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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 company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 02196)**

## **PROPOSED ADOPTION OF THE 2025 A SHARE OPTION SCHEME**

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#### **EGM**

The EGM will be convened for the purpose of, among other things, considering and, if thought fit, approving the proposed adoption of the A Share Option Scheme. A circular containing, among other things, further details and summary of the principal terms of the A Share Option Scheme and a notice convening the EGM will be dispatched to the Shareholders in due course.

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### **1. Purpose of the A Share Option Scheme**

In order to further improve the corporate governance structure, establish and enhance the long-term incentive mechanism of the Group, attract and retain outstanding talent, fully mobilise the enthusiasm of the executive Directors, employee Director and senior management personnel of the Company and employees of the Group, and effectively align the interests of the Shareholders, corporate(s) and the Group's core team personnel to focus on and work collectively for the long-

term development of the Group, the A Share Option Scheme is formulated on the premise of sufficiently protecting the interests of the Shareholders and in accordance with the requirements under the Company Law, Securities Law, Administrative Measures and other relevant laws, administrative regulations, regulatory documents and the Articles.

## 2. Source of A Shares underlying the A Share Options

The source of A Shares underlying the A Share Options granted under the A Share Option Scheme are A Shares repurchased or to be repurchased by the Company on the secondary market (being A Shares held as treasury shares by the Company).

## 3. Number of A Shares underlying the A Share Options to be Granted

The maximum number of A Share Options that may be granted under the A Share Option Scheme shall not exceed 5,726,100 A Share Options, corresponding to a maximum of 5,726,100 A Shares, which represents approximately 0.2144% of the total number of Shares in issue (i.e. the total number of Shares in issue as at the close of trading on 22 August 2025, being 2,670,429,325 Shares (including treasury shares), hereinafter the same), and approximately 0.2729% of the total number of A Shares in issue (excluding treasury shares) (being 2,098,582,573 Shares, i.e. the total number of A Shares in issue as at the close of trading on 22 August 2025, excluding 19,906,252 treasury A Shares, hereinafter the same). Relevant details of the maximum number of A Share Options that may be granted under the A Share Option Scheme (including under the A Share Option First Grant and A Share Option Reserved Grant) and the corresponding maximum number of underlying A Shares are set out below:

	Maximum number of A Share Options to be granted	Maximum number of A Shares underlying the A Share Options to be granted	Approximate Proportion in the maximum number of A Share Options to be granted under the A Share Option Scheme	Approximate Proportion in the total number of Shares in issue	Approximate Proportion in the total number of A Shares in issue (excluding treasury A shares)
<b>A Share Option Scheme</b>	5,726,100	5,726,100	100.00%	0.2144%	0.2729%
Including:					
A Share Option First Grant	4,580,900	4,580,900	80.00%	0.1715%	0.2183%
A Share Option Reserved Grant	1,145,200	1,145,200	20.00%	0.0429%	0.0546%

In accordance with the Administrative Measures, at any time the total number of Shares involved in all share incentive scheme(s) of the Company in effect shall not exceed 10% of the total number of Shares; and unless otherwise approved by the Shareholders at a general meeting of the Company, the aggregate number of Shares granted to any A Share Option Participant under all share incentive scheme(s) of the Company in effect shall not exceed 1% of the total number of Shares. As at 22 August 2025, no option, award or other incentive interest may be granted under any existing share incentive scheme of the Company in effect.

#### **4. The Scope of the A Share Option Participants**

A Share Option Participants under the A Share Option Scheme shall not include any (i) independent non-executive Director of the Company, or (ii) Shareholder or actual controller and his/her spouse, parents and children where any of the aforesaid individually or collectively holds more than 5% of the Shares.

The A Share Option First Grant may be made to no more than 201 A Share Option Participants, including the following:

- (1) the executive Directors<sup>Note</sup>, employee Director<sup>Note</sup> and senior management personnel of the Company;
- (2) mid-level management personnel, core technology (business) personnel of the Group; and
- (3) other core personnel having made a direct contribution to the overall business performance and sustainable development of the Group as determined by the Board.

*Note:* Each of the Directors is involved in the daily operation of the Group. Such Director(s) shall abstain from voting when the Board and the general meeting of the Company consider the A Share Option Scheme and the relevant resolutions and shall not be involved in the management of the A Share Option Scheme during its implementation.

