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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 of Fosun International Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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

**CONNECTED TRANSACTION**  
**ISSUE OF NEW SHARES**  
**UNDER THE SHARE AWARD SCHEME**

**Independent Financial Adviser**  
**to the Independent Board Committee and Independent Shareholders of the Company**



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A notice convening the EGM of the Company to be held at 10:00 a.m. on Wednesday, 19 October 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China and a form of proxy are despatched together with this circular. Such form of proxy is also published on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.fosun.com](http://www.fosun.com)). Whether or not you are able to attend the EGM, you are requested to complete and sign 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 EGM 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.

A letter from the Board is set out on pages 4 to 17 of this circular. A letter from the Independent Board Committee to the Independent Shareholders is set out on page 18 of this circular.

A letter from Lego Corporate Finance Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 19 to 32 of this circular.

**PRECAUTIONARY MEASURES FOR  
THE EXTRAORDINARY GENERAL MEETING**

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Extraordinary General Meeting of the Company, including but not limited to (i) compulsory body temperature checks, (ii) wearing of surgical face mask throughout the Extraordinary General Meeting, (iii) physical distancing through seating arrangement, (iv) no provision of refreshments or drinks and (v) no distribution of corporate gifts.

Shareholders and Shareholders' agents who intend to attend the Extraordinary General Meeting on site shall abide by the relevant provisions on epidemic prevention and control at the meeting venue, cooperate with the preparation of temperature checking and take effective personal protective measures. To the extent permitted by law, participants who do not comply with the above precautions are not allowed to enter the meeting venue by the Company.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the Extraordinary General Meeting by appointing the Chairman of the Extraordinary General Meeting as their proxy and to return their proxy forms by the time specified above, instead of attending the Extraordinary General Meeting in person.

Due to the constantly evolving COVID-19 pandemic situation and related change of legal restrictions or requirements, the Company may be required to change the Extraordinary General Meeting arrangements at short notice. Shareholders should check the latest legal requirements, policies and notices announced by the authorities from time to time. As at the date of this circular, it is not certain as to whether the group gathering restrictions and related legal requirements and policies will continue to apply on the date of the Extraordinary General Meeting, and those restrictions, requirements and policies may still have a significant impact on the Extraordinary General Meeting arrangements on that date. Shareholders should check the website of the Company at [www.fosun.com](http://www.fosun.com) for future announcements and updates on the Extraordinary General Meeting arrangements, if any.

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## DEFINITIONS

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

“2022 Second Award”	the grant of 4,286,200 Award Shares to 31 Selected Participants on 31 August 2022 under the Share Award Scheme
“Announcement”	the announcement of the Company dated 31 August 2022 in relation to, among others, the issue of new Shares under the Share Award Scheme
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Award”	the award of the Award Shares to the Selected Participants
“Award Shares”	the shares of the Company be awarded to the Selected Participants under the Share Award Scheme
“Board”	the board of directors of the Company
“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)
“connected persons”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 10:00 a.m. on Wednesday, 19 October 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China for considering and approving, among others, the 2022 Second Award and the Specific Mandate
“Fosun Holdings”	Fosun Holdings Limited
“Fosun International Holdings”	Fosun International Holdings Ltd.
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors of the Company, being Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine
“Independent Shareholders”	Shareholders which are not required to abstain from voting at the EGM to approve the 2022 Second Award
“Latest Practicable Date”	22 September 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Lego” or “Independent Financial Adviser”	Lego Corporate Finance Limited, a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the grant of the Award Shares under the 2022 Second Award
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“New Share Option Scheme”	the new share option scheme approved by the Shareholders on 6 June 2017
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Returned Shares”	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the Share Award Scheme, or such Shares being deemed to be Returned Shares under the rules of the Share Award Scheme
“RMB”	Renminbi, the lawful currency of the PRC
“Second Award Shares 2022”	the Award Shares to be settled by way of issue and allotment of 4,286,200 new Shares pursuant to the Specific Mandate to be obtained at the EGM
“Selected Participant(s)”	the eligible person(s) selected by the Board for participation in the Share Award Scheme in respect of the award of the Award Shares
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

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## DEFINITIONS

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“Share(s)”	ordinary share(s) of the Company
“Share Award Scheme”	the share award scheme adopted by the Company on 25 March 2015, as amended from time to time
“Shareholder(s)”	holder(s) of the issued Share(s)
“Specific Mandate”	a specific mandate to be sought from the Shareholders at the EGM to issue and allot the Second Award Shares 2022
“Trust”	the trust constituted by the Trust Deed entered into between the Company and the Trustee, to service the Share Award Scheme
“Trust Deed”	a trust deed entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the appointment of the Trustee for the administration of the Share Award Scheme
“Trustee”	Computershare Hong Kong Trustees Limited
“%”	per cent

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LETTER FROM THE BOARD

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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)

**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 Xuetao  
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

29 September 2022

*To the Shareholders*

Dear Sirs or Madams,

**CONNECTED TRANSACTION**  
**ISSUE OF NEW SHARES**  
**UNDER THE SHARE AWARD SCHEME**

**INTRODUCTION**

Reference is made to the Announcement, pursuant to which, the Company announced that the Board has resolved to award an aggregate of 4,286,200 Second Award Shares 2022 to 31 Selected Participants under the Share Award Scheme. The Second Award Shares 2022 will be issued and allotted pursuant to the Specific Mandate to be obtained in the EGM. The Trust is an employees' share scheme established for

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## LETTER FROM THE BOARD

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Selected Participants by the Company, as at the date of the Announcement and the Latest Practicable Date, and the aggregate of the Company's connected persons' interests in such scheme is approximately 59.39% and 59.39%, respectively. As such, pursuant to Rule 14A.12(1)(b) of the Listing Rules, the Trustee (in its capacity as trustee of the Trust) is an associate of connected persons of the Company and the issue of the Second Award Shares 2022 to the Trustee shall constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and shall be subject to, among others, the approval by the Independent Shareholders, excluding the Trustee, the Selected Participants under the 2022 Second Award and their respective associates at the EGM.

