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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)**

**VOLUNTARY ANNOUNCEMENT REGARDING  
THE ESTABLISHMENT OF TARGET FUNDS  
AND**

**POSSIBLE CONTINUING CONNECTED TRANSACTION REGARDING  
THE ENTERING INTO THE TARGET FUND MANAGEMENT AGREEMENTS**

**ESTABLISHMENT OF TARGET FUNDS**

The Board is pleased to announced that, on 30 March 2023, (a) Fuyu Shengjian, Ningbo Fuying, Guocheng Industrial and Xuzhou High Tech Zone Fund entered into the Anji Innovative MedTech Fund Partnership Agreement in relation to, among others, the establishment of Anji Innovative MedTech Fund, which has a proposed subscribed capital in the amount of RMB750 million; and (b) Fuyu Shengjian, Ningbo Fuying, Guocheng Industrial, Xuzhou High Tech Zone Fund and Xuzhou City Fund entered into the Xuzhou Innovative MedTech Fund Partnership Agreement in relation to, among others, the establishment of Xuzhou Innovative MedTech Fund, which has a proposed subscribed capital in the amount of RMB750 million. Upon establishment, Target Funds will invest in innovative projects in the medical devices and medical diagnosis fields.

**ENTERING INTO THE TARGET FUND MANAGEMENT AGREEMENTS**

Under the Target Fund Partnership Agreements, Fujian Fund will be engaged as the fund manager of Anji Innovative MedTech Fund and Xuzhou Innovative MedTech Fund, and therefore, (a) Anji Innovative MedTech Fund, Fuyu Shengjian and Fujian Fund will enter into the Anji Innovative MedTech Fund Management Agreement in relation to the provision of the relevant fund management services to Anji Innovative MedTech Fund commencing from the Closing Date and ending on 31 December 2025; and (b) Xuzhou Innovative MedTech Fund, Fuyu Shengjian and Fujian Fund will enter into the Xuzhou Innovative MedTech Fund Management Agreement in relation to the provision of the relevant fund management services to Xuzhou Innovative MedTech Fund commencing from the Closing Date and ending on 31 December 2025.

## **HONG KONG LISTING RULES IMPLICATIONS**

With respect to the establishment of Target Funds, as the percentage ratios (as defined in the Hong Kong Listing Rules) applicable to the transactions contemplated under each of the Target Fund Partnership Agreements on an aggregate basis are less than 5%, the establishment of Target Funds do not constitute a notifiable transaction under Chapter 14 of the Hong Kong Listing Rules.

With respect to the entering into the Target Fund Management Agreements, as Fujian Fund is a company owned by the Company and Fosun High Tech (through its subsidiary), the controlling shareholder of the Company, as to 60% and 40%, respectively, Fujian Fund constitutes an associate of Fosun High Tech under Rule 14A.13 of the Hong Kong listing Rules and a connected subsidiary of the Company under Rule 14A.16 of the Hong Kong Listing Rules, thus constitutes a connected person of the Company under the Hong Kong Listing Rules. Therefore, the transactions contemplated under the Target Fund Management Agreements (if they materialise) will constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. Given the relevant parties to the Target Fund Management Agreements and those to the Existing Fund Management Agreements are the same connected persons, under Rule 14A.81 of the Hong Kong Listing Rules, the transactions contemplated under the Target Fund Management Agreements shall be aggregated with those under the Existing Fund Management Agreements. As the highest applicable percentage ratio after aggregation on an annual basis for the transactions contemplated under the Target Fund Management Agreements and the Existing Fund Management Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Target Fund Management Agreements are subject to reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

### **I. ESTABLISHMENT OF TARGET FUNDS**

The Board is pleased to announced that, on 30 March 2023, (a) Fuyu Shengjian, Ningbo Fuying, Guocheng Industrial and Xuzhou High Tech Zone Fund entered into the Anji Innovative MedTech Fund Partnership Agreement in relation to, among others, the establishment of Anji Innovative MedTech Fund, which has a proposed subscribed capital in the amount of RMB750 million; and (b) Fuyu Shengjian, Ningbo Fuying, Guocheng Industrial, Xuzhou High Tech Zone Fund and Xuzhou City Fund entered into the Xuzhou Innovative MedTech Fund Partnership Agreement in relation to, among others, the establishment of Xuzhou Innovative MedTech Fund, which has a proposed subscribed capital in the amount of RMB750 million. Upon establishment, Target Funds will invest in innovative projects in the medical devices and medical diagnosis fields. Anji Innovative MedTech Fund and Xuzhou Innovative MedTech Fund, as parallel funds, will invest externally in parallel subject to fulfillment of conditions pursuant to their respective decision-making mechanism.

The principal terms of each of the Target Fund Partnership Agreements are summarised below.

