue price (including the price range), number of Shares to be issued, allottees, use of proceeds, time of issuance, period of issuance, specific subscription methods, the pre-emptive subscription ratio of existing Shareholders and other specific matters relating to the issuance.
6. The Board shall be authorized to engage services of intermediary institutions for matters in relation to the issuance, and to approve and execute all the acts, deeds, documents and other matters which are necessary, appropriate, desirable or relevant to the issuance; to consider and approve and to execute, for and on behalf of the Company, agreements relating to the issuance, including but not limited to placement and underwriting agreement and engagement agreement of intermediary institutions.

7. The Board shall be authorized to consider and approve and to execute, for and on behalf of the Company, the statutory documents relating to the issuance for submission to the relevant regulatory authorities. Pursuant to the requirements of the regulatory authorities and places where the Company is listed, the Company shall implement relevant approval procedures and complete all necessary record, registration and filing procedures with the relevant governmental authorities in Hong Kong and/or other regions and jurisdictions (if applicable).
8. The Board and/or its authorized persons shall be authorized to amend, as required by the relevant regulatory authorities within or outside PRC, the agreements and statutory documents referred to in items 6 and 7 above.
9. The Board shall be authorized to approve the increase of registered capital of the Company after issuance of new Shares and make amendments to the Articles relating to, among others, the total share capital and shareholding structure, and the management shall be authorized to carry out the relevant procedures.

## **II. PERIOD OF THE MANDATE**

The aforementioned mandate shall not extend beyond the Relevant Period (as hereinafter defined) save that, during the Relevant Period (as hereinafter defined), the Board makes or grants offers, agreements or options with respect to the issue of A Shares and/or H Shares which might be required to be carried out or implemented after the end of the Relevant Period (as hereinafter defined).

The “Relevant Period” refers to the period commencing from the date on which this proposal is considered and approved at the AGM to the earlier of:

1. the date of the next annual general meeting of the Company;
2. the date on which the mandate granted under this proposal is revoked or varied by passing of a resolution at any general meeting of the Company.

The Board will only exercise the aforesaid general mandate in accordance with the Company Law and the Hong Kong Listing Rules or all applicable laws, rules and regulations of any other governmental or regulatory authorities and only if all necessary approvals from CSRC and/or other relevant governmental authorities of PRC are obtained.

This explanatory statement contains the information required under Rule 10.06(1)(b) of the Hong Kong Listing Rules. Its purpose is to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution in relation to granting of the Repurchase Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the share capital of the Company was 2,562,898,545 comprising 551,940,500 H Shares of RMB1.00 each and 2,010,958,045 A Shares of RMB1.00 each.

Subject to the passing of the proposed resolutions in respect of the granting of the A Share Repurchase Mandate and H Share Repurchase Mandate, on the basis that no further Shares are issued prior to the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting, the Company would be allowed under the Repurchase Mandates to repurchase a maximum of 201,095,804 A Shares and 55,194,050 H Shares (representing 10% of the number of A Shares and H Shares in issue as at the date of passing of the resolutions relating to the relevant Repurchase Mandates) during the Relevant Period (as defined below).

### **2. REASON FOR THE REPURCHASE**

The Board believes that the grant of A Share Repurchase Mandate and H Share Repurchase Mandate may afford flexibility and benefit to the Company to repurchase Shares based on the market changes and actual need. The repurchase of Shares will only be exercised when the Directors believe such repurchase will benefit the Company and the Shareholders.

### **3. EXERCISE OF THE REPURCHASE MANDATES**

Subject to the passing of the special resolutions in relation to the grant of the Repurchase Mandates to the Board proposed at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting, respectively, the Board will be granted the A Share Repurchase Mandate and H Share Repurchase Mandate until the earlier of (a) conclusion of the next annual general meeting of the Company, or (b) the date on which the authority set out in the relevant special resolutions is revoked or varied by passing a special resolution at a general meeting, A Shareholders class meeting or H Shareholders class meeting of the Company (the “**Relevant Period**”). In addition, the exercise of the Repurchase Mandates shall be subject to the approval of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC being obtained (if applicable).

**4. FUNDING OF THE REPURCHASE**

In repurchasing its A Shares and/or H Shares, the Company intends to apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC. The Company may not repurchase securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange as amended from time to time.

There might be an adverse impact on the working capital or gearing ratio of the Company as compared with the position disclosed in the audited consolidated accounts contained in the annual report of the Company for the year ended 31 December 2021 in the event that the repurchase of A Shares and/or H Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of A Shares or H Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing ratio of the Company.

**5. SHARE PRICES**

The highest and lowest trading prices for the A Shares and H Shares on the Shanghai Stock Exchange and the Hong Kong Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	A Shares		H Shares	
	Highest <i>RMB</i>	Lowest <i>RMB</i>	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2021	59.81	39.30	49.28	32.43
May 2021	72.73	52.17	66.43	41.18
June 2021	73.96	60.16	64.88	52.03
July 2021	82.74	61.48	73.20	53.20
August 2021	91.69	62.19	82.00	48.20
September 2021	65.50	51.72	53.05	38.70
October 2021	53.30	47.54	40.95	31.60
November 2021	56.90	46.68	42.70	32.55
December 2021	55.31	48.32	40.05	32.15
January 2022	53.37	42.32	40.00	30.15
February 2022	43.98	40.77	33.35	29.80
March 2022	58.95	37.18	41.95	25.75
April 2022 (up to the Latest Practicable Date)	57.18	43.47	44.20	32.25

**6. GENERAL INFORMATION**

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Hong Kong Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor their close associates, has any present intention to sell any A Shares or H Shares to the Company or its subsidiaries under the Repurchase Mandates of A Shares or H Shares if such resolutions are approved by the Shareholders.

No other core connected persons have notified the Company that they have a present intention to sell A Shares or H Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandates are approved by the Shareholders.

**7. TAKEOVERS CODE**

If on the exercise of the powers to repurchase A Shares and H Shares pursuant to the A Share Repurchase Mandate and H Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, (i) Fosun High Tech beneficially held 938,095,290 A Shares and 71,533,500 H Shares, (ii) Fosun International beneficially held 6,000,000 H Shares and (iii) Mr. Guo Guangchang beneficially held 114,075 A Shares, and they together accounted for approximately 46.65% and 14.05% of the total number of A Shares and H Shares in issue of the Company, respectively, which in aggregate represented approximately 39.63% of the total share capital of the Company. In the event that the Directors should exercise the proposed A Share Repurchase Mandate and H Share Repurchase Mandate in full, the proportional interests in the voting rights of the Company held by Fosun High Tech, Fosun International and Mr. Guo Guangchang (who are presumed to be concert parties under the Takeovers Code), would increase to approximately 44.04% of the total share capital of the Company (on the basis that none of them participates in such repurchase). The increase would result in the obligation of making a mandatory offer under Rule 26 of the Takeovers Code. The Board has present no intention to exercise the A Share Repurchase Mandate and/or H Share Repurchase Mandate if it would result in a takeover obligation, or consequences that would arise under any similar applicable law of which the Directors are aware. Moreover, the Directors will not repurchase Shares on the Hong Kong Stock Exchange if such repurchase would violate the requirements under Rule 8.08 of the Hong Kong Listing Rules.

**8. SHARES REPURCHASED BY THE COMPANY**

The Company did not repurchase any Shares (whether on the Hong Kong Stock Exchange, other stock exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

**9. STATUS OF THE SHARES REPURCHASED**

Pursuant to the Hong Kong Listing Rules, H Shares repurchased under the H Share Repurchase Mandate shall be cancelled, and the registered capital of the Company shall be reduced accordingly based on the total nominal value of H Shares cancelled. A Shares repurchased pursuant to the repurchase plan (if any) to be determined by the Board under the A Share Repurchase Mandate shall be transferred or cancelled in accordance with the repurchase plan (if any), subject to relevant laws, regulations and rules in the PRC.

