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FOSUN 复星
復星國際有限公司
FOSUN INTERNATIONAL LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00656)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE ACQUISITION OF H-SHARES OF
TSINGTAO BREWERY COMPANY LIMITED**

THE SPAs

The Board is pleased to announce that on 20 December 2017, each of the Buyers separately entered into an SPA with the Seller, pursuant to which the Buyers agreed to purchase and the Seller agreed to sell 243,108,236 Sale Shares, representing 37.11% in aggregate of the issued H-Shares and 17.99% in aggregate of the total issued shares of the Target Company at HKD27.22 per Sale Share for a Consideration of approximately HKD6,617 million in total.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, the Acquisition will be aggregated. As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company should be aware that the completion of the Acquisition is conditional upon the satisfaction or waiver of the conditions precedent which may or may not be satisfied or waived. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 20 December 2017, each of the Buyers separately entered into an SPA with the Seller, pursuant to which the Buyers agreed to purchase and the Seller agreed to sell 243,108,236 Sale Shares, representing 37.11% in aggregate of the issued H-Shares and 17.99% in aggregate of the total issued shares of the Target Company at HKD27.22 per Sale Share for a Consideration of approximately HKD6,617 million in total.

The principal terms of the SPAs are as follows:

THE SPAs

Date: 20 December 2017

Parties: **Buyer of the respective SPA:**

- (i) Fosun Industrial Holdings Limited (“**Fosun Industrial**”);
- (ii) Peak Reinsurance Company Limited (“**Peak Reinsurance**”);
- (iii) Fidelidade – Companhia de Seguros, S.A. (“**Fidelidade**”);
- (iv) Star Insurance Company (“**Star Insurance**”); and
- (v) China Momentum Investment (BVI) Limited (“**CMI**”)

Seller: Asahi Group Holdings, Ltd.

Under the SPA among Fosun Industrial, the Seller and the Company (a party to this SPA only), the Company agrees to provide undertaking to the Seller to perform the obligations and liabilities of Fosun Industrial if Fosun Industrial defaults under the SPA, and in the event of a termination or relevant default by any other Buyer under the other relevant SPA, Fosun Industrial and the Company also agree to undertake to the Seller to fulfil or cause the fulfilment of such other Buyer’s payment obligations or the obligations to close the transaction under such other SPA.

To the best of the Directors’ knowledge, information and belief, and after having made all reasonable enquiries, the Seller and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Sale Shares: 243,108,236 H-Shares in aggregate to be disposed of by the Seller as set out below:

Name of the Buyer	Number of the Sale Shares	Approximate percentage of the total H-Shares	Approximate percentage of the total issued shares of the Target Company
Fosun Industrial	153,255,626	23.40%	11.34%
Peak Reinsurance	7,173,861	1.10%	0.53%
Fidelidade	34,434,533	5.26%	2.55%
Star Insurance	4,304,317	0.66%	0.32%
CMI	43,939,899	6.71%	3.25%
Total	243,108,236	37.11%	17.99%

Consideration and Payment Terms:

Approximately HKD6,617 million in total, being the amount calculated by the price per Sale Share of HKD27.22 multiplied by the number of the Sale Shares which shall be paid in cash by each of the Buyers in full on the Closing Date (as defined below) in accordance with the terms of the respective SPA entered into thereby.

The Consideration was determined through arm's length negotiations between the parties to each SPA by reference to, among others: (i) the value of the assets and business of the Target Company; (ii) the prevailing share price of the Target Company; and (iii) the factors set out in the section headed "Reasons for and Benefits of the Acquisition".

The Consideration shall be satisfied by each of the Buyers' own funds, respectively, or a combination of each Buyer's own funds and external financing.

Closing:

The Closing shall take place, upon the satisfaction or waiver, as applicable, of all the customary closing conditions, on 28 March 2018, or any other date mutually agreed upon by the parties (the "Closing Date"); provided however the Closing Date should be the date that is at least 30 Business Days in Hong Kong after the signing date of the SPAs.

REASONS FOR AND BENEFITS OF THE ACQUISITION

With roots in China, the Company is dedicated to creating customer-to-maker (C2M) ecosystems in health, happiness and wealth that support the lifestyle and consumption upgrade of China's modern consumer. China's brewery market is the largest in the world and the group is optimistic about the potential growth of the Target Company due to the Target Company's unique brand value and excellent management team, conforming to the trend of consumption upgrading of Chinese brewery industry, the development in the domestic and international market by leveraging the Group's global resources and benefiting from the accelerating reform of the state-owned enterprises.

The Target Company, one of the oldest beer producers in China, was founded in 1903 by German and British merchants under the name Nordic Brewery Co., Ltd. Tsingtao Branch. Today, the Target Company continues to be a leading brewery in China, now the world's largest beer market with sales into 100 different countries and regions throughout the world. With more than 60 breweries across 20 provinces, municipalities and autonomous regions in China, the Target Company produces 8 billion liters annually, selling through over 10,000 dealers in China.

