

1. FURTHER INFORMATION ABOUT OUR COMPANY

(A) Incorporation

We were established in the PRC as a joint stock cooperative enterprise (股份合作制企業) under the laws of the PRC on 14 January 1994 under the name of Shanghai Fosun Industries Company (上海復星實業公司). On 20 December 1994, our Company was converted to a limited liability company in the PRC under the name of Shanghai Fosun Industries Company Limited (上海復星實業有限公司). On 13 July 1998, our Company was re-registered by our Promoters as a joint stock limited company in the PRC under the name of Shanghai Fosun Industrial Company Limited (上海復星實業股份有限公司). On 27 December 2004, we changed our name to Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (上海復星醫藥(集團)股份有限公司). Our Company was registered as a non-Hong Kong company under Part XI of the Companies Ordinance on 1 February 2012. In connection with such registration, Ms. Lo Yee Har Susan, the joint company secretary of our Company of Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong has been appointed as the authorized representative of our Company for acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the PRC, we operate subject to the PRC Company Law and to our constitution which comprises a memorandum and articles of association. A summary of certain relevant parts of our constitution and certain relevant aspects of the PRC Company Law is set out in "Appendix VI — Summary of Principal Legal and Regulatory Provisions" to this prospectus.

(B) Changes in the registered capital of our Company

At the time of our establishment on 14 January 1994, our Company had a registered capital of RMB2,000,000. In December 1994, our registered capital was increased to RMB20,000,000. On 25 April 1997, our registered capital was further increased to RMB58,800,000.

On 7 August 1998, our A Shares were listed on the Shanghai Stock Exchange. Upon completion of the A Share Offering, our Company had a registered capital of RMB150,700,000, divided into 150,700,000 A Shares, among which 100,700,000 A Shares and 50,000,000 A Shares were held by our Promoters and the public Shareholders, respectively.

On 12 May 1999, our Company converted RMB75,350,000 from our capital reserve to our share capital. As a result, our registered capital was increased to RMB226,050,000.

On 19 June 2000, our Company completed a bonus issue of 45,210,000 A Shares to our Shareholders. As a result, our registered capital was increased to RMB271,260,000.

On 14 September 2000, our Company placed a total of 22,500,000 additional A Shares through a public follow-on offering. As a result, our registered capital was increased to RMB293,760,000.

On 15 July 2002, our Company converted RMB88,128,000 from our capital reserve to our share capital. As a result, our registered capital was increased to RMB381,888,000.

On 28 October 2003, our Company issued the Convertible Bonds with a term of five years and an aggregate nominal value of RMB950,000,000. The Convertible Bonds were listed on the Shanghai Stock Exchange on 17 November 2003 and have been convertible into our A Shares since 28 April 2004.

On 27 December 2004, our Company converted RMB408,912,329 from our capital reserve to share capital. Upon completion of such conversion and the exercise of the conversion rights by bondholders under the Convertible Bonds, our registered capital was increased to RMB817,824,856.

In April 2006, our Company completed the Conversion Scheme, pursuant to which all non-tradable A Shares held by our Promoters were converted to tradable A Shares with certain trading restriction, restrictions which expired in April 2011.

On 18 July 2006, our Company redeemed all of the outstanding Convertible Bonds at a total consideration of RMB2,603,040. On 24 July 2006, the Convertible Bonds were delisted from the Shanghai Stock Exchange. On 5 September 2006, our registered capital was increased to RMB952,134,545 as a result of the exercise of the conversion rights by bondholders under the Convertible Bonds.

On 2 June 2008, our Company converted RMB285,640,364 from our capital reserve to share capital. As a result, our registered capital was increased to RMB1,237,774,909.

On 25 May 2010, our Company placed 31,820,000 additional A Shares to Fosun High Tech and six other domestic institutional investors. As a result, our registered capital was increased to RMB1,269,594,909.

On 7 September 2010, our Company converted RMB507,837,964 from our capital reserve to share capital and issued 126,959,491 bonus shares to the Shareholders. As a result, our registered capital was increased to RMB1,904,392,364.

Save as aforesaid, up to the Latest Practicable Date, there has been no alternations in our share capital since our establishment.