**(A) Anji Innovative MedTech Fund Partnership Agreement**

***Date***

30 March 2023

***Parties***

- (1) Fuyu Shengjian;
- (2) Ningbo Fuying;
- (3) Guocheng Industrial; and
- (4) Xuzhou High Tech Zone Fund

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Guocheng Industrial and Xuzhou High Tech Zone Fund and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

***Contribution***

Under the Anji Innovative MedTech Fund Partnership Agreement, the proposed subscribed contribution amount for Anji Innovative MedTech Fund shall be RMB750 million, and the subscribed contribution amount of each partner is set out below:

| <b>Partner</b>             | <b>Type</b>     | <b>Subscribed<br/>contribution<br/>(RMB million)</b> | <b>Percentage of<br/>interest<br/>in Anji<br/>Innovative<br/>MedTech Fund<sup>Note</sup></b> |
|----------------------------|-----------------|--|--|
| Fuyu Shengjian             | General partner | 7.50   | 1%   |
| Ningbo Fuying              | Limited partner | 247.50   | 33%  |
| Guocheng Industrial        | Limited partner | 247.50   | 33%  |
| Xuzhou High Tech Zone Fund | Limited partner | <u>247.50</u>  | <u>33%</u>   |
| <b>TOTAL</b>               |                 | <u><u>750.00</u></u>                                 | <u><u>100%</u></u>   |

*Note:* the percentage of interest in Anji Innovative MedTech Fund to be held by each partner shall be subject to the completion of fundraising process.

The above listed subscribed contribution amount was determined between the parties to the Anji Innovative MedTech Fund Partnership Agreement after arm's-length negotiation based on the capital requirement for the investment objectives of Anji Innovative MedTech Fund and the proportion of each partner's proposed contribution. Fuyu Shengjian and Ningbo Fuying will settle the subscribed contribution amount by their respective self-raised funds.

Under the Anji Innovative MedTech Fund Partnership Agreement, each partner shall pay their respective subscribed contribution amount by three instalments in the manner set out below:

- (1) the initial instalment of the paid-up contribution shall be 40% of the respective subscribed contribution amount of each partner. The general partner may serve, at the earliest, the initial payment notice upon each partner on the date of establishment of Anji Innovative MedTech Fund;
- (2) the second instalment of the paid-up contribution shall be 30% of the respective subscribed contribution amount of each partner. The general partner may serve the second payment notice upon each partner on the date which the actual investment amount having made by Anji Innovative MedTech Fund reaches 80% of the amount available for investment out of the initial paid-up contribution; and
- (3) the third instalment of the paid-up contribution shall be 30% of the respective subscribed contribution amount of each partner. The general partner may serve the third payment notice upon each partner on the date which the actual investment amount having made by Anji Innovative MedTech Fund reaches 80% of the amount available for investment out of the second paid-up contribution.

### ***Duration***

Subject to the terms of the Anji Innovative MedTech Fund Partnership Agreement, the duration of Anji Innovative MedTech Fund shall be 7 years commencing from the Closing Date. Subject to the unanimous consent of all partners, the duration may be extended twice.

### ***Investment period***

Under the Anji Innovative MedTech Fund Partnership Agreement, the investment period of Anji Innovative MedTech Fund shall be commencing from the Closing Date and ending on the earlier of occurrence of any event as set out below:

- (1) the date falling on the 4th anniversary of the Closing Date (subject to the written notice served by the general partner of Anji Innovative MedTech Fund), subject to the unanimous consent of all partners, the investment period may be extended for not more than 1 year;
- (2) other events resulting early termination as provided in the Anji Innovative MedTech Fund Partnership Agreement.

### ***Profit distribution***

Subject to the terms of the Anji Innovative MedTech Fund Partnership Agreement and the fulfilment of conditions precedent for distribution, distributable income shall be distributed in the following order and in such amount as set out below between all the partners:

- (1) in proportion to the paid-up contribution made by each partner as at the time of the distribution, up to the distribution amount received by each partner equal to the accumulated paid-up contribution made by such partner as at the time of such distribution;
- (2) upon completion of the distribution as set out in the above item (1) of this section, the balance of the distributable income shall be distributed to each partner in proportion to their respective paid-up contribution made as at the time of such distribution, up to the distribution amount received by each partner equal to the return over the accumulated paid-up contribution made by such partner at an annual return rate of 8% (simple interest) accrued from the payment date of the paid-up contribution and up to the time of such distribution;
- (3) with respect to the balance of the distributable income after completion of the distribution as set out in the above items (1) and (2) of this section, it shall be distributed as follows: 80% of which shall be distributed to each limited partner in proportion to their respective paid-up contribution as at the time of such distribution and 20% of which shall be distributed to the general partner.

Where non-cash distribution is proposed, it shall be made in accordance with the terms of the Anji Innovative MedTech Fund Partnership Agreement.

### ***Management and decision-making***

The general partner of Anji Innovative MedTech Fund shall establish the investment committee, which shall be responsible for the review and the resolution as to the investment, the exit, the regional focus of industry, the risk control and the post-investment management.