The Directors (including the independent non-executive Directors) consider that the terms of the SPAs and the Acquisition are fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, the Acquisition will be aggregated. As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The Target Company

The Target Company was established in the PRC. Its H-Shares are listed on the Main Board of the Hong Kong Stock Exchange with stock code 00168 and its A-Shares are listed on the Shanghai Stock Exchange with stock code 600600. The Target Company and its subsidiaries are principally engaged in the production and distribution of beer products.

The consolidated net profits (both before and after taxation) attributable to the equity holders of the Target Company for the two fiscal years immediately preceding the Acquisition (in accordance with the China Accounting Standards for Business Enterprises) are as follows:

	For the year ended 31 December	
	2016	2015
	(audited)	(audited)
	approximately	approximately
	RMB million	RMB million
Net profit before tax	2,123	2,275
Net profit after tax	1,106	1,612

The unaudited consolidated total assets and net assets of the Target Company were approximately RMB32,661 million and RMB17,591 million, respectively, as at 30 June 2017.

The Company

The Company is a company incorporated in Hong Kong with its principal business to create customer-to-maker (C2M) ecosystems in health, happiness and wealth, providing high-quality products and services for families around the world. The health ecosystem includes three major parts: Fosun Pharma, Medical Services and Health Products; the happiness ecosystem includes two major parts: Tourism and Leisure, Consumer and Lifestyle while the wealth ecosystem includes three major segments: Insurance and Finance, Investment and Hive Property.

The Buyers

Fosun Industrial, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company, is principally engaged in investment holding.

Peak Reinsurance, a company incorporated in Hong Kong and an 86.93% owned subsidiary of the Company, is principally engaged in property and casualty reinsurance as well as life and health reinsurance businesses.

Fidelidade, a company incorporated under the laws of Portugal and an 84.9861% owned subsidiary of the Company, is duly authorized to carry out the life and non-life insurance activity.

Star Insurance, a company incorporated in the state of Michigan and a wholly-owned subsidiary of AmeriTrust, is a commercial property and casualty insurance company.

CMI, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of CMF, is principally engaged in investment holding.

The Seller

The Seller, incorporated in Tokyo of Japan, manufactures and sells alcoholic beverages, soft drinks and food products in Japan and internationally. Its shares are listed on the Tokyo Stock Exchange with stock code 2502. It is a substantial shareholder of the Target Company as at the date of this announcement.

Shareholders and potential investors of the Company should be aware that the completion of the Acquisition is conditional upon the satisfaction or waiver of the conditions precedent which may or may not be satisfied or waived. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

- “A-Shares” A shares of the Target Company, which are listed on the Shanghai Stock Exchange
- “Acquisition” the acquisition by each of the Buyers of the relevant Sale Shares collectively in accordance with the terms of the respective SPA entered into between each Buyer and the Seller
- “AmeriTrust” AmeriTrust Group, Inc., formerly known as Meadowbrook Insurance Group, Inc., a wholly-owned subsidiary of the Company
- “Board” the board of the directors of the Company
- “Business Day” any day other than Saturdays, Sundays and banking holidays in Japan, the PRC, Lisbon, Michigan or Hong Kong
- “Buyers and each a Buyer” Fosun Industrial, Peak Reinsurance, Fidelidade, Star Insurance and CMI
- “Closing” the closing of each SPA

“CMF”	China Momentum Fund, L.P., a fund managed by the Group
“Company”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the Main Board of the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of approximately HKD6,617 million in aggregate payable for the Sale Shares by the Buyers under the SPAs
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“H-Shares”	H-Shares of the Target Company which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share(s)”	the H-Share(s) of the Target Company to be purchased by each of the Buyers under the relevant SPAs
“Seller”	Asahi Group Holdings, Ltd., incorporated in Tokyo of Japan, manufactures and sells alcoholic beverages, soft drinks and food products in Japan and internationally. Its shares are listed on the Tokyo Stock Exchange with stock code 2502. It is a substantial shareholder of the Target Company as at the date of this announcement.
“SPA(s)”	the relevant share purchase agreements which were separately entered into between the Seller and each of the Buyers, all dated

20 December 2017 in relation to the Acquisition

“Target Company”

Tsingtao Brewery Company Limited, a company incorporated under the laws of China and whose H-Shares are listed on the Main Board of the Hong Kong Stock Exchange with stock code 00168 and A-Shares are listed on the Shanghai Stock Exchange with stock code 600600

“%”

per cent

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

20 December 2017

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Wang Qunbin, Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Qin Xuetang, Mr. Wang Can, Ms. Kang Lan and Mr. Gong Ping; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Mr. Yang Chao and Dr. Lee Kai-Fu.