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FOSUNPHARMA

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)

CLARIFICATION ANNOUNCEMENT ON MEDIA REPORTS IN RELATION TO THE NON-BINDING PROPOSAL

This announcement is made by Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (the “**Company**”, together with its subsidiaries, the “**Group**”) to clarify certain recent media reports in relation to the Group.

Recently, certain media reported that the Company has made a bid for the acquisition of Gland Pharma Limited (the “**Target**” or “**Gland**”), an Indian pharmaceutical company (the “**Report**”). In response to the Report, the Company, having made due enquiries, wishes to clarify as follows:

1. The Non-binding Proposal

On 9 May 2016, Fosun Industrial Co., Limited (“**Fosun Industrial**”), a wholly-owned subsidiary of the Company, has made a non-binding proposal to the existing shareholders of the Target in relation to the participation in the bidding for an approximately 96% interest in the Target held thereby (the “**Non-binding Proposal**”). As at the date of this announcement, the Non-binding Proposal is still in a bidding process on a non-exclusive basis, which shall be confirmed by the relevant parties pending the selection and acceptance by the existing shareholders of Gland in respect of the relevant proposal made by the participates, including Fosun Industrial. In the meantime, Fosun Industrial shall further determine the bidding arrangement based on its due diligence against the Gland and its overall evaluation on the future business development of Gland.

2. Information on the Target

Gland is a company incorporated in 1978, with its headquarters based in Hyderabad, India, and is principally engaged in the manufacture of injectable drugs. Gland is the first injectable drug manufacturer in India which has been approved by the United States Food and Drug Administration and has obtained the Good Manufacturing Practice Certification in various markets in the world. The Target's main business model is joint development of products and introduction of licenses to provide all global major pharmaceutical companies with the manufacturing services in relation to injectable generic drugs.

3. Impact of the transaction

In the event of the Non-binding Proposal made by Fosun Industrial is successful, it will enhance and improve the Group's drug manufacture and research and development capacity and the degree of internationalization.

4. Other remarks

The board of directors of the Company wishes to emphasise that the Non-binding Proposal is subject to the selection and acceptance by the existing shareholders of Gland in respect of the relevant proposal made by the participates, including Fosun Industrial, and to the entering into of certain final legally binding documents by the relevant parties thereto and the terms thereof, therefore, the Non-binding Proposal may or may not proceed. Further announcement(s) in respect of the Non-binding Proposal will be made by the Company as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company wishes to remind the Company's shareholders and potential investors to refer to announcements posted on the website of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company's website when seeking information about the Group. The Company's shareholders and potential investors should exercise caution when trading in the Company's securities.

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

Shanghai, People's Republic of China
16 May 2016

As at the date of this announcement, the executive directors of the Company are Mr. Chen Qiyu and Mr. Yao Fang; the non-executive directors of the Company are Mr. Guo Guangchang, Mr. Wang Qunbin, Ms. Kang Lan and Mr. John Changzheng Ma; and the independent non-executive directors of the Company are Dr. Zhang Weijiong, Mr. Cao Huimin, Mr. Jiang Xian and Dr. Wong Tin Yau Kelvin.

* *For identification purposes only*