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## 上海復旦張江生物醫藥股份有限公司

**Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.\***

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 8231)**

### **PROPOSED GRANT OF RESTRICTED SHARES UNDER THE SECOND GRANT PURSUANT TO RESTRICTED SHARE SCHEME; AND**

### **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

Reference is made to the Circulars dated 14 May 2012 and 12 April 2013 in relation to, among others, the Restricted Share Scheme.

As disclosed in the Circulars, the Board has been authorized at the AGM and the Class Meetings held on 30 May 2013 to do all acts and things as they consider necessary or expedient or desirable in connection with the implementation of the Restricted Share Scheme, and to conduct the Second Grant of not more than 35,500,000 Restricted Shares within two (2) years commencing from the Adoption Date pursuant to the Restricted Share Scheme.

The Board announces that at a meeting of the Board on 8 August 2013, the Board has considered and approved the following resolutions in relation to the Second Grant pursuant to the Restricted Share Scheme: (i) the Company entered into the Capital Increase Agreement with three executive Directors, a Supervisor, a director and a supervisor of subsidiaries of the Company, namely Mr. Wang Hai Bo, Mr. Su Yong, Mr. Zhao Da Jun, Ms. Zhang Man Juan, Mr. Zhou Ming and Ms. Lu Rong, and other Scheme Participants who are not connected persons of the Company under the Second Grant; and (ii) the Company proposed to amend the Articles of Association according to the result of the grant of Restricted Shares under the Second Grant pursuant to the Restricted Share Scheme.

The effectiveness of the Capital Increase Agreement and the relevant amendments to the Articles of Association is still subject to the approval by the relevant authorities in China.

Reference is made to the circulars to the shareholders of 上海復旦張江生物醫藥股份有限公司 Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.\* (the "**Company**") dated 14 May 2012 and 12 April 2013 (the "**Circulars**") in relation to, among others, the restricted share scheme. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Circulars.

As disclosed in the Circulars, the Board has been authorized at the AGM and the Class Meetings held on 30 May 2013 to do all acts and things as they consider necessary or expedient or desirable in connection with the implementation of the Restricted Share Scheme, and to conduct the Second Grant of not more than 35,500,000 Restricted Shares within two (2) years commencing from the Adoption Date pursuant to the Restricted Share Scheme.

The Board announces that at a meeting of the Board on 8 August 2013, the Board has considered and approved the following resolutions in relation to the Second Grant pursuant to the Restricted Share Scheme: (i) the Company entered into a capital increase agreement for Domestic Shares (the "**Capital Increase Agreement**") with three executive Directors, a Supervisor, a director and a supervisor of subsidiaries of the Company, namely Mr. Wang Hai Bo, Mr. Su Yong, Mr. Zhao Da Jun, Ms. Zhang Man Juan, Mr. Zhou Ming and Ms. Lu Rong, and other Scheme Participants who are not connected persons of the Company under the Second Grant; and (ii) the Company proposed to amend the Articles of Association according to the result of the grant of Restricted Shares under the Second Grant pursuant to the Restricted Share Scheme.

The effectiveness of the Capital Increase Agreement and the relevant amendments to the Articles of Association is still subject to the approval by the relevant authorities in China.

## **I. PROPOSED GRANT OF RESTRICTED SHARES UNDER THE SECOND GRANT PURSUANT TO RESTRICTED SHARE SCHEME**

### **Capital Increase Agreement**

The principal terms of the Capital Increase Agreement are set out as follows:

- (i) the Company would grant 35,500,000 Restricted Shares in the one-off Second Grant to the Scheme Participants at the grant price of RMB0.51 per Restricted Share pursuant to the Restricted Share Scheme;
- (ii) upon completion of the grant of Restricted Shares under the Second Grant, the number of issued Domestic Shares of the Company would increase from 547,500,000 to 583,000,000, and the registered capital of the Company would increase from RMB88.75 million to RMB92.30 million;
- (iii) Among the 35,500,000 Restricted Shares, 3,000,000 Restricted Shares, 2,000,000 Restricted Shares and 2,000,000 Restricted Shares would be granted to three executive Directors, namely Mr. Wang Hai Bo, Mr. Su Yong and Mr. Zhao Da Jun, respectively; 870,000 Restricted Shares would be granted to a Supervisor, namely Ms. Zhang Man Juan; 800,000 Restricted Shares would be granted to a director of a

subsidiary of the Company, namely Mr. Zhou Ming; and 800,000 Restricted Shares would be granted to a supervisor of a subsidiary of the Company, namely Ms. Lu Rong. The remaining 26,030,000 Restricted Shares would be granted to other Scheme Participants who are not connected persons of the Company under the Second Grant; and

- (iv) the Board would deal with the relevant registration and filing procedures with the relevant authorities in China and other matters in relation to the implementation of the shareholders' approvals.

