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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
ACQUISITION OF YUANHONG INVESTMENT

The Board announces that on 4 July 2018, Fosun Venture Capital, an indirect wholly-owned subsidiary of the Company, and Mr. Guo entered into the Transfer Agreement in respect of the transfer of Yuanhong Investment, pursuant to which, Fosun Venture Capital agreed to acquire and Mr. Guo agreed to sell 100% equity interest and the creditor's rights for a loan of approximately RMB3.99 billion in Yuanhong Investment, with a total consideration of approximately RMB4.00 billion.

As at the date of this announcement, Mr. Guo, as an executive Director, the chairman and the ultimate controlling Shareholder of the Company, indirectly holds approximately 71.70% equity interest in the Company, and is therefore a connected person of the Company as defined under Chapter 14A of the Listing Rules. The Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) exceed 0.1% but all are less than 5%, the Acquisition is only subject to the reporting and announcement requirements and is exempt from the circular and the independent shareholders' approval requirements under the Listing Rules.

A. THE TRANSFER AGREEMENT

The principal terms of the Transfer Agreement are set out below:

Date: 4 July 2018

Parties: Fosun Venture Capital as purchaser; and
Mr. Guo as vendor

As at the date of this announcement, Mr. Guo, as an executive Director, the chairman and the ultimate controlling Shareholder of the Company, indirectly holds approximately 71.70% equity interest in the Company, and is therefore a connected person of the Company.

Target: The 100% equity interest in Yuanhong Investment held by Mr. Guo and the creditor’s rights for a loan of approximately RMB3.99 billion to Yuanhong Investment provided by Mr. Guo.

Consideration: Approximately RMB4.00 billion in total, which was determined through arm’s length negotiation between the parties, with reference to, among others, the net asset, industry position, growth of Baihe Jiayuan, a subsidiary of Yuanhong Investment, and the relevant market data and transactions.

Mr. Guo’s original investment in Yuanhong Investment was approximately RMB4.00 billion (including the loan).

Closing: The completion of the Acquisition shall take place, upon the satisfaction or waiver, as applicable, of all the customary closing conditions under the Transfer Agreement.

Payment Terms: The consideration shall be paid in cash within 5 business days following the signing date of the Transfer Agreement. It will be satisfied by self-funded resources of the Group.

B. REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSFER AGREEMENT

As at the date of this announcement, Yuanhong Investment holds approximately 69.18% equity interest in Baihe Jiayuan. As a leading service supplier of the matchmaking and dating industry chain in the PRC, Baihe Jiayuan is devoted to building a happiness ecosystem of marriage and families. As at the date of this announcement, Baihe Jiayuan has approximately 310 million registered users accumulatively and approximately 200 offline service centers covering 75 cities.

The Company focuses on the families' core needs of happy life. Matchmaking and dating, wedding planning and relationship maintenance are indispensable for happy life. Through the Acquisition, the Company will not only share the gain of future growth of Baihe Jiayuan, but also deliver synergies between the matchmaking and dating business and the Group's "health, happiness, wealth" ecosystems, creating happy life for worldwide families.

The terms of the Transfer Agreement were negotiated on an arm's length basis and were determined on normal commercial terms. The Directors (including the independent non-executive Directors) consider that the terms of the Transfer Agreement are fair, reasonable and in the interests of the Company and the independent Shareholders as a whole.

C. GENERAL INFORMATION

The Company

The Company's mission 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 Group has three major ecosystems, namely health ecosystem, happiness ecosystem and wealth ecosystem. 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.

Fosun Venture Capital

Fosun Venture Capital is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holdings.

Yuanhong Investment

Yuanhong Investment was incorporated in March 2018 and is principally engaged in investment holdings. As at the date of this announcement, Yuanhong Investment holds approximately 69.18% equity interest in Baihe Jiayuan.

For the period from the date of incorporation to the date of this announcement, the unaudited net profit of Yuanhong Investment is RMB0. As at the date of this announcement, the

unaudited total assets and net assets of Yuanhong Investment are approximately RMB4.00 billion and RMB0.01 billion, respectively.

Baihe Jiayuan

Baihe Jiayuan is principally engaged in internet and information service, providing products and services in matchmaking and dating industry chain.

The net profits (both before and after taxation) of Baihe Jiayuan for the two fiscal years immediately preceding the Acquisition are as follows:

	For the year ended 31 December	
	2017	2016
	(audited)	(audited)
	<i>approximately</i>	<i>approximately</i>
	<i>RMB million</i>	<i>RMB million</i>
Net profit (loss) before tax	(12.0)	(113.9)
Net profit (loss) after tax	65.5	(113.9)

As at 31 December 2017, the audited total assets and net assets of Baihe Jiayuan were approximately RMB3,339.3 million and RMB2,583.5 million, respectively.

D. LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Guo, as an executive Director, the chairman and the ultimate controlling Shareholder of the Company, indirectly holds approximately 71.70% equity interest in the Company, and is therefore a connected person of the Company as defined under Chapter 14A of the Listing Rules. The Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) exceed 0.1% but all are less than 5%, the Acquisition is only subject to the reporting and announcement requirements and is exempt from the circular and the independent shareholders' approval requirements under the Listing Rules.

Since Mr. Guo directly holds the equity interest in Yuanhong Investment, he has abstained from voting on the Board resolution for approving the Transfer Agreement. Save as disclosed aforesaid, none of the Directors (other than Mr. Guo) has a material interest in the Acquisition.

E. DEFINITIONS

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

“Acquisition”	the acquisition of 100% equity interest and the creditor’s rights for a loan of approximately RMB3.99 billion in Yuanhong Investment by Fosun Venture Capital from Mr. Guo pursuant to the Transfer Agreement
“Baihe Jiayuan”	Baihe Jiayuan Network Group Co., Ltd (百合佳緣網絡集團股份有限公司), a joint stock company incorporated in the PRC with limited liability, and listed on the National Equities Exchange and Quotations with stock code 834214
“Board”	the board of Directors of the Company
“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”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Fosun Venture Capital”	Shanghai Fosun Venture Capital Management Co., Ltd.* (上海復星創業投資管理有限公司), a limited liability company incorporated in the PRC
“Group”	the Company and its subsidiaries
“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
“Mr. Guo”	Mr. Guo Guangchang (郭廣昌), an executive Director, the chairman and the ultimate controlling Shareholder of the Company

“PRC”	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
“Shareholder(s)”	the shareholder(s) of the Company
“Transfer Agreement”	the transfer agreement, dated 4 July 2018 entered into between Fosun Venture Capital and Mr. Guo in relation to the Acquisition
“Yuanhong Investment”	Ningbo Meishan Bonded Area Yuanhong Investment Co., Ltd.* (寧波梅山保稅港區緣宏投資有限公司), a limited liability company incorporated in the PRC

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

4 July 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 Xuetao, 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.

** For identification purpose only*