The purpose of this circular is to provide you with details of the 2022 Second Award, the recommendation of the Independent Board Committee and the advice from Lego to the Independent Board Committee and Independent Shareholders in relation to the 2022 Second Award.

### **DETAILS OF AWARD OF THE SECOND AWARD SHARES 2022**

On 31 August 2022, the Board resolved to award an aggregate of 4,286,200 Second Award Shares 2022 to 31 Selected Participants under the Share Award Scheme. The Second Award Shares 2022 awarded under the 2022 Second Award will be issued and allotted pursuant to the Specific Mandate to be obtained at the EGM.

Upon issue and allotment of the Second Award Shares 2022, the Trustee will hold the Second Award Shares 2022 on trust for the Selected Participants and such Second Award Shares 2022 shall be transferred to the Selected Participants upon satisfaction of their respective vesting conditions. The Trustee will not have any voting right and the Second Award Shares 2022 held by the Trustee on trust for the Selected Participants will not be counted as Shares held by public. The number of Second Award Shares 2022 granted to each of the Selected Participants under the 2022 Second Award was determined in accordance with their respective contributions to the Group.

### **General Information**

The information in relation to the award of an aggregate of 4,286,200 Second Award Shares 2022 to the Selected Participants under the 2022 Second Award is set out below:

Securities to be issued:	4,286,200 Second Award Shares 2022
Funds to be raised:	No fund will be raised by the Company as a result of the issue and allotment of the Second Award Shares 2022



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## LETTER FROM THE BOARD

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Identity of the allottee(s): The Trustee, which will hold the Second Award Shares 2022 awarded under the 2022 Second Award in trust in accordance with the Trust Deed for the 31 Selected Participants, being (i) Directors and directors of significant subsidiaries of the Company; (ii) business and functional backbone employees of the Group; and (iii) senior management of the Group's core affiliated enterprises, who are persons-in-charge of certain business segments, business lines and functional departments of the Group or its core affiliated enterprises

In general, the Selected Participants should have been with the Group for more than one year as at 30 August 2022 or meet specific onboarding requirements

Market price of the Shares: The closing price of the Shares on 31 August 2022 as quoted on the Hong Kong Stock Exchange is HK\$5.79 per Share

The average closing price of the Shares for the five consecutive trading days immediately preceding 31 August 2022 as quoted on the Hong Kong Stock Exchange is approximately HK\$5.95 per Share

The closing price of the Shares as at the Latest Practicable Date as quoted on the Hong Kong Stock Exchange is HK\$4.90 per Share

Vesting: I. Subject to the satisfaction of the vesting criteria and conditions of the 2022 Second Award, 1,330,000 Second Award Shares 2022 awarded under the 2022 Second Award shall be transferred to 17 Selected Participants (comprising (i) 9 Directors and directors of significant subsidiaries of the Company, (ii) 6 business and functional backbone employees of the Group, and (iii) 2 senior management of the Group's core affiliated enterprises) under the 2022 Second Award upon expiry of the following vesting period:

<b>Percentage of the Second Award Shares 2022 to be vested</b>	<b>Vesting Date</b>
33%	31 August 2023
33%	31 August 2024
34%	31 August 2025

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## LETTER FROM THE BOARD

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II. Subject to the satisfaction of the vesting criteria and conditions of the 2022 Second Award, 2,956,200 Second Award Shares 2022 awarded under the 2022 Second Award shall be transferred to 22 Selected Participants (comprising (i) 11 Directors and directors of significant subsidiaries of the Company, and (ii) 11 business and functional backbone employees of the Group) under the 2022 Second Award upon expiry of the following vesting period:

<b>Percentage of the Second Award Shares 2022 to be vested</b>	<b>Vesting Date</b>
100%	31 August 2023

Prior to each of the above-mentioned vesting dates, the Company is entitled to make downward adjustments to the actual amount of the Second Award Shares 2022 that will be vested to the respective Selected Participants under the 2022 Second Award according to their performance at its sole discretion, whereby such number of Second Award Shares 2022 in excess of the actual amount of the Second Award Shares 2022 after the downward adjustments (the “**Excess Second Award Shares 2022**”) shall lapse. The Company shall consider, among others, the following factors before adjusting the actual amount of the Second Award Shares 2022:

- a. any material adverse change in the business segments of the Group that the Selected Participant is responsible for overseeing;
- b. whether the behaviour of the Selected Participant has violated the cultural values of the Group;
- c. whether the Selected Participant has been demoted;  
and
- d. whether there is any failure of the Selected Participant to fulfill the critical tasks requested by the Group.

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## LETTER FROM THE BOARD

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In the event that any of the Award Shares lapsed before vesting (including but not limited to the Excess Second Award Shares 2022 after the above-mentioned downward adjustment) and/or are forfeited (namely, Returned Shares) in accordance with the terms of the Share Award Scheme, the Trustee shall hold such Returned Shares and they may be applied towards future Awards. The Board (or a committee of the Board) may also instruct the Trustee to sell Returned Shares and remit all cash and net proceeds of such sale, and all the cash income derived from such Returned Shares to the Company.

For the avoidance of doubt, the number of Second Award Shares 2022 awarded to any Selected Participants will not be adjusted upward.