(C) Shareholders' resolutions passed at the extraordinary general meetings of our Company

At the 2011 first extraordinary general meeting of our Company held on 16 March 2011, the following resolutions, among others, were passed and approved:

- (a) the issue by our Company of the H Shares of nominal value of RMB1.00 each and such H Shares be listed on the Hong Kong Stock Exchange;
- (b) the number of H Shares to be issued shall not be more than 20% of the total issued share capital of our Company as enlarged by the Global Offering, and the grant to the underwriters (or their representatives) the Over-allotment Option of not more than 15% of the number of H Shares issued pursuant to the Global Offering;
- (c) subject to the completion of the Global Offering, the conditional adoption of the Articles of Association, which shall become effective on the Listing Date and the authorization to the Board to amend the Articles of Association in accordance with the requirements by the relevant regulatory authorities in accordance with the relevant laws and regulations; and
- (d) authorization of the Board to handle all matters relating to, among other things, all matters relating to the Global Offering, the issue and listing of the H Shares.

At the third extraordinary general meeting of our Company held on 6 August 2012, the following resolution, among others, was passed and approved:

- (a) The validity of the resolutions related to the issuance and listing of the H Shares was extended by 18 months.

2. SUBSIDIARIES

(A) Principal subsidiaries, jointly-controlled entities and associates

The Company's principal subsidiaries, jointly controlled entities and associates are referred to in Notes 20–22 to the Accountants' Report of the Company, the text of which is set out in Appendix I to this prospectus.

(B) Changes in the share capital of our subsidiaries

Save as disclosed below, there has been no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this prospectus:

1. *Guilin Pharma*

On 16 June 2011, the registered capital of Guilin Pharma was increased from RMB194,180,000 to RMB285,030,300.

2. *Yaneng Bioscience*

On 28 September 2010, the registered capital of Yaneng Bioscience was increased from HK\$8,000,000 to HK\$11,430,000.

3. *Fosun Med-tech Development*

On 25 October 2010, the registered capital of Fosun Med-tech Development was decreased from RMB100,000,000 to RMB10,000,000.

4. *Wanbang Pharma*

On 28 October 2010, the registered capital of Wanbang Pharma was increased from RMB54,000,000 to RMB115,920,000.

5. *Fosun Chemical*

On 24 November 2010, the registered capital of Fosun Chemical was increased from RMB75,000,000 to RMB125,000,000.

6. *Technology Innovation*

On 9 December 2010, the registered capital of Technology Innovation was increased from RMB40,000,000 to RMB100,000,000.

7. *Fosun Industrial*

On 14 December 2010, the registered capital of Fosun Industrial was increased from US\$24,900,000 to US\$75,900,000.

On 3 March 2011, the registered capital of Fosun Industrial was increased from US\$75,900,000 to US\$95,320,000.

On 15 December 2011, the registered capital of Fosun Industrial was increased from US\$95,320,000 to US\$115,320,000.

8. *Aohong Pharma*

On 29 December 2010, the registered capital of Aohong Pharma was increased from RMB69,875,000 to RMB107,875,000.

9. *Chindex Shanghai International Trading Company Limited (謙達國際貿易(上海)有限公司)*

On 10 January 2011, the registered capital of Chindex Shanghai International Trading Company Limited (謙達國際貿易(上海)有限公司) was increased from US\$6,000,000 to US\$16,000,000.

10. *Golden Elephant Pharmacy*

On 19 January 2011, the registered capital of Golden Elephant Pharmacy was increased from RMB20,000,000 to RMB42,222,200.

11. *Yao Pharma*

On 9 March 2011, the registered capital of Yao Pharma was increased from RMB56,540,000 to RMB196,540,000.

12. *Fochon Pharma*

On 15 April 2011, the registered capital of Fochon Pharma was increased from US\$2,860,000 to US\$11,430,000.

13. *Jimin Cancer Hospital*

On 16 May 2011, the registered capital of Jimin Cancer Hospital was decreased from RMB80,000,000 to RMB10,000,000.

14. *Shanghai Henlius*

On 23 May 2011, the registered capital of Shanghai Henlius was increased from US\$8,000,000 to US\$18,000,000.