## Shareholding Structure

The shareholding structure of the Company as at the date of this announcement and immediately after the grant of Restricted Shares under the Second Grant is set out as follows:

<i>Class of Shares</i>	<b>As at the date of this announcement</b>		<b>Immediately after the grant of Restricted Shares under the Second Grant</b>	
	<i>Number of Shares</i>	<i>Approximately (%)</i>	<i>Number of Shares</i>	<i>Approximately (%)</i>
<b>Domestic Shares</b>	<b>547,500,000</b>	<b>61.69%</b>	<b>583,000,000</b>	<b>63.16%</b>
Shanghai Pharmaceuticals Holding Co., Ltd.	139,578,560	15.73%	139,578,560	15.12%
China New Enterprise Investment Fund II	130,977,816	14.76%	130,977,816	14.19%
Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. (Note 1)	105,915,096	11.93%	105,915,096	11.48%
Mr. Wang Hai Bo	54,886,430	6.18%	57,886,430	6.27%
Mr. Su Yong	20,312,860	2.29%	22,312,860	2.42%
Mr. Zhao Da Jun	17,260,710	1.94%	19,260,710	2.09%

Ms. Zhang Man Juan			870,000	0.09%
Mr. Zhou Ming			800,000	0.09%
Ms. Lu Rong			800,000	0.09%
Other Scheme Participants other than connected persons of the Company ( <i>Note 2</i> )	28,500,000	3.21%	54,530,000	5.91%
Others ( <i>Note 3</i> )	50,068,528	5.64%	50,068,528	5.42%
<b>H Shares</b>	<b>340,000,000</b>	<b>38.31%</b>	<b>340,000,000</b>	<b>36.84%</b>
Shanghai Pharmaceuticals Holding Co., Ltd.	70,564,000	7.95%	70,564,000	7.65%
Public Holders	<u>269,436,000</u>	<u>30.36%</u>	<u>269,436,000</u>	<u>29.19%</u>
<b>Total</b>	<b><u><u>887,500,000</u></u></b>	<b><u><u>100%</u></u></b>	<b><u><u>923,000,000</u></u></b>	<b><u><u>100%</u></u></b>

*Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancy between totals and sums of individual amounts listed are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.*

*Notes:*

1. As far as the Directors are aware, Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. has sold its entire interest in the Company to two third parties, but the transfer and registration procedures have not yet been completed as at the date of this announcement.
2. Pursuant to the Restricted Share Scheme, other Scheme Participants, who are not connected persons of the Company, indirectly held the granted Restricted Shares by corporate shareholders. Such corporate shareholders are Shanghai Zhiyuan Investment Center LP, Shanghai Chengyuan Investment Center LP and Shanghai Dayuan Investment Center LP.

	After the completion of the Initial Grant		Immediately after the grant of Restricted Shares under the Second Grant	
	As at the date of this announcement			
	<i>Number of Shares</i>	<i>Approximately (%)</i>	<i>Number of Shares</i>	<i>Approximately (%)</i>
Shanghai Zhiyuan Investment Center LP 上海志淵投資中心 (有限合夥)	13,585,000	1.53%	26,160,000	2.83%
Shanghai Chengyuan Investment Center LP 上海誠淵投資中心 (有限合夥)	6,965,000	0.79%	12,470,000	1.35%
Shanghai Dayuan Investment Center LP 上海達淵投資中心 (有限合夥)	7,950,000	0.90%	15,900,000	1.72%
	<b>28,500,000</b>	<b>3.21%</b>	<b>54,530,000</b>	<b>5.91%</b>

3. Such 50,068,528 Domestic Shares are inclusive of (i) 30,636,286 Domestic Shares held by Shanghai Fudan Asset Operating Limited; (ii) 7,215,260 Domestic Shares held by Mr. Li Jun, the deputy general manager of the Company; (iii) 6,562,382 Domestic Shares held by Pudong Technology Investment; and (iv) 5,654,600 Domestic Shares held by Ms. Fang Jing, a non-executive Director.

## II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board has considered and approved the amendments to the Articles of Association according to the result of the grant of Restricted Shares under the Second Grant pursuant to the Restricted Share Scheme and the disposal of its entire interest in the Company by Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. at the meeting of the Board on 8 August 2013. The effectiveness of the relevant amendments is still subject to the approval by the relevant authorities in China. Details of the amendments of the Articles of Association are as follows:

**(i). Article 7 of the Articles of Association**

The original Article 7 is:

7. In a shareholders' annual general meeting held on June 24<sup>th</sup>, 2005, the Company amended its articles of association adopted by the special resolutions of its shareholders' annual general meeting held on June 25<sup>th</sup>, 2004 in accordance with the actual situations concerning its issue of Overseas-Listed Foreign-invested Shares; in a shareholders' Extraordinary General Meeting held on 29 October, 2010, the Company adopted the further amended articles of association of the Company; upon the authorization by special resolutions passed by the shareholders' Annual General Meeting held on 29 June, 2012, the Board approved the amendment to the articles of association of the Company on March 19, 2013; the Board further approved this amendment to the articles of association of the Company on May 9, 2013 (these "Articles").