The investment committee of Anji Innovative MedTech Fund shall consist of 7 members, and for the matters to be transacted at the meeting of the investment committee, each member shall have one vote, and a resolution by the investment committee shall become effective with the affirmative votes by 5 members (inclusive) of the investment committee. The composition and term of office of the investment committees of Anji Innovative MedTech Fund and Xuzhou Innovative MedTech Fund shall be identical to each other, and shall pass resolutions in accordance with the same decision-making rules.

## (B) Xuzhou Innovative MedTech Fund Partnership Agreement

### *Date*

30 March 2023

### *Parties*

- (1) Fuyu Shengjian;
- (2) Ningbo Fuying;
- (3) Guocheng Industrial;
- (4) Xuzhou High Tech Zone Fund; and
- (5) Xuzhou City Fund

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Guocheng Industrial, Xuzhou High Tech Zone Fund and Xuzhou City Fund and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

### *Contribution*

Under the Xuzhou Innovative MedTech Fund Partnership Agreement, the proposed subscribed contribution amount of Xuzhou Innovative MedTech Fund shall be RMB750 million, and the subscribed contribution amount of each partner is set out below:

| Partner                    | Type            | Subscribed<br>contribution<br>(RMB million) | Percentage of<br>interest in                      |
|----------------------------|-----------------|---|---|
|                            |                 |   | Xuzhou Innovative<br>MedTech Fund <sup>Note</sup> |
| Fuyu Shengjian             | General partner | 7.50  | 1%  |
| Ningbo Fuying              | Limited partner | 247.50                                      | 33%   |
| Guocheng Industrial        | Limited partner | 247.50                                      | 33%   |
| Xuzhou High Tech Zone Fund | Limited partner | 172.50                                      | 23%   |
| Xuzhou City Fund           | Limited partner | 75.00                                       | 10%   |
| <b>TOTAL</b>               |                 | <b>750.00</b>                               | <b>100%</b>                                       |

*Note:* the percentage of interest in Xuzhou Innovative MedTech Fund to be held by each partner shall be subject to the completion of fundraising process.

The above listed subscribed contribution amount was determined between the parties to the Xuzhou Innovative MedTech Fund Partnership Agreement after arm's-length negotiation based on the capital requirement for the investment objectives of Xuzhou Innovative MedTech Fund and the proportion of each partner's proposed contribution. Fuyu Shengjian and Ningbo Fuying will settle the subscribed contribution amount by their respective self-raised funds.

Under the Xuzhou Innovative MedTech Fund Partnership Agreement, each partner shall pay their respective subscribed contribution amount by three instalments in the manner set out below:

- (1) the initial instalment of the paid-up contribution shall be 40% of the respective subscribed contribution amount of each partner. The general partner may serve, at the earliest, the initial payment notice upon each partner on the date of establishment of Xuzhou Innovative MedTech Fund;
- (2) the second instalment of the paid-up contribution shall be 30% of the respective subscribed contribution amount of each partner. The general partner may serve the second payment notice upon each partner on the date which the actual investment amount having made by Xuzhou Innovative MedTech Fund reaches 80% of the amount available for investment out of the initial paid-up contribution; and
- (3) the third instalment of the paid-up contribution shall be 30% of the respective subscribed contribution amount of each partner. The general partner may serve the third payment notice upon each partner on the date which the actual investment amount having made by Xuzhou Innovative MedTech Fund reaches 80% of the amount available for investment out of the second paid-up contribution.

### ***Duration***

Subject to the terms of the Xuzhou Innovative MedTech Fund Partnership Agreement, the duration of Xuzhou Innovative MedTech Fund shall be 7 years commencing from the Closing Date. Subject to the unanimous consent of all partners, the duration may be extended twice.

### ***Investment period***

Under the Xuzhou Innovative MedTech Fund Partnership Agreement, the investment period of Xuzhou Innovative MedTech Fund shall be commencing from the Closing Date and ending on the earlier of occurrence of any event as set out below:

- (1) the date falling on the 4th anniversary of the Closing Date (subject to the written notice served by the general partner of Xuzhou Innovative MedTech Fund), subject to the unanimous consent of all partners, the investment period may be extended for not more than 1 year;



- (2) other events resulting early termination as provided in the Xuzhou Innovative MedTech Fund Partnership Agreement.

### ***Profit distribution***

Subject to the terms of the Xuzhou Innovative MedTech Fund Partnership Agreement and the fulfilment of conditions precedent for distribution, distributable income shall be distributed in the following order and in such amount as set out below between all the partners:

- (1) in proportion to the paid-up contribution made by each partner as at the time of the distribution, up to the distribution amount received by each partner equal to the accumulated paid-up contribution made by such partner as at the time of such distribution;
- (2) upon completion of the distribution as set out in the above item (1) of this section, the balance of the distributable income shall be distributed to each partner in proportion to their respective paid-up contribution made as at the time of such distribution, up to the distribution amount received by each partner equal to the return over the accumulated paid-up contribution made by such partner at an annual return rate of 8% (simple interest) accrued from the payment date of the paid-up contribution and up to the time of such distribution;
- (3) with respect to the balance of the distribution income after the completion of the distribution as set out in the above items (1) and (2) of this section, it shall be distributed as follows: 80% of which shall be distributed to each limited partner in proportion to their respective paid-up contribution as at the time of such distribution and 20% of which shall be distributed to the general partner.