Fund raising activities in the past  
12 months:

The Company has not engaged in any fund raising exercise in the 12 months immediately preceding the Latest Practicable Date

### **Award to the Connected Persons of the Company**

Among those 31 Selected Participants, 14 of the Selected Participants are Directors and directors of significant subsidiaries of the Company and accordingly connected persons (as defined in Chapter 14A of the Listing Rules) of the Company.

Their details are as follows:

<b>Directors</b>	<b>Number of Second Award Shares 2022</b>
Chen Qiyu	552,400
Xu Xiaoliang	270,200
Qin Xuetang	74,800
Gong Ping	621,800
Huang Zhen	165,200
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Subtotal	1,684,400
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## LETTER FROM THE BOARD

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<b>Directors of significant subsidiaries of the Company</b>	<b>Number of Second Award Shares 2022</b>
Jin Hualong	226,500
Li Tao	206,200
Yao Fang	189,500
Zhang Houlin	153,600
Pan Donghui	137,100
Wang Jiping	100,000
Henri Giscard d'Estaing	100,000
Qian Jiannong	60,000
Hao Yuming	58,200
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Subtotal	1,231,100
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<b>Total</b>	<b>2,915,500</b>
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Save as disclosed above, none of the Selected Participants is a connected person (as defined in Chapter 14A of the Listing Rules) of the Company.

### Conditions

The grant of the Second Award Shares 2022 to the Selected Participants under the 2022 Second Award shall be subject to the following conditions:

- (a) the grant of the listing approval by the Hong Kong Stock Exchange in respect of the Second Award Shares 2022; and
- (b) the approval by the Independent Shareholders at the EGM in respect of the issue and allotment of the Second Award Shares 2022 and the Specific Mandate.

Application will be made by the Company to the Hong Kong Stock Exchange for the granting of the listing of, and permission to deal in the aggregate of 4,286,200 Second Award Shares 2022.

## LETTER FROM THE BOARD

### Details of Second Award Shares 2022

The aggregate of 4,286,200 Second Award Shares 2022 to be issued and allotted by the Company to the Selected Participants represent approximately 0.0514% of the total number of Shares in issue as at the Latest Practicable Date and approximately 0.0513% of the total number of Shares in issue as enlarged by the issue and allotment of the Second Award Shares 2022 (assuming that there will be no other changes in the total number of issued Shares between the Latest Practicable Date and the completion date of issue and allotment of the Second Award Shares 2022).

As at the Latest Practicable Date and immediately upon the issue and vesting of the Second Award Shares 2022 (assuming all Second Award Shares 2022 are fully vested), the issued Shares held by the Shareholders are as follows:

Name of Shareholders	As at the Latest Practicable Date		Immediately upon the issue and vesting of the Second Award Shares 2022 (assuming all Second Award Shares 2022 are fully vested) <sup>(4)</sup>	
	Number of issued Shares held	Approximate percentage (%)	Number of issued Shares held	Approximate percentage (%)
<b>Substantial Shareholders</b>				
Fosun Holdings	6,044,246,673 <sup>(2)</sup>	72.45%	6,044,246,673 <sup>(2)</sup>	72.41%
Fosun International Holdings <sup>(1)</sup>	6,044,246,673 <sup>(2)(3)</sup>	72.45%	6,044,246,673 <sup>(2)(3)</sup>	72.41%
<b>Directors</b>				
Guo Guangchang	6,044,246,673 <sup>(3)</sup>	72.45%	6,044,246,673 <sup>(3)</sup>	72.41%
Chen Qiyu	7,647,200	0.09%	8,199,600	0.10%
Xu Xiaoliang	4,727,000	0.06%	4,997,200	0.06%
Qin Xuetao	6,229,940	0.07%	6,304,740	0.08%
Gong Ping	1,371,600	0.02%	1,993,400	0.02%
Huang Zhen	0	0.00%	165,200	0.00%
Zhuang Yuemin	8,250	0.00%	8,250	0.00%
Yu Qingfei	8,250	0.00%	8,250	0.00%
Zhang Shengman	50,000	0.00%	50,000	0.00%
Zhang Huaqiao	454,750	0.01%	454,750	0.01%
David T. Zhang	154,750	0.00%	154,750	0.00%
Lee Kai-Fu	109,750	0.00%	109,750	0.00%
Tsang King Suen Katherine	8,250	0.00%	8,250	0.00%
<b>Other Selected Participants under the 2022 Second Award and their respective associates</b>				
	<b>51,154,392</b>	<b>0.61%</b>	<b>53,756,192</b>	<b>0.64%</b>
- Directors of significant subsidiaries of the Company	4,547,529	0.05%	5,778,629	0.07%
- Other employees	2,745,013	0.03%	4,115,713	0.05%
- Trustee (holding Award Shares previously granted to the Selected Participants under the Share Award Scheme on behalf of the Selected Participants (excluding vested Award Shares) before the grant of the 2022 Second Award Shares)	43,861,850	0.53%	43,861,850	0.53%
<b>Other Shareholders</b>	<b>2,226,590,119</b>	<b>26.69%</b>	<b>2,226,590,119</b>	<b>26.68%</b>
<b>Total</b>	<b>8,342,760,924</b>	<b>100%</b>	<b>8,347,047,124</b>	<b>100%</b>

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## LETTER FROM THE BOARD

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*Notes:*

- (1) Fosun International Holdings is owned as to 85.29% by Mr. Guo Guangchang.
- (2) Fosun International Holdings is the beneficial owner of all the issued shares in Fosun Holdings and, therefore Fosun International Holdings is deemed, or taken to be interested in the Shares owned by Fosun Holdings for the purpose of the SFO.
- (3) Mr. Guo Guangchang, by virtue of his ownership of shares in Fosun International Holdings as to 85.29%, is deemed or taken to be interested in the Shares owned by Fosun Holdings for the purpose of the SFO.
- (4) Assuming that there will be no other changes in the total number of issued Shares between the Latest Practicable Date and the completion date of issue and allotment of the Second Award Shares 2022.

