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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Fosun International Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

PROPOSED ADOPTION OF THE SHARE OPTION SCHEME OF FOSUN HEALTH

A notice convening the AGM to be held at 10:00 a.m. on Thursday, 2 June 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China as set out in the general mandate circular of the Company and a form of proxy for the AGM are despatched together with this circular.

Whether or not you are able to attend the AGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

For details of the precautionary measures of the AGM, please refer to the notice of AGM of the Company dated 27 April 2022.

27 April 2022

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Appendix — Summary of the Principal Terms of the Share Option Scheme	8

DEFINITIONS

Unless the context otherwise requires, the following expressions in this circular shall have the following meanings:

“Administration Committee”	the administration committee established under the board of directors of Fosun Health
“Adoption Date”	the date on which the Scheme will be adopted by the shareholders’ meeting of Fosun Health
“AGM”	the annual general meeting of the Company to be held at 10:00 a.m. on Thursday, 2 June 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China or any adjournment thereof (as the case may be) for the purpose of, among others, considering and approving the Scheme
“Articles of Association of Fosun Health”	the articles of association of Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司), as amended from time to time
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Auditors”	the external auditors of Fosun Health from time to time
“Board”	the board of directors of the Company
“Business Day”	prior to a Listing, Monday to Friday (except for public holidays in Shanghai), and in the event of a Listing, such day shall also be a day (excluding Saturdays and Sundays) on which securities are traded on the relevant stock exchange on which Fosun Health is listed (if applicable)
“Company Law”	the current Company Law of the PRC
“Date of Grant”	the date on which an Option is granted by Fosun Health to a Participant
“Director(s)”	the director(s) of the Company
“Effective Period”	the effective period of the Scheme, which shall be 10 years from the Adoption Date
“Exercise Price”	the price which is determined when an Option is granted by Fosun Health to a Participant and at which such Participant will subscribe for the underlying shares of Fosun Health in respect of the Option

DEFINITIONS

“Exercise Window Period”	in respect of any Option which a Participant has right to exercise, the dates or periods that the board of directors of Fosun Health or the Administration Committee will determine from time to time. The Administration Committee will notify the Participants of such dates or periods. On such dates or during such periods, a Participant may exercise his or her vested Options which remain within the relevant Option Period
“Financial Adviser”	independent financial adviser appointed by Fosun Health from time to time
“Fosun Health”	Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司) (formerly known as Shanghai Fosun Medical (Group) Co., Ltd.* (上海復星醫療(集團)有限公司)), a company incorporated in the PRC with limited liability and a subsidiary of Fosun Pharma and the Company
“Fosun Health Group”	Fosun Health and its subsidiaries
“Fosun International” or “Company”	Fosun International Limited, 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 (Stock Code: 00656)
“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 limited company incorporated 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, and a subsidiary of the Company
“Group”	the Company and its subsidiaries (for purposes of the Scheme, excluding the Fosun Health Group)
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	19 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing”	the initial public offering, listing and trading of the shares of Fosun Health (or, after being reorganized, another member of the Fosun Health Group or any other company which serves as the proposed listing entity for the listing of the then Fosun Health Group or its business) on the Hong Kong Stock Exchange or other stock exchange as may be determined by the shareholders’ meetings of relevant companies (or their shareholders in general meeting (as the case may be)) after the adoption of the Scheme
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Ningbo Liding”	Ningbo Liding Enterprise Management Partnership (Limited Partnership)* (寧波礪定企業管理合夥企業(有限合夥)), a limited liability partnership established in December 2020 under the laws of the PRC and a subsidiary of Fosun Pharma and the Company
“Option”	the right awarded to a Participant pursuant to an Option granted, which entitles the Participant to purchase a specified number of shares of Fosun Health within a specified period in the future at a price that is pre-determined or calculated in accordance with the basis set forth in the Scheme, subject to its vesting after the fulfillment of the conditions provided under the Scheme
“Option Period”	the period during which the Participants may exercise their Options to subscribe for shares of Fosun Health; in respect of a specific Option, such period may be determined or adjusted at the discretion of the board of directors of Fosun Health in accordance with the terms of the Scheme, but in no event shall such period exceed 10 years from the Date of Grant
“Option Shares”	underlying shares of Fosun Health in respect of the Options granted to the Participants under the Scheme, each representing RMB1 registered capital of Fosun Health; reference to a share of Fosun Health means the underlying equity interests in respect of RMB1 registered capital of Fosun Health
“Participants”	persons who meet the conditions specified in the Scheme and can participate in the Scheme

DEFINITIONS

“PRC” or “China”	the People’s Republic of China, which, for the purpose of this circular only, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan region
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme” or “Share Option Scheme”	the core and key employee share incentive scheme of Fosun Health to be adopted (as amended from time to time in accordance with the provisions thereof) by Fosun Health
“Shares”	ordinary shares of Fosun International
“Shareholder(s)”	holder(s) of the Share(s)
“Third Party Investment in Fosun Health”	the introduction of strategic investors or financial investors into Fosun Health or similar market-based fundraising activities
“Vesting Date”	the first date from which a Participant is entitled to exercise an Option pursuant to the relevant provision of the Scheme
“Vesting Period”	the period from the Date of Grant of an Option to the Vesting Date of that Option, i.e. the period from the Date of Grant until the date from which the Option may be exercised