As of the Latest Practicable Date, biographical details of the Directors are set out as follows:

## EXECUTIVE DIRECTORS

### 1. MR. WU YIFANG

Mr. Wu Yifang (吳以芳), aged 53, is an executive Director, chairman and chief executive officer of the Company and is a director of certain subsidiaries of the Group. He joined the Group in April 2004 and was the senior vice president of the Company from July 2014 to January 2016, the senior vice president and the chief operating officer of the Company from January 2016 to June 2016, a president of the Company from June 2016 to October 2020, has been the chief executive officer of the Company since June 2016, an executive Director since August 2016 and a chairman of the Company since October 2020. He is currently a non-executive director of Sisram Medical Ltd (stock code: 01696), a company listed on the Hong Kong Stock Exchange and a subsidiary of the Company, a non-executive director of Shanghai Henlius Biotech, Inc. (stock code: 02696), a company listed on the Hong Kong Stock Exchange and a subsidiary of the Company, and a non-executive director of Gland Pharma Limited (stock code: GLAND), a company listed on the BSE Limited and the National Stock Exchange of India Limited and a subsidiary of the Company. He was the chairman of the supervisory committee of Sinopharm Group Co., Ltd. (stock code: 01099) from September 2020 to June 2021, a company listed on the Hong Kong Stock Exchange. Mr. Wu Yifang was a technician, associate, production officer, finance director, assistant to director of Xuzhou Biochemical Pharmaceutical Factory\* (徐州生物化學製藥廠), a deputy director of Xuzhou (Wanbang) Biopharmaceuticals Manufactures Plant\* (徐州(萬邦)生物化學製藥廠), the deputy general manager of Xuzhou Wanbang Biochemical Pharmaceutical Co., Ltd.\* (徐州萬邦生化製藥有限公司) and the deputy general manager of Jiangsu Wanbang Biochemical Pharmaceutical Co., Ltd.\* (江蘇萬邦生化醫藥股份有限公司), a president of Jiangsu Wanbang Biochemical Pharmaceutical Co., Ltd.\* (江蘇萬邦生化醫藥股份有限公司) (where Xuzhou Biochemical Pharmaceutical Factory\* (徐州生物化學製藥廠), Xuzhou (Wanbang) Biopharmaceuticals Manufactures Plant\* (徐州(萬邦)生物化學製藥廠), Xuzhou Wanbang Biochemical Pharmaceutical Co., Ltd.\* (徐州萬邦生化製藥有限公司) and Jiangsu Wanbang Biochemical Pharmaceutical Co., Ltd.\* (江蘇萬邦生化醫藥股份有限公司) were predecessors of Jiangsu Wanbang Biochemical Pharmaceutical Group Co., Ltd.\* (江蘇萬邦生化醫藥集團有限責任公司)) and the chairman of Jiangsu Wanbang Biochemical Pharmaceutical Group Co., Ltd.\* (江蘇萬邦生化醫藥集團有限責任公司). He graduated from Nanjing University of Science and Technology (南京理工大學) majoring in international commerce and obtained a master degree in business administration from Saint Joseph's University in the United States.

The Company proposes to re-elect Mr. Wu Yifang as an executive Director and to enter into the relevant service agreement for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board. Pursuant to the service contracts of the relevant Directors and during his tenure as a senior management of the Company, Mr. Wu Yifang does not receive any remuneration from the Group for his office as an executive Director and solely receives remuneration from the Group in his capacity as a senior management. The remuneration is determined by the Board on a combined basis of various factors,

such as corporate economic efficiency, the duties of his position, actual performance and with reference to the external industry remuneration standards. For the year ended 31 December 2021, the remuneration of Mr. Wu Yifang amounted to RMB10.984 million (before tax).

Mr. Wu Yifang has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Wu Yifang has personal interests in 342,000 A shares and 718,900 H Shares within the meaning of Part XV of the SFO, representing approximately 0.02% of the Company's total number of issued A Shares and approximately 0.13% of the total number of issued H Shares of the Company, which in aggregate represented approximately 0.04% of the total share capital of the Company. Save as disclosed above, Mr. Wu Yifang does not or is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Wu Yifang that need to be brought to the attention of the Shareholders.

## 2. MR. WANG KEXIN

Mr. Wang Kexin (王可心), aged 58, is an executive Director and a vice chairman of the Board and is a director of certain subsidiaries of the Group. He joined the Group in June 2010 and served as the vice president of the Company from July 2011 to July 2016, a senior vice president of the Company from July 2016 to October 2020 and the co-president and chief investment officer of the Company from October 2020 to January 2022, has served as an executive Director since December 2021 and vice chairman of the Company since January 2022. He is currently a vice president of Fosun International (stock code: 00656), a company listed on the Hong Kong Stock Exchange. Prior to joining the Group, he served as the deputy general manager of Haihong Holdings Pharmaceutical E-commerce Co., Ltd.\* (海虹控股醫藥電子商務有限公司), the marketing director of Kunming Pharmaceutical (Group) Co., Ltd.\* (昆明製藥集團股份有限公司) (stock code: 600422), a company listed on Shanghai Stock Exchange, the general manager of Kunming Pharmaceutical Sales Co., Ltd.\* (昆明製藥藥品銷售有限公司), the general manager of Beijing Huali Jiuzhou Pharmaceutical Co., Ltd.\* (北京華立九州醫藥有限公司), the vice president of Chongqing Huali Pharmaceutical Co., Ltd.\* (重慶華立藥業股份有限公司) (previous stock code: 000607), a company previously listed on Shenzhen Stock Exchange, and the chairman of Beijing Tianren Hexin Pharmaceutical Management Co., Ltd.\* (北京天仁合信醫藥經營有限責任公司). He obtained a bachelor's degree in pharmacy from Shenyang Pharmaceutical College.

The Company proposes to re-elect Mr. Wang Kexin as an executive Director and to enter into the relevant service agreement for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board. The remuneration to be received by Mr. Wang Kexin as an executive Director is determined based on

the executive Director appraisal program to be approved by the Shareholders at the AGM. For the year ended 31 December 2021, Mr. Wang Kexin received remuneration amounting to RMB7.1879 million (before tax) from the Group in his capacity as a senior management. The relevant Director service contract does not provide for the specific amount of the remuneration.

Mr. Wang Kexin has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Wang Kexin has personal interests in 202,500 A shares within the meaning of Part XV of the SFO, representing approximately 0.01% of the Company's total number of issued A Shares and approximately 0.01% of the total number of issued shares of the Company. Save as disclosed above, Mr. Wang Kexin does not or is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Wang Kexin that need to be brought to the attention of the Shareholders.

### 3. MS. GUAN XIAOHUI

Ms. Guan Xiaohui (關曉暉), aged 51, is an executive Director and a vice chairman of the Board, and is a director and supervisor of certain subsidiaries of the Group. She joined the Group in May 2000 and served as the financial manager of pharmaceutical circulation business department, the deputy chief financial officer, the commercial management committee deputy director, president assistant, general manager of the financial department of the Company, chief accountant from June 2013 to December 2014, vice president, chief accountant and general manager of the financial department from December 2014 to June 2015, a senior vice president and chief financial officer of the Company from June 2015 to October 2020, and served as the executive president and chief financial officer of the Company from October 2020 to January 2022. She has been as an executive Director since December 2021 and the Company's vice chairman since January 2022. She currently serves as vice president of Fosun International (stock code: 00656), a company listed on the Hong Kong Stock Exchange, a non-executive director of Shanghai Henlius Biotech, Inc. (stock code: 02696), a company listed on the Hong Kong Stock Exchange and a subsidiary of the Company, a non-executive director of Gland Pharma Limited (stock code: GLAND), a company listed on the BSE Limited and the National Stock Exchange of India Limited and a subsidiary of the Company and a chairman of the supervisory committee of Sinopharm Group Co., Ltd. (stock code: 01099), a company listed on the Hong Kong Stock Exchange. She was a non-executive director of Sinopharm Group Co., Ltd. (stock code: 01099) from March 2019 to March 2021, a company listed on the Hong Kong Stock Exchange. Prior to joining the Group, she worked at Jiangxi Branch of Industrial and Commercial Bank of China from July 1992 to May 2000. She obtained a bachelor's degree in economics from Jiangxi University of Finance and

Economics, and a master's degree of professional accountancy from the Chinese University of Hong Kong. She has the qualifications of a Chinese Certified Public Accountant (CPA) and is a member of the Association of Chartered Certified Accountants (ACCA).