Where non-cash distribution is proposed, it shall be made in accordance with the terms of the Xuzhou Innovative MedTech Fund Partnership Agreement.

### ***Management and decision-making***

The general partner of Xuzhou Innovative MedTech Fund shall establish the investment committee, which shall be responsible for the review and the resolution as to the investment, the exit, the regional focus of industry, the risk control and the post-investment management.

The investment committee of Xuzhou Innovative MedTech Fund shall consist of 7 members, and for the matters to be transacted at the meeting of the investment committee, each member shall have one vote, and a resolution by the investment committee shall become effective with the affirmative votes by 5 members (inclusive) of the investment committee. The composition and term of office of the investment committees of Xuzhou Innovative MedTech Fund and Anji Innovative MedTech Fund shall be identical to each other, and shall pass resolutions in accordance with the same decision-making rules.



## **II. TARGET FUND MANAGEMENT AGREEMENTS (TO BE ENTERED INTO AFTER THE ESTABLISHMENT OF TARGET FUNDS)**

Under the Target Fund Partnership Agreements, Fujian Fund will be engaged as the fund manager of Anji Innovative MedTech Fund and Xuzhou Innovative MedTech Fund, and therefore, (a) Anji Innovative MedTech Fund, Fuyu Shengjian and Fujian Fund will enter into the Anji Innovative MedTech Fund Management Agreement in relation to the provision of the relevant fund management services to Anji Innovative MedTech Fund commencing from the Closing Date and ending on 31 December 2025; and (b) Xuzhou Innovative MedTech Fund, Fuyu Shengjian and Fujian Fund will enter into the Xuzhou Innovative MedTech Fund Management Agreement in relation to the provision of the relevant fund management services to Xuzhou Innovative MedTech Fund commencing from the Closing Date and ending on 31 December 2025. The principal terms of each of the Target Fund Management Agreements are summarised below.

### **(A) Anji Innovative MedTech Fund Management Agreement**

#### ***Parties***

- (1) Anji Innovative MedTech Fund;
- (2) Fuyu Shengjian; and
- (3) Fujian Fund

#### ***Management power of the fund manager***

Under the Anji Innovative MedTech Fund Management Agreement, Fujian Fund shall have the rights to including but not limited to, be solely responsible for the management and operation of all the investment businesses of Anji Innovative MedTech Fund.

#### ***Management fees and pricing terms***

Subject to the terms of the Anji Innovative MedTech Fund Management Agreement, Anji Innovative MedTech Fund shall pay the management fees to the fund manager as calculated in the following manner:

- (1) during the investment period, the management fee shall be 2% of the paid-up contribution amount of each limited partner at the time of charging;
- (2) during the divestment period (i.e. the period from the end of the investment period and upon the expiration of the duration), the management fee shall be 1.5% of the balance of the original investment cost of each limited partner for the investment projects of Anji Innovative MedTech Fund that have not been divested at that time;

- (3) subject to item (4) of this section, the initial management fee shall be paid in advance on an annual basis (from the Closing Date to the date falling on the first anniversary of the Closing Date), and such initial management fee shall be paid within a reasonable time following the payment date as set out in the initial payment notice in respect of Anji Innovative MedTech Fund.

The management fees shall be paid in advance every year after the initial management fee, which shall be paid from and on the date falling on the first anniversary of the Closing Date for the next following year, after which it shall be paid on expiration of every year in advance for the next year. In the event of the billing period is less than a year, the management fee shall be calculated for such period based on the actual number of days. Where any management fee needs to be charged in advance due to the reasons including, among others, the expansion of the management team, the management fee may be charged a quarter in advance for the next year subject to the consent by all limited partners.

- (4) the fund manager shall, after negotiation and agreement with a particular limited partner, have the right to unilaterally adjust the calculation base, calculation ratio and the amount of advance payment in respect of the management fees charged to Anji Innovative MedTech Fund regarding to such limited partner. The final amount of the management fees to be borne by other limited partners shall not be affected, and other limited partners shall have no right to claim against the fund manager, Anji Innovative MedTech Fund or its general partner in this regard.
- (5) The payment of the management fees shall be in priority to the payment of any other expenses and costs.

#### ***Anji Innovative MedTech Fund expenses***

Pursuant to the Anji Innovative MedTech Fund Management Agreement, the relevant expenses relating to, among others, its establishment and operation shall be borne by Anji Innovative MedTech Fund, and all costs and expenses relating to the fund manager's daily operation shall be borne by the fund manager.

#### ***Term***

Commencing from the Closing Date and ending on 31 December 2025 (both dates inclusive).

#### ***Annual caps***

The annual caps of the transaction amount under the Anji Innovative MedTech Fund Management Agreement are determined based on certain factors and assumptions as follows: (i) the expected fund-raising size and progress of Anji Innovative MedTech Fund; and (ii) the annual management fee rate of Anji Innovative MedTech Fund during the investment period.