* *For identification purpose only*

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

Directors:

Executive Directors:

Mr. Guo Guangchang (*Chairman*)
Mr. Wang Qunbin (*Co-Chairman*)
Mr. Chen Qiyu (*Co-Chief Executive Officer*)
Mr. Xu Xiaoliang (*Co-Chief Executive Officer*)
Mr. Qin Xuetang
Mr. Gong Ping
Mr. Huang Zhen

Non-executive Directors:

Ms. Chen Shucui
Mr. Zhuang Yuemin
Mr. Yu Qingfei

Independent Non-executive Directors:

Mr. Zhang Shengman
Mr. Zhang Huaqiao
Mr. David T. Zhang
Dr. Lee Kai-Fu
Ms. Tsang King Suen Katherine

Registered office:

Room 808, ICBC Tower
3 Garden Road, Central
Hong Kong

27 April 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED ADOPTION OF THE SHARE OPTION SCHEME
OF FOSUN HEALTH**

I. INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposed adoption of the Scheme to enable you to make informed decisions on the relevant proposed resolutions at the AGM.

LETTER FROM THE BOARD

II. PROPOSED ADOPTION OF THE SHARE OPTION SCHEME OF FOSUN HEALTH

As at the date of this circular, the Scheme has been approved by the board of directors of Fosun Health, Fosun Pharma and the Company. Adoption of the Scheme will be subject to the approvals of the Shareholders, the shareholders of Fosun Pharma and the shareholders of Fosun Health.

With the adoption of the Scheme, Fosun Health will be able to establish a mechanism designed to strengthen the alignment of interests between its shareholders and operators, and such mechanism, if effectively implemented, may enable the Fosun Health Group to attract and retain core talent with significant influence on and contribution to its business growth, stimulate employees' passion for entrepreneurship and support its long-term development.

Fosun Health is a company incorporated in 2010 with its headquarters based in Shanghai, PRC, and it is principally engaged in technology development, technology consultancy, technology services and technology transfer in the field of health technology; investments in the medical and healthcare industry and its related fields (including the pharmaceutical and healthcare industry and pharmaceutical and educational industry); and performance of hospital management as entrusted by medical and healthcare institutions and provision of hospital management consultancy (except for brokerage). As at the Latest Practicable Date, Fosun Pharma and Ningbo Liding directly hold 92% and 8% equity interests in Fosun Health, respectively.

As at the Latest Practicable Date, other than the equity incentive plan in relation to the existing shares of Fosun Health for its directors and core management as adopted by Fosun Health on 11 February 2022 (which is disclosed in the announcement of Fosun Pharma dated 11 February 2022), there were no other share option schemes or equity incentive plans implemented by Fosun Health.

The underlying shares in respect of the Options under the Share Option Scheme will be shares of Fosun Health, not Shares of the Company. Shares of Fosun Health are not listed.

For the purposes of the effective implementation of and the orderly administration of the Scheme and option grants thereunder, Fosun Health plans to centrally manage the Option Shares under the Scheme through the share-holding platforms and related mechanism as set forth in the Scheme. As contemplated in the Scheme, subject to compliance with applicable laws, regulations, the Listing Rules and other regulatory requirements, Fosun Health plans to establish by itself or through its controlling shareholder Fosun Pharma (or its subsidiaries) (i) a limited partnership or other entity or other arrangements (the “**Direct Share-holding Entity**”) and issue to such Direct Share-holding Entity new registered capital of no more than RMB380,435,000 nor more than 10% of Fosun Health's registered capital as at the Adoption Date, and such registered capital is to be applied as Option Shares under the Scheme; and (ii) one or more limited partnerships or other entities or arrangements as the share-holding platform through which a Participant will indirectly hold the relevant Option Shares via the Direct Share-holding Entity upon exercise of his or her Option.

LETTER FROM THE BOARD

A summary of the principal terms of the Scheme is set out in the Appendix to this circular. A copy of the Scheme will be published on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.fosun.com>) for not less than 14 days before the date of the AGM and a copy of the Scheme is available for inspection at the AGM.

The Scheme complies with the applicable requirements under Chapter 17 of the Listing Rules.

III. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

IV. AGM

A notice convening the AGM to be held at 10:00 a.m. on Thursday, 2 June 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China as set out in the general mandate circular of the Company and a form of proxy for the AGM are despatched together with this circular. Such form of proxy is also published on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and of the Company (<https://www.fosun.com>). Whether or not you are able to attend the said meeting, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

V. RECOMMENDATIONS

The Board considers that the proposed adoption of the Share Option Scheme of Fosun Health is in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend all Shareholders to vote in favour of the resolution to be proposed at the AGM.