The A Share Option Participants under the A Share Option Reserved Grant shall be determined within 12 months from the date on which the A Share Option Scheme is considered and approved at the general meeting of the Company.

## 5. Proposed Allocation under the A Share Option First Grant

The list of proposed A Share Option Participants and the allocation of the A Share Options under the A Share Option First Grant are set out below:

No.	Name	Position	Number of A Share Options to be granted	Approximate Proportion in the total number of A Share Options to be granted under the A Share Option First Grant	Approximate Proportion in the total number of Shares in issue	Approximate Proportion in the total number of A Shares in issue (excluding treasury shares)
1	Chen Yuqing*	Executive Director and chairman of the Board	408,600	8.92%	0.0153%	0.0195%
2	Guan Xiaohui*	Executive Director and co-chairman of the Board	294,200	6.42%	0.0110%	0.0140%
3	Wen Deyong*	Executive Director and vice chairman of the Board	294,200	6.42%	0.0110%	0.0140%
4	Wang Kexin*	Executive Director	261,500	5.71%	0.0098%	0.0125%
5	Yan Jia*	Employee Director	21,800	0.48%	0.0008%	0.0010%
6	Liu Yi	Chief executive officer and president	326,900	7.14%	0.0122%	0.0156%
7	Li Jing	Co-president	245,200	5.35%	0.0092%	0.0117%
8	WANG XINGLI	Co-president	245,200	5.35%	0.0092%	0.0117%
9	ZHANG WENJIE	Co-president	49,000	1.07%	0.0018%	0.0023%
10	Feng Rongli	Executive president	163,500	3.57%	0.0061%	0.0078%
11	Wang Donghua	Senior vice president	85,800	1.87%	0.0032%	0.0041%
12	Chen Zhanyu	Senior vice president and chief financial officer	147,100	3.21%	0.0055%	0.0070%
13	LI XIANG	Senior vice president	85,800	1.87%	0.0032%	0.0041%
14	Dong Xiaoxian	Vice president, secretary of the Board and joint company secretary	68,100	1.49%	0.0026%	0.0032%
15	Su Li	Vice president	40,900	0.89%	0.0015%	0.0019%
16	Ji Hao	Vice president	68,100	1.49%	0.0026%	0.0032%
17	Zhu Yue	Vice president	68,100	1.49%	0.0026%	0.0032%
18	Lv Lilang	Vice president	54,500	1.19%	0.0020%	0.0026%
19	Yuan Fangbing	Vice president	68,100	1.49%	0.0026%	0.0032%
Other mid-level management personnel and core personnel of the Group			1,584,300	34.58%	0.0593%	0.0755%
<b>Total number of A Share Option under the A Share Option First Grant</b>			<b>4,580,900</b>	<b>100.00%</b>	<b>0.1715%</b>	<b>0.2183%</b>

Notes:

- \* Being Directors who are involved in the daily operation of the Group. Such Directors shall abstain from voting when the Board and the general meeting of the Company consider the A Share Option Scheme and the relevant resolutions, and shall not be involved in the management of the A Share Option Scheme during the implementation of the A Share Option Scheme.

## **6. A Share Option Exercise Price and the Basis of Determination**

### *(I) A Share Option Exercise Price of the A Share Option First Grant*

The A Share Option Exercise Price of the A Share Option First Grant shall be RMB27.93 per share. Upon the Company confirming the fulfilment of the exercising conditions of the A Share Options, each A Share Option Participant is entitled to exercise the exercisable A Share Options granted to him/her to subscribe for the corresponding number of A Shares at the price of RMB27.93 per share during the A Share Option Exercise Period.

### *(II) Basis for determining the A Share Option Exercise Price of the A Share Option First Grant*

The A Share Option Exercise Price under the A Share Option First Grant shall not be lower than the nominal value of the A Shares, and shall not be lower than the higher of the following prices:

- (1) the average trading price of the A Shares on the last trading day immediately preceding the date of the A-Share announcement on the A Share Option Scheme (i.e. 22 August 2025, hereinafter the same), which is RMB27.93 per share; and
- (2) the average trading price of the A Shares for the last 120 trading days immediately preceding the date of the A-Share announcement on the A Share Option Scheme, which is RMB25.78 per share.