The Company proposes to re-elect Ms. Guan Xiaohui as an executive Director and to enter into the relevant service agreement for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board. The remuneration to be received by Ms. Guan Xiaohui as an executive Director is determined based on the executive Director appraisal program to be approved by the Shareholders at the AGM. For the year ended 31 December 2021, Ms. Guan Xiaohui received remuneration amounting to RMB4.8879 million (before tax) from the Group in her capacity as a senior management. The relevant Director service contract does not provide for the specific amount of the remuneration.

Ms. Guan Xiaohui has confirmed that, save as disclosed above, as at the Latest Practicable Date, she did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Ms. Guan Xiaohui has personal interests in 181,000 A shares within the meaning of Part XV of the SFO, representing approximately 0.01% of the Company's total number of issued A Shares and approximately 0.01% of the total number of issued shares of the Company. Save as disclosed above, Ms. Guan Xiaohui does not or is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Ms. Guan Xiaohui that need to be brought to the attention of the Shareholders.

## **NON-EXECUTIVE DIRECTORS**

### **4. MR. CHEN QIYU**

Mr. Chen Qiyu (陳啟宇), aged 50, is a non-executive Director of the Company and is a director of certain subsidiaries of the Group. He joined the Group in April 1994 and was an executive Director from May 2005 to October 2020 and a chairman of the Company from October 2010 to October 2020, and has been a non-executive Director since October 2020. He is the chairman of Fosun High Tech, an executive director and a co-chief executive officer of Fosun International (stock code: 00656), a company listed on the Hong Kong Stock Exchange, a non-executive director of Shanghai Henlius Biotech, Inc. (stock code: 02696), a company listed on the Hong Kong Stock Exchange and a subsidiary of the Company, a non-executive director of Gland Pharma Limited, a company listed on the BSE Limited and the National Stock Exchange of India Limited (stock code: GLAND) and a subsidiary of the Company, a non-executive director and vice chairman of Sinopharm Group Co., Ltd. (stock code: 01099), a company listed on the Hong Kong

Stock Exchange, a director of Beijing Sanyuan Foods Co., Ltd.\* (北京三元食品股份有限公司) (stock code: 600429), a company listed on the Shanghai Stock Exchange and the co-chairman of Unicorn II Holdings Limited. He was a non-executive director of Beijing Zhongming Century Technology Co., Ltd.\* (北京眾鳴世紀科技有限公司) (i.e. Babypree Group (stock code: 01761), a company listed on the Hong Kong Stock Exchange), a director of Dian Diagnostic Technology Group Co., Ltd.\* (迪安診斷技術集團股份有限公司) (stock code: 300244), a company listed on the ChiNext of Shenzhen Stock Exchange and the co-chairman of New Frontier Health Corporation, a company delisted from New York Stock Exchange Limited in January 2022 which is merged and acquired by Unicorn II Holdings Limited. Prior to joining the Group, he worked in Shanghai RAAS Blood Products Co., Ltd.\* (上海萊士血製品有限公司) (now Shanghai RAAS Blood Products Co., Ltd.\* (上海萊士血液製品股份有限公司) from July 1993 to March 1994, a company listed on the Shenzhen Stock Exchange (stock code: 002252). He obtained a bachelor degree in genetics from Fudan University (復旦大學) and an executive master of business administration from China Europe International Business School (中歐國際工商學院).

The Company proposes to re-elect Mr. Chen Qiyu as a non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board. Mr. Chen Qiyu will not receive any remuneration from his office as non-executive Director of the Group. For the year ended 31 December 2021, the remuneration of Mr. Chen Qiyu amounted to RMB6.0 million (before tax) which included (i) appraisal bonus paid in 2021 in respect of his appraisal results for 2020; and (ii) applicable deferred bonus payment made by reference to performance milestones with respect to investment projects he involved during his previous tenure as an executive Director. The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Mr. Chen Qiyu has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Chen Qiyu has personal interests in 114,075 A shares within the meaning of Part XV of the SFO, representing approximately 0.01% of the Company's total number of issued A Shares and approximately 0.004% of the total number of issued shares of the Company. Save as disclosed above, Mr. Chen Qiyu does not or is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Chen Qiyu that need to be brought to the attention of the Shareholders.

## 5. MR. YAO FANG

Mr. Yao Fang (姚方), aged 52, is a non-executive Director of the Company and is a director of certain subsidiaries of the Group. He joined the Group in April 2010 and was an executive Director from June 2010 to October 2020 and the co-chairman of the Company from January 2017 to October 2020, and has been a non-executive Director since October 2020. He is currently the executive president and chief investment officer of Fosun International (stock code: 00656), a company listed on the Hong Kong Stock Exchange, and a vice chairman of Beijing Sanyuan Foods Co., Ltd.\* (北京三元食品股份有限公司) (stock code: 600429), a company listed on the Shanghai Stock Exchange. He was a chairman of the Supervisory Committee of Sinopharm Group Co., Ltd. (stock code: 01099), a company listed on the Hong Kong Stock Exchange. Prior to joining to the Group, from 1993 to 2009, he was successively the assistant general manager of the international business department of Shanghai Wanguo Securities Company Limited\* (上海萬國證券有限公司), now known as Shenyin & Wanguo Securities Co., Ltd.\* (申銀萬國證券股份有限公司), a general manager of Shanghai Industrial Assets Management Company Limited\* (上海上實資產經營有限公司), a general manager of Shanghai Industrial Management (Shanghai) Company Limited\* (上實管理(上海)有限公司), a managing director of Shanghai Industrial Pharmaceutical Investment Company Limited\* (上海實業醫藥投資股份有限公司), a company delisted from the Shanghai Stock Exchange in February 2010, a chairman of Shanghai Overseas Company (上海海外公司), a non-executive director of Lianhua Supermarket Holdings Co., Ltd.\* (聯華超市股份有限公司) (stock code: 00980), a company listed on the Hong Kong Stock Exchange and an executive director of Shanghai Industrial Holdings Limited\* (上海實業控股有限公司) (stock code: 00363), a company listed on the Hong Kong Stock Exchange. He obtained a bachelor degree of economics from Fudan University (復旦大學) and a master degree of business administration from The Chinese University of Hong Kong.

The Company proposes to re-elect Mr. Yao Fang as a non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board. Mr. Yao Fang will not receive any remuneration from his office as non-executive Director of the Group. For the year ended 31 December 2021, the remuneration of Mr. Yao Fang amounted to RMB9.2248 million (before tax), which included (i) appraisal bonus paid in 2021 in respect of his appraisal results for 2020; and (ii) applicable deferred bonus payment made by reference to performance milestones with respect to investment projects he involved during his previous tenure as an executive Director. The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Mr. Yao Fang has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Yao Fang has personal interests in 458,300 A shares within the meaning of Part XV of the SFO, representing approximately 0.02% of the Company's total number of issued A Shares and approximately 0.02% of the total number of issued shares of the Company. Save as disclosed above, Mr. Yao Fang does not or is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Yao Fang that need to be brought to the attention of the Shareholders.

## 6. MR. XU XIAOLIANG

Mr. Xu Xiaoliang (徐曉亮), aged 49, was appointed as a non-executive Director of the Company in June 2019. He is currently a director and general manager of Fosun High Tech, an executive director and co-chief executive officer of Fosun International (stock code: 00656), a company listed on the Hong Kong Stock Exchange, a director of Shanghai Yuyuan Tourist Mart Co., Ltd. (上海豫園旅游商城股份有限公司) (stock code: 600655), a company listed on the Shanghai Stock Exchange, a director of Hainan Mining Co., Ltd.\* (海南礦業股份有限公司) (stock code: 601969), which are companies listed on the Shanghai Stock Exchange, and a director of Shanghai Foyo Culture & Entertainment Co., Ltd.\* (上海復娛文化傳播股份有限公司), a company delisted from the National Equities Exchange and Quotations in April 2021. Mr. Xu Xiaoliang was a non-executive director of Shanghai Zendai Property Limited (stock code: 00755) and a non-executive director and vice chairman of Zhaojin Mining Industry Company Limited\* (招金礦業股份有限公司) (stock code: 01818), which are companies listed on the Hong Kong Stock Exchange, and a director of Shanghai Resource Property Consulting Co., Ltd.\* (上海策源置業顧問股份有限公司), a company delisted from National Equities Exchange and Quotations in December 2020). He is currently a deputy to the 15th Shanghai Municipal People's Congress, the co-chairman of Industry-City Integration Development Federation of the Zhejiang Chamber of Commerce, Shanghai and co-chairman of the Shanghai International Fashion Federation. He graduated from Innova Education School of Singapore with a diploma, obtained his master's degree in business administration from the East China Normal University and his master's degree in business administration from Fudan University.