On 28 August 2012, the registered capital of Shanghai Henlius was increased from US\$18,000,000 to US\$30,000,000.

15. *Fosun Long March*

On 16 June 2011, the registered capital of Fosun Long March was increased from RMB52,520,000 to RMB126,854,000.

16. *CML*

On 1 August 2011, the registered capital of CML was increased from HK\$10,000 to HK\$200,000,000.

17. *Phoenix Jiangshan*

On 8 August 2011, the registered capital of Phoenix Jiangshan was increased from RMB8,000,000 to RMB15,500,000.

18. *Chemo Biopharma*

On 14 December 2011, the registered capital of Chemo Biopharma was increased from RMB105,000,000 to RMB153,000,000.

19. *Guangji Hospital*

On 16 April 2012, the registered capital of Guangji Hospital was increased from RMB17,573,000 to RMB25,498,000.

On 30 July 2012, the registered capital of Guangji Hospital was increased from RMB25,498,000 to RMB28,898,000.

20. *Hunan Guangji*

On 16 April 2012, the registered capital of Hunan Guangji was increased from RMB50,000,000 to RMB72,549,000.

On 30 July 2012, the registered capital of Hunan Guangji was increased from RMB72,549,000 to RMB82,222,000.

3. FURTHER INFORMATION ABOUT OUR BUSINESS

(A) Summary of material contracts

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this prospectus and are or may be material:







1. a capital transfer agreement dated 19 May 2011 entered into between Shanghai Guoxing Life Science Company Limited (上海國杏生命科技有限公司), Anhui Jimin Medical Technology Company Limited (安徽濟珉醫療科技有限公司), Jimin Cancer Hospital and Yicheng Management, pursuant to which (a) Shanghai Guoxing Life Science Company Limited (上海國杏生命科技有限公司) transferred 8% equity interest in Jimin Cancer Hospital and its creditors' claim(s) in the amount of RMB5,600,000 against Jimin Cancer Hospital to Anhui Jimin Medical Technology Company Limited (安徽濟珉醫療科技有限公司) for a consideration of RMB9,824,600; and (b) Shanghai Guoxing Life Science Company Limited (上海國杏生命科技有限公司) transferred its 49% equity interest in Jimin Cancer Hospital and its creditors' claim(s) against Jimin Cancer Hospital in the amount of RMB34,300,000 to Yicheng Management for a consideration of RMB60,175,400;
2. a cooperation agreement dated 19 May 2011 entered into between Liu Aiguo (劉愛國), Anhui Jimin Medical Technology Company Limited (安徽濟珉醫療科技有限公司), Anhui Jimin Enterprise Management Company Limited (安徽濟民企業管理有限公司), Jimin Cancer Hospital and Yicheng Management, pursuant to which Anhui Jimin Enterprise Management Company Limited (安徽濟民企業管理有限公司) and Yicheng Management shall establish a hospital management company (the "Hospital Management Company") for the provision of hospital management services to Jimin Cancer Hospital, whereby each of Yicheng Management and Anhui Jimin Enterprise Management Company Limited (安徽濟民企業管理有限公司) shall contribute RMB2,100,000 and RMB900,000 to the Hospital Management Company, representing 30% and 70% equity interest in the Hospital Management Company, respectively;
3. an equity transfer agreement dated 31 August 2011 entered into between Xinjiang Boze Equity Investment Limited Partnership (新疆博澤股權投資有限合夥企業) as transferor, Fosun Pharmaceutical Industrial as transferee, Aohong Pharma and Yu Hongru (于洪儒), pursuant to which Xinjiang Boze Equity Investment Limited Partnership (新疆博澤股權投資有限合夥企業) transferred 70% equity interest in Aohong Pharma to Fosun Pharmaceutical Industrial for a consideration of RMB1,146,600,000 (subject to adjustment whereby the consideration is capped at RMB1,365,000,000);


