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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)

CONNECTED TRANSACTION
ISSUE OF NEW SHARES UNDER THE SHARE AWARD SCHEME

On 28 March 2018, the Board resolved to award an aggregate of 5,902,000 Award Shares to 70 Selected Participants by way of issue and allotment of new Shares pursuant to the Specific Mandate.

As at the date of this announcement, the Trust is an employees' share scheme of the Company, and the aggregate of the Company's connected persons' interest under such scheme is approximately 50.27%. As such, pursuant to Rule 14A.12(1)(b) of the Listing Rules, the Trustee (in its capacity as trustee of the Trust) is an associate of connected persons of the Company and the issue of the New Award Shares to the Trustee shall constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and shall be subject to, among others, the approval by the independent shareholders excluding the Trustee, the Selected Participants under 2018 Award and their respective associates at the AGM.

Reference is made to the announcements of Fosun International Limited (the "**Company**") dated 25 March 2015, 26 March 2015, 1 April 2016 and 4 May 2017 respectively, in relation to the adoption of the Share Award Scheme, allotment of an aggregate of 4,620,000 Award Shares to 71 Selected Participants under the Share Award Scheme ("**2015 Award**"), allotment of an aggregate of 5,410,000 Award Shares to 69 Selected Participants under the Share Award Scheme ("**2016 Award**") and allotment of an aggregate of 5,275,000 Award Shares to 65 Selected Participants under the Share Award Scheme ("**2017 Award**") (collectively, the "**Announcements**"). Unless otherwise defined in this announcement, capitalized terms used herein shall have the same meanings as defined in the Announcements.

DETAILS OF THE AWARD OF THE AWARD SHARES

On 28 March 2018, the board of Directors of the Company (the “**Board**”) has resolved to award an aggregate of 5,902,000 Award Shares to 70 Selected Participants under the Share Award Scheme (“**2018 Award**”). The award of Award Shares under the 2018 Award will be settled by way of: (i) issue and allotment of 5,367,150 new Shares (the “**New Award Shares**”) pursuant to a specific mandate (the “**Specific Mandate**”) to be obtained in the forthcoming annual general meeting (the “**AGM**”); and (ii) 534,850 Award Shares which had lapsed before vesting under the 2015 Award, 2016 Award and 2017 Award (the “**Existing Award Shares**”).

Upon issuance and allotment of the New Award Shares, the Trustee will hold the New Award Shares on trust for the Selected Participants and such New Award Shares, together with the Existing Award Shares, shall be transferred to the Selected Participants upon satisfaction of their respective vesting conditions. The number of Award Shares granted to each of the Selected Participants under the 2018 Award was determined in accordance with their respective contributions to the Group.

Under the 2018 Award, out of the 5,902,000 Award Shares granted to the 70 Selected Participants, 3,145,000 Award Shares were granted to the following connected persons of the Company with details as follows:

| | Number of Award Shares |
|------------------|---------------------------------------|
| Directors | |
| Chen Qiyu | 555,000 |
| Xu Xiaoliang | 555,000 |
| Qin Xuetao | 340,000 |
| Wang Can | 310,000 |
| Kang Lan | 260,000 |
| Gong Ping | 240,000 |
| Zhang Shengman | 25,000 |
| Zhang Huaqiao | 25,000 |
| David T. Zhang | 25,000 |
| Yang Chao | 25,000 |
| Lee Kai-Fu | 25,000 |
| <i>Subtotal</i> | <hr/> 2,385,000 <hr/> |

| Directors of significant subsidiaries of the Company | Number of Award Shares |
|---|---------------------------------------|
| Zhang Houlin | 260,000 |
| Li Tao | 110,000 |
| Qian Jiannong | 80,000 |
| Wang Jiping | 75,000 |
| Li Jun | 45,000 |
| Yu Xiaodong | 40,000 |
| Wu Xiaoyong | 40,000 |
| Chi Xiaolei | 40,000 |
| Xu Lingjiang | 35,000 |
| Pei Yu | 35,000 |
| <i>Subtotal</i> | <hr/> 760,000 <hr/> |
| Total | <u><u>3,145,000</u></u> |

Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Qin Xuetao, Mr. Wang Can, Ms. Kang Lan, Mr. Gong Ping, Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Mr. Yang Chao and Dr. Lee Kai-Fu have abstained from approving the relevant board resolution on the award of the Award Shares to them under the 2018 Award.

The aggregate of 5,367,150 New Award Shares to be issued and allotted by the Company to the Selected Participants under the 2018 Award represent approximately 0.06253% of the total number of Shares in issue as at the date of this announcement and approximately 0.06249% of the total number of Shares in issue as enlarged by the issue and allotment of the New Award Shares.

Based on the closing price of HK\$17.58 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value of the 5,902,000 Award Shares awarded under the 2018 Award is HK\$103,757,160.

