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FOSUN 复星

FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 0656)

CONTINUING CONNECTED TRANSACTIONS

**(1) SUPPLY OF PHARMACEUTICAL PRODUCTS BY
SHANGHAI FOSUN PHARMACEUTICAL TO SHANGHAI
LIANHUA FOSUN**

AND

**(2) MUTUAL SUPPLY OF PHARMACEUTICAL PRODUCTS
BETWEEN FOSUN PHARMA GROUP AND SINOPHARM
HOLDING GROUP**

**SUPPLY OF PHARMACEUTICAL PRODUCTS BY SHANGHAI FOSUN
PHARMACEUTICAL TO SHANGHAI LIANHUA FOSUN**

Shanghai Fosun Pharmaceutical supplied certain pharmaceutical products to Shanghai Lianhua Fosun at its request from time to time for the year ended 31 December 2008 without any written agreement.

It was originally expected by the Company that the above continuing connected transaction was exempted from reporting, announcement and independent shareholders' approval requirements on the basis that all the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) calculated using the original estimates would be less than 0.1% for the year ended 31 December 2008.

The Directors became aware in early March 2009 in the course of the annual review of the historical connected transactions and continuing connected transactions of the Group that the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules)

calculated by reference to the financial information from the management accounts of the Company for the year ended 31 December 2008 exceeded 0.1% but were less than 2.5%. The Company must therefore comply with the applicable provisions of Chapter 14A of the Listing Rules in relation to such transaction.

Shanghai Fosun Pharmaceutical and Shanghai Lianhua Fosun entered into the Pharmaceutical Products Supply Agreement for a term of one year from 1 January 2009 to 31 December 2009, whereby Shanghai Fosun Pharmaceutical has agreed to supply certain pharmaceutical products to Shanghai Lianhua Fosun at its request from time to time during the term thereof.

Shanghai Fosun Pharmaceutical is a subsidiary of the Company. Fosun Pharma, being a substantial shareholder of Forte, is a connected person of the Company. Shanghai Lianhua Fosun is an Associate of Fosun Pharma and is therefore a connected person of the Company, and the transaction contemplated under the Pharmaceutical Products Supply Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) in respect of the annual cap for the year ending 31 December 2009 is more than 0.1% but less than 2.5%, the transaction contemplated under the Pharmaceutical Products Supply Agreement is only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules, and is exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Listing Rules.

MUTUAL SUPPLY OF PHARMACEUTICAL PRODUCTS BETWEEN FOSUN PHARMA GROUP AND SINOPHARM HOLDING GROUP

Fosun Pharma Group and Sinopharm Holding Group supplied pharmaceutical products to each other from time to time for the year ended 31 December 2008 without any written agreement.

It was originally expected by the Company that the above continuing connected transactions were exempted from reporting, announcement and independent shareholders' approval requirements on the basis that all the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) calculated using the original estimates would be less than 0.1% for the year ended 31 December 2008.

The Directors became aware in early March 2009 in the course of the annual review of the historical connected transactions and continuing connected transactions of the Group that the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) calculated by reference to the financial information from the management accounts of the Company for the year ended 31 December 2008 exceeded 0.1% but were less than 2.5%. The Company must therefore comply with the applicable provisions of Chapter 14A of the Listing Rules in relation to such transaction.

Fosun Pharma and Sinopharm Holding entered into the Pharmaceutical Products Supply and Purchase Framework Agreement for a term of one year from 1 January 2009 to 31 December 2009, whereby Fosun Pharma Group and Sinopharm Holding Group have agreed to supply pharmaceutical products to each other from time to time during the term thereof.

Fosun Pharma is a subsidiary of the Company and, being a substantial shareholder of Forte, is also a connected person of the Company. Sinopharm Holding is an Associate of Fosun Pharma and is therefore a connected person of the Company, and the transactions under the Pharmaceutical Products Supply and Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) in respect of the annual cap for the year ending 31 December 2009 is more than 0.1% but less than 2.5%, the transactions contemplated under the Pharmaceutical Products Supply and Purchase Framework Agreement are only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules, and are exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Listing Rules.