4. a joint venture agreement dated 26 November 2011 entered into between Guangji Hospital, Hunan Guangji (collectively, the “Target Companies”), Yueyang Guangji Hospital (岳陽市廣濟醫院), 11 individual shareholders of the Target Companies (the “Guangji Founders”) and Yicheng Management, pursuant to which (a) the Guangji Founders transferred 26% equity interest in the Target Companies to Yicheng Management; (b) Yicheng Management acquired a total of 49% equity interest in the Target Companies upon completion of the first round of capital injection; and (c) Yicheng Management acquired a total of 55% equity interest in the Target Companies upon completion of the second round of capital injection;
5. a limited partnership agreement dated 21 November 2011 entered into between Tibet Fosun Investment Management Company Limited (西藏復星投資管理有限公司), 30 individual shareholders, a limited partnership and 13 companies, including, amongst others, Pingyao Investment, pursuant to which all the parties agreed to establish a limited partnership named Shanghai Fosun Chuanghong Equity Investment Fund Limited Partnership (上海復星創泓股權投資基金合夥企業(有限合夥)) for carrying out equity investment and the provision of investment consulting services;
6. a limited partnership agreement dated 25 June 2012 entered into between Sinopharm Capital Limited Company (國藥集團醫療健康投資管理有限責任公司), as the general partner, and the Company, CNPGC, Sinopharm and other investors, as the limited partners, for the purpose of the establishment of a limited partnership named Shanghai Sinopharm Private Equity Fund (Limited Partnership) (上海國藥股權投資基金合夥企業(有限合夥)) to invest in the medical and healthcare industry;
7. the Deed of Non-Competition;
8. a cornerstone investment agreement dated 13 October 2012 entered into between our Company, The Prudential Insurance Company of America, UBS AG, Hong Kong Branch, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Asia Pacific) Limited, J.P. Morgan Securities plc and Deutsche Bank AG, Hong Kong Branch, pursuant to which The Prudential Insurance Company of America agreed to subscribe for our H Shares in the amount of US\$50,000,000;
9. a cornerstone investment agreement dated 13 October 2012 entered into between our Company, International Finance Corporation, UBS AG, Hong Kong Branch, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Asia Pacific) Limited, J.P. Morgan Securities plc and Deutsche Bank AG, Hong Kong Branch, pursuant to which International Finance Corporation agreed to subscribe for our H Shares in the amount of US\$25,000,000 (inclusive of brokerage, SFC transaction levy, the Hong Kong Stock Exchange trading fee and other expenses);
10. a policy agreement dated 13 October 2012 entered into between our Company and International Finance Corporation pursuant to which our Company agreed to adhere to certain operational policy requirements adopted by International Finance Corporation; and
11. the Hong Kong Underwriting Agreement.

(B) Intellectual Property Rights(i) *Trademarks*

- (a) As at the Latest Practicable Date, our Group was the registered owner of the following trademarks which are material in relation to our business:

No	Trademark	Place of Registration	Owner(s)	Trademark No.	Class	Expiry Date
1		PRC	Fosun Pharma	763023	1	27 August 2015
2		PRC	Fosun Pharma	768243	5	27 September 2015
3		PRC	Fosun Pharma	788604	10	6 November 2015
4	复星医药	PRC	Fosun Pharma	6963010	40	13 June 2020
5	复星医药	PRC	Fosun Pharma	6963011	10	20 July 2020
6	复星医药	PRC	Fosun Pharma	6963012	5	20 July 2020
7	FOSUNPHARMA	PRC	Fosun Pharma	6067043	5	13 February 2020
8	FOSUNPHARMA	PRC	Fosun Pharma	6067044	10	27 November 2019
9	FOSUNPHARMA	PRC	Fosun Pharma	6067045	35	27 July 2020
10	阿拓莫兰	PRC	Yao Pharma	1795586	5	27 June 2022
11	药友	PRC	Yao Pharma	1911200	5	27 August 2022
12	万苏林	PRC	Wanbang Pharma	1322765	5	13 October 2019
13	万苏平	PRC	Wanbang Pharma	1974831	5	27 November 2012
14	万苏欣	PRC	Wanbang Pharma	3191984	5	13 August 2013
15		PRC	Guilin Pharma	111364	5	28 February 2013
16	利了	PRC	Guilin Pharma	1320278	5	6 October 2019
17		PRC	Guilin Pharma	1327792	5	27 October 2019