The Company proposes to re-elect Mr. Xu Xiaoliang as a non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board. Mr. Xu Xiaoliang will not receive any remuneration from his office as non-executive Director of the Group. For the year ended 31 December 2021, Mr. Xu Xiaoliang did not receive remuneration from the Group. The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Mr. Xu Xiaoliang has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Xu Xiaoliang did not or was not deemed to have any interests or short positions in any shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Xu Xiaoliang that need to be brought to the attention of the Shareholders.

## 7. MR. PAN DONGHUI

Mr. Pan Donghui (潘東輝), aged 52, was appointed as a non-executive Director of the Company in June 2020. He is currently the executive president and chief human resources officer of Fosun International (stock code: 00656), a company listed on the Hong Kong Stock Exchange, a director of Shanghai Foyo Culture & Entertainment Co., Ltd. (上海復娛文化傳播股份有限公司), a company delisted from the National Equities Exchange and Quotations in April 2021, and the chairman of the supervisory committee of Shanghai Ganglian E-Commerce Holdings Co., Ltd.\* (上海鋼聯電子商務股份有限公司) (stock code: 300226), a company listed on the Shenzhen Stock Exchange. He was a project manager of Forte Land Co., Ltd.\* (復地(集團)股份有限公司) (“**Forte Land Group**”) from October 1994 to December 2009, an assistant to president, senior assistant to president, vice president and senior vice president of Shanghai Fosun High Technology (Group) Company Limited\* (上海復星高科技(集團)有限公司) from January 2010 to October 2018. He was a director of Shanghai Ganglian E-Commerce Holdings Co., Ltd.\* (上海鋼聯電子商務股份有限公司) (stock code: 300226), a company listed on the Shenzhen Stock Exchange and a non-executive director of Linekong Interactive Group Co., Ltd. (stock code: 08267), a company listed on the Hong Kong Stock Exchange. Prior to joining the Forte Land Group, he worked in Zhejiang Ningbo Tiandi Group Co., Ltd.\* (浙江寧波天地集團股份有限公司, now known as Ningbo Tiandi (Group) Co., Ltd.\* (寧波天地(集團)股份有限公司)) from July 1991 to July 1994. He obtained a bachelor’s degree in engineering from Shanghai Jiaotong University, and a master degree in business administration from the University of Southern California, the United States.

The Company proposes to re-elect Mr. Pan Donghui as a non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders’ approval at the AGM up to the expiration of the term of the ninth session of the Board. Mr. Pan Donghui will not receive any remuneration from his office as non-executive Director of the Group. For the year ended 31 December 2021, Mr. Pan Donghui did not receive remuneration from the Group. The relevant Director appointment letter does not provide for the specific amount of the Director’s remuneration.

Mr. Pan Donghui has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Pan Donhui did not or was not deemed to have any interests or short positions in any shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Pan Donghui that need to be brought to the attention of the Shareholders.

## **INDEPENDENT NON-EXECUTIVE DIRECTORS**

### **8. MS. LI LING**

Ms. Li Ling (李玲), aged 60, was appointed as the Company's independent non-executive Director in June 2019. She is currently an economics professor and a Ph.D. supervisor of National School of Development at Peking University, the director of Research Center of China Healthy Development at Peking University and an independent non-executive Director of JD Health International Inc. (stock code: 06618), a company listed on the Hong Kong Stock Exchange. She served as a lecturer at Wuhan University, an assistant to professor and an associate professor with tenure at the Department of Economics of Towson University, as well as a deputy director, an economics professor and a Ph.D. supervisor at China Center for Economic Research of Peking University. She was an independent non-executive director of Sinopharm Group Co., Ltd. (stock code: 01099), a company listed on the Hong Kong Stock Exchange. Ms. Li Ling is an expert in the medical and pharmaceutical industry. She obtained a bachelor's degree in physics from Wuhan University, and obtained a master's degree and a doctoral degree in economics from University of Pittsburgh in the U.S..

The Company proposes to re-elect Ms. Li Ling as an independent non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board (subject to the requirement for an independent non-executive Director to retire upon serving six years in such office). Pursuant to the subsidy policy approved by Shareholders at the annual general meeting convened in 2016, the standard subsidy to independent non-executive Directors is expected to be RMB0.3 million per year (before tax and determined by reference to actual length of tenure). For the year ended 31 December 2021, the remuneration of Ms. Li Ling amounted to RMB0.3 million (before tax). The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Ms. Li Ling has confirmed that, save as disclosed above, as at the Latest Practicable Date, she did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Ms. Li Ling did not or was not deemed to have any interests or short positions in any shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Ms. Li Ling has confirmed that she meets the independent guidelines set out in Rule 3.13 of the Hong Kong Listing Rules. Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules of nor any other matters relating to the re-election of Ms. Li Ling that need to be brought to the attention of the Shareholders.

## **9. MR. TANG GULIANG**

Mr. Tang Guliang (湯谷良), aged 59, was appointed as the Company's independent non-executive Director in June 2019. He is currently a professor at the Department of Economics of International Business School of University of International Business and Economics, an independent director of Appotronics Corporation Limited\* (深圳光峰科技股份有限公司) (stock code: 688007), a company listed on the STAR Market of the Shanghai Stock Exchange and an independent director of Jointown Pharmaceutical Group Co., Ltd.\* (九州通醫藥集團股份有限公司) (stock code: 600998), a company listed on the Shanghai Stock Exchange. He was an assistant lecturer, lecturer, associate professor and professor at the Accounting Department of Beijing Business School (currently Beijing Technology and Business University), the dean and professor at School of Accounting of Beijing Technology and Business University, and was the dean of International Business School of University of International Business and Economics, and was an independent non-executive director of TCL Electronics Holdings Limited (stock code: 01070), a company listed on the Hong Kong Stock Exchange and an independent director of Changjiang Securities Co., Ltd.\* (長江證券股份有限公司) (stock code: 000783), a company listed on the Shenzhen Stock Exchange. He is a non-practicing member of the Chinese Institute of Certified Public Accountants. Mr. Tang Guliang is an expert in financial accounting and risk control. He obtained a bachelor's degree in accounting and a master's degree in accounting from Beijing Business School (currently Beijing Technology and Business University), and a doctoral degree in finance from Chinese Academy of Fiscal Sciences under the Ministry of Finance.

The Company proposes to re-elect Mr. Tang Guliang as an independent non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board (subject to the requirement for an independent non-executive Director to retire upon serving six years in such office). Pursuant to the subsidy policy approved by Shareholders at the annual general meeting convened in 2016, the standard subsidy to independent non-executive Directors is expected to be RMB0.3 million per year (before tax and determined by reference to

actual length of tenure). For the year ended 31 December 2021, the remuneration of Mr. Tang Guliang amounted to RMB0.3 million (before tax). The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Mr. Tang Guliang has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Tang Guliang did not or was not deemed to have any interests or short positions in any shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Mr. Tang Guliang has confirmed that he meets the independent guidelines set out in Rule 3.13 of the Hong Kong Listing Rules. Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Tang Guliang that need to be brought to the attention of the Shareholders.

#### 10. MR. WANG QUANDI

Mr. Wang Quandi (王全弟), aged 71, was appointed as the Company's independent non-executive Director in June 2021. He taught at Fudan University Law School from July 1982 to December 2015, during which he served as a professor from January 2001 to December 2015. His professional field is law (civil commercial law). He is now an independent director of Shandong Bohui Paper Co., Ltd.\* (山東博匯紙業股份有限公司) (stock code: 600966), a company listed on the Shanghai Stock Exchange. Mr. Wang Quandi is a legal expert. He obtained a bachelor's degree in law from Jilin University.