These Articles shall replace the Original Articles as of its effective date. Unless otherwise amended by the Amendment to these Articles, all the other articles of these Articles shall remain its full effect.

Amended as:

7. In a shareholders' annual general meeting held on 24<sup>th</sup> June, 2005, the Company amended its articles of association adopted by the special resolutions of its shareholders' annual general meeting held on 25<sup>th</sup> June, 2004 in accordance with the actual situations concerning its issue of Overseas-Listed Foreign-invested Shares; in a shareholders' Extraordinary General Meeting held on 29<sup>th</sup> October, 2010, the Company adopted the further amended articles of association of the Company; upon the authorization by special resolutions passed by the shareholders' Annual General Meeting held on 29<sup>th</sup> June, 2012, the Board approved the amendment to the articles of association of the Company on 19<sup>th</sup> March, 2013; the Board further approved this amendment to the articles of association of the Company on 9<sup>th</sup> May, 2013 and 8<sup>th</sup> August, 2013 (these "Articles").

These Articles shall replace the Original Articles as of its effective date. Unless otherwise amended by the Amendment to these Articles, all the other articles of these Articles shall remain its full effect.

**(ii). Article 21 of the Articles of Association**

The original Article 21 is:

21. The Company has actually issued a total of 887,500,000 ordinary shares, among which (1) 530,000,000 Domestic-Invested Shares were issued on the establishment of the Company and were wholly subscribed for by the promoters of the Company; (2) in accordance with the approval of the securities regulatory authorities of the State Council, 180,000,000 H shares have been initially issued

to foreign investors, at the same time, 18,000,000 Domestic-Invested Shares originally state owned had been decreased according to relevant laws and administrative regulations and thereafter sold and converted into Foreign-invested Shares; (3) in accordance with the approval of the securities regulatory authorities of the State Council, 142,000,000 H shares have been issued to foreign investors through capital increase; (4) in accordance with the Company's restricted share scheme, 35,500,000 Domestic-Invested Shares have been issued to employees of the Company and entity for restricted share scheme through capital increase.

Amended as:

21. The Company has actually issued a total of 923,000,000 ordinary shares, among which (1) 530,000,000 Domestic-Invested Shares were issued on the establishment of the Company and were wholly subscribed for by the promoters of the Company; (2) in accordance with the approval of the securities regulatory authorities of the State Council, 180,000,000 H shares have been initially issued to foreign investors, at the same time, 18,000,000 Domestic-Invested Shares originally state owned had been decreased according to relevant laws and administrative regulations and thereafter sold and converted into Foreign-invested Shares; (3) in accordance with the approval of the securities regulatory authorities of the State Council, 142,000,000 H shares have been issued to foreign investors through capital increase; (4) in accordance with the Company's restricted share scheme, 71,000,000 Domestic-Invested Shares have been issued to employees of the Company and entity for restricted share scheme through capital increase.

**(iii). Article 22 of the Articles of Association**

The original Article 22 is:

22. In accordance with the approval of the securities regulatory authorities authorized by the State Council, the Company has increased its capital by issuing 180,000,000 Overseas-Listed Foreign-invested Shares, approximately representing 25.35% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 710,000,000 issued ordinary shares, of which 512,000,000 Domestic-Invested Shares are held by China General Technology (Group) Holding Ltd. (中國通用技術(集團)控股有限責任公司), Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Zhangjiang High-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Fu Dan University (復旦大學), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), as the promoters of the Company, approximately representing 72.11% of the total issued ordinary shares of the Company; and 198,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H

shares), representing 27.89% of the Company's total share capital.

In accordance with the approval of the securities regulatory authorities authorized by the State Council dated December 11, 2012, the Company has increased its capital by issuing 142,000,000 Overseas-Listed Foreign-invested Shares, approximately representing 20% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 852,000,000 issued ordinary shares, of which 381,022,184 Domestic-Invested Shares are held by the promoters- Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Zhangjiang High-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Shanghai Fudan Asset Operation Co., Ltd. (上海復旦資產經營有限公司), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), 130,977,816 Domestic-Invested Shares are held by other shareholders, approximately representing 60.09% of the total issued ordinary shares of the Company; and 340,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H shares), approximately representing 39.91% of the Company's total share capital.