SUPPLY OF PHARMACEUTICAL PRODUCTS BY SHANGHAI FOSUN PHARMACEUTICAL TO SHANGHAI LIANHUA FOSUN

Background

Shanghai Fosun Pharmaceutical supplied certain pharmaceutical products to Shanghai Lianhua Fosun at its request from time to time for the year ended 31 December 2008 without any written agreement.

It was originally expected by the Company that the above continuing connected transaction was exempted from reporting, announcement and independent shareholders' approval requirements on the basis that all the applicable percentage ratios (as defined under Rule

14A.10 of the Listing Rules) calculated using the original estimates would be less than 0.1% for the year ended 31 December 2008.

The Directors became aware in early March 2009 in the course of the annual review of the historical connected transactions and continuing connected transactions of the Group that the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) calculated by reference to the financial information from the management accounts of the Company for the year ended 31 December 2008 exceeded 0.1% but were less than 2.5%. The Company must therefore comply with the applicable provisions of Chapter 14A of the Listing Rules in relation to such transaction.

In compliance with Rule 14A.35(1) of the Listing Rules, Shanghai Fosun Pharmaceutical and Shanghai Lianhua Fosun entered into the Pharmaceutical Products Supply Agreement in order to govern the supply of certain pharmaceutical products by Shanghai Fosun Pharmaceutical to Shanghai Lianhua Fosun, which constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Pharmaceutical Products Supply Agreement

Date

16 March 2009

Parties

- (i) Shanghai Fosun Pharmaceutical
- (ii) Shanghai Lianhua Fosun

Continuing Transaction

Pursuant to the Pharmaceutical Products Supply Agreement, Shanghai Fosun Pharmaceutical has agreed to supply certain pharmaceutical products to Shanghai Lianhua Fosun at its request from time to time during the term thereof.

Term and Termination

The Pharmaceutical Products Supply Agreement is for a term of one year commencing from 1 January 2009 and ending on 31 December 2009.

Price Determination

Under the Pharmaceutical Products Supply Agreement, the parties have agreed the price per unit of the pharmaceutical products, which were determined by reference to the relevant market prices.

Transaction Volume

Due to the rapid diminishment of the market capitalisation of the Company in the year of 2008, the Company has not estimated with sufficient accuracy the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) of the continuing connected transaction for the year ended 31 December 2008. The Company had not therefore published an announcement at the time when the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) of the transaction volume had exceeded 0.1% for the year ended 31 December 2008, in compliance with the requirements under Rule 14A.47 of the Listing Rules.

The actual value of transaction for the three years ended 31 December 2006, 2007 and 2008, respectively, were as follows:

Historical Transaction Volume

Transaction	Year ended 31 December 2006 (RMB) Actual value	Year ended 31 December 2007 (RMB) Actual value	Year ended 31 December 2008 (RMB) Actual value
Supply of Pharmaceutical Products by Shanghai Fosun Pharmaceutical to Shanghai Lianhua Fosun	29,571,489.99	30,575,905.43	22,622,147.55

The annual cap proposed by the Company for the year ending 31 December 2009 is as follows:

Annual Cap

Transaction	Year ending 31 December 2009 (RMB) Cap
Supply of Pharmaceutical Products by Shanghai Fosun Pharmaceutical to Shanghai Lianhua Fosun	30,000,000

The Company has determined the annual cap for the year ending 31 December 2009 by reference to (i) the historical figures in 2006, 2007 and 2008; (ii) the estimated growth of the demand of pharmaceutical products by Shanghai Lianhua Fosun; and (iii) the estimated growth of the pharmaceutical industry of the PRC in general.

Implementation Agreements

Shanghai Fosun Pharmaceutical will enter into, from time to time and as necessary, separate implementation agreements for each specific transaction contemplated under the Pharmaceutical Products Supply Agreement during the term thereof with Shanghai Lianhua Fosun. Each implementation agreement will set out the specific products, price and other relevant specifications.