The Company proposes to re-elect Mr. Wang Quandi as an independent non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board (subject to the requirement for an independent non-executive Director to retire upon serving six years in such office). Pursuant to the subsidy policy approved by Shareholders at the annual general meeting convened in 2016, the standard subsidy to independent non-executive Directors is expected to be RMB0.3 million per year (before tax and determined by reference to actual length of tenure). For the year ended 31 December 2021, the remuneration of Mr. Wang Quandi amounted to RMB0.1409 million (before tax). The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Mr. Wang Quandi has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Wang Quandi did not or was not deemed to have any interests or short positions in any shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Mr. Wang Quandi has confirmed that he meets the independent guidelines set out in Rule 3.13 of the Hong Kong Listing Rules. Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Wang Quandi that need to be brought to the attention of the Shareholders.

#### **11. MR. YU TZE SHAN HAILSON**

Mr. Yu Tze Shan Hailson (余梓山), aged 65, was appointed as the Company's independent non-executive Director in June 2021. He has been serving as deputy managing director of Versitech Limited, and deputy director of Technology Transfer Office of the University of Hong Kong since February 1998, and has been concurrently serving as the chief operation officer of HKU Innovation Holdings Limited since April 2020. He is now an independent non-executive director of China Traditional Chinese Medicine Holdings Co., Limited (stock code: 00570), a company listed on the Hong Kong Stock Exchange, an independent non-executive director of China NT Pharma Group Company Limited (stock code: 01011), a company listed on the Hong Kong Stock Exchange, and was an independent non-executive director of Sinopharm (stock code: 01099), a company listed on the Hong Kong Stock Exchange, from September 2014 to September 2020. Mr. Yu Tze Shan Hailson is an expert in the authorization and transformation of scientific and technological achievements. He obtained a bachelor's degree in electrical engineering from The University of Calgary, a master's degree in electrical engineering from the University of Hong Kong, and a master's degree in arbitration and dispute resolution from the City University of Hong Kong. He is a Chartered Engineer and a fellow of each of the Institution of Engineering and Technology, the Hong Kong Institution of Engineers, the Chartered Institute of Arbitrators and Hong Kong Institute of Arbitrators.

The Company proposes to re-elect Mr. Yu Tze Shan Hailson as an independent non-executive Director and to enter into the relevant appointment letter for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Board (subject to the requirement for an independent non-executive Director to retire upon serving six years in such office). Pursuant to the subsidy policy approved by Shareholders at the annual general meeting convened in 2016, the standard subsidy to independent non-executive Directors is expected to be RMB0.3 million per year (before tax and determined by reference to actual length of tenure). For the year ended 31 December 2021, the remuneration of Mr. Yu Tze Shan Hailson amounted to RMB0.1409 million (before tax). The relevant Director appointment letter does not provide for the specific amount of the Director's remuneration.

Mr. Yu Tze Shan Hailson has confirmed that, save as disclosed above, as at the Latest Practicable Date, he did not have any relationship with any Directors, senior management or substantial Shareholders of the Company, did not hold any other positions with the Company or any of its subsidiaries, and did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Yu Tze Shan Hailson did not have any interests or short positions in any shares, underlying Shares or debentures of the Company within the meaning of Part XV of the SFO.

Mr. Yu Tze Shan Hailson has confirmed that he meets the independent guidelines set out in Rule 3.13 of the Hong Kong Listing Rules. Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Yu Tze Shan Hailson that need to be brought to the attention of the Shareholders.

*\* for identification purposes only*

As of the Latest Practicable Date, the biographical details of the Supervisors are set out as follows:

## SUPERVISORS

### 1. MR. CAO GENXING

Mr. Cao Genxing (曹根興), aged 75, was appointed as the Supervisor in May 2008. Mr. Cao Genxing currently serves as the president's consultant of Shanghai Shenxin (Group) Co., Ltd.\* (上海申新(集團)有限公司). Mr. Cao Genxing was the secretary to the chairman of the board of directors of Dahua Group Limited\* (大華(集團)有限公司). He graduated from Central Agricultural Broadcasting and Television School (中央農業廣播電視學校) with a diploma in agricultural science and Shanghai Baoshan District Vocational University (上海寶山區業餘大學) with a diploma in party and government management.

Save as disclosed above, Mr. Cao Genxing has not held any other directorships in any public companies whose securities are listed on any securities market in Hong Kong or overseas in the past three years.

The Company proposes to re-appoint Mr. Cao as a supervisor and to enter into relevant supervisor service contract for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Supervisory Committee. Mr. Cao Genxing did not receive any supervisor's remuneration for the year ended 31 December 2021 and will not receive any remuneration from the Group as a supervisor. The relevant Supervisor service contract does not provide for a specific remuneration amount.

To the knowledge of the Directors, save as disclosed above, Mr. Cao Genxing does not have any relationships with any other Directors, Supervisors, senior management, substantial or controlling shareholders of the Company.

To the knowledge of the Directors, as at the Latest Practicable Date, Mr. Cao Genxing does not have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cao Genxing was not interested or deemed to be interested in any shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Cao Genxing that need to be brought to the attention of the Shareholders.

## 2. MR. GUAN YIMIN

Mr. Guan Yimin (管一民), aged 72, was appointed as the Supervisor in June 2014. Mr. Guan Yimin was a professor of Shanghai National Accounting Institute from September 2000 to August 2014. He was an independent Director of the company from May 2007 to June 2013, and an independent non-executive Director of the company from October 2012 to June 2013. Mr. Guan Yimin is now an independent director of Yihai Kerry Arowana Cereals, Oils & Foodstuffs Co., Ltd.\* (益海嘉裡金龍魚糧油食品股份有限公司) (stock code: 300999), a company listed on the Shenzhen Stock Exchange, an independent director of Shanghai Huayi Group Co., Ltd.\* (上海華誼集團股份有限公司) (stock code: 600623), a company listed on the Shanghai Stock Exchange, an independent director of Huaxin Securities Co., Ltd.\* (華鑫證券有限責任公司), an independent director of Greenland Holding Group Co., Ltd.\* (綠地控股集團有限公司) (stock code: 600606), a company listed on the Shanghai Stock Exchange, and an independent director of Jiangsu Nonghua Intelligent Agriculture Technology Co., Ltd. (stock code: 000816), a company listed on the Shenzhen Stock Exchange. He was an independent non-executive director of Tianjin Capital Environmental Protection Group Company Limited\* (天津創業環保股份有限公司) (stock code: 600874, 01065), a company listed on the Shanghai Stock Exchange and Hong Kong Stock Exchange, an independent director of Porton Fine Chemicals Ltd.\* (重慶博騰製藥科技股份有限公司), a company listed on ChiNext of Shenzhen Stock Exchange (stock code: 300363), an independent non-executive director of China Shipping Container Lines Company Limited\* (中海集裝箱運輸股份有限公司) (now COSCO SHIPPING Development Co., Ltd., stock code: 601866, 02866), a company listed on the Shanghai Stock Exchange and Hong Kong Stock Exchange, an independent director of Bank of Shanghai Co. Ltd.\* (上海銀行股份有限公司) (stock code: 601229), a company listed on the Shanghai Stock Exchange, an independent director of Shanghai International Port (Group) Co., Ltd.\* (上海國際港務(集團)股份有限公司) (stock code: 600018), a company listed on the Shanghai Stock Exchange, an independent director of Rongke Technology Co., Ltd.\* (榮科科技股份有限公司) (stock code: 300290), a company listed on the Shenzhen Stock Exchange, and an independent director of Hefei Jieshijie New Materials Co., Ltd.\* (合肥傑事傑新材料股份有限公司) (stock code: 834166), a company listed on the National Equities Exchange and Quotations. Mr. Guan Yimin obtained a bachelor's degree in accounting from Shanghai University of Finance and Economics (上海財經大學).

Save as disclosed above, Mr. Guan Yimin has not held any other directorships in any public companies whose securities are listed on any securities market in Hong Kong or overseas in the past three years.

