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ShangPharma completes in-house merger

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Singapore: ShangPharma, a leading China-based pharmaceutical and biotechnology R&D outsourcing company, has completed the merger contemplated by the previously announced agreement and plan of merger dated December 21, 2012, by and among the company, ShangPharma Holdings, ShangPharma Parent and ShangPharma Merger Sub. As a result of the merger, the company has now become a wholly-owned subsidiary of parent.

Under the terms of the merger agreement, which was approved by the company's shareholders at an extraordinary general meeting held on March 20, 2013, all of the company's ordinary shares (including ordinary shares represented by American depositary shares, each representing eighteen ordinary shares or ADS) issued and outstanding immediately prior to the effective time of the merger have been cancelled and converted into and exchanged for the right to receive $0.50 per ordinary share or $9.00 per ADS, in each case, in cash, without interest and net of any applicable withholding taxes.

Registered shareholders entitled to the merger consideration will receive a letter of transmittal and instructions on how to surrender their share certificates in exchange for the merger consideration and should wait to receive the letter of transmittal before surrendering their share certificates. Payment of the merger consideration will be made to surrendering ADS holders as soon as practicable after JPMorgan Chase Bank, N.A., the Company's ADS depositary, receives the merger consideration.

The company also announced today that it requested that trading of its ADSs on the New York Stock Exchange (NYSE) to be suspended beginning on March 28, 2013. The company requested that the NYSE file a Form 25 with the Securities and Exchange Commission notifying the SEC of the delisting of its ADSs on the NYSE and the deregistration of the company's registered securities.

The company intends to terminate its reporting obligations under the Securities Exchange Act of 1934, as amended, by promptly filing a Form 15 with the SEC. The company's obligation to file with the SEC certain reports and forms, including Form 20-F and Form 6-K, will be suspended immediately as of the filing date of the Form 15 and will cease once the deregistration becomes effective.