The proposed annual caps of the transactions under the Anji Innovative MedTech Fund Management Agreement for each of the financial years ended 31 December 2023, 2024 and 2025 are as follows:

|   | <b>Proposed annual cap for the year ended</b> |                      |                      |
|---|---|----------------------|----------------------|
|   | <b>31 December</b>                            |                      |                      |
|   | <b>2023</b>                                   | <b>2024</b>          | <b>2025</b>          |
|   | <i>(RMB million)</i>                          | <i>(RMB million)</i> | <i>(RMB million)</i> |
| The maximum annual transaction amounts payable by Anji Innovative MedTech Fund to Fujian Fund | <u>15.0</u>                                   | <u>15.0</u>          | <u>15.0</u>          |

The above rates of the fund management service fee and the relevant annual caps are determined after arm's length negotiations and on normal commercial terms, with reference to (i) the prevailing market rates for fund management services of similar type and nature; (ii) the size of the relevant funds receiving fund management services; and (iii) the stage of investment of the relevant funds receiving fund management services.

## **(B) Xuzhou Innovative MedTech Fund Management Agreement**

### ***Parties***

- (1) Xuzhou Innovative MedTech Fund;
- (2) Fuyu Shengjian; and
- (3) Fujian Fund

### ***Management power of the fund manager***

Under the Xuzhou Innovative MedTech Fund Management Agreement, Fujian Fund shall have the rights to including but not limited to, be solely responsible for the management and operation of all the investment businesses of Xuzhou Innovative MedTech Fund.

### ***Management fees and pricing terms***

Subject to the terms of the Xuzhou Innovative MedTech Fund Management Agreement, Xuzhou Innovative MedTech Fund shall pay the management fees to the fund manager as calculated in the following manner:

- (1) during the investment period, the management fee shall be 2% of the paid-up contribution amount of each limited partner at the time of charging;

- (2) during the divestment period (i.e. the period from the end of the investment period and upon the expiration of the duration), the management fee shall be 1.5% of the balance of the original investment cost of each limited partner for the investment projects of Xuzhou Innovative MedTech Fund that have not been divested at that time;
- (3) subject to item (4) of this section, the initial management fee shall be paid in advance on an annual basis (from the Closing Date to the date falling on the first anniversary of the Closing Date), and such initial management fee shall be paid within a reasonable time following the payment date as set out in the initial payment notice in respect of Xuzhou Innovative MedTech Fund.

The management fees shall be paid in advance every year after the initial management fee, which shall be paid from and on the date falling on the first anniversary of the Closing Date for the next following year, after which it shall be paid on expiration of every year in advance for the next year. In the event of the billing period is less than a year, the management fee shall be calculated for such period based on the actual number of days. Where any management fee needs to be charged in advance due to the reasons including, among others, the expansion of the management team, the management fee may be charged a quarter in advance for the next year subject to the consent by all limited partners.

- (4) the fund manager shall, after negotiation and agreement with a particular limited partner, have the right to unilaterally adjust the calculation base, calculation ratio and the amount of advance payment in respect of the management fees charged to Xuzhou Innovative MedTech Fund regarding to such limited partner. The final amount of the management fees to be borne by other limited partners shall not be affected, and other limited partners shall have no right to claim against the fund manager, Xuzhou Innovative MedTech Fund or its general partner in this regard.
- (5) The payment of the management fees shall be in priority to the payment of any other expenses and costs.

#### ***Xuzhou Innovative MedTech Fund expenses***

Pursuant to the Xuzhou Innovative MedTech Fund Management Agreement, the relevant expenses relating to, among others, its establishment and operation shall be borne by Xuzhou Innovative MedTech Fund, and all costs and expenses relating to the fund manager's daily operation shall be borne by the fund manager.

#### ***Term***

Commencing from the Closing Date and ending on 31 December 2025 (both dates inclusive).

### *Annual caps*

The annual caps of the transaction amount under the Xuzhou Innovative MedTech Fund Management Agreement are determined based on certain factors and assumptions as follows: (i) the expected fund-raising size and progress of Xuzhou Innovative MedTech Fund; and (ii) the annual management fee rate of Xuzhou Innovative MedTech Fund during the investment period. The proposed annual caps of the transactions under the Xuzhou Innovative MedTech Fund Management Agreement for each of the financial years ended 31 December 2023, 2024 and 2025 are as follows:

|   | <b>Proposed annual cap for the year ended</b> |                      |                      |
|---|---|----------------------|----------------------|
|   | <b>31 December</b>                            |                      |                      |
|   | <b>2023</b>                                   | <b>2024</b>          | <b>2025</b>          |
|   | <i>(RMB million)</i>                          | <i>(RMB million)</i> | <i>(RMB million)</i> |
| The maximum annual transaction amounts payable by Xuzhou Innovative MedTech Fund to Fujian Fund | <u>15.0</u>                                   | <u>15.0</u>          | <u>15.0</u>          |

The above rates of the fund management service fee and the relevant annual caps are determined after arm's length negotiations and on normal commercial terms, with reference to (i) the prevailing market rates for fund management services of similar type and nature; (ii) the size of the relevant funds receiving fund management services; and (iii) the stage of investment of the relevant funds receiving fund management services.