VI. FURTHER INFORMATION

Your attention is drawn to the Appendix to this circular.

Yours faithfully,
Fosun International Limited
Guo Guangchang
Chairman

The following is a summary of the principal terms of the Share Option Scheme of Fosun Health to be adopted at the AGM:

1. PURPOSE OF THE SCHEME

The purpose of the Scheme is to effectively attract and retain core talent with significant influence on and contribution to the Fosun Health Group's business growth, establish a mechanism designed to align interests between its shareholders and operators, stimulate employees' passion for entrepreneurship and support the Fosun Health Group's long-term development.

2. ADMINISTRATION

The shareholders' meeting of Fosun Health is responsible for considering and approving the adoption of the Scheme and has the authority to consider and approve, on its own (or by delegation to the board of directors of Fosun Health), the implementation, alteration and termination of the Scheme. Except as otherwise expressly provided in the Scheme, the implementation of the Scheme, the grant of options under the Scheme and other related matters in respect of the Scheme are delegated to the board of directors of Fosun Health by the shareholders' meeting of Fosun Health.

The board of directors of Fosun Health is the administrator of the Scheme and, subject to the scope of the authorities as approved by the shareholders' meeting of Fosun Health, is responsible for the formulation, review and approval of option grants under the Scheme and the implementation of the Scheme. The board of directors of Fosun Health shall have the final authority to interpret and construe the provisions of the Scheme. Except as otherwise expressly provided in the Scheme, the decisions of the board of directors of Fosun Health with respect to the Scheme shall be final and binding on all parties.

The Administration Committee is established by and under the board of directors of Fosun Health and it shall be responsible for the concrete implementation and day-to-day administration of the option grants under the Scheme.

3. PARTICIPANTS

The Participants of the Scheme shall comprise the core and key employees of Fosun Health, its subsidiary companies/hospitals and investee companies/hospitals.

Subject to the approval of the board of directors of Fosun Health, the following persons may qualify as the aforesaid core and key employees under the Scheme:

- (a) employees of Fosun Health with ranks ranging from director-level (總監級) to department head;

- (b) the senior management of a subsidiary company/hospital of Fosun Health, or employees of such subsidiary company/hospital, who have been officially recognized by the relevant government authority as national, provincial or municipal-level leaders in respect of any research area or subject, or directors of any high-performing department of such subsidiary company/hospital;
- (c) the chief executive or president of an investee company/hospital of Fosun Health or employees of such investee company/hospital who have been officially recognized by the relevant government authority as national or provincial-level leaders in respect of any research area or subject; and
- (d) any other employee of Fosun Health, its subsidiary companies/hospitals or investee companies/hospitals whom the board of directors of Fosun Health determines has made or may make substantive contribution to the business and growth of the Fosun Health Group.

The list of the Participants of the Scheme shall be approved by the board of directors of Fosun Health from time to time.

4. EFFECTIVE PERIOD

Unless terminated earlier in accordance with the provisions of the Scheme, the Scheme shall be effective for a period of 10 years from the Adoption Date. After such period, no further Options may be granted by Fosun Health under the Scheme, but the provisions of the Scheme shall remain in full force and effect in all other respects. The provisions of the Scheme shall remain in full force and effect with respect to the outstanding Options that are yet to be exercised at the expiration of the period referred to above in this paragraph.

5. OPTION SHARES, FORM OF OPTION GRANT AND CONDITIONS FOR OPTION GRANT

The Option Shares under the Scheme are new shares of Fosun Health that will be issued by Fosun Health.

Any such new shares of Fosun Health to be issued under the Scheme, once issued, will rank *pari passu* with, and be identical to, all shares in the share capital of Fosun Health then in issue and the holder thereof shall be entitled to voting, dividend and other distribution, and other rights attached to such shares in accordance with the Company Law and the Articles of Association of Fosun Health.

The Scheme adopts the annual performance-based grant as the form of option grants thereunder, and Options under the Scheme are granted based on the preconditions that the annual performance targets of Fosun Health and the relevant Participant's individual performance appraisal targets shall both have been achieved.

As a precondition for an annual grant of options, Fosun Health shall have achieved the performance targets set by its board of directors for the previous year.

A Participant is eligible for option grant only if such Participant has reached or exceeded the level of “meeting expectations” (GP) in the previous year’s individual performance appraisal or is considered to have met the conditions by the board of directors of Fosun Health.

6. OPTION GRANT

The Administration Committee will issue a grant notice (the “**Notice**”) to the relevant Participants pursuant to the option grant as reviewed and approved by the board of directors of Fosun Health. The date of the approval of the option grant by the board of directors of Fosun Health is the Date of Grant of the relevant Options.