Upon the allotment and issue of all the Second Award Shares 2022, the shareholding of the other Shareholders excluding substantial Shareholders, Directors and other Selected Participants and their respective associates under the 2022 Second Award of 2,226,590,119 Shares as at the Latest Practicable Date will be diluted from approximately 26.69% to 26.68%. Based on the closing price of HK\$4.90 per Share as quoted on the Hong Kong Stock Exchange on the Latest Practicable Date, the aggregate market value of the 4,286,200 Second Award Shares 2022 under the 2022 Second Award is HK\$21,002,380.

The Second Award Shares 2022, when issued and fully paid, shall rank *pari passu* among themselves and with those Shares in issue, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment.

### **Reasons for the Award of the Award Shares**

The Group is a global innovation-driven consumer group with mission to provide high-quality products and services for families around the world in Health, Happiness, Wealth and Intelligent Manufacturing segments.

Equity compensation, including provision of long-term share-based incentives to participants, is common among public companies and innovation-driven companies. It is also in line with modern commercial practice for public companies to adopt parallel share-based incentive schemes to offer them with discretion to link the value of the companies with the interests of the participants thereunder, enabling those participants and the companies to develop together and promote the corporate culture of the companies. The Share Award Scheme was adopted by the Board on 25 March 2015 (as amended from time to time). The Share Award Scheme has been used in parallel with the New Share Option Scheme adopted on 6 June 2017, the share award scheme adopted on 30 August 2021 and other share-based incentives which may be adopted by the Company from time to time. The Board has the sole discretion to choose between the Share Award Scheme and the New Share Option Scheme.

On one hand, the granting of the Award Shares under the Share Award Scheme to the Selected Participants forms a part of the total remuneration package of the Selected Participants. In particular, 3 out of 31 Selected Participants under the 2022 Second Award are key management staff which are new joiners of the Group this year. The Second Award Shares 2022 granted to such newly joined key staff of the Group

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## LETTER FROM THE BOARD

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is in fact sign-on bonus in the form of share award in order to (i) recognise the contribution of such Selected Participants by virtue of their key management role and (ii) compensate such Selected Participants for the loss of long-term incentive in their previous companies (if any) due to job change.

In addition, each of the 28 remaining Selected Participants under the 2022 Second Award have satisfied their respective performance assessment targets for the previous financial year. In general, the performance assessment of the remaining Selected Participants are classified into three broad categories: (i) individual performance, (ii) group performance and (iii) performance of business segments, business lines and/or functional departments managed by the Selected Participants:

1. Individual performance: The assessment criteria are based on, among others, their management ability and efficiency and their contribution to enhancing the performance of the respective business segments or business lines such as ability to introduce key talents, risk control and quality operation system, digitalization and entrepreneurship;
2. Group performance: The assessment criteria are based on, among others, profit, cash flow and improvement of ESG performance of the Group; and
3. Performance of business segments, business lines and/or functional departments managed by the Selected Participants: The assessment criteria are based on a wide range of factors which are important to the long-term development of such business segments, business lines and/or functional departments depending on their respective industry nature, business development stage and strategic goals, such as segment financial performance, industry ranking, customer satisfaction, risk control, digital transformation, production safety, expense management and human resource planning.

Given that the industry nature, business development stage and strategic goal of the business segment, business line and/or functional department managed by the Selected Participants are different, performance assessment of the Selected Participants are individualized with different assessment criteria and weighting based on their different roles and functions.

In addition, each category of the Selected Participants has contributed to the Group in the following manner:

1. Directors and directors of significant subsidiaries of the Company:

As the top leaders of the Group, Directors and directors of significant subsidiaries of the Company play an important role in overseeing the overall development of the Group from the strategic level. Meanwhile, they also play a significantly decisive role in the development of the Group.

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## LETTER FROM THE BOARD

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2. Business and functional backbone employees of the Group:

Business and functional backbone employees of the Group covered by the 2022 Second Award work at various business lines and functional departments of the Group, such as finance, human resources and risk control. Such backbone employees are the crucial strengths of the Group and play an important role in the Company's management at the executive level. Therefore, the inclusion of such backbone employees in the 2022 Second Award will help to promote their stability and enthusiasm, and thereby contributing to the Company's long-term development and safeguarding the long-term interests of the Shareholders.

3. Senior management of the Group's core affiliated enterprises:

The Company also believes that the senior management of the Group's core affiliated enterprises covered by the 2022 Second Award are responsible for operation of such core affiliated enterprises, and thereby produce synergy for the common development of the Group as a global innovation-driven consumer group.

The Company considers that, by granting the Award Shares to the Selected Participants, the interests of the employees of the Group can be aligned directly with the performance of the Group and the interests of the Shareholders through the ownership of the Shares. On the other hand, by granting share options to a larger pool of employees of the Group under the New Share Option Scheme (as compared to the Selected Participants under the Share Award Scheme), it provides incentive to its employees to contribute to the development and growth of the Group in order to obtain financial rewards when the market price of the Shares exceeds the exercise price of the share options.

The Board believes that the parallel share-based incentive schemes will provide the Group with greater flexibility under particular circumstances of each grant, facilitate the purposes of the Share Award Scheme and the New Share Option Scheme and offer meaningful incentives to the participants to contribute to the business performance of the Group.