The Company proposes to re-appoint Mr. Guan Yimin as a supervisor and to enter into relevant supervisor service contract for a term of three years commencing from the date of Shareholders' approval at the AGM up to the expiration of the term of the ninth session of the Supervisory Committee. Mr. Guan Yimin did not receive any supervisor's remuneration for the year ended 31 December 2021 and will not receive any remuneration from the Group as a supervisor. The relevant Supervisor service contract does not provide for a specific remuneration amount.

To the knowledge of the Directors, save as disclosed above, Mr. Guan Yimin does not have any relationships with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company.

To the knowledge of the Directors, as at the Latest Practicable Date, Mr. Guan Yimin does not have any interests or short positions in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Guan Yimin was not interested or deemed to be interested in any shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules nor any other matters relating to the re-election of Mr. Guan Yimin that need to be brought to the attention of the Shareholders.

*\* for identification purpose only*

# 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)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“AGM”) of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.\* (the “**Company**”) will be held at Hilton Shanghai Hongqiao, No. 1116 Hong Song East Road, Shanghai, the PRC on Wednesday, 1 June 2022 at 1:00 p.m. for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolutions. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as defined in the circular of the Company dated 28 April 2022 (the “**Circular**”).

#### ORDINARY RESOLUTIONS

1. To consider and approve the annual report of the Group for the year 2021.
2. To consider and approve the work report of the Board for the year 2021.
3. To consider and approve the work report of the Supervisory Committee for the year 2021.
4. To consider and approve the final accounts report of the Group for the year 2021.
5. To consider and approve the profit distribution proposal of the Company for the year 2021.
6. To consider and approve the re-appointment of Ernst & Young Hua Ming LLP as the PRC financial report and internal control report auditors of the Company for the year 2022 and re-appointment of Ernst & Young as international financial report auditors of the Company for the year 2022 and the passing of remuneration packages for the PRC and international auditors for the year 2021.
7. To consider and approve the estimates of ongoing related party transactions of the Group for 2022.
8. To consider and approve the appraisal results and remunerations of Directors for 2021.
9. To consider and approve the appraisal program of Directors for 2022.
10. To consider and approve the renewed and additional entrusted loan/borrowing quota of the Group.

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## NOTICE OF AGM

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11. To consider and approve the additional credit applications of the Company.
12. To consider and approve the authorisation of the management to dispose of the shares of the listed companies held by the Group.
13. To consider and approve the compliance with conditions for the proposed issuance of corporate bonds of the Company.
14. To consider and, if thought fit, to pass the resolution of the proposed issuance of corporate bonds:
  - 14.1 Size and method of the issuance
  - 14.2 Coupon rate or its determination mechanism
  - 14.3 Maturity period, method of principal repayment and interest payment, and other specific arrangements
  - 14.4 Use of proceeds
  - 14.5 Issuance target and placing arrangement for Shareholders
  - 14.6 Guarantee arrangement
  - 14.7 Provisions on redemption and repurchase
  - 14.8 Credit standing of the Company and safeguards for debt repayment
  - 14.9 Underwriting method
  - 14.10 Listing arrangement
  - 14.11 Validity of the resolutions
15. To consider and approve the grant of authorizations to the Board (or its authorized representatives) to deal with, at their absolute discretion, relevant matters in relation to the public issuance of corporate bonds.
16. To consider and approve the adoption of the Share Option Scheme of Fosun Health and to authorize the Board of the Company, the board of directors of Fosun Health and their respective authorized persons to execute such documents and take such action as they deem appropriate to implement and give effect to the Share Option Scheme.

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## NOTICE OF AGM

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### SPECIAL RESOLUTIONS

17. To consider and approve the renewed and additional guarantee quota of the Group.
18. To consider and, if thought fit, approve the proposed grant of general mandate to issue A Shares and/or H Shares:
  - (a) Granting of an unconditional general mandate to the Board, subject to the market condition and the needs of the Company, to issue, allot and deal with additional A Shares and/or H Shares during the Relevant Period (as defined below).
  - (b) Making or granting offers, agreements or options that might or would require A Shares and/or H Shares to be issued or other transferable rights to subscribe for or purchase A Shares and/or H Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, bonds, debentures or other Instruments convertible into Shares.
  - (c) Issuing additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights issue, bonus or capitalization issues.
  - (d) The total number of the A Share and/or H Shares approved to be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Board (whether they are allotted pursuant to the share options or otherwise), and the number of the offers, agreements and/or options made or granted (including warrants, convertible bonds and other securities carrying rights of subscription for or conversion into A Shares and/or H Shares) (the securities are calculated based on the number of A Shares and/or H Shares converted to or allotted), shall not exceed 20% of the total number of the A Shares and/or H Shares in issue as at the date of passing this resolution at the general meeting of the Company.
  - (e) The Board shall be authorized to formulate and implement specific issuance plans when exercising the aforementioned general mandate, including but not limited to the class of new shares to be issued, the pricing methods and/or the issue price (including the price range), number of Shares to be issued, allottees, use of proceeds, time of issuance, period of issuance, specific subscription methods, the pre-emptive subscription ratio of existing Shareholders and other specific matters relating to the issuance.
  - (f) The Board shall be authorised to engage services of intermediary institutions for matters in relation to the issuance, and to approve and execute all the acts, deeds, documents and other matters which are necessary, appropriate, desirable or relevant to the issuance; to consider and approve and to execute, for and on behalf of the

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Company, agreements relating to the issuance, including but not limited to placement and underwriting agreement and engagement agreement of intermediary institutions.

- (g) The Board shall be authorized to consider and approve and to execute, for and on behalf of the Company, the statutory documents relating to the issuance for submission to the relevant regulatory authorities. Pursuant to the requirements of the regulatory authorities and places where the Company is listed, fulfill relevant approval procedures, and complete all necessary record, registration and filing procedures with the relevant governmental authorities of Hong Kong and/or other regions and jurisdictions (if applicable).
- (h) The Board and/or its authorized persons shall be authorized to amend, as required by the relevant regulatory authorities within or outside the PRC, the agreements and statutory documents referred to in paragraphs 18(f) and 18(g) above.
- (i) The Board shall be authorized to approve the increase of registered capital of the Company after issuance of new shares and make amendments to the Articles of Association relating to the total share capital and shareholding structure, etc., and the management shall be authorized to carry out the relevant procedures.
- (j) The Board will only exercise the aforesaid general mandate in accordance with the Company Law and the Hong Kong Listing Rules or all applicable laws, rules and regulations of any other governmental or regulatory authorities and only if all necessary approvals from CSRC and/or other relevant governmental authorities of the PRC are obtained.

For the purpose of this resolution, the “Relevant Period” refers to the period commencing from the date on which this proposal is approved at the AGM to the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
  - (ii) the date on which the authority granted under this resolution is revoked or varied by passing of a resolution at any general meeting of the Company.
19. To consider and, if thought fit, approve the proposed grant of general mandate to repurchase H Shares:
- (a) Subject to paragraph 19(b) below, granting of a general mandate to the Board, in compliance with all applicable laws and regulations (as amended from time to time) of the PRC government or securities regulatory authorities, the Hong Kong Stock Exchange or any other government or regulatory authority, to exercise all power of

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the Company to repurchase H Shares of the Company in issue in order to preserve the value of the Company and the interests of its Shareholders on terms that it deems appropriate during the Relevant Period (as defined below).

- (b) Subject to obtaining the approval in paragraph 19(a) above, the total number of H Shares to be repurchased under the general mandate to repurchase H Shares during the Relevant Period shall not exceed 10% of the total issued H Shares on the date the resolution is considered and approved at the AGM, A Shareholders Class Meeting and H Shareholders Class Meeting.
- (c) The approval in paragraph 19(a) above shall be subject to the satisfaction of the following:
  - (i) the special resolution with the same terms as listed in this resolution 19 herein (except for sub-paragraph 19(c)(i) of this resolution 19 is passed at the A Shareholders Class Meeting and H Shareholders Class Meeting;
  - (ii) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC.
- (d) Amending relevant provisions in the Articles of Association based on actual H Share repurchase, cancellation and decrease of the Company's registered capital; notifying the creditors of the Company pursuant to requirements under relevant laws and regulations and the Articles of Association and publishing announcements; convening the bondholders' meeting (if applicable); and registering the changes and/or filing and related matters;
- (e) Other matters in relation to the repurchase of H Shares.