### **III. REASONS FOR AND BENEFIT OF THE ESTABLISHMENT OF TARGET FUNDS AND ENTERING INTO THE TARGET FUND MANAGEMENT AGREEMENTS**

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

The establishment of Target Funds and the entering into the Target Fund Management Agreements aim to expand the Group's new direction of medical device and medical diagnosis business and to strengthen the reserve and initial planning of innovative technologies and products.

Upon completion of the establishment of Target Funds, they will be consolidated into the financial statements of the Company.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Target Fund Partnership Agreements and the Target Fund Management Agreements are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Wu Yifang, Mr. Wang Kexin, Ms. Guan Xiaohui, Mr. Chen Qiyu, Mr. Yao Fang, Mr. Xu Xiaoliang and Mr. Pan Donghui, being Directors, abstained from voting on the resolution of the Board in respect of the entering into of the Target Fund Management Agreements, while the remaining 5 Directors (including 4 independent non-executive Directors) participated in the voting and approved the same unanimously.

#### **IV. INFORMATION ON THE PARTIES**

##### **Fuyu Shengjian**

Fuyu Shengjian is a limited partnership established in the PRC, the general partner of which is Fuxing Pingyao, a subsidiary of the Company. It was established in January 2023 and has not yet commenced substantive business operations.

##### **Ningbo Fuying**

Ningbo Fuying is a company incorporated in the PRC with limited liability and a subsidiary of the Company, and is principally engaged in investment activities.

##### **Guocheng Industrial**

Guocheng Industrial is a company incorporated in the PRC with limited liability, and is principally engaged in the development of and operation of assets in the Anji Economic Development Zone, as well as business investments. Its sole shareholder is Administrative Committee of Zhejiang Anji Economic Development Zone\* (浙江安吉經濟開發區管理委員會) (an administrative institution for the development zone established by the Anji County People's Government (安吉縣人民政府)), being its ultimate beneficial owner.

##### **Xuzhou High Tech Zone Fund**

Xuzhou High Tech Zone Fund is a company incorporated in the PRC with limited liability, and is principally engaged in equity investment, investment in start-up businesses, management of entrusted assets, investment management and related consultancy. Its sole shareholder is Administrative Committee of Xuzhou High Tech Industrial Development Zone\* (徐州高新技術產業開發區管理委員會) (an administrative institution for the development zone established by the Xuzhou Municipal People's Government (徐州市人民政府)), being its ultimate beneficial owner.

##### **Xuzhou City Fund**

Xuzhou City Fund is a limited partnership established in the PRC, the general partner of which is Xuzhou City Industrial Development Fund Management Co., Ltd.\* (徐州市產業發展基金管理有限公司), and is principally engaged in equity investment, investment management and asset management, and it has completed the filing formalities as a private equity fund (filing number: SSU597) with the Asset Management Association of China. Its ultimate beneficial owner is the Bureau of Finance of Xuzhou City\* (徐州市財政局) (and being its limited partner).

## **Fujian Fund**

Fujian Fund is a company incorporated in the PRC with limited liability and a subsidiary of the Company, which is principally engaged in equity investment management in the innovation area of healthcare medical industry, and it has completed the registration as a private equity fund manager (registration number: P1070608) with the Asset Management Association of China. As at the date of this announcement, Fujian Fund is owned as to 60% and 40% by the Company and Fosun High Tech (through its subsidiary), respectively. Fosun High Tech is the controlling shareholder of the Company, which is wholly-owned by Fosun International Limited (a company listed on the Main Board of the Hong Kong Stock Exchange with the stock code 00656).

## **V. HONG KONG LISTING RULES IMPLICATIONS**

With respect to the establishment of Target Funds, as the percentage ratios (as defined in the Hong Kong Listing Rules) applicable to the transactions contemplated under each of the Target Fund Partnership Agreements on an aggregate basis are less than 5%, the establishment of Target Funds do not constitute a notifiable transaction under Chapter 14 of the Hong Kong Listing Rules.

With respect to the entering into the Target Fund Management Agreements, as Fujian Fund is a company owned by the Company and Fosun High Tech (through its subsidiary), the controlling shareholder of the Company, as to 60% and 40%, respectively, Fujian Fund constitutes an associate of Fosun High Tech under Rule 14A.13 of the Hong Kong Listing Rules and a connected subsidiary of the Company under Rule 14A.16 of the Hong Kong Listing Rules, thus constitutes a connected person of the Company under the Hong Kong Listing Rules. Therefore, the transactions contemplated under the Target Fund Management Agreements (if they materialise) will constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. Given the relevant parties to the Target Fund Management Agreements and those to the Existing Fund Management Agreements are the same connected persons, under Rule 14A.81 of the Hong Kong Listing Rules, the transactions contemplated under the Target Fund Management Agreements shall be aggregated with those under the Existing Fund Management Agreements. As the highest applicable percentage ratio after aggregation on an annual basis for the transactions contemplated under the Target Fund Management Agreements and the Existing Fund Management Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Target Fund Management Agreements are subject to reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.