### *(III) Basis for determining the A Share Option Exercise Price of the A Share Option Reserved Grant*

The A Share Option Exercise Price under the A Share Option Reserved Grant shall not be lower than the nominal value of the A Shares, and shall not be lower than the highest of the followings:

- (1) the average trading price of the A Shares on the last trading day immediately preceding the date of the A-Share announcement on the Board resolutions approving the A Share Option Reserved Grant;
- (2) one of the average trading prices of the A Shares for the last 20, 60 or 120 trading days immediately preceding the date of the A-Share announcement on the Board resolutions approving the A Share Option Reserved Grant; and
- (3) the A Share Option Exercise Price under the A Share Option First Grant.

## **7. Term**

The term of the A Share Option Scheme shall be commencing from the date of the A Share Option First Grant and ending on the date of all the A Share Options granted to the A Share Option Participants having been exercised and/or cancelled, which shall not exceed a maximum period of 60 months.

## 8. A Share Option Vesting Period and exercise arrangement

The A Share Options granted under the A Share Option Scheme shall be subject to the A Share Option Vesting Period, and the A Share Options granted to the A Share Option Participants are subject to different A Share Option Vesting Periods.

Any A Share Option Participant may only exercise the A Share Options after the expiration of the A Share Option Vesting Period.

- (1) The A Share Option Vesting Period of the A Share Options granted under the A Share Option First Grant shall be 12 months, 24 months and 36 months from the date of the A Share Option First Grant. The A Share Option Exercise Period and the exercise schedule and arrangements for each such period are set out below:

<b>A Share Option Exercise Period for the A Share Options granted under the A Share Option First Grant</b>	<b>Exercise Schedule</b>	<b>Maximum proportion of the exercisable A Share Options in the total number of A Share Options granted under the A Share Option First Grant</b>
First Exercise Period	Commencing from the first trading day after expiry of the 12-month period from the date of the A Share Option First Grant and ending on the last trading day of the 24-month period from the date of the A Share Option First Grant	33%
Second Exercise Period	Commencing from the first trading day after expiry of the 24-month period from the date of the A Share Option First Grant and ending on the last trading day of the 36-month period from the date of the A Share Option First Grant	33%
Third Exercise Period	Commencing from the first trading day after expiry of the 36-month period from the date of the A Share Option First Grant and ending on the last trading day of the 48-month period from the date of the A Share Option First Grant	34%

- (2) The A Share Option Vesting Period and the exercise schedule and arrangements for the A Share Option Reserved Grant:

If the A Share Option Reserved Grant takes place in 2025, the A Share Option Vesting Period of the A Share Options granted shall be 12 months, 24 months and 36 months from the date of the A Share Option Reserved Grant. The A Share Option Exercise Period and the exercise schedule and arrangements for each such period are set out below:

<b>A Share Option Exercise Period for the A Share Options granted under the A Share Option Reserved Grant</b>	<b>Exercise Schedule</b>	<b>Maximum proportion of the exercisable A Share Options in the total number of A Share Options granted under the A Share Option Reserved Grant</b>
First Exercise Period	Commencing from the first trading day after expiry of the 12-month period from the date of the A Share Option Reserved Grant and ending on the last trading day of the 24-month period from the date of the A Share Option Reserved Grant	33%
Second Exercise Period	Commencing from the first trading day after expiry of the 24-month period from the date of the A Share Option Reserved Grant and ending on the last trading day of the 36-month period from the date of the A Share Option Reserved Grant	33%
Third Exercise Period	Commencing from the first trading day after expiry of the 36-month period from the date of the A Share Option Reserved Grant and ending on the last trading day of the 48-month period from the date of the A Share Option Reserved Grant	34%

If the A Share Option Reserved Grant takes place in 2026, the A Share Option Vesting Period of the A Share Options granted shall be 12 months and 24 months from the date of the A Share Option Reserved Grant. The A Share Option Exercise Period and the exercise schedule and arrangements for each such period are set out below:

<b>A Share Option Exercise Period for the A Share Options granted under the A Share Option Reserved Grant</b>	<b>Exercise Schedule</b>	<b>Maximum proportion of the exercisable A Share Options in the total number of A Share Options granted under the A Share Option Reserved Grant</b>
First Exercise Period	Commencing from the first trading day after expiry of the 12-month period from the date of the A Share Option Reserved Grant and ending on the last trading day of the 24-month period from the date of the A Share Option Reserved Grant	50%
Second Exercise Period	Commencing from the first trading day after expiry of the 24-month period from the date of the A Share Option Reserved Grant and ending on the last trading day of the 36-month period from the date of the A Share Option Reserved Grant	50%

