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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

**PROPOSED NON-PUBLIC ISSUANCE OF
NEW A SHARES BY FOSUN PHARMA AND
POSSIBLE DEEMED DISPOSAL OF EQUITY INTEREST
IN FOSUN PHARMA**

The Board hereby announces that, on 16 April 2015, the board of directors of Fosun Pharma, a subsidiary of the Company proposed to issue a total of up to 246,808,510 of its A Shares at the Subscription Price of RMB23.50 per new A Share to the Subscribers and entered into the Subscription Agreements with these Subscribers in respect of the Proposed Non-Public Issuance. The maximum amount of gross proceeds to be raised from the Proposed Non-Public Issuance will amount to RMB5,799,999,985. The Subscription Agreements entered into by Fosun Pharma in respect of the Proposed Non-Public Issuance are subject to satisfaction of the conditions precedent as set out in the paragraph headed “C. Conditions precedent to the Subscription Agreements” in this announcement.

On the basis that the gross proceeds raised under the Proposed Non-Public Issuance will not be more than RMB5,799,999,985 and the number of new A Shares to be issued by Fosun Pharma will not be more than 246,808,510 shares, the equity interest in Fosun Pharma held by the Company (through Fosun High Technology) will be diluted up to 35.99% from 39.83% of the total issued share capital of Fosun Pharma. As the Company expects to continue to have control over Fosun Pharma, Fosun Pharma will continue to be accounted for as a subsidiary of the Company in accordance with the prevailing accounting standards under the HKFRS and its operating results will continue to be consolidated in the financial statements of the Company upon completion of the Proposed Non-Public Issuance.

The Proposed Non-Public Issuance constitutes a deemed disposal of the Company's equity interest in Fosun Pharma. As one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Proposed Non-Public Issuance, exceeds 5% and is less than 25%, the Proposed Non-Public Issuance constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements, but is exempt from the shareholders' approval requirement, under Chapter 14 of the Listing Rules.

A. INTRODUCTION

The Board hereby announces that, on 16 April 2015, the board of directors of Fosun Pharma, a subsidiary of the Company, proposed to issue a total of up to 246,808,510 of A Shares at the Subscription Price of RMB23.50 per new A Share to the Subscribers and entered into the Subscription Agreements with these Subscribers in respect of the Proposed Non-Public Issuance. The maximum amount of gross proceeds to be raised from the Proposed Non-Public Issuance will amount to RMB5,799,999,985. The Subscription Agreements entered into by Fosun Pharma in respect of the Proposed Non-Public Issuance are subject to satisfaction of the conditions precedent as set out in the paragraph headed "C. Conditions precedent to the Subscription Agreements" in this announcement.

B. THE PROPOSED NON-PUBLIC ISSUANCE

On 16 April 2015, the board of directors of Fosun Pharma proposed to issue a total of up to 246,808,510 of its A Shares at the Subscription Price of RMB23.50 per new A Share to the Subscribers and entered into the Subscription Agreements with these Subscribers in respect of the Proposed Non-Public Issuance, subject to certain conditions precedent as set out in the paragraph headed "C. Conditions precedent to the Subscription Agreements" in this announcement.

The proposed Subscription Price shall be RMB23.50 per new A Share, being 90% of the average trading price per A Share during the 20 trading days prior to the Price Determination Date. Such Subscription Price was determined through arm's length negotiation between Fosun Pharma and the Subscribers with reference to the trading prices of the A Shares on the Shanghai Stock Exchange. If there is any ex-right event (such as declaration of dividend, bonus issue or capitalization of capital reserves) to Fosun Pharma between the Price Determination Date and the date of issuance of new A Shares under the Proposed Non-Public Issuance, the Subscription Price shall be adjusted accordingly.

The Subscribers will be subject to a lock-up period of 36 months from the date of completion of the Proposed Non-Public Issuance during which all of the Subscribers shall not transfer the new A Shares subscribed unless otherwise required by the laws.

Under the Proposed Non-Public Issuance, Fosun Pharma will raise a gross proceeds of not more than RMB5,799,999,985. After deducting all related expenses incurred, Fosun Pharma intended to use the net proceeds of RMB3,600,000,000 for repayment of interest-bearing debts and the remaining proceeds for replenishment of working capital of the Fosun Pharma Group.

To the best knowledge, information and belief of the Directors, the Subscribers and their respective ultimate beneficial owners are third parties independent of the Group and connected persons of the Group.

C. CONDITIONS PRECEDENT TO THE SUBSCRIPTION AGREEMENTS

The Subscription Agreements entered into by Fosun Pharma and the Subscribers in respect of the Proposed Non-Public Issuance are subject to the satisfaction of certain conditions including, among other things:

- (i) passing of the relevant resolutions in respect of the Proposed Non-Public Issuance by the Shareholders at the general meeting of Fosun Pharma; and
- (ii) obtaining of approval from the China Securities Regulatory Commission regarding the Proposed Non-Public Issuance.