No	Trademark	Place of Registration	Owner(s)	Trademark No.	Class	Expiry Date
18		PRC	Guilin Pharma	272506	5	19 December 2016
19	卡荻	PRC	Guilin Pharma	3577226	5	20 June 2015
20	卡多比	PRC	Guilin Pharma	3778652	5	20 March 2016
21	弗罗舒	PRC	Guilin Pharma	4108637	5	20 March 2017
22	ARSUAMOON	PRC	Guilin Pharma	4131543	5	13 April 2017
23	ARTECOSPE	PRC	Guilin Pharma	4524485	5	27 May 2018
24	安涅	PRC	Guilin Pharma	5215776	5	6 July 2019
25	胍美沙林	PRC	Guilin Pharma	655166	5	27 August 2013
26	合信药业	PRC	Hexin Pharma	3523755	5	13 February 2015
27	美唑舒	PRC	Hexin Pharma	4375950	5	13 January 2018
28	悉畅	PRC	Hexin Pharma	5380959	5	27 August 2019
29		PRC	Moluodan Pharma	118701	5	28 February 2013
30		PRC	Moluodan Pharma	1736449	5	27 March 2022
31		PRC	Moluodan Pharma	3516182	5	6 February 2015
32	摩罗	PRC	Moluodan Pharma	3983561	5	20 November 2016
33		PRC	Golden Elephant Pharmacy	1412726	35	20 June 2020
34	金象	PRC	Golden Elephant Pharmacy	1412727	35	20 June 2020
35	金象	PRC	Golden Elephant Pharmacy	1412924	42	20 June 2020
36		PRC	Golden Elephant Pharmacy	1412933	42	20 June 2020
37	复美大药房	PRC	For Me Pharmacy	7631565	44	20 December 2020

No	Trademark	Place of Registration	Owner(s)	Trademark No.	Class	Expiry Date
38	复美大药房	PRC	For Me Pharmacy	7639180	35	20 December 2020
39	复美	PRC	For Me Pharmacy	7512446	44	27 November 2020
40		PRC	Aohong Pharma	1568445	5	13 May 2021
41	奥鸿	PRC	Aohong Pharma	7572695	1	6 November 2020
42	奥鸿	PRC	Aohong Pharma	7572738	10	6 November 2020
43	邦亭	PRC	Aohong Pharma	7572786	10	6 November 2020

(b) As at the Latest Practicable Date, our Group had applied for registration of the following trademarks:

No	Trademark	Place of Application	Applicant	Application No.	Class	Application Date
1	FOSUNPHARMA	Hong Kong	Fosun Pharma	302122334	1, 5, 10, 16, 35, 40 & 44	23 December 2011
2	复星医药	Hong Kong	Fosun Pharma	302122343	1, 5, 10, 16, 35, 40 & 44	23 December 2011

(ii) *Patents*

As at the Latest Practicable Date, our Group was the registered owner of the following patents which are material in relation to our business:

No.	Patent name	Place of Registration	Patent holder(s)	Patent application date	Patent No.
Inventions					
1	Strong calcium benzene sulfonate capsule and its preparation process	PRC	Zhaohui Pharma, Fosun Pharma	3 November 2005	ZL200510110019.2
2	Exemestane tablet and its preparation process	PRC	Zhaohui Pharma, Fosun Pharmaceutical Industrial	26 December 2007	ZL200710173063.7
3	An alprostadil freeze-dried cream for injection and its preparation method	PRC	Yao Pharma	11 May 2010	ZL201010168597.2
4	A stable palonosetron injection	PRC	Yao Pharma, Pharmaceutical Research Institute	23 February 2005	ZL200510006578.9
5	A preparation method for non-fermentative bacteria drug susceptibility strip	PRC	Fosun Biolog Biotech	27 December 2005	ZL200510112029.X
6	Neisseria bacteria drug susceptibility strip and its preparation method	PRC	Fosun Biolog Biotech	21 April 2006	ZL200610025922.3
7	Preparation method of polynuclear ferric hydroxide-saccharide complex	PRC	Pharmaceutical Research Institute, Fosun Pharmaceutical Industrial	26 April 2005	ZL200510025417.4