## VI. DEFINITIONS

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| “A Share(s)”   | the domestic Share(s) of the Company with a nominal value of RMB1 each, which are listed on the Shanghai Stock Exchange and traded in RMB   |
| “Anji Innovative MedTech Fund”                       | Anji Fuyu Chengxiang Venture Capital Investment Partnership (Limited Partnership)* (安吉復毓承祥創業投資合夥企業(有限合夥)) (provisional name and subject to the approval of the registration authority), a limited partnership to be established in the PRC in accordance with the terms of the Anji Innovative MedTech Fund Partnership Agreement |
| “Anji Innovative MedTech Fund Management Agreement”  | under the Anji Innovative MedTech Fund Partnership Agreement, a fund management agreement to be entered into between Anji Innovative MedTech Fund, Fuyu Shengjian and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Anji Innovative MedTech Fund  |
| “Anji Innovative MedTech Fund Partnership Agreement” | the limited partnership agreement dated 30 March 2023 entered into between Fuyu Shengjian, Ningbo Fuying, Guocheng Industrial and Xuzhou High Tech Zone Fund (as supplemented by supplemental agreements of even date) in relation to, among others, the establishment of Anji Innovative MedTech Fund                            |
| “Board”  | the board of Directors  |
| “Closing Date”                                       | under each of Target Fund Partnership Agreements, the payment date as specified in the initial payment notice served by the general partner or such other date as designated by the general partner   |
| “Company”  | Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares and A Shares of which are listed and traded on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively                                |
| “connected person(s)”                                | 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  |
| “Director(s)”  | director(s) of the Company  |

“Existing Fund Management Agreements”

means (i) the fund management agreement dated 31 December 2020 entered into between Xingjian Ruiying Fund, Nanjing Fuxin and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Xingjian Ruiying Fund; (ii) the fund management agreement dated 4 January 2022 entered into between Anji Fuyao Xingyue Venture Capital Partnership (Limited Partnership)\* (安吉復曜星越創業投資合夥企業(有限合夥)), Shanghai Fuyao Yingchuang Enterprise Management Partnership (Limited Partnership)\* (上海復耀瀛創企業管理合夥企業(有限合夥)) and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Anji Fuyao Xingyue Venture Capital Partnership (Limited Partnership)\* (安吉復曜星越創業投資合夥企業(有限合夥)); (iii) the fund management agreement dated 4 January 2022 entered into between Xuzhou Fuyao Xingpeng Venture Capital Partnership (Limited Partnership)\* (徐州復曜星彭創業投資合夥企業(有限合夥)), Shanghai Fuyao Yingchuang Enterprise Management Partnership (Limited Partnership)\* (上海復耀瀛創企業管理合夥企業(有限合夥)) and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Xuzhou Fuyao Xingpeng Venture Capital Partnership (Limited Partnership)\* (徐州復曜星彭創業投資合夥企業(有限合夥)); (iv) the fund management agreement dated 17 January 2022 entered into between Dalian Xingweilai Venture and Innovation Fund Partnership (Limited Partnership)\* (大連星未來創業創新基金合夥企業(有限合夥)), Dalian Fujian Xingweilai Venture Capital Investment Management Partnership (Limited Partnership)\* (大連復健星未來創業投資管理合夥企業(有限合夥)) and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Dalian Xingweilai Venture and Innovation Fund Partnership (Limited Partnership)\* (大連星未來創業創新基金合夥企業(有限合夥)); (v) the fund management agreement dated 29 January 2022 entered into between Suzhou Xingsheng Yuanfeng Venture and Investment Partnership (Limited Partnership)\* (蘇州星盛園豐創業投資合夥企業(有限合夥)), Suzhou Xingsheng Fuying Corporate Management Partnership (Limited Partnership)\* (蘇州星盛復盈企業管理合夥企業(有限合夥)) and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Suzhou Xingsheng Yuanfeng Venture and Investment Partnership (Limited Partnership)\* (蘇州星盛園豐創業投資合夥企業(有限合夥)); (vi) the fund management agreement dated 3 February 2023 entered into between Suzhou Fund, Suzhou Xingchen and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Suzhou Fund; and (vii) the fund management agreement dated 3 February 2023 entered into between Tianjin Fund, Tianjin Xingyao and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Tianjin Fund