Shareholders and potential investors should be aware that the Proposed Non-Public Issuance is subject to the conditions precedent to the Subscription Agreements, and therefore the Proposed Non-Public Issuance may or may not proceed. Accordingly, the Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

D. DEEMED DISPOSAL OF THE COMPANY'S EQUITY INTEREST IN FOSUN PHARMA

As at the date of this announcement, the total issued share capital of Fosun Pharma was 2,311,380,364 shares, comprising 1,908,096,364 A Shares and 403,284,000 H Shares. The Company is a controlling shareholder of Fosun Pharma, which indirectly held 920,641,314 A Shares, representing approximately 48.25% of the existing issued A Shares and approximately 39.83% of the existing total issued share capital of Fosun Pharma as at the date of this announcement.

On the basis that the gross proceeds raised under the Proposed Non-Public Issuance will not be more than RMB5,799,999,985 and the number of new A Shares to be issued by Fosun Pharma will not be more than 246,808,510 shares, the equity interest in Fosun Pharma held by the Company (through Fosun High Technology) will be diluted up to 35.99% from 39.83% of the total issued share capital of Fosun Pharma.

Set out below is the shareholding structure of Fosun Pharma, for illustrative purposes only, (i) as at the date of this announcement and (ii) immediately after completion of the Proposed Non-Public Issuance (assuming there is no change in the total issued share capital of the Company and the number of Shares held by the belowmentioned Shareholders since the date of the Subscription Agreements and up to completion of the Proposed Non-Public Issuance based on the maximum number of 246,808,510 new A Shares to be issued):

Name of Shareholder	Shareholding as at the date of the Subscription Agreements			Shareholding immediately after completion of the Proposed Non-Public Issuance		
	Number of Shares	Approx. % of the issued A share capital	Approx. % of the total issued share capital	Number of Shares	Approx. % of the issued A share capital	Approx. % of the total issued share capital
The Company	920,641,314	48.25%	39.83%	920,641,314	42.72%	35.99%
The Subscribers	1,849,807	0.10%	0.08%	248,658,317	11.54%	9.72%
Other public holders of A Shares	<u>985,605,243</u>	<u>51.65%</u>	<u>42.64%</u>	<u>985,605,243</u>	<u>45.74%</u>	<u>38.53%</u>
Total number of A Shares	<u>1,908,096,364</u>	<u>—</u>	<u>—</u>	<u>2,154,904,874</u>	<u>—</u>	<u>—</u>
Other public holders of H Shares	<u>403,284,000</u>	<u>—</u>	<u>17.45%</u>	<u>403,284,000</u>	<u>—</u>	<u>15.76%</u>
Total number of H Shares	<u>403,284,000</u>	<u>—</u>	<u>—</u>	<u>403,284,000</u>	<u>—</u>	<u>—</u>
Total number of Shares	<u>2,311,380,364</u>	<u>100%</u>	<u>100%</u>	<u>2,558,188,874</u>	<u>100%</u>	<u>100%</u>

Note: These A Shares are held by Fosun High Technology. Fosun High Technology is wholly owned by the Company which in turn is owned as to 79.6% by Fosun Holdings and Fosun Holdings is wholly owned by Fosun International Holdings. Therefore, the Company, Fosun Holdings and Fosun International Holdings are deemed to be interested in these A Shares.

As the Company expects to continue to have control over Fosun Pharma, Fosun Pharma will continue to be accounted for as a subsidiary of the Company in accordance with the prevailing accounting standards under the HKFRS and its operating results will continue to be consolidated in the financial statements of the Company upon completion of the Proposed Non-Public Issuance.

E. SUMMARY OF FINANCIAL RESULTS OF FOSUN PHARMA

A summary of the audited consolidated financial results of Fosun Pharma for the years ended 31 December 2013 and 2014 which are prepared in accordance with HKFRS are as follows:

	Year ended 31 December	
	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	11,938,243	9,921,487
Profit before tax	2,718,053	2,313,609
Profit after tax	2,369,839	1,955,451

The audited consolidated net assets of Fosun Pharma as at 31 December 2014 amounted to approximately RMB19,046 million.

F. FINANCIAL EFFECTS OF THE PROPOSED NON-PUBLIC ISSUANCE

Assuming the gross proceeds raised under the Proposed Non-Public Issuance amount to not more than RMB5,799,999,985, the gain on deemed disposal of Fosun Pharma by the Group, for illustrative purposes only, will be approximately RMB1,449 million, representing the change in the net asset value of Fosun Pharma attributable to the Company as at 31 December 2014 in accordance with HKFRS before and after the completion of the Proposed Non-Public Issuance. In accordance with the accounting policies of the Company, the aforesaid gain on deemed disposal will be an increase of the shareholders' equity and does not affect the profit and loss of the Group. The actual gain on deemed disposal arising from the Proposed Non-Public Issuance to be recorded by the Group will depend on the final issuance price and the number of shares issued by Fosun Pharma.