Based on the foregoing, the Board considered such arrangement is fair and reasonable, and in the interests of the Company and the Shareholders as a whole. For the purpose, target participants and principal terms of the New Share Option Scheme, please refer to the circular of the Company dated 27 April 2017.

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



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## LETTER FROM THE BOARD

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The Company has resolved to grant Second Award Shares 2022 to 31 core personnel who are Selected Participants under the 2022 Second Award, with a view to further motivate employees to maximize the Company's long-term interests and highlight the principle of performance-based awards so as to create more value for the Group. The Selected Participants under the 2022 Second Award include Directors and directors of significant subsidiaries of the Company, business and functional backbone employees of the Group and senior management of the Group's core affiliated enterprises.

Furthermore, there will not be any actual cash outflow by the Group under the Award of the Second Award Shares 2022 to the Selected Participants. In this regard, the Directors consider that the terms and conditions of the 2022 Second Award are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### LISTING RULES IMPLICATIONS

The 2022 Second Award constitutes a connected transaction of the Company. The Trust is an employees' share scheme established for Selected Participants by the Company, in which the aggregate of the Company's connected persons' interests in the scheme is approximately 59.39% as at the Latest Practicable Date. As such, pursuant to Rule 14A.12(1)(b) of the Listing Rules, the Trustee is an associate of connected persons of the Company and the issue of the Second Award Shares 2022 to the Trustee shall constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. The issue and allotment of the Second Award Shares 2022 to the Trustee and the grant of the Award Shares to the Selected Participants shall be subject to, among others, the approval by the Independent Shareholders (other than the Trustee, the Selected Participants under the 2022 Second Award and their respective associates) at the EGM of, among others, the following resolutions:

- 1 the grant of a Specific Mandate for the issue and allotment of the Second Award Shares 2022 to the Trustee;
- 2 the grant of the 2022 Second Award Shares to each of the Selected Participants who are also connected persons of the Company; and
- 3 the grant of the 2022 Second Award Shares to the Selected Participants who are not connected persons of the Company.

Pursuant to the Listing Rules, the resolutions proposed at the EGM will be taken by way of poll and an announcement will be made after the EGM on the poll results of the EGM.

Pursuant to Chapter 14A of the Listing Rules, the Trustee, the Selected Participants under the 2022 Second Award and their respective associates (holding approximately 0.85% of the Shares in issue as at the Latest Practicable Date) are required to abstain from voting on the relevant resolutions at the EGM to approve the issue and allotment of the Second Award Shares 2022 and the Award.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the identities and the respective shareholding for Directors and directors of the significant subsidiaries of the Company, the Group's business and functional backbone employees, senior management of the Group's core affiliated enterprises and their respective associates and Trustee who are required to abstain from voting on the relevant resolutions at the EGM to approve the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award are as follows:

	<b>Number of Shares abstain from voting</b>	<b>Approximate percentage of Shares in issue</b>
<b>Directors and their respective associates</b>		
Chen Qiyu	7,647,200	0.09%
Xu Xiaoliang	4,727,000	0.06%
Qin Xuetang	6,229,940	0.07%
Gong Ping	1,371,600	0.02%
<b>Directors of the significant subsidiaries of the Company and their respective associates</b>		
Jin Hualong	164,782	0.00%
Li Tao	632,300	0.01%
Yao Fang	79,200	0.00%
Zhang Houlin	1,398,000	0.02%
Pan Donghui	1,310,584	0.02%
Wang Jiping	288,236	0.00%
Qian Jiannong	655,000	0.01%
Hao Yuming	19,427	0.00%
<b>The Group's business and functional backbone employees and their respective associates</b>	2,633,952	0.03%
<b>Senior management of the Group's core affiliated enterprises and their respective associates</b>	111,061	0.00%
<b>Trustee (holding Award Shares previously granted to the Selected Participants under the Share Award Scheme on behalf of the Selected Participants (excluding vested Award Shares) before the grant of the 2022 Second Award Shares)</b>	43,861,850	0.53%
<b>Total</b>	71,130,132	0.85%

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## LETTER FROM THE BOARD

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To the knowledge of the Directors, having made all reasonable enquiries, Directors and directors of the significant subsidiaries of the Company, business and functional backbone employees of the Group, senior management of the Group's core affiliated enterprises and their respective associates and the Trustee required to abstain from voting and listed immediately in the table above, control or are entitled to exercise control over all of the Shares held by them. Save for the Trustee, the Selected Participants under the 2022 Second Award and their respective associates as listed immediately in the table above, to the best of the Directors' knowledge, information and belief, no other Shareholders has a material interest in the 2022 Second Award and is required to abstain from voting on any resolution to approve the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award at the EGM.

Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Qin Xuetao, Mr. Gong Ping and Mr. Huang Zhen have each abstained from voting on approving the relevant board resolution on the award of the Second Award Shares 2022 to themselves under the 2022 Second Award pursuant to Rule 13.44 of the Listing Rules.

### **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee comprising Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine, all being the independent non-executive Directors, has been formed to advise the Independent Shareholders, among other things, whether the issue of the Second Award Shares 2022 to the Trustee is fair and reasonable, on normal commercial terms or better and is in the interests of the Company and its Shareholders as a whole. Lego has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

### **EGM**

A notice convening the EGM of the Company to be held at 10:00 a.m. on Wednesday, 19 October 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China and a form of proxy for the EGM are despatched together with this circular. Such form of proxy is also published on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.fosun.com](http://www.fosun.com)). Whether or not you are able to attend the EGM, you are requested to complete, sign 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 EGM 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.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 17 October 2022 to Wednesday, 19 October 2022, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the EGM to be held on Wednesday, 19 October 2022, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if

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## LETTER FROM THE BOARD

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any, must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Friday, 14 October 2022.