For the purpose of this resolution, the "Relevant Period" refers to the period commencing from the date on which such resolution in relation to the grant of general mandate to repurchase H Shares is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the date on which the authority granted under this resolution is revoked or varied by passing of a special resolution at a general meeting of the Company, the A Shareholders class meeting or the H Shareholders class meeting of the Company.

For the purpose of this resolution, the "Repurchase Period" for repurchases under the mandate to repurchase H Shares during the Relevant Period refers to the specific period during which the Board repurchases H Shares pursuant to the H Share Repurchase Mandate.

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20. To consider and, if thought fit, approve the proposed grant of general mandate to repurchase A Shares:

- (a) Subject to paragraphs 20(b) and (c) below, granting of a general mandate to the Board to repurchase A Shares by way of centralised bidding on terms that it deems appropriate during the Relevant Period (as defined below), including but not limited to the Board, subject to relevant laws and regulations (as amended from time to time), formulating, modifying or terminating A Share repurchase scheme and handling all related matters. The Board shall have the right to authorise the authorised persons to handle all related matters according to the A Share repurchase scheme considered and approved by the Board. Such scheme shall be in compliance with all applicable laws and regulations and requirements under the Hong Kong Listing Rules (as amended from time to time), and shall be subject to the consideration and approval at the Board meeting attended by more than two-thirds of the Directors;
- (b) Subject to the approval in paragraph 20(a) above, the Company may repurchase A Shares only under any of the following circumstances:
  - (i) the Shares shall be used for the employee share ownership scheme or equity incentive scheme;
  - (ii) the Shares shall be used for conversion of corporate bonds which are convertible into shares issued by the Company;
  - (iii) necessary to preserve the value of the Company and the interests of its Shareholders

of which, paragraph 20(b)(iii) shall be subject to the satisfaction of one of the following conditions:

- (i) the closing price of the A Shares shall be lower than the net asset per share of the latest financial period;
  - (ii) the cumulative drop in the closing price of the A Shares for 20 consecutive trading days reaches 30%;
  - (iii) other conditions set out by the CSRC.
- (c) Subject to the approval in paragraph 20(a) above, the number of A Shares to be repurchased by the Company under the general mandate to repurchase A Shares during the Relevant Period shall not exceed 10% of the total issued A Shares on the date the resolution is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting.

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- (d) The approval in item paragraph 20(a) above shall be subject to the satisfaction of the following:
  - (i) the special resolution with the same terms as listed in resolution 20 herein (except for this sub-paragraph 20(d)(i) of resolution 20 is passed at the A Shareholders Class Meeting and the H Shareholders Class Meeting;
  - (ii) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC.
- (e) The A Share repurchase scheme formulated by the Board under the general mandate to repurchase A Shares under paragraph 20(a) above shall include, among others, the Repurchase Period (as defined below), the purpose, method, range of price, amount, capital source and repurchase amount.
- (f) Determining the implementation or termination of A Share repurchase scheme (if any) with consideration of the Company's actual operations, the performance of stock price and other factors.
- (g) Setting up the securities account for repurchase or other relevant securities accounts upon the completion of relevant procedures.
- (h) Handling the cancellation of A Shares not transferred during the period stipulated by relevant laws and regulations (as amended from time to time) under the repurchase scheme according to the implementation of A Share repurchase scheme formulated according to the general mandate to repurchase A Shares in paragraph 20(a) above, including amending relevant provisions in the Articles of Association, notifying the creditors of the Company pursuant to requirements under relevant laws and regulations and the Articles of Association and publishing announcements; convening the bondholders' meeting (if applicable); and registering the changes and/or filing and related matters.
- (i) Other matters in relation to the repurchase of A Shares, except power to be exercised by the shareholders' general meeting as specified by laws and regulations and regulatory documents.

For the purpose of this resolution, the "Relevant Period" refers to the period commencing from the date on which such resolution in relation to the grant of general mandate to repurchase A Shares is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or

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- (ii) the date on which the authority granted under the resolution in relation to A share repurchase is revoked or varied by passing of a special resolution at a general meeting of the Company, the A Shareholders class meeting or the H Shareholders class meeting of the Company.

For the purpose of this resolution, the “Repurchase Period” refers to the implementation period of A Share repurchase determined under the A Share repurchase scheme formulated by the Board according to the A Share Repurchase Mandate.

### ORDINARY RESOLUTIONS

- 21. To re-elect the executive and non-executive Directors of the ninth session of the Board (by cumulative voting):
  - (a) Re-elect Mr. Wu Yifang as an executive Director;
  - (b) Re-elect Mr. Wang Kexin as an executive Director;
  - (c) Re-elect Ms. Guan Xiaohui as an executive Director;
  - (d) Re-elect Mr. Chen Qiyu as a non-executive Director;
  - (e) Re-elect Mr. Yao Fang as a non-executive Director;
  - (f) Re-elect Mr. Xu Xiaoliang as a non-executive Director; and
  - (g) Re-elect Mr. Pan Donghui as a non-executive Director.
- 22. To re-elect the independent non-executive Directors of the ninth session of the Board (by cumulative voting):
  - (a) Re-elect Ms. Li Ling as an independent non-executive Director;
  - (b) Re-elect Mr. Tang Guliang as an independent non-executive Director;
  - (c) Re-elect Mr. Wang Quandi as an independent non-executive Director; and
  - (d) Re-elect Mr. Yu Tze Shan Hailson as an independent non-executive Director.
- 23. To re-elect Supervisors of the ninth session of the Supervisory Committee (by cumulative voting):
  - (a) Re-elect Mr. Cao Genxing as a Supervisor; and

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- (b) Re-elect Mr. Guan Yimin as a Supervisor.

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

Shanghai, the PRC  
28 April 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.*

*Notes:*

1. A holder of H Shares entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend the AGM and vote by poll instead of him/her. **The health of shareholders, employees and stakeholders is of paramount importance to the Company. In view of the novel coronavirus epidemic (“COVID-19”), the Company recommends that the shareholders of the Company give priority to appointing the chairman of the meeting or the company secretary of the Company who will attend the AGM in person as their proxy to vote on the relevant resolutions at the AGM. The Company will comply with the prevention and control requirements related to the COVID-19, and will take appropriate prevention and control measures at the annual general meeting.** A proxy need not be a shareholder. If more than one proxy is so appointed, the appointment shall specify the number of H Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the Company’s Hong Kong share registrar for H Shares, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 24 hours before the time appointed for the convening of the AGM. Return of the form of proxy will not preclude any holder of H Shares from attending the AGM and voting in person if such shareholder so wishes and in such event, the form of proxy will be deemed to be revoked.
3. For the purpose of determining the entitlement of Shareholders to attend and vote at the AGM, the register of holders of H Shares will be closed from Friday, 27 May 2022 to Wednesday, 1 June 2022 (both days inclusive). In order to qualify for attending and voting at the AGM, unregistered holders of H Shares should ensure that all transfer documents for H Shares together with the relevant Share certificates should be lodged for registration with the Company’s Hong Kong share registrar for H Shares, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Thursday, 26 May 2022.
4. Shareholders who attend the AGM in person or by proxy shall bear their own travelling and accommodation expenses.
5. This Notice of AGM is dispatched to the holders of H Shares only. The notice of AGM to the holders of A Shares and proxy form are separately published on the websites of the Company (<http://www.fosunpharma.com>) and the Shanghai Stock Exchange (<http://www.sse.com.cn>).

\* *for identification purposes only*

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## NOTICE OF H SHAREHOLDERS CLASS MEETING

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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)

### NOTICE OF 2022 FIRST H SHAREHOLDERS CLASS MEETING

**NOTICE IS HEREBY GIVEN** that the 2022 first H Shareholders class meeting (“**H Shareholders Class Meeting**”) of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.\* (the “**Company**”) will be held immediately after the conclusion of the AGM of the Company and the 2022 first A Shareholders Class Meeting of the Company or any adjournment thereof on Wednesday, 1 June 2022 at Hilton Shanghai Hongqiao, No. 1116 Hong Song East Road, Shanghai, the PRC for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolutions. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as defined in the circular of the Company dated 28 April 2022 (the “**Circular**”).