As the implementation agreements provide for products as contemplated by the Pharmaceutical Products Supply Agreement, as such, they do not constitute new categories of connected transactions. Any such implementation agreement will be within the ambit of the Pharmaceutical Products Supply Agreement and the annual cap, and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Listing Rules Implications

Shanghai Fosun Pharmaceutical is a subsidiary of the Company. Fosun Pharma, being a substantial shareholder of Forte, is a connected person of the Company. Shanghai Lianhua Fosun is an Associate of Fosun Pharma and is therefore a connected person of the Company, and the transaction contemplated under the Pharmaceutical Products Supply Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) in respect of the annual cap for the year ending 31 December 2009 is more than 0.1% but less than 2.5%, the transaction contemplated under the Pharmaceutical Products Supply Agreement is only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules, and is exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Listing Rules.

General

Appropriate disclosures of the continuing connected transaction will be made in the annual report and accounts of the Company for the year ended 31 December 2008 and for the year ending 31 December 2009.

The Directors (including the independent non-executive Directors) are of the view that the terms of the continuing connected transaction under the Pharmaceutical Products Supply Agreement (i) have been negotiated on an arm's length basis; (ii) have been and will be conducted on normal commercial terms, or on terms no less favourable than those available to independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; (iv) are fair and reasonable and in the interests of the Shareholders as a whole; and (v) that the annual cap for the year ending 31 December 2009 is fair and reasonable.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, there is no other continuing transaction entered into between any member of the Group and Shanghai Lianhua Fosun and its ultimate beneficial owner(s) or otherwise related, which would be, together with the continuing connected transaction under the Pharmaceutical Products Supply Agreement, aggregated under Rules 14A.27 of the Listing Rules.

Reasons for entering into the Continuing Connected Transaction

Shanghai Fosun Pharmaceutical is principally engaged in the sales and distribution of pharmaceutical products. It supplies pharmaceutical products to Shanghai Lianhua Fosun, being one of its customers, in its ordinary and usual course of business and on normal commercial terms.

MUTUAL SUPPLY OF PHARMACEUTICAL PRODUCTS BETWEEN FOSUN PHARMA GROUP AND SINOPHARM HOLDING GROUP

Background

Fosun Pharma Group and Sinopharm Holding Group supplied pharmaceutical products to each other from time to time for the year ended 31 December 2008 without any written agreement.

It was originally expected by the Company that the above continuing connected transactions were exempted from reporting, announcement and independent shareholders' approval requirements on the basis that all the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) calculated using the original estimates would be less than 0.1% for the year ended 31 December 2008.

The Directors became aware in early March 2009 in the course of the annual review of the historical connected transactions and continuing connected transactions of the Group that the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) calculated by reference to the financial information from the management accounts of the Company for the year ended 31 December 2008 exceeded 0.1% but were less than 2.5%. The Company must therefore comply with the applicable provisions of Chapter 14A of the Listing Rules in relation to such transaction.

In compliance with Rule 14A.35(1) of the Listing Rules, Fosun Pharma and Sinopharm Holding entered into the Pharmaceutical Products Supply and Purchase Framework Agreement in order to govern the mutual supply of certain pharmaceutical products between Fosun Pharma Group and Sinopharm Holding Group, which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pharmaceutical Products Supply and Purchase Framework Agreement

Date

16 March 2009

Parties

- (iii) Fosun Pharma
- (iv) Sinopharm Holding

Continuing Transaction

Pursuant to the Pharmaceutical Products Supply and Purchase Framework Agreement, Fosun Pharma Group and Sinopharm Holding Group have agreed to supply certain pharmaceutical products to each other from time to time during the term thereof.

Term and Termination

The Pharmaceutical Products Supply and Purchase Framework Agreement is for a term of one year commencing from 1 January 2009 and ending on 31 December 2009.