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors consider that the issue and allotment of the Second Award Shares 2022 and the grant of the Second Award Shares 2022 under the 2022 Second Award to each of the Selected Participants are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the grant of the Specific Mandate for the issue and allotment of the Second Award Shares 2022 and the grant of the Second Award Shares 2022 to the Selected Participants.

Your attention is drawn to the letter from the Independent Board Committee set out on page 18 of this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM in relation to the 2022 Second Award.

**Your attention is also drawn to the letter from Independent Financial Adviser, which contains its advice to the Independent Shareholders in relation to the 2022 Second Award and the principal factors and reasons considered by it in arriving at its opinions. The text of the letter from the Independent Financial Adviser is set out on pages 19 to 32 of this circular.**

The Independent Board Committee, having taken into account the advice of the Independent Financial Advisor, considers that although the allotment and issue of 2022 Second Award is not in the ordinary and usual course of business of the Group, the terms of the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award are on normal commercial terms, fair and reasonable and in the interests of the Company so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM in relation to the 2022 Second Award.

### GENERAL

Your attention is drawn to the general information set out in the appendix to this circular.

Yours faithfully,  
**Fosun International Limited**  
**Guo Guangchang**  
*Chairman*

# FOSUN 复星

## 復星國際有限公司

### FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

#### CONNECTED TRANSACTION ISSUE OF NEW SHARES UNDER THE SHARE AWARD SCHEME

*To the Independent Shareholders*

Dear Sir or Madam,

We refer to the circular of the Company dated 29 September 2022 (the “**Circular**”), of which this letter forms part, capitalised terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires. Under the Listing Rules, the 2022 Second Award constitutes a connected transaction of the Company.

We have been appointed by the Board as members of the Independent Board Committee to consider the terms of the 2022 Second Award and to advise the Independent Shareholders in connection with the 2022 Second Award as to whether, in our opinion, their terms are fair and reasonable and whether the 2022 Second Award are in the interests of the Company and the Shareholders as a whole. Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard.

We wish to draw your attention to the letter from the Board set out on pages 4 to 17 of the circular and the letter from Independent Financial Adviser set out on pages 19 to 32 of the circular.

Having taken into account (i) the terms and conditions of the 2022 Second Award, (ii) the discussion with the management of the Company about the background to and nature of the 2022 Second Award, and (iii) the advice and recommendations of Independent Financial Adviser as set out from pages 19 to 32 of the circular, we are of the opinion that the terms of the 2022 Second Award (i) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and (ii) although the issue and allotment of Second Award Shares 2022 is not in the ordinary and usual course of business of the Group, the terms of the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the 2022 Second Award.

Yours faithfully,  
For and on behalf of the  
**Independent Board Committee**

**Mr. Zhang  
Shengman**

**Mr. Zhang  
Huaqiao**

**Mr. David T.  
Zhang**

**Dr. Lee  
Kai-Fu**

**Ms. Tsang King  
Suen Katherine**

*Independent non-executive Directors*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*The following is the full text of a letter of advice from Lego Corporate Finance Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the grant of the Second Award Shares 2022 to the Selected Participants under the 2022 Second Award, which has been prepared for the purpose of incorporation in this circular.*



29 September 2022

*To the Independent Board Committee and the Independent Shareholders*

Fosun International Limited  
Room 808, ICBC Tower  
3 Garden Road  
Central  
Hong Kong

Dear Sirs or Madams,

### **CONNECTED TRANSACTION ISSUE OF NEW SHARES UNDER THE SHARE AWARD SCHEME**

#### **INTRODUCTION**

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the grant of the Second Award Shares 2022 to the Selected Participants under the 2022 Second Award, details of which are set out in the “Letter from the Board” (the “**Letter from the Board**”) contained in the circular issued by the Company to the Shareholders dated 29 September 2022 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 31 August 2022, the Board has resolved to award an aggregate of 4,286,200 Second Award Shares 2022 to 31 Selected Participants under the Share Award Scheme. The 2022 Second Award will be settled by way of issue and allotment of new Shares pursuant to the Specific Mandate to be obtained in the EGM.

As at the Latest Practicable Date, the aggregate of 4,286,200 Second Award Shares 2022 to be issued and allotted by the Company to the Selected Participants represent approximately 0.0514% of the total number of Shares in issue and approximately 0.0513% of the total number of Shares in issue as enlarged by the issue and allotment of the Second Award Shares 2022, assuming that there will be no other changes in

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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the total number of issued Shares between the Latest Practicable Date and the completion date of issue and allotment of the Second Award Shares 2022. Among which, 2,915,500 Second Award Shares 2022 were granted to 14 connected persons of the Company.