#### SPECIAL RESOLUTIONS

1. To consider and, if thought fit, approve the proposed grant of general mandate to repurchase H Shares:
  - (a) Subject to paragraph 1(b) below, granting of a general mandate to the Board, in compliance with all applicable laws and regulations (as amended from time to time) of the PRC government or securities regulatory authorities, the Hong Kong Stock Exchange or any other government or regulatory authority, to exercise all power of the Company to repurchase H Shares of the Company in issue in order to preserve the value of the Company and the interests of its Shareholders on terms that it deems appropriate during the Relevant Period (as defined below).
  - (b) Subject to obtaining the approval in paragraph 1(a) above, the total number of H Shares to be repurchased under the general mandate to repurchase H Shares during the Relevant Period shall not exceed 10% of the total issued H Shares on the date the resolution is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting.
  - (c) The approval in paragraph 1(a) above shall be subject to the satisfaction of the following:
    - (i) the special resolution with the same terms as listed in this resolution 1 herein (except for paragraph, 1(c)(i) of this resolution 1 is passed at the AGM and the A Shareholders Class Meeting;

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## NOTICE OF H SHAREHOLDERS CLASS MEETING

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- (ii) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC.
- (d) Amending relevant provisions in the Articles of Association based on actual H Share repurchase, cancellation and decrease of the Company's registered capital; notifying the creditors of the Company pursuant to requirements under relevant laws and regulations and the Articles of Association and publishing announcements; convening the bondholders' meeting (if applicable); and registering the changes and/or filing and related matters.
- (e) Other matters in relation to the repurchase of H Shares.

For the purpose of this resolution, the "Relevant Period" refers to the period commencing from the date on which such resolution in relation to the grant of general mandate to repurchase H Shares is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the date on which the authority granted under this resolution is revoked or varied by passing of a special resolution at a general meeting of the Company, the A Shareholders class meeting or the H Shareholders class meeting of the Company.

For the purpose of this resolution, the "Repurchase Period" for repurchases under the mandate to repurchase H Shares during the Relevant Period refers to the specific period during which the Board repurchases H Shares pursuant to the H Share Repurchase Mandate.

2. To consider and, if thought fit, approve the proposed grant of general mandate to repurchase A Shares:
  - (a) Subject to paragraphs 2(b) and (c) below, granting of a general mandate to the Board to repurchase A Shares by way of centralised bidding on terms that it deems appropriate during the Relevant Period (as defined below), including but not limited to the Board, subject to relevant laws and regulations (as amended from time to time), formulating, modifying or terminating A Share repurchase scheme and handling all related matters. The Board shall have the right to authorize the authorized persons to handle all related matters according to the A Share repurchase scheme considered and approved by the Board. Such scheme shall be in compliance with all applicable laws and regulations and requirements under the Hong Kong Listing Rules (as amended from time to time), and shall be subject to the consideration and approval at the Board meeting attended by more than two-thirds of the Directors.

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## NOTICE OF H SHAREHOLDERS CLASS MEETING

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- (b) Subject to the approval in paragraph 2(a) above, the Company may repurchase A Shares only under any of the following circumstances:
  - (i) the Shares shall be used for the employee share ownership scheme or equity incentive scheme;
  - (ii) the Shares shall be used for conversion of corporate bonds which are convertible into shares issued by the Company;
  - (iii) necessary to preserve the value of the Company and the interests of its Shareholders.

of which, paragraph 2(b)(iii) shall be subject to the satisfaction of one of the following conditions:

  - (iv) the closing price of the A Shares shall be lower than the net asset per share of the latest financial period;
  - (v) the cumulative drop in the closing price of the A Shares for 20 consecutive trading days reaches 30%;
  - (vi) other conditions set out by the CSRC.
- (c) Subject to the approval in paragraph 2(a) above, the number of A Shares to be repurchased by the Company under the general mandate to repurchase A Shares during the Relevant Period shall not exceed 10% of the total issued A Shares on the date the resolution is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting.
- (d) The approval in item paragraph 2(a) above shall be subject to the satisfaction of the following:
  - (i) the special resolution with the same terms as listed in resolution 2 herein (except for this sub-paragraph 2(d)(i) of resolution 2 is passed at the AGM and the A Shareholders Class Meeting;
  - (ii) all required approvals from regulatory authorities (if applicable) are obtained according to relevant laws and regulations of the PRC.
- (e) The A Share repurchase scheme formulated by the Board under the general mandate to repurchase A Shares under item 2(a) above shall include, among others, the Repurchase Period (as defined below), the purpose, method, range of price, amount, capital source and repurchase amount.

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## NOTICE OF H SHAREHOLDERS CLASS MEETING

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- (f) Determining the implementation or termination of A Share repurchase scheme (if any) with consideration of the Company's actual operations, the performance of stock price and other factors.
- (g) Setting up the securities account for repurchase or other relevant securities accounts upon the completion of relevant procedures.
- (h) Handling the cancellation of A Shares not transferred during the period stipulated by relevant laws and regulations (as amended from time to time) under the repurchase scheme according to the implementation of A Share repurchase scheme formulated according to the general mandate to repurchase A Shares in item 2(a) above, including amending relevant provisions in the Articles of Association, notifying the creditors of the Company pursuant to requirements under relevant laws and regulations and the Articles of Association and publishing announcements; convening the bondholders' meeting (if applicable); and registering the changes and/or filing and related matters.
- (i) Other matters in relation to the repurchase of A Shares, except power to be exercised by the shareholders' general meeting as specified by laws and regulations and regulatory documents.

For the purpose of this resolution, the "Relevant Period" refers to the period commencing from the date on which such resolution in relation to the grant of general mandate to repurchase A Shares is considered and approved at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the date on which the authority granted under this resolution is revoked or varied by passing of a special resolution at a general meeting of the Company, the A Shareholders class meeting or the H Shareholders class meeting of the Company.

For the purpose of this resolution, the "Repurchase Period" refers to the implementation period of A Share repurchase determined under the A Share repurchase scheme formulated by the Board according to the A Share Repurchase Mandate.

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

Shanghai, the PRC  
28 April 2022

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## NOTICE OF H SHAREHOLDERS CLASS MEETING

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*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.*

*Notes:*

1. A holder of H Shares entitled to attend and vote at the H Shareholders Class Meeting is entitled to appoint one or more proxies to attend the H Shareholders Class Meeting and vote by poll instead of him/her. **The health of shareholders, employees and stakeholders is of paramount importance to the Company. In view of the novel coronavirus epidemic (“COVID-19”), the Company recommends that the shareholders of the Company give priority to appointing the chairman of the meeting or the company secretary of the Company who will attend the H Shareholders Class Meeting in person as their proxy to vote on the relevant resolutions at the H Shareholders Class Meeting. The Company will comply with the prevention and control requirements related to the COVID-19, and will take appropriate prevention and control measures at the H Shareholders Class Meeting.** A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number of H Shares in respect of which each such proxy is so appointed.
  2. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the Company’s Hong Kong share registrar for H Shares, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 24 hours before the time appointed for the convening of the H Shareholders Class Meeting. Return of the form of proxy will not preclude any holder of H Shares from attending the H Shareholders Class Meeting and voting in person if such shareholder so wishes and, in such event, the form of proxy will be deemed to be revoked.
  3. For the purpose of determining the entitlement of Shareholders to attend and vote at the H Shareholders Class Meeting, the register of members of H Shares will be closed from Friday, 27 May 2022 to Wednesday, 1 June 2022 (both days inclusive). In order to qualify for attending and voting at the H Shareholders Class Meeting, unregistered holders of H Shares should ensure that all transfer documents together with the relevant share certificates for H Shares should be lodged for registration with the Company’s Hong Kong share registrar for H Shares, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Thursday, 26 May 2022.
  4. Shareholders who attend the H Shareholders Class Meeting in person or by proxy shall bear their own travelling and accommodation expenses.
  5. This Notice of H Shareholders Class Meeting is dispatched to the holders of H Shares only.
- \* *for identification purposes only*