Price Determination

Under the Pharmaceutical Products Supply and Purchase Framework Agreement, the parties have agreed the price per unit of the pharmaceutical products, which were determined by reference to the relevant market prices.

Transaction Volume

Due to the rapid diminishment of the market capitalisation of the Company in the year of 2008, the Company has not estimated with sufficient accuracy the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) of the continuing connected transactions for the year ended 31 December 2008. The Company had not therefore published an announcement at the time when the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) of the transaction volume had exceeded 0.1% for the year ended 31 December 2008, in compliance with the requirements under Rule 14A.47 of the Listing Rules.

The actual value of transactions for the three years ended 31 December 2006, 2007 and 2008, respectively, were as follows:

Historical Transaction Volume

Transactions	Year ended 31 December 2006 (RMB) Actual value	Year ended 31 December 2007 (RMB) Actual value	Year ended 31 December 2008 (RMB) Actual value
Supply of Pharmaceutical Products by Fosun Pharma Group to Sinopharm Holding Group	35,059,326.66	31,794,832.53	47,125,387.03
Supply of Pharmaceutical Products by Sinopharm Holding Group to Fosun Pharma Group	49,566,784.09	40,860,430.94	12,957,191.51

The annual caps proposed by the Company for the year ending 31 December 2009 are as follows:

Annual Caps

Transactions	Year ending 31 December 2009 (RMB) Cap
Supply of Pharmaceutical Products by Fosun Pharma Group to Sinopharm Holding Group	70,000,000
Supply of Pharmaceutical Products by Sinopharm Holding Group to Fosun Pharma Group	20,000,000

The Company has determined the annual caps for the year ending 31 December 2009 by reference to (i) the historical figures in 2006, 2007 and 2008; (ii) the estimated growth of the demand of pharmaceutical products by each of Fosun Pharma Group and Sinopharm Holding Group, respectively; and (iii) the estimated growth of the pharmaceutical industry of the PRC in general.

Implementation Agreements

Fosun Pharma Group will enter into, from time to time and as necessary, separate implementation agreements for each specific transaction contemplated under the

Pharmaceutical Products Supply and Purchase Framework Agreement during the term thereof with Sinopharm Holding Group. Each implementation agreement will set out the specific products, price and other relevant specifications.

As the implementation agreements provide for products as contemplated by the Pharmaceutical Products Supply and Purchase Framework Agreement, as such, they do not constitute new categories of connected transactions. Any such implementation agreement will be within the ambit of the Pharmaceutical Products Supply and Purchase Framework Agreement and the annual caps, and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Listing Rules Implications

Fosun Pharma is a subsidiary of the Company and, being a substantial shareholder of Forte, is also a connected person of the Company. Sinopharm Holding is an Associate of Fosun Pharma and is therefore a connected person of the Company, and the transactions under the Pharmaceutical Products Supply and Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) in respect of the annual cap for the year ending 31 December 2009 is more than 0.1% but less than 2.5%, the transactions contemplated under the Pharmaceutical Products Supply and Purchase Framework Agreement are only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules, and are exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Listing Rules.

General

Appropriate disclosures of the continuing connected transactions will be made in the annual report and accounts of the Company for the year ended 31 December 2008 and for the year ending 31 December 2009.

The Directors (including the independent non-executive Directors) are of the view that the terms of the continuing connected transactions under the Pharmaceutical Products Supply and Purchase Framework Agreement (i) have been negotiated on an arm's length basis; (ii) have been and will be conducted on normal commercial terms, or on terms no less favourable than those available to and from independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; (iv) are fair

and reasonable and in the interests of the Shareholders as a whole; and (v) that the annual caps for the year ending 31 December 2009 are fair and reasonable.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, there is no other continuing transaction entered into between any member of the Group and Sinopharm Holding and its ultimate beneficial owner(s) or otherwise related, which would be, together with the continuing connected transactions under Pharmaceutical Products Supply and Purchase Framework Agreement, aggregated under Rules 14A.27 of the Listing Rules.