As at the Latest Practicable Date, the Trust is an employees' share scheme established for the Selected Participants of the Company, in which the aggregate of the Company's connected persons' interest under such scheme is approximately 59.39%. As such, pursuant to Rule 14A.12(1)(b) of the Listing Rules, the Trustee is an associate of connected persons of the Company and the issue of the Second Award Shares 2022 to the Trustee shall constitute a connected transaction of the Company and shall be subject to the reporting, announcement and the Independent Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules. Pursuant to Chapter 14A of the Listing Rules, the Trustee, the Selected Participants under the 2022 Second Award and their respective associates held approximately an aggregate 0.85% of the Shares in issue as at the Latest Practicable Date. The aforementioned shareholders are required to abstain from voting on the relevant resolutions at the EGM to approve the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award. Save for the Trustee, the Selected Participants under the 2022 Second Award and their respective associates, to the best of the Directors' knowledge, information and belief, no other Shareholders has a material interest in the Award and is required to abstain from voting on any resolution to approve the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award at the EGM.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established by the Board to advise the Independent Shareholders, among other things, whether the issue of the Second Award Shares 2022 to the Trustee are fair and reasonable, on normal commercial terms or better and are in the interests of the Company and its Shareholders as a whole. We, Lego Corporate Finance Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

### OUR INDEPENDENCE

As at the Latest Practicable Date, Lego Corporate Finance Limited did not have any relationships or interests with the Company, the Selected Participants, or any other parties that could reasonably be regarded as relevant to the independence of Lego Corporate Finance Limited. In the last two years, we have acted as the independent financial adviser to the Independent Shareholders in relation to the issue of new Shares under the Share Award Scheme (details of which were set out in the circulars of the Company dated 27 April 2021 and 27 April 2022). Apart from normal professional fees paid or payable to us in connection with the afore-mentioned appointments and this appointment as the Independent Financial Adviser, no other service or relationship exists whereby we had received or will receive any fees or benefits from the Company or any other party to the transaction. Accordingly, we consider that we are eligible to give independent advice in respect of the 2022 Second Award and the transaction contemplated thereunder.

### BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Company; (iii) the opinions expressed by and the representations of the Directors and the management of the Company (the "**Management**"); and (iv) our review of the relevant public information. We have assumed that all the information provided and

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all material respects at the time they were made and up to the Latest Practicable Date and may be relied upon. We have also assumed that all such statements of belief, opinions and intentions of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors, the Management, and/or the advisers of the Company. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the Management were true, accurate, complete and not misleading in all material respects at the time they were made and continued to be so up to the Latest Practicable Date. In addition, the Company shall inform the Independent Shareholders of any material change of information in the Circular between the Latest Practicable Date and the date of the EGM.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company, its subsidiaries or associates.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation, we have considered the following principal factors and reasons:

#### 1. Background of and reasons for the 2022 Second Award

##### *1.1 Information on the Group*

The Group is a global innovation-driven consumer group with mission to provide high-quality products and services for families around the world in Health, Happiness, Wealth and Intelligent Manufacturing segments.

The Health segment includes: Pharmaceutical, Devices & Diagnosis and Healthcare Services & Products; the Happiness segment includes: Brand Consumer, and Tourism & Leisure; the Wealth segment includes two major sub-segments: Insurance, and Asset Management; the Intelligent Manufacturing segment includes: Resources & Environment and Technology & Intelligent Manufacturing.

The following table summarises the audited financial results of the Group for the two years ended 31 December 2020 and 2021 as extracted from the annual report of the Company for the year ended 31 December 2021 (the “**2021 Annual Report**”) and unaudited financial results of the Group for the six months ended 30 June 2021 and 2022 as extracted from the



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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interim results announcement of the Company for the six months ended 30 June 2022 (the “**2022 Interim Results Announcement**”), which are prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”):

	For the year ended		Year-on-year	For the six months ended		Period-on-period
	31 December			change	30 June	
	2020	2021	change		2021	2022
	<i>RMB million</i>	<i>RMB million</i>		<i>(%)</i>	<i>RMB million</i>	<i>RMB million</i>
	(audited)	(audited)		(unaudited)	(unaudited)	
	(restated)			(restated)		
<b>Revenue</b>	136,741.6	161,291.2	18.0%	70,442.9	82,891.6	17.7%
Health	34,607.1	43,979.8	27.1%	19,282.0	23,366.6	21.2%
Happiness	56,016.6	66,898.3	19.4%	28,498.4	32,065.4	12.5%
Wealth	42,519.8	43,699.4	2.8%	19,649.9	22,971.5	16.9%
– Insurance	29,840.1	32,149.3	7.7%	15,475.3	15,889.0	2.7%
– Asset management	12,679.7	11,550.1	-8.9%	4,174.6	7,082.5	69.7%
Intelligent Manufacturing	4,950.2	7,736.9	56.3%	3,569.7	5,127.0	43.6%
Eliminations	(1,352.1)	(1,023.2)	-24.3%	(557.1)	(638.9)	14.7%
<b>Profit before tax</b>	16,958.0	24,652.9	45.4%	8,724.2	6,091.5	-30.2%
<b>Profit for the year/period</b>	11,082.2	17,085.8	54.2%	6,439.3	4,796.0	-25.5%

### *For the year ended 31 December 2021*

The revenue of the Group amounted to approximately RMB161,291.2 million for the year ended 31 December 2021, representing an increase of approximately 18.0% as compared to that of approximately RMB136,741.6 million for the year ended 31 December 2020. The net profit for the year ended 31 December 2021 increased by approximately 54.2% from approximately RMB11,082.2 million for the year ended 31 December 2020 to approximately RMB17,085.8 million for the year ended 31 December 2021. Such increase was mainly attributable to the year-on-year increase in (i) the profit generated from the Intelligent Manufacturing, Wealth and Health segments; and (ii) the share of profits of joint ventures and associates.

The revenue of Health segment increased from approximately RMB34,607.1 million for the year ended 31 December 2020 to approximately RMB43,979.8 million for the year ended 31 December 2021, representing an increase of approximately 27.1%. According to the 2021 Annual Report, the increase in revenue of the Health segment was mainly attributable to the continuous and steady growth in revenue of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (“**Fosun Pharma**”). In particular, the pharmaceutical manufacturing segment of Fosun Pharma generated revenue of approximately RMB28,772 million for the year ended 31 December 2021, representing a year-on-year increase of approximately 32.3%. The revenue from medical devices and medical diagnosis segment of Fosun Pharma amounted to approximately RMB5,927 million for the year ended 31 December 2021, representing a

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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year-on-year increase of 13.8%. The revenue from healthcare services segment of Fosun Pharma amounted to approximately RMB4,115 million for the year ended 31 December 2021, representing a year-on-year increase of approximately 29.8%.