The relevant Participants shall sign an option grant agreement (the “**Option Grant Agreement**”) with Fosun Health and such other party as designated by Fosun Health (if any) within the period specified in the Notice. The agreement will set out the terms applicable to the relevant option grant, including (among other things):

- (a) the name of the relevant Participant and his or her main position in Fosun Health, its subsidiary companies/hospitals or investee companies/hospitals;
- (b) the Exercise Price (if known);
- (c) the number of Option Shares in respect of the Option;
- (d) the relevant Option Period; and
- (e) other terms and conditions relating to the option grant, including (i) any Vesting Period; (ii) performance assessment criteria or other vesting conditions; and/or (iii) such other terms as may be applicable generally or on a case-by-case basis as the board of directors of Fosun Health may in its discretion impose, provided that such terms shall not be inconsistent with the provisions of the Scheme, applicable laws or relevant requirements under the Listing Rules.

Upon signing of the Option Grant Agreement by Fosun Health, such other party as designated by Fosun Health (if any) and the relevant Participant, the relevant Options shall be deemed to be accepted by such Participant.

If the relevant Participant does not sign the Option Grant Agreement within the period specified in the Notice (or, if applicable, any such extended period as the Administration Committee shall consent to in its discretion), the relevant option grant will be deemed to be irrevocably declined by such Participant.

The relevant Participant is not required to pay any cash or other consideration to Fosun Health in respect of the option grant.

No Participant shall be entitled to any rights of a shareholder of Fosun Health solely by virtue of the grant of an Option pursuant to the Scheme unless and until relevant Option Shares are received by the Participant pursuant to exercise of such Option. Prior to the relevant Participant directly (or indirectly through the share-holding platform or other share-holding entity arranged or approved by the board of directors of Fosun Health) holding the relevant Option Shares, the Participant shall not have any voting rights, rights to participate in dividends, transfer rights, rights arising in the liquidation of Fosun Health, or other rights in respect of the underlying shares of Fosun Health for the relevant Option.

7. NUMBER OF OPTION SHARES AND RELATED PROVISIONS

The total share capital that corresponds to the aggregate number of Option Shares in respect of the Options to be granted under the Scheme shall not exceed RMB380,435,000 of the registered capital of Fosun Health, nor shall it exceed 10% of the total registered capital of Fosun Health as at the Adoption Date. Pursuant to the relevant provisions of the Listing Rules, the total number of shares (or total share capital corresponding thereto) of Fosun Health which may be issued upon exercise of all options granted under the Scheme and any other option schemes of Fosun Health shall not in aggregate exceed 10% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue as at the date of adoption of the Scheme (the “**Scheme Mandate Limit**”). Options that lapse pursuant to the terms of the Scheme or any other option schemes of Fosun Health are disregarded for purposes of calculating the Scheme Mandate Limit.

Subject to the prior approval of the shareholders’ meeting of Fosun Health and, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, the shareholders of Fosun Pharma and/or Fosun International in general meeting (as the case may be), the Scheme Mandate Limit may be refreshed, provided that the total number of shares (or total share capital corresponding thereto) of Fosun Health that may be issued upon exercise of all Options to be granted under the Scheme and Fosun Health’s other option schemes under the limit as refreshed shall not exceed 10% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue as of the date of approval of the refreshed limit (the “**Refreshed Limit**”). Options previously granted under the Scheme (including options that are unexercised, cancelled, lapsed or exercised under the Scheme) will not be counted for purposes of calculating the Refreshed Limit. A circular containing the information required by the Listing Rules will be sent to shareholders of both Fosun Pharma and Fosun International, respectively, for the purpose of the above shareholders’ approval.

The number of shares (or share capital corresponding thereto) of Fosun Health that may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other option schemes of Fosun Health shall not exceed 30% of the total number of shares

(or total share capital) of the relevant class that may be issued by Fosun Health from time to time. No option may be granted under any of Fosun Health's option schemes if such grant would result in the issuance of shares in excess of such limit.

The total number of shares (or share capital corresponding thereto) of Fosun Health issued and to be issued upon exercise of the Options granted or to be granted to each Participant (including exercised, cancelled and outstanding options) in any 12-month period must not exceed 1% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue as of the date of the proposed Options grant. Where any further grant of Options to the Participant would result in the number of shares (or share capital corresponding thereto) of Fosun Health issued and to be issued upon exercise of all options granted and to be granted to the Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue, such further grant must be separately approved in advance by the shareholders' meeting of Fosun Health and, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, the shareholders of Fosun Pharma and/or Fosun International in general meeting (as the case may be) with such Participant and his or her close associates (or his or her associates if the Participant is a connected person) abstaining from voting. The circular containing the information required under the Listing Rules will be sent to the shareholders of Fosun Pharma and Fosun International, respectively, for the purpose of the above shareholders' approval.