No.	Patent name	Place of Registration	Patent holder(s)	Patent application date	Patent No.
8	Compound aloe capsule and its preparation method	PRC	Wanbang Fulin, Fosun Pharmaceutical Industrial	13 March 2008	ZL200810085002.X
9	A laxative drug composite	PRC	Wanbang Fulin, Fosun Pharma	14 July 2006	ZL200610028944.5
10	Preparation method for N-(pyrrolo [2,3-d] pyrimidine-5-yl) acyl glutamate derivatives and the intermediates	PRC	Pharmaceutical Research Institute, Chemo Biopharma	25 November 2004	ZL200410097284.7
11	A new crystal form of pemetrexed disodium and its new preparation method	PRC	Pharmaceutical Research Institute, Chemo Biopharma	25 November 2004	ZL200410097283.2
12	A rasagiline transdermal patch for treatment or prevention of neurological diseases and its preparation method	PRC	Fosun Pharma, Pharmaceutical Research Institute	6 March 2006	ZL200610054110.1
13	A drug composite for curing gastritis, its preparation method, application and quality control method	PRC	Moluodan Pharma	17 April 2003	ZL03121887.3
14	A drug composite for treatment of child influenza and its preparation method	PRC	Moluodan Pharma	18 April 2006	ZL200610075711.0
15	Calf serum protein-removing extract for injection and its preparation method	PRC	Aohong Pharma	17 July 2007	ZL200710119155.7
16	Calf serum de-protein injection and producing method thereof	PRC	Aohong Pharma	4 May 2008	ZL200810094486.4
17	Method for extracting deproteinized calf blood extract	PRC	Aohong Pharma	27 November 1996	ZL96120777.9

(iii) *Domain name*

As at the Latest Practicable Date, our Group was the registered owner of the following domain names:

Domain Name	Registrant	Date of Registration	Expiry Date
復星醫藥.com	Fosun Pharma	18 October 2011	18 October 2014
復星醫藥.cn	Fosun Pharma	18 October 2011	18 October 2014
復星醫藥.net	Fosun Pharma	18 October 2011	18 October 2014
復星醫藥.網絡	Fosun Pharma	18 October 2011	18 October 2014
復星醫藥.公司	Fosun Pharma	18 October 2011	18 October 2014
fosun.com.cn	Fosun Pharma	4 January 2011	4 January 2015
fosunpharma.com.cn	Fosun Pharma	18 October 2011	18 October 2014
fosunpharma.net	Fosun Pharma	18 October 2011	18 October 2014
fosunpharma.com	Fosun Pharma	18 October 2011	18 October 2014
myfosun.com	Fosun Pharma	2 February 2010	2 February 2015
henliusbio.com	Henlius Biopharmaceutical, Inc.	14 January 2011	14 January 2013
jzahon.com	Aohong Pharma	17 March 2004	17 March 2013

4. FURTHER INFORMATION ABOUT OUR DIRECTORS, SUPERVISORS AND SUBSTANTIAL SHAREHOLDERS

(A) Disclosure of our Directors' and Supervisors' interests and short positions in the issued Shares of our Company and its associated corporations

Immediately following completion of the Global Offering, the beneficial interests or short positions of our Directors, Supervisors and the chief executives in any shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO), which once the Shares are listed, will be required (a) to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of Part XV of the SFO, to be entered in the register required to be kept therein once the Shares are listed; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Hong Kong Listing Rules to be notified to our Company and the Hong Kong Stock Exchange, are as follows:

Long position and short position in the shares, underlying shares and debentures of our Company or its associated corporations

Name of Director	Nature of interest	Class of securities	Number of securities (Note 1)	Approximate percentage of shareholding
Guo Guangchang	Beneficial interest	A Share	114,075 (L)	0.005%
Guo Guangchang	Interest in a controlled corporation	A Share	917,922,361 (L)	40.97%

Note:

(1) The letter "L" denotes a person's long position (as defined under Part XV of the SFO) in the Shares.