The revenue of Happiness segment increased from approximately RMB56,016.6 million for the year ended 31 December 2020 to approximately RMB66,898.3 million for the year ended 31 December 2021, representing an increase of approximately 19.4%. According to the 2021 Annual Report, the increase in the revenue of the Happiness segment was mainly attributable to (i) the strong revenue growth of Shanghai Yuyuan Tourist Mart (Group) Co., Ltd. of approximately 12.2%; and (ii) the strong revenue growth of Fosun Tourism Group (“**FTG**”) of approximately 31.2%.

The revenue of the Wealth segment slightly increased from approximately RMB42,519.8 million for the year ended 31 December 2020 to approximately RMB43,699.4 million for the year ended 31 December 2021, representing an increase of approximately 2.8%. According to the 2021 Annual Report, the increase in revenue of the Wealth segment was mainly attributable to the business growth of Fidelidade – Companhia de Seguros, S.A. (including its subsidiaries) and Peak Reinsurance Company Limited.

The revenue of Intelligent Manufacturing segment increased from approximately RMB4,950.2 million for the year ended 31 December 2020 to approximately RMB7,736.9 million for the year ended 31 December 2021, representing an increase of approximately 56.3%. According to the 2021 Annual Report, the increase in revenue of the Intelligent Manufacturing segment was mainly attributable to (i) the recovery of operations of Hainan Mining Co., Ltd. (“**Hainan Mining**”); and (ii) the full year impact on consolidation of the financial results of Shanghai Easun Technology Co., Ltd. (“**Easun Technology**”) since July 2020.

*For the six months ended 30 June 2022*

The revenue of the Group amounted to approximately RMB82,891.6 million for the period ended 30 June 2022, representing an increase of approximately 17.7% as compared to that of approximately RMB70,442.9 million for the period ended 30 June 2021. The net profit for the period ended 30 June 2022 decreased by approximately 25.5% from approximately RMB6,439.3 million for the period ended 30 June 2021 to approximately RMB4,796.0 million for the period ended 30 June 2022. Such decrease was mainly attributable to the impact of the pandemic, the increase of commodity raw material prices and the effect resulted from the capital market volatility.

The revenue of Health segment increased from approximately RMB19,282.0 million for the period ended 30 June 2021 to approximately RMB23,366.6 million for the period ended 30 June 2022, representing an increase of approximately 21.2%. According to the 2022 Interim Results Announcement, the increase in revenue of the Health segment was mainly attributable to the product sales growth of Fosun Pharma. In particular, the pharmaceutical manufacturing segment of Fosun Pharma generated

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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revenue of approximately RMB14,271 million for the period ended 30 June 2022, representing a period-on-period increase of approximately 17.2%. The revenue from medical devices and medical diagnosis segment of Fosun Pharma amounted to approximately RMB4,035 million for the period ended 30 June 2022, representing a period-on-period increase of 42.5%. The revenue from healthcare services segment of Fosun Pharma amounted to approximately RMB2,917 million for the period ended 30 June 2022, representing a period-on-period increase of approximately 58.3%.

The revenue of Happiness segment increased from approximately RMB28,498.4 million for the period ended 30 June 2021 to approximately RMB32,065.4 million for the period ended 30 June 2022, representing an increase of approximately 12.5%. According to the 2022 Interim Results Announcement, the increase in the revenue of the Happiness segment was mainly attributable to the strong revenue growth of FTG of approximately 130.7%.

The revenue of the Wealth segment increased from approximately RMB19,649.9 million for the period ended 30 June 2021 to approximately RMB22,971.5 million for the period ended 30 June 2022, representing an increase of approximately 16.9%. According to the 2022 Interim Results Announcement, the increase in revenue of the Wealth segment was mainly attributable to the revenue increase in the asset management segment of approximately 69.7%, which was mainly due to the revenue increase of asset management (property) business.

The revenue of Intelligent Manufacturing segment increased from approximately RMB3,569.7 million for the period ended 30 June 2021 to approximately RMB5,127.0 million for the period ended 30 June 2022, representing an increase of approximately 43.6%. According to the 2022 Interim Results Announcement, the increase in revenue of the Intelligent Manufacturing segment was mainly attributable to the business growth of Hainan Mining and Easun Technology.

### ***1.2 Reasons for the adoption of the Share Award Scheme***

On 31 August 2022, the Board has resolved to award an aggregate of 4,286,200 Second Award Shares 2022 to 31 Selected Participants under the Share Award Scheme. The Second Award Shares 2022 under the 2022 Second Award represents approximately 0.0514% of the total number of Shares in issue and approximately 0.0513% of the total number of Shares in issue as enlarged by the issue and allotment of the Second Award Shares 2022. Among which, 2,915,500 Second Award Shares 2022 were granted to 14 connected persons of the Company.

As set out in the Letter from the Board, the Share Award Scheme forms part of the incentive schemes of the Group. The Selected Participants under 2022 Second Award includes (i) Directors and directors of significant subsidiaries of the Company, (ii) the Group's business and functional backbone employees, and (iii) senior management of the Group's core affiliated enterprises who are persons-in-charge of certain business segments, business lines and functional departments of the Group or its core affiliated enterprises. The Board considers that the award of the Second Award Shares 2022 to the above