In addition, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, each grant of Options under the Scheme to a director, chief executive or substantial shareholder of Fosun Pharma or Fosun International or their respective associates (as the case may be) must also be approved by the independent non-executive directors of Fosun Pharma or Fosun International (excluding any independent non-executive director to whom an Option is granted). Where the grant of an Option to a substantial shareholder or an independent non-executive director of Fosun Pharma or Fosun International or any of their associates will result in the shares (or share capital corresponding thereto) of Fosun Health issued and to be issued upon the exercise of all Options already granted or to be granted (including Options exercised, cancelled and outstanding) during the 12-month period ending on the date of grant of the option to such person exceeding, in the aggregate, 0.1% of the total number of shares (or total share capital) of the relevant class of Fosun Health in issue (or such other percentage as may be prescribed by the Hong Kong Stock Exchange from time to time), then such proposed further grant of Options shall be subject to the approval of the shareholders of Fosun Health and, for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, the approval of the shareholders of Fosun Pharma and/or Fosun International (as the case may be). A circular shall be issued to the shareholders by Fosun Pharma and Fosun International for the purpose of the above shareholders' approval. At such general meetings, the relevant Participant and his or her associates and all core connected persons of Fosun Pharma and Fosun International shall abstain from voting in favour thereof.

8. EXERCISE PRICE

The Exercise Price for the inaugural option grant under the Scheme (which is planned to be made shortly after the adoption of the Scheme) will be determined based on the higher of the net asset value per share (i.e. per RMB1 registered capital) and RMB1 per registered capital unit/share of Fosun Health as at 31 October 2021. As at 31 October 2021, the unaudited consolidated net assets of Fosun Health were RMB3,875 million and its total registered capital was RMB3,804,350,000. Therefore, the net asset value per share (i.e. per RMB1 registered capital) of Fosun Health is approximately RMB1.0 (rounded to 1 decimal place), and accordingly the Exercise Price for the inaugural option grants under the Scheme will be RMB1.0 per Option Share.

Except for the inaugural option grant, the Exercise Price of Options granted will be the higher of 50% of the fair value per share (i.e. per RMB1 registered capital) of Fosun Health (if any) at the time when the option grant is approved by the board of directors of Fosun Health and the net asset value per share (i.e. per RMB1 registered capital) of Fosun Health at the time of the option grant, and such Exercise Price shall not be less than the Exercise Price of Options granted in the inaugural option grant. For purposes of the Scheme, (i) the fair value per share (i.e. RMB1 registered capital) of Fosun Health at the time when the option grant is approved by the board of directors of Fosun Health shall be the purchase price of shares of Fosun Health in connection with the most recent Third Party Investment in Fosun Health and (ii) the net asset value per share (i.e. per RMB1 registered capital) of Fosun Health at the time of the option grant shall be calculated/determined based on the most recent annual financial statements of Fosun Health or its other more recent financial statements (including monthly management accounts), as determined by the board of directors of Fosun Health.

For the avoidance of doubt, with regard to any future option grant subsequent to the inaugural option grant, if at the time when the option grant is approved by the board of directors of Fosun Health, no Third Party Investment in Fosun Health has yet to occur, unless otherwise provided by the resolution of the board of directors of Fosun Health, the Exercise Price for the option grant shall be the then net asset value per share (i.e. per RMB1 registered capital) of Fosun Health.

Notwithstanding the foregoing, after Fosun Health has resolved to seek a Listing or during the period commencing six months prior to its filing of a listing application with the relevant stock exchange and ending on the date of the Listing, no Options may be granted at an exercise price lower than the new issue price (if any) pursuant to the Listing. In such case, the Exercise Price of the Options granted during the relevant period may be adjusted to not less than the new issue price (if any) at the discretion of the board of directors of Fosun Health.

Should Fosun Health consummates a Listing, no further Options will be granted under the Scheme on or after the date of its Listing.

**9. VESTING, EXERCISE OF OPTION, TRANSFER RESTRICTIONS AND
CANCELLATION OF OPTIONS***Vesting and Exercise of Option*

Options granted under the Scheme are subject to such Vesting Period and vesting arrangements as the board of directors of Fosun Health shall determine.

Except as otherwise approved by the board of directors of Fosun Health, Options granted to a Participant which are due to vest in a given year according to the relevant Vesting Period may vest in that year only if such Participant shall have reached the level of “meeting expectations” (GP) or above in the previous year’s individual performance appraisal; otherwise, Options which are due to vest in that given year shall lapse automatically.

The first Business Day after the expiration of the Vesting Period for the relevant Option held by a Participant who has satisfied the vesting conditions shall be the Vesting Date of such Option. Commencing from that date, the Participant will be entitled to exercise the Option. Options held by a Participant who has not satisfied the vesting conditions will automatically lapse upon the expiration of the relevant Vesting Period, and the Participant shall not exercise such Options.

After its vesting and within the relevant Option Period, an Option may be exercised by the Participant during any Exercise Window Period arranged by Fosun Health.

Within the Option Period, the Participant may make a written request during an Exercise Window Period to exercise the vested and unexercised Option. The written request shall specify the number of underlying shares of Fosun Health in respect of the Option to be exercised pursuant to such request and other information as required by Fosun Health. The Participant shall pay the Exercise Price in respect of such shares in such manner and within such period as stipulated by Fosun Health.