(B) Persons who have an interest or short position discloseable under Division 2 and 3 of Part XV of the SFO and Substantial Shareholders

So far as our Directors are aware, the following Shareholders will immediately following the completion of the Global Offering, have an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly, interested in 10% or more of the value of any class of Shares carrying rights to vote in all circumstances at general meetings of any member of our Group:

Long position and short position in the shares and underlying shares of our Company or other members of our Group companies

Name of Shareholder	Nature of interest	Class of securities	Number of securities⁽¹⁾	Approximate percentage of shareholding
Fosun High Tech ⁽²⁾	Beneficial interest	A Share	917,922,361 (L)	40.97%
Fosun International ⁽²⁾	Interest in a controlled corporation	A Share	917,922,361 (L)	40.97%
Fosun Holdings ⁽²⁾	Interest in a controlled corporation	A Share	917,922,361 (L)	40.97%
Fosun International Holdings ⁽²⁾	Interest in a controlled corporation	A Share	917,922,361 (L)	40.97%
Guo Guangchang	Beneficial interest	A Share	114,075 (L)	0.005%
Guo Guangchang ⁽³⁾	Interest in a controlled corporation	A Share	917,922,361 (L)	40.97%

Notes:

- (1) The letter “L” denotes a person’s long position (as defined under Part XV of the SFO) in the Shares.
- (2) These Shares are held by Fosun High Tech. Fosun High Tech is wholly-owned by Fosun International, which in turn is owned as to 79.08% by Fosun Holdings, and Fosun Holdings is wholly-owned by Fosun International Holdings. Therefore, Fosun International, Fosun Holdings and Fosun International Holdings are deemed to be interested in these Shares.
- (3) Fosun International Holdings is held as to approximately 58% by Guo Guangchang. Therefore, Guo Guangchang is deemed to be interested in the Shares held by Fosun High Tech.

Save as disclosed herein but taking no account of any Shares which may be taken up under the Global Offering, our Directors are not aware of any person who will immediately following completion of the Global Offering be directly or indirectly interested in any interest or any long position in the shares or underlying shares of our Company who would fall to be disclosed to our Company under the provision of Division 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the shares then in issue or equity interest in any member of our Group representing 10% or more of the equity interest in such company.

(C) Particulars of service agreements

Pursuant to Rules 19A.54 and 19A.55 of the Hong Kong Listing Rules, we have entered into a contract with each of our Directors and Supervisors in respect of, among other things, compliance of relevant laws and regulations, observation of the Articles of Association and provisions on arbitration. Save as

disclosed above, none of our Directors or Supervisors has entered or has proposed to enter into any service agreements with our Company or any other member of our Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

(D) Directors' and Supervisors' remuneration

- (i) RMB6.2 million was paid to our Directors and Supervisors by our Group as remuneration in respect of the financial year ended 31 December 2011.
- (ii) Approximately RMB6 million as remuneration is estimated to be paid to our Directors and Supervisors by our Group in respect of the financial year ending 31 December 2012 pursuant to the present arrangement.
- (iii) Save as disclosed, none of our Directors or Supervisors has received any remuneration or benefits in kind from our Group for the financial year ended 31 December 2011.

(E) Disclaimers

Save as disclosed in this prospectus:

- (1) none of our Directors or Supervisors has any interest and short position in the shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will be required (a) to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of Part XV of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by the Directors of Listed Issuers set out in Appendix 10 to the Hong Kong Listing Rules to be notified to our Company and the Hong Kong Stock Exchange once such securities are listed on the Hong Kong Stock Exchange;
- (2) none of our Directors, our Supervisors or any of the persons whose names are listed in the paragraph headed "Consents of experts" under the section headed "Other Information" in this Appendix is interested in the promotion of our Company, or in any assets which have within the two years immediately preceding the issue of this prospectus been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (3) none of our Directors, our Supervisors or any of the persons whose names are listed in the paragraph headed "Consents of experts" under the section headed "Other Information" in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group;
- (4) none of the persons whose names are listed in the paragraph headed "Consents of experts" under the section headed "Other Information" in this Appendix has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group;

- (5) none of our Directors or our Supervisors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group; and
- (6) so far as is known to our Directors, none of our Directors, our Supervisors, or their respective associates (as defined in the Hong Kong Listing Rules) or our Shareholders who are interested in 5% or more of the issued shares of our Company have any interests in the five largest customers or the five largest suppliers of our Group.