G. REASONS FOR AND BENEFITS OF THE PROPOSED NON-PUBLIC ISSUANCE

It is expected that the Proposed Non-Public Issuance will enable the establishment of a solid foundation for the Fosun Pharma Group to further strengthen its international strategies and to promote development of its principal businesses. In addition, the Board is of the view that the repayment of interest-bearing debts by

the proceeds from the Proposed Non-Public Issuance will help mitigate the pressure on the Fosun Pharma Group's short-term capital availability, optimize its debt structure and enhance its credit standing.

The Directors (including the independent non-executive Directors) are of the view that the Proposed Non-Public Issuance and the terms of the Subscription Agreements are on normal commercial terms, are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

H. LISTING RULES IMPLICATIONS

The Proposed Non-Public Issuance constitutes a deemed disposal of the Company's equity interest in Fosun Pharma. As one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Proposed Non-Public Issuance, exceeds 5% and is less than 25%, the Proposed Non-Public Issuance constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements, but is exempt from the shareholders' approval requirement, under Chapter 14 of the Listing Rules.

I. GENERAL INFORMATION

The principal businesses of the Group include integrated finance (insurance, investment, asset management and banking and other financial business) and industrial operations (health, happy lifestyle, steel, property development and sales and resources).

Fosun Pharma Group is a leading healthcare company in the PRC and primarily engaged in business segments including pharmaceutical manufacturing and research and development, pharmaceutical distribution and retail, healthcare services and medical diagnosis and medical devices.

J. DEFINITIONS

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

“A Shares”	domestic share(s) with a nominal value of RMB1.00 each of Fosun Pharma, which is(are) listed on the Shanghai Stock Exchange and traded in RMB
“Board”	the board of Directors

“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
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Fosun High Technology”	Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司), a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company
“Fosun Holdings”	Fosun Holdings Limited (復星控股有限公司), a limited liability company incorporated under the laws of Hong Kong, and the 79.6% controlling shareholder of the Company
“Fosun International Holdings”	Fosun International Holdings Limited (復星國際控股有限公司), a limited liability company established in the British Virgin Islands, which is held as to 58%, 22%, 10% and 10% by Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin and Mr. Fan Wei, respectively, all of whom are the Directors of the Company
“Fosun Pharma”	Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (上海復星醫藥(集團)股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares and A Shares of which are listed and traded on the main board of the Hong Kong Stock Exchange (stock code: 02196) and the Shanghai Stock Exchange (stock code: 600196), respectively
“Fosun Pharma Group”	Fosun Pharma and its subsidiaries
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) with nominal value of RMB1.00 of Fosun Pharma, which is(are) listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars

“HKFRS”	Hong Kong Financial Reporting Standards
“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 Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Price Determination Date”	17 April 2015, being the publication date of the announcement of the 46th meeting of the sixth session of the board of directors of Fosun Pharma on the Shanghai Stock Exchange
“Proposed Non-Public Issuance”	the proposed non-public issuance of not more than 246,808,510 new A Shares at the Subscription Price by Fosun Pharma to the Subscribers
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Subscribers”	collectively, China Life Insurance Company Limited (中國人壽保險股份有限公司), China Merchants Wealth Asset Management Co., Ltd. (招商財富資產管理有限公司), Taikang Asset Management Co., Ltd. (泰康資產管理有限責任公司), China Fund Management Co., Ltd. (中信建投基金管理有限公司), China Universal Asset Management Company Limited (匯添富基金管理股份有限公司), Anhui Railway Construction Investment Fund Co., Ltd. (安徽省鐵路建設投資基金有限公司), Beijing Zhongrong Dingxin Investment Management Co., Ltd. (北京中融鼎新投資管理有限公司) and Elion Resources Holding Co. Ltd. (億利資源控股有限公司), all of which are independent third parties

“Subscription Agreement”	the subscription agreement dated 16 April 2015 entered into between Fosun Pharma and each of the Subscribers in respect of the Proposed Non-Public Issuance
“Subscription Price”	RMB23.50 per new A Share (subject to the price adjustment)
“%”	per cent.

In this announcement, if there is any inconsistency between the Chinese names of entities, authorities, organizations or enterprises established in the PRC and their English translations, the Chinese version shall prevail.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 17 April 2015

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Ding Guoqi, Mr. Qin Xuetang and Mr. Wu Ping; the non-executive director is Mr. Fan Wei; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang and Mr. Yang Chao.