Transfer Restrictions

No Option under the Scheme may be, directly or indirectly, sold, transferred, pledged or otherwise disposed of to any person whether during its Vesting Period or after such Option has vested.

Prior to any third party acquiring the entire issued share capital of Fosun Health or the consummation of a Listing (if applicable), except as otherwise provided in the Scheme, no Participant who remains employed by Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals may, in principle, directly or indirectly, sell, transfer, pledge or otherwise dispose of, to any person, the Option Shares that such Participant has acquired pursuant to exercise of Options under the Scheme; provided however that the Participant may hold the Option Shares through the share-holding platform as provided in the Scheme (or

other entity arranged or approved by the board of directors of Fosun Health); provided further that, subject to the exceptions set forth in the Scheme or consented to by the board of directors of Fosun Health, (i) such Participant may not sell, transfer, pledge or otherwise dispose of his or her equity or similar interests in such share-holding platform or entity, directly or indirectly, to any person so as to circumvent the foregoing restrictions; and (ii) the foregoing restrictions shall apply equally to the disposition by such share-holding platform or entity of the relevant shares of Fosun Health.

In the event of occurrence of any change in personal circumstances of a relevant Participant as specified in the Scheme (including but not limited to being transferred to another Group entity, retirement, resignation, dismissal, violation of regulations or disciplines or occurrence of other acts prohibited by Fosun Health implicating such Participant) (the “**Changes in Personal Circumstances**”) (as described in further details in Paragraph 10(iv) of this summary below), the Scheme provides that, with respect to the shares of Fosun Health held by such Participant pursuant to exercise of vested Options, based on the relevant duration of such Participant’s employment with the Fosun Health Group and its investee companies/hospitals, Fosun Pharma shall be entitled to designate a transferee entity to purchase such shares at the prices specified in the Scheme from that Participant. If Fosun Pharma does not exercise such repurchase right, such Participant will continue to hold the shares through the share-holding platform as specified in the Scheme and, subject to the transfer restrictions provided in the Scheme, will divest such shares at relevant fair value per share when a Third Party Investment in Fosun Health occurs and/or sell such shares should Fosun Health consummate a Listing, as specifically provided for in the Scheme.

Option Cancellation

Any Options granted but not exercised may be cancelled with consent of the relevant Participant and new Options may be granted to such Participant; provided that such new Options fall within the limits set forth in the Scheme (excluding the cancelled Options), and are otherwise granted in accordance with the terms and conditions of the Scheme.

10. LAPSE OF OPTION

An Option granted under the Scheme will automatically lapse (if not exercised by then) upon the earliest of:

- (i) the expiration of the Option Period of such Option;
- (ii) the date of completion of the liquidation or dissolution of Fosun Health;
- (iii) the automatic lapse of the Option upon the expiration of its Vesting Period due to the failure of the relevant Participant to satisfy the vesting conditions; and

- (iv) in the event of occurrence of any Change in Personal Circumstances of the relevant Participant, his or her Options will lapse in accordance with the provisions of the Scheme as specified below:
- (a) in the event that the Participant is transferred to another Group entity not due to his or her personal reasons (excluding changes due to such causes as his or her inability to perform the job, failure to meet the standards in an appraisal, violation of regulations or disciplines, or dereliction of duty, etc.), such Participant officially retires and does not continue to enter into a service contract with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals of Fosun Health, or such Participant's labour relationship with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals is terminated due to death, disability or incapacity, then (x) such Participant's unvested Options shall lapse automatically; and (y) if such Participant has been employed with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals for less than 2 years, his or her Options which have vested and are yet to be exercised shall lapse automatically;
- (b) when the Participant resigns on his or her own initiative, his or her labor contract is not renewed upon expiration, or his or her labor contract with Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals is terminated by mutual agreement: (x) such Participant's unvested Options shall lapse automatically; and (y) his or her Options which have vested and are yet to be exercised shall lapse automatically if such Options have vested for less than four years; and
- (c) when the Participant is dismissed by Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals due to his or her failure to meet the standards in appraisal or his or her inability to perform the job, or when there is an occurrence of acts prohibited by Fosun Health or its subsidiary companies/hospitals or investee companies/hospitals (such as violation of regulations or disciplines, dereliction of duty, etc.) that implicates such Participant, his or her Options which are unvested or have vested and are yet to be exercised shall all lapse automatically.

11. REORGANIZATION OF CAPITAL STRUCTURE

In the event of any change in the capital structure of Fosun Health of the following types while any Option remains exercisable: capitalization of profits or reserves, rights issue, reduction of capital, share consolidation or share sub-division, the board of directors of Fosun Health shall make such adjustments, if any, accordingly as it may in its discretion deem appropriate in respect of:

- (i) the number of shares underlying any Option or any part thereof not currently exercised;
- (ii) the Exercise Price; or

(iii) a change in the manner in which the Options are exercised.