Reasons for entering into the Continuing Connected Transactions

Each of Fosun Pharma Group and Sinopharm Holding Group is principally engaged in the sales and distribution of pharmaceutical products. Each of them supplies pharmaceutical products to the other, being one of their customers, in their ordinary and usual course of business and on normal commercial terms.

GENERAL INFORMATION OF THE GROUP

The principal activities of the Group are: (i) pharmaceuticals; (ii) property development; (iii) steel; (iv) mining; and (v) retail, service and strategic investments.

GENERAL INFORMATION OF THE PARTIES TO THE CONTINUING CONNECTED TRANSACTIONS

Shanghai Fosun Pharmaceutical

Shanghai Fosun Pharmaceutical is a limited liability company incorporated under the laws of the PRC and is a subsidiary of the Company. It is principally engaged in the sales and distribution of pharmaceutical products.

Shanghai Lianhua Fosun

Shanghai Lianhua Fosun is a limited liability company incorporated under the laws of the PRC and is accounted for as a jointly controlled entity of the Group. It is principally engaged in the sales and distribution of pharmaceutical products.

Fosun Pharma

Fosun Pharma is a limited liability company incorporated under the laws of the PRC and is a subsidiary of the Company. It is principally engaged in the manufacturing, research and development, wholesaling and retailing of pharmaceutical products.

Sinopharm Holding

Sinopharm Holding is a limited liability company incorporated under the laws of the PRC and is accounted for as an associate of the Group. It is principally engaged in the distribution, retailing and logistics of pharmaceutical products.

DEFINITIONS

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

“Associate”	has the same meaning ascribed thereto under the Listing Rules
“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 Stock Exchange
“Director(s)”	the director(s) of the Company
“Forte”	Shanghai Forte Land Co., Ltd. (復地(集團)股份有限公司), a sino-foreign joint stock company incorporated under the laws of the PRC with limited liability and a subsidiary of the Company, the H shares of which are listed and traded on the main board of the Stock Exchange
“Fosun Pharma”	Shanghai Fosun Pharmaceuticals (Group) Company Limited (上海復星醫藥(集團)股份有限公司), a limited liability company incorporated under the laws of the PRC
“Fosun Pharma Group”	Fosun Pharma and its subsidiaries

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Pharmaceutical Products Supply Agreement”	A pharmaceutical products supply agreement dated 16 March 2009 and entered into between Shanghai Fosun Pharmaceutical and Shanghai Lianhua Fosun in relation to the supply of pharmaceutical products by Shanghai Fosun Pharmaceutical to Shanghai Lianhua Fosun
“Pharmaceutical Products Supply and Purchase Framework Agreement”	A pharmaceutical products supply and purchase framework agreement dated 16 March 2009 and entered into between Fosun Pharma and Sinopharm Holding in relation to the mutual supply of pharmaceutical products between Fosun Pharma Group and Sinopharm Holding Group
“PRC”	the People’s Republic of China
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Shanghai Fosun Pharmaceutical”	Shanghai Fosun Pharmaceutical Co., Ltd. (上海復星藥業有限公司), a limited liability company incorporated under the laws of the PRC
“Shanghai Lianhua Fosun”	Shanghai Lianhua Fosun Pharmacy Chain Operation Co., Ltd. (上海聯華復星藥房連鎖經營有限公司), a limited liability company incorporated under the laws of the PRC
“Shareholders”	the shareholders of the Company
“Sinopharm Holding”	Sinopharm Holding Co., Ltd. (國葯控股股份有限公司), a limited liability company incorporated under the laws of the PRC
“Sinopharm Holding Group”	Sinopharm Holding and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

16 March 2009, Shanghai, the PRC

As at the date of this announcement, the Company's executive directors are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Fan Wei, Mr. Ding Guoqi, Mr. Qin Xuetang and Mr. Wu Ping; the non-executive director is Mr. Liu Benren; and the independent non-executive directors are Dr. Chen Kaixian, Mr. Zhang Shengman and Mr. Andrew Y. Yan.