5. OTHER INFORMATION

(A) Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries under the laws of the PRC, being jurisdictions in which one or more of the companies comprising our Group are incorporated.

(B) Litigation

As at the Latest Practicable Date, no member of our Group is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to our Directors to be pending or threatened against any member of our Group.

(C) Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, our H Shares.

(D) Compliance Adviser

We have appointed Haitong International Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Hong Kong Listing Rules. Pursuant to Rule 3A.23 of the Hong Kong Listing Rules, the compliance adviser will advise us on the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any estimate, or other information in this prospectus; and
- (d) where the Hong Kong Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

The term of the appointment shall commence on the Listing Date and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

(E) Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately HK\$1,300,000 and have been paid by us.

(F) Promoters

Fosun High Tech, Shanghai Guangxin Technology Development Company Limited, Shanghai Yingfu Information Development Company Limited, Shanghai Shenxin Industry (Group) Limited Company and Shanghai Xidatang Science and Technology Investment Company Limited are the promoters of the Company. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities, or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to the Promoters in connection with the Global Offering or the related transactions described in this prospectus.

(G) Qualifications of experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this prospectus:

Name	Qualification
UBS Securities Hong Kong Limited	A licensed corporation registered for Type 1 (dealing in securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) of the regulated activities under the SFO
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation registered for Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) of the regulated activities under the SFO
J.P. Morgan Securities (Far East) Limited	A licensed corporation registered for Type 1 (dealing in securities), Type 4 (advising on securities), and Type 6 (advising on corporate finance) of the regulated activities under the SFO
Deutsche Bank AG, Hong Kong Branch	A licensed corporation registered for Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) of the regulated activities under the SFO, and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
Ernst & Young	Certified public accountants
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Professional surveyors and valuer
Chen & Co. Law Firm	PRC legal advisers to the Company

(H) Consents of experts

Each of UBS Securities Hong Kong Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited, Deutsche Bank AG, Hong Kong Branch, Ernst & Young, Jones Lang LaSalle Corporate Appraisal and Advisory Limited and Chen & Co. Law

Firm has given and has not withdrawn its respective written consents to the issue of this prospectus with the inclusion of its reports and/or letters and/or valuation certificates and/or the references to its name included herein in the form and context in which they are respectively included.

(I) Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance insofar as applicable.

(J) No material adverse change

Our Directors confirm that there has been no material adverse change in the financial or trading position of our Group since 30 June 2012.

(K) Dividend

Our Directors confirm that they are not aware of any arrangements in existence under which future dividends of our Company are to be waived or agreed to be waived.

(L) Bilingual prospectus

The English language and the Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

(M) Miscellaneous

(1) Save as disclosed in this prospectus:

- (a) within the two years preceding the date of this prospectus, no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
- (b) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (c) no founder, management or deferred shares of our Company or any of its subsidiaries have been issued or agreed to be issued; and
- (d) within the two years preceding the date of this prospectus, no commissions (except commissions to sub-underwriters), discounts, brokerages or other special terms have been granted in connection with the issue or sale of any shares or debentures of our Company or any of its subsidiaries.

(2) None of UBS Securities Hong Kong Limited, China International Hong Kong Securities Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited, Deutsche Bank AG, Hong Kong Branch, Ernst & Young, Jones Lang LaSalle Corporate Appraisal and Advisory Limited and Chen & Co. Law Firm:

- (a) is interested beneficially or non-beneficially in any shares in any member of our Group; or

- (b) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares in any member of our Group.
- (3) Save as disclosed in this prospectus, no part of the equity or debt securities of our Company is presently listed or dealt in with on any stock exchange and no such listing or permission to deal being or prepared to be sought.
- (4) All necessary arrangements have been made to enable the Shares to be admitted into CCASS for clearing and settlement.
- (5) Our Company currently does not intend to apply for the status of a sino-foreign investment joint stock limited company and does not expect to be subject to the Sino-foreign Joint Venture Law of the PRC (《中華人民共和國中外合資經營企業法》).