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| “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 incorporated in the PRC with limited liability and the controlling shareholder of the Company    |
| “Fosun Pingyao”            | Shanghai Fosun Pingyao Investment Management Co., Ltd.* (上海復星平耀投資管理有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company                    |
| “Fujian Fund”              | Shanghai Fujian Equity Investment Fund Management Co., Ltd.* (上海復健股權投資基金管理有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company             |
| “Fuyu Shengjian”           | Shanghai Fuyu Shengjian Enterprise Management Partnership (Limited Partnership)* (上海復毓晟健企業管理合夥企業(有限合夥)), a limited partnership established in the PRC and a subsidiary of the Company |
| “Group”                    | the Company and its subsidiaries  |
| “Guocheng Industrial”      | Guocheng (Zhejiang) Industrial Development Co., Ltd.* (國成(浙江)實業發展有限公司), a company incorporated in the PRC with limited liability  |
| “H Share(s)”               | the overseas listed share(s) of the Company with a nominal value of RMB1 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars                       |
| “Hong Kong Listing Rules”  | the Rules Governing the Listing of Securities on Hong Kong Stock Exchange   |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited   |
| “Nanjing Fuxin”            | Nanjing Fuxin Equity Investment Management Partnership (Limited Partnership)* (南京復鑫股權投資管理合夥企業(有限合夥)), a limited partnership established in the PRC and a subsidiary of the Company    |
| “Ningbo Fuying”            | Ningbo Fuying Investment Co., Ltd.* (寧波復瀛投資有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company  |

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| “PRC”                                | the People’s Republic of China, for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan region |
| “RMB”                                | Renminbi, the lawful currency of the PRC   |
| “Share(s)”                           | A Share(s) and H Share(s)  |
| “Shareholder(s)”                     | holder(s) of the Share(s)  |
| “subsidiary”                         | has the meaning ascribed to it under the Hong Kong Listing Rules   |
| “Suzhou Fund”                        | Suzhou Fujian Xingyi Venture Investment Partnership (Limited Partnership)* (蘇州復健星熠創業投資合夥企業(有限合夥)), a limited partnership established in the PRC  |
| “Suzhou Xingchen”                    | Suzhou Xingchen Venture Investment Partnership (Limited Partnership)* (蘇州星晨創業投資合夥企業(有限合夥)), a limited partnership established in the PRC and a subsidiary of the Company               |
| “Target Funds”                       | Anji Innovative MedTech Fund and Xuzhou Innovative MedTech Fund  |
| “Target Fund Management Agreements”  | Anji Innovative MedTech Fund Management Agreement and Xuzhou Innovative MedTech Fund Management Agreement  |
| “Target Fund Partnership Agreements” | Anji Innovative MedTech Fund Partnership Agreement and Xuzhou Innovative MedTech Fund Partnership Agreement  |
| “Tianjin Fund”                       | Tianjin Fosun Haihe Healthcare Industry Fund Partnership (Limited Partnership)* (天津復星海河醫療健康產業基金合夥企業(有限合夥)), a limited partnership established in the PRC                               |
| “Tianjin Xingyao”                    | Xingyao (Tianjin) Investment Management Partnership (Limited Partnership)* (星耀(天津)投資管理合夥企業(有限合夥)), a limited partnership established in the PRC and a subsidiary of the Company        |
| “Xingjian Ruiying Fund”              | Nanjing Xingjian Ruiying Equity Investment Partnership (Limited Partnership)* (南京星健睿贏股權投資合夥企業(有限合夥)), a limited partnership established in the PRC and a subsidiary of the Company     |

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| “Xuzhou City Fund”                                     | Xuzhou City Investment Fund (Limited Partnership)* (徐州市政府投資基金(有限合夥)), a limited partnership established in the PRC   |
| “Xuzhou High Tech Zone Fund”                           | Xuzhou High Tech Industrial Development Zone Industrial Fund Co., Ltd.* (徐州高新技術產業開發區產業基金有限公司), a company incorporated in the PRC with limited liability  |
| “Xuzhou Innovative MedTech Fund”                       | Xuzhou Fuyu Pengtai Venture Capital Investment Partnership (Limited Partnership)* (徐州復毓彭泰創業投資合夥企業(有限合夥)) (provisional name and subject to the approval of the registration authority), a limited partnership to be established in the PRC in accordance with the terms of the Xuzhou Innovative MedTech Fund Partnership Agreement |
| “Xuzhou Innovative MedTech Fund Management Agreement”  | under the Xuzhou Innovative MedTech Fund Partnership Agreement, a fund management agreement to be entered into between Xuzhou Innovative MedTech Fund, Fuyu Shengjian and Fujian Fund in relation to the engagement of Fujian Fund as the fund manager of Xuzhou Innovative MedTech Fund   |
| “Xuzhou Innovative MedTech Fund Partnership Agreement” | the limited partnership agreement dated 30 March 2023 entered into between Fuyu Shengjian, Ningbo Fuying, Guocheng Industrial, Xuzhou High Tech Zone Fund and Xuzhou City Fund (as supplemented by supplemental agreements of even date) in relation to, among others, the establishment of Xuzhou Innovative MedTech Fund         |
| “%”  | per cent   |

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

Shanghai, the People’s Republic of China

30 March 2023

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

\* For identification purposes only