## 9. Performance Targets

### (1) *Performance appraisal at the Group level*

Under the A Share Option Scheme, the financial performance indicators of the Group shall be appraised on an annual basis, and the appraisal shall be made once in each financial year. The two sub-indicators, i.e. “net profit attributable to the parent (歸母淨利潤)”<sup>Note 1</sup> and “revenue from Innovative Drugs (創新藥品收入)”<sup>Note 2</sup>, of each appraisal year shall be assessed, to



determine the aggregate performance appraisal indicator score at the Group level (X) based on the scores and weights of each sub-indicator in order to further calculate the ratio for the exercise of the A Share Options (M) for the corresponding year, the details of which are set out below:

- (i) The aggregate performance appraisal indicator score at the Group level (X) =  $\Sigma$  the score of each sub-indicator  $\times$  the corresponding weight.

Details of the performance appraisal indicators at the Group level applicable to the exercise of the A Share Options under the A Share Option First Grant are as follows:

*Unit: RMB100 million*

Appraisal indicator	Weight	Scoring standard for each sub-indicator (maximum score = 100)		
		2025 target value	2026 target value	2027 target value
Net profit attributable to the parent <sup>Note 1</sup>	60%	33.2	39.6	47.7
Revenue from Innovative Drugs <sup>Note 2</sup>	40%	93.6	112.3	134.8

*Note 1:* “Net profit attributable to the parent” refers to net profit attributable to equity holders of the company as set out in the audited financial report of the Group for the relevant financial year prepared in accordance with the China Accounting Standards for Business Enterprises, after excluding the impact of share-based payment expenses of the A Share Option Scheme and other share incentive schemes of the Company (if any).

*Note 2:* “Innovative Drugs” mainly include innovative drugs, biosimilars, improved new drugs and other drugs with high technological barriers formed through technological innovation. “Revenue from Innovative Drugs” shall be determined based on the data calculated in accordance with the China Accounting Standards for Business Enterprises as set out in the annual report of the Group for the corresponding appraisal year.

In the event of the A Share Option Reserved Grant taking place in 2025, the years and specific indicators of the performance appraisal at the Group level applicable to the exercise of such A Share Options under the A Share Option Reserved Grant shall be the same as those of the A Share Option First Grant. In the event of the A Share Option Reserved Grant taking place in 2026, the years of the performance appraisal at the Group level applicable to the exercise of such A Share Options under the A Share Option Reserved Grant shall be the two financial years of 2026 and 2027, and the appraisal shall be conducted once in each financial year, and details of the performance appraisal indicators at the Group level applicable to the exercise of such A Share Options are as follows:

*Unit: RMB100 million*

Appraisal indicator	Weight	2026	2027	Scoring standard for each sub-indicator (maximum score = 100)
		target value	target value	
Net profit attributable to the parent <sup>Note 1</sup>	60%	39.6	47.7	The score of each sub-indicator = (actual value/target value) × 100
Revenue from Innovative Drugs <sup>Note 2</sup>	40%	112.3	134.8	

*Note 1:* “Net profit attributable to the parent” refers to net profit attributable to equity holders of the company as set out in the audited financial report of the Group for the relevant financial year prepared in accordance with the China Accounting Standards for Business Enterprises, after excluding the impact of share-based payment expenses of the A Share Option Scheme and other share incentive schemes of the Company (if any).

*Note 2:* “Innovative Drugs” mainly include innovative drugs, biosimilars, improved new drugs and other drugs with high technological barriers formed through technological innovation. “Revenue from Innovative Drugs” shall be determined based on the data calculated in accordance with the China Accounting Standards for Business Enterprises as set out in the annual report of the Group for the corresponding appraisal year.

With respect to any appraisal year, if the aggregate performance appraisal indicator score at the Group level (X) does not reach 80 points, all corresponding A Share Options granted to the A Share Option Participants for such appraisal year shall not be exercisable, and shall be cancelled by the Company.

- (ii) The relationship between the aggregate performance appraisal indicator score at the Group level (X) and the exercise ratio (M) for the corresponding year is set out below:

<b>Range of the aggregate performance appraisal indicator score at the Group level (X)</b>	<b>Exercise ratio (M)*</b>
X < 80 points	0
80 points ≤ X < 85 points	70%
85 points ≤ X < 90 points	80%
90 points ≤ X < 95 points	90%
95 points ≤ X ≤ 100 points	X%

\* If the number of A Share Options that can be exercised for an A Share Option Participant is not an integer due to the exercise ratio (M), it will be rounded to the nearest integer.