Provided that such adjustment shall be made so that the relevant Participant's proportionate share of the issued share capital of Fosun Health after such adjustment is the same as the proportion to which it was previously entitled and such adjustment shall not result in any share being issued at less than their nominal value (if any) and no such adjustment shall be required where shares are issued as consideration for transactions in which Fosun Health participates. In respect of any such adjustment, unless made in connection with a capitalization issue, the Financial Adviser or Auditors must confirm in writing to the board of directors of Fosun Health that the adjustment complies with the relevant provisions of the Listing Rules.

No such adjustment shall be made unless the Financial Adviser or Auditor has provided the board of directors of Fosun Health with a written confirmation that, in its opinion, such adjustment is fair and reasonable either generally or as regards any particular Participant. The Financial Adviser or Auditor so appointed shall act as an expert and not as an arbitrator and its written confirmation shall be conclusive and binding on the relevant Participants and Fosun Health. In addition, any such adjustment shall be subject to Chapter 17 of the Listing Rules and any guidance/interpretation issued by the Hong Kong Stock Exchange from time to time.

12. SHARE-HOLDING PLATFORM AND MANAGEMENT OF OPTION SHARES

For the purpose of the effective implementation and the orderly administration of the Scheme and option grants thereunder, Fosun Health plans to centrally manage the Option Shares under the Scheme through the relevant share-holding platforms and related mechanism as set forth below.

After the Scheme has been considered and approved for adoption by the shareholders' meeting of Fosun Health and as the Scheme is implemented, subject to compliance with applicable laws, regulations, the Listing Rules and other regulatory requirements, Fosun Health plans to establish by itself or through its controlling shareholder Fosun Pharma (or its subsidiaries) the Direct Share-holding Entity and, at an appropriate time, issue to such Direct Share-holding Entity new registered capital of no more than RMB380,435,000 nor more than 10% of Fosun Health's registered capital as at the Adoption Date, and such registered capital is to be applied as the Option Shares under the Scheme. In addition, subject to compliance with applicable laws, regulations, the Listing Rules and other regulatory requirements, Fosun Health also plans to establish by itself or through its controlling shareholder Fosun Pharma (or its subsidiaries) one or more limited partnerships or other entities or arrangements as the share-holding platform (the "**Share-holding Platform**") through which the Participants will hold the Option Shares under the Scheme. The Share-holding Platform will indirectly hold the relevant Option Shares via the Direct Share-holding Entity and centrally manage the affairs related to the relevant shares of Fosun Health upon and after exercise of the Options granted under the Scheme. The exact structure of the Share-holding Platform shall be determined by the board of directors of Fosun Health.

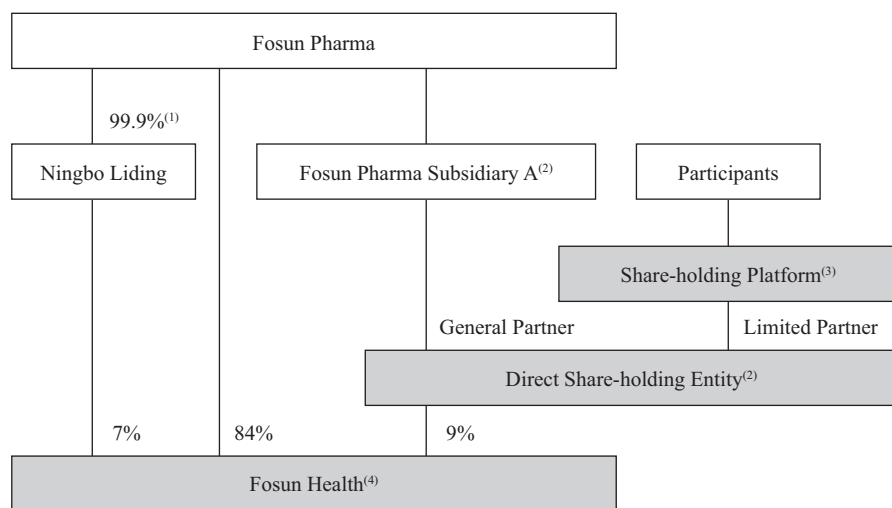
After a Participant has been granted the Options and exercised such Options (including payment of the Exercise Price), such Participant will receive relevant interests in the Share-holding Platform, indirectly hold the relevant Option Shares through the Share-holding Platform and enjoy the rights to distributions in respect of such shares.

Upon exercise of the Options held by a Participant in accordance with the provisions of the Scheme, the Share-holding Platform will record the relevant interests in the Share-holding Platform and the corresponding Option Shares under the name of such Participant and provide the relevant written evidence to such Participant.

Should Fosun Health seek a Listing, then after its Listing and expiration of the relevant share lock-up period, a Participant may sell or transfer, via the Share-holding Platform, the shares of Fosun Health he or she indirectly holds and receive the relevant proceeds.