The New Award Shares, when issued and fully paid, shall rank pari passu among themselves and with those Shares in issue, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment.

Application shall be made by the Company to the Stock Exchange for the granting of the listing of, and permission to deal in, the aggregate of 5,367,150 New Award Shares. For the avoidance of doubt, the Stock Exchange has granted approval for the listing of, and permission to deal in, the Existing Award Shares.

CONDITIONS

The grant of the Award Shares to the Selected Participants under the 2018 Award shall be subject to the following conditions:

- (a) the grant of the listing approval by the Stock Exchange in respect of the New Award Shares; and
- (b) the approval by the independent shareholders at the AGM in respect of the issue and allotment of the New Award Shares and the Specific Mandate.

FURTHER DETAILS OF THE AWARD SHARES

The information in relation to the award of the 5,902,000 Award Shares to the Selected Participants under the 2018 Award is set out below:

- Securities to be issued:** 5,367,150 New Award Shares
- Funds to be raised:** No funds will be raised by the Company as a result of the issue and allotment of the New Award Shares
- Identity of the allottee(s):** The Trustee, which will hold the Award Shares awarded under the 2018 Award in trust in accordance with the trust deed for the 70 Selected Participants under the 2018 Award, who are (i) Directors; (ii) the Group’s business and functional department heads and backbone employees; and (iii) senior management of the Group’s core affiliated enterprises

In general, such Selected Participants should have been with the Group for more than one year as at 31 December 2017 and each of them should have met their respective performance evaluation results for the year ended 31 December 2017
- Market price of the Shares:** The closing price of the Shares on 28 March 2018 as quoted

on the Stock Exchange is HK\$17.58 per Share

The average closing price of the Shares for the five consecutive trading days immediately preceding 28 March 2018 as quoted on the Stock Exchange is HK\$17.40 per Share

Vesting:

Subject to the satisfaction of the vesting criteria and conditions of the 2018 Award, the Award Shares awarded under the 2018 Award shall be transferred to the Selected Participants under the 2018 Award upon expiry of the following vesting period:

| Percentage of Award Shares to be vested under the 2018 Award | Vesting Date |
|---|---------------------|
| 33% | 28 March 2019 |
| 33% | 28 March 2020 |
| 34% | 28 March 2021 |

On each of the above vesting dates, the Company is entitled to adjust the actual amount of Award Shares that can be vested to the respective Selected Participants under the 2018 Award according to their performance at its sole discretion

Fund raising activities in the past 12 months:

The Company has not engaged in any fund raising exercises in the 12 months immediately preceding the date of this announcement

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Trust is an employees' share scheme of the Company, and the aggregate of the Company's connected persons' interest under such scheme is approximately 50.27%. As such, pursuant to Rule 14A.12(1)(b) of the Listing Rules, the Trustee (in its capacity as trustee of the Trust) is an associate of connected persons of the Company and the issue of the New Award Shares to the Trustee shall constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and shall be subject to, among others, the approval by the independent shareholders excluding the Trustee, the Selected Participants under 2018 Award and their respective associates at the AGM.

Pursuant to Chapter 14A of the Listing Rules, the Trustee, the Selected Participants under 2018 Award and their respective associates are required to abstain from voting on the resolution at the AGM to approve the 2018 Award.

REASONS FOR THE AWARD OF THE AWARD SHARES

The Company's principal business is 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: Pharmaceutical, Medical Services & Health Management and Health Products; the happiness ecosystem includes three major parts: Tourism & Leisure, Fashion and Consumer & Lifestyle while the wealth ecosystem includes three major segments: Insurance and Finance, Investment and Hive Property.

The Share Award Scheme forms part of the incentive schemes of the Group. The Board considers that the award of the Award Shares to the Selected Participants provides incentives to the Selected Participants and will allow the Group to attract, retain and motivate talents for the continual operation and development of the Group. The award of the Award Shares to the Selected Participants recognizes their continual support to the Group and their effort will promote the Group's future development.

The Company has resolved to grant Award Shares to 70 core personnel which are Selected Participants under 2018 Award, with a view to further motivate employees to maximize the Company's long-term interests and highlight the principle of performance-based awards so as to create more value for the Group. The Selected Participants under 2018 Award include Directors and the Group's business and functional department heads, backbone employees and senior management of the Group's core affiliated enterprises.

Furthermore, there will not be any actual cash outflow by the Group under the award of the Award Shares to provide incentives to the Selected Participants. In this regard, the Directors consider that the terms and conditions of the Award are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GENERAL

An independent financial adviser will be appointed to advise the Shareholders in relation to the issue of the New Award Shares to the Trustee.

A circular including, among others, details of the issue and allotment of the New Award Shares with the advice of the independent financial adviser will be despatched to the

Shareholders as soon as possible on or before 30 April 2018, as additional time is required for obtaining the letter of advice from the independent financial adviser.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

28 March 2018

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.