## *(2) Performance appraisal at the individual level*

Where the performance targets at the Group level have been achieved, an A Share Option Participant is only entitled to exercise the A Share Options if he or she has achieved the benchmark of “Target Achieved” or above in his or her performance appraisal at the individual level in the corresponding appraisal year in accordance with the management system of the Group in respect of remuneration and performance appraisal, otherwise, the A Share Options granted to him or her which are scheduled to be exercised for the corresponding appraisal year shall not be exercisable and shall be cancelled by the Company.

## **EGM**

The EGM will be convened for the purpose of, among other things, considering and, if thought fit, approving the proposed adoption of the A Share Option Scheme. A circular containing, among other things, further details and summary of the principal terms of the A Share Option Scheme and a notice convening the EGM will be dispatched to the Shareholders in due course.

## **DEFINITIONS**

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

“2025 A Share Option Scheme” or “A Share Option Scheme”	the 2025 A Share Option Incentive Scheme of the Company proposed to be adopted at the EGM
“A Share(s)”	domestic share(s) with a nominal value of RMB1.00 each of the Company, which is (are) listed on the Shanghai Stock Exchange and traded in RMB

“A Share Option(s)”	a right to be granted to A Share Option Participants to subscribe for such number of A Shares upon satisfaction of relevant conditions and payment of the A Share Option Exercise Price when exercised during the A Share Option Exercise Period pursuant to the A Share Option Scheme
“A Share Option Exercisable Date”	the date on which the A Share Options become exercisable upon satisfaction of the relevant exercise conditions under the A Share Option Scheme and approval of the Board, which must fall on a trading day of A Shares
“A Share Option Exercise Period”	the period during which the A Share Options may be exercised after the end of the relevant A Share Option Vesting Period
“A Share Option Exercise Price”	the price at which the A Share Option Participants may subscribe for A Shares upon the exercise of the A Share Options, as determined under the A Share Option Scheme
“A Share Option First Grant”	the proposed first grant of up to 4,580,900 A Share Options following the adoption of the A Share Option Scheme
“A Share Option Grant Date”	the date on which the Company grants the A Share Options to the A Share Option Participants, which must be a trading day of A Shares
“A Share Option Participant”	the eligible person(s) to be granted the A Share Option(s) under the A Share Option Scheme
“A Share Option Reserved Grant”	the further grant of up to 1,145,200 A Share Options reserved to be granted under the A Share Option Scheme subsequent to the A Share Option First Grant
“A Share Option Vesting Period”	the minimum period between the A Share Option Grant Date and the A Share Option Exercisable Date
“Administrative Measures”	the Administrative Measures on Share Incentives of Listed Companies* (《上市公司股權激勵管理辦法》)
“Articles”	the articles of association of the Company in effect from time to time
“Board”	the board of directors of the Company

“Company”	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》)
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of, among other things, considering and, if thought fit, approving the proposed adoption of the A Share Option Scheme
“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
“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
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC” or “China”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Laws of the PRC* (《中華人民共和國證券法》)
“Shanghai Stock Exchange”	the Shanghai Stock Exchange* (上海證券交易所)
“Share(s)”	share(s) of the Company, comprising H Shares and A Shares
“Shareholder(s)”	holder(s) of Share(s)
“subsidiary(ies)”	has the meaning ascribed to it under the Hong Kong Listing Rules

“treasury shares” has the meaning ascribed to it under the Hong Kong Listing Rules

“%” percent

Unless otherwise stated, the financial data and financial indicators referenced in this announcement and the A Share Option Scheme shall refer to the financial data set out in the consolidated financial reports prepared by the Group according to the China Accounting Standards for Business Enterprise and the financial indicators calculated based on such financial data, respectively.

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

Shanghai, the PRC  
22 August 2025

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Yuqing, Ms. Guan Xiaohui, Mr. Wen Deyong and Mr. Wang Kexin; the non-executive directors of the Company are Mr. Chen Qiyu, Mr. Pan Donghui and Mr. Wu Yifang; the independent non-executive directors of the Company are Mr. Yu Tze Shan Hailson, Mr. Wang Quandi, Mr. Chen Penghui and Mr. Yang Yucheng; and the employee Director of the Company is Ms. Yan Jia.*

*\* for identification purposes only*