The sale or transfer of Fosun Health's shares held by a Participant via the Share-holding Platform shall be in compliance with the laws, regulations, Listing Rules and Fosun Health's regulations and rules regarding share transfers (including lock-up period, etc.).

Below is a diagram of the above shareholding structure and arrangement for Option Shares under the Scheme for illustrative purposes.



Notes:

- (1) Fosun Pharma indirectly holds 99.9% of partnership equity in Ningbo Liding through a wholly-owned subsidiary Shanghai Fosun Pingyao Investment Management Co., Ltd.* (上海復星平耀投資管理有限公司) which is the general partner of Ningbo Liding as at the Latest Practicable Date.
- (2) As contemplated under the Scheme, (i) Fosun Health will cause the establishment of a limited partnership as the Direct Share-holding Entity through a subsidiary of Fosun Pharma, i.e. Fosun Pharma Subsidiary A in the above diagram; and (ii) Fosun Health will issue new registered capital of no more than RMB380,435,000 nor more than 10% of Fosun Health's total registered capital as at the Adoption Date to the Direct Share-holding

Entity, and upon completion of such issuance and assuming no other issue of registered capital by Fosun Health, the Direct Share-holding Entity will hold approximately 9% of the enlarged registered capital of Fosun Health.

- (3) As contemplated under the Scheme, (i) Fosun Health will further cause the establishment of another entity as the Share-holding Platform when the establishment of such platform is required for the implementation of the Scheme, and the form of the Share-holding Platform will be determined by the board of directors of Fosun Health at that time; (ii) following the exercise of his or her Options, the relevant Participant may indirectly hold the relevant Option Shares via the Share-holding Platform; and (iii) the Share-holding Platform will indirectly hold the relevant Option Shares and centrally manage the affairs related to the Option Shares. Subject to the terms set forth in the Scheme, a Participant may sell or transfer, via the Share-holding Platform, the shares of Fosun Health he or she indirectly holds and receive the relevant proceeds.
- (4) The diagram is for illustration purposes only. The exact structure of the Share-holding Platform and related arrangements shall be determined by the board of directors of Fosun Health.

13. ADJUSTMENT IN IMPLEMENTATION AND ALTERATION OF THE SCHEME

In the event of any of the following circumstances occurs with respect to Fosun Health, the board of directors of Fosun Health shall determine as to the continuation, amendment or termination of the Scheme, based on the extent of changes in relevant conditions, except where such authority is expressly required to be exercised by the shareholders' meeting of Fosun Health under the provision of the Scheme, any shareholders' resolutions of Fosun Health, the Articles of Association of Fosun Health, applicable laws or the Listing Rules:

- (i) a change of control of Fosun Health;
- (ii) a merger or subdivision occurs with respect to Fosun Health;
- (iii) other significant changes involving or affecting Fosun Health.

Any amendment/alteration to the Scheme made by the board of directors of Fosun Health pursuant to this provision shall be made in compliance with (and subject to) the relevant provisions of the Scheme in respect of the reorganization of capital structure of Fosun Health and the alteration of the Scheme.

Any aspect of the Scheme may be altered by a resolution of the board of directors of Fosun Health, provided that the provisions of the Scheme relating to the matters set out in Rule 17.03 of the Listing Rules (as amended from time to time), shall not be amended in favour of any Participant or potential Participant and no change to the authority of the board of directors of Fosun Health under the Scheme in relation to any alteration of the terms of the Scheme shall be made without the approval of the shareholders of Fosun Health and obtaining the necessary prior approval (including (for so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International) approval from the shareholders of Fosun Pharma and/or Fosun International (as the case may be)) as required under the Listing Rules.

For so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, any alterations to the terms and conditions of the Scheme, which are of a material nature, or any change to the terms of Options granted under the Scheme, shall be subject to the approval by the shareholders of Fosun Pharma and/or Fosun International in general meeting (as the case may be), except where the alterations take effect automatically under the existing terms of the Scheme.

The terms of the Scheme or the Options as altered shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

14. TERMINATION

Fosun Health by resolution of its shareholders' meeting (or its board of directors pursuant to the provisions of the Scheme) may terminate the operation of the Scheme at any time and, in such event, no further Options may be granted, provided that the provisions of the Scheme shall remain in full force and effect in all other respects. Options granted during the Effective Period of the Scheme shall continue to be valid and exercisable until and unless the Option Period of such Options expires. For so long as Fosun Health remains a subsidiary of Fosun Pharma and/or Fosun International, to the extent required under the Listing Rules, details of Options granted (including Options exercised and outstanding under the Scheme and Options which become void or unexercisable as a result of termination) will be disclosed in the circular to shareholders of Fosun Pharma and/or Fosun International (as the case may be) seeking approval for the establishment of the first new share option scheme after such termination.

15. GOVERNING LAW

The Scheme and the Options granted under the Scheme shall be governed by and construed in accordance with the laws of the PRC.