In accordance with the Domestic-Invested Shares capital increase agreement dated May 9, 2013, the Company has increased its capital by issuing 35,500,000 Domestic-Invested Shares, approximately representing 4% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 887,500,000 issued ordinary shares, of which 388,022,184 Domestic-Invested Shares are held by the promoters- Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Zhangjiang High-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Shanghai Fudan Asset Operation Co., Ltd. (上海復旦資產經營有限公司), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), 159,477,816 Domestic-Invested Shares are held by other shareholders, approximately representing 61.69% of the total issued ordinary shares of the Company; and 340,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H shares), approximately representing 38.31% of the Company's total share capital.



Amended as:

22. In accordance with the approval of the securities regulatory authorities authorized by the State Council, the Company has increased its capital by issuing 180,000,000 Overseas-Listed Foreign-invested Shares, approximately representing 25.35% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 710,000,000 issued ordinary shares, of which 512,000,000 Domestic-Invested Shares are held by China General Technology (Group) Holding Ltd. (中國通用技術(集團)控股有限責任公司), Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Zhangjiang High-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Fu Dan University (復旦大學), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), as the promoters of the Company, approximately representing 72.11% of the total issued ordinary shares of the Company; and 198,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H shares), representing 27.89% of the Company's total share capital.

In accordance with the approval of the securities regulatory authorities authorized by the State Council dated 11<sup>th</sup> December, 2012, the Company has increased its capital by issuing 142,000,000 Overseas-Listed Foreign-invested Shares, approximately representing 16.67% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 852,000,000 issued ordinary shares, of which 381,022,184 Domestic-Invested Shares are held by the promoters- Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Zhangjiang High-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Shanghai Fudan Asset Operation Co., Ltd. (上海復旦資產經營有限公司), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), 130,977,816 Domestic-Invested Shares are held by other shareholders, approximately representing 60.09% of the total issued ordinary shares of the Company; and 340,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H shares), approximately representing 39.91% of the Company's total share capital.

In accordance with the Domestic-Invested Shares capital increase agreement dated 9<sup>th</sup> May, 2013, the Company has increased its capital by issuing 35,500,000 Domestic-Invested Shares, approximately representing 4% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 887,500,000 issued ordinary shares, of which 388,022,184 Domestic-Invested Shares are held by the promoters- Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Zhangjiang High-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Shanghai Fudan Asset Operation Co., Ltd. (上海復旦資產經營有限公司), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), 159,477,816 Domestic-Invested Shares are held by other shareholders, approximately representing 61.69% of the total issued ordinary shares of the Company; and 340,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H shares), approximately representing 38.31% of the Company's total share capital.

In accordance with the Domestic-Invested Shares capital increase agreement dated 8<sup>th</sup> August, 2013, the Company has increased its capital by issuing 35,500,000 Domestic-Invested Shares, approximately representing 3.85% of the total ordinary shares issued by the Company.

After increase of capital by issuing shares as referred to in the preceding paragraph, the share capital structure of the Company is 923,000,000 issued ordinary shares, of which 289,107,088 Domestic-Invested Shares are held by the promoters- Shanghai Pharmaceutical Holding Co., Ltd. (上海醫藥集團股份有限公司), Shanghai Pudong Technology Investment Co., Ltd. (上海浦東科技投資有限公司), Shanghai Fudan Asset Operation Co., Ltd. (上海復旦資產經營有限公司), Wang Hai Bo (王海波), Su Yong (蘇勇), Zhao da Jun (趙大君), Li Jun (李軍) and Fang Jing (方靖), 293,892,912 Domestic-Invested Shares are held by other shareholders, approximately representing 63.16% of the total issued ordinary shares of the Company; and 340,000,000 H Shares are held by the holders of Overseas-Listed Foreign-Invested Shares (H shares), approximately representing 36.84% of the Company's total share capital.

**(iv). Article 25 of the Articles of Association**

The original Article 25 is:

25. The Company's registered capital is Renminbi 88,750,000.

Amended as:

25. The Company's registered capital is Renminbi 92,300,000.

By Order of the Board

**Wang Hai Bo**

Chairman

As at the date on the publication of this announcement, the Board comprises:

Mr. Wang Hai Bo (Executive Director)

Mr. Su Yong (Executive Director)

Mr. Zhao Da Jun (Executive Director)

Ms. Fang Jing (Non-executive Director)

Ms. Ke Ying (Non-executive Director)

Mr. Shen Bo (Non-executive Director)

Ms. Yu Xiao Yang (Non-executive Director)

Mr. Pan Fei (Independent Non-executive Director)

Mr. Cheng Lin (Independent Non-executive Director)

Mr. Weng De Zhang (Independent Non-executive Director)

Mr. Zhou Zhong Hui (Independent Non-executive Director)

### **Shanghai, the PRC**

8 August 2013

*\* For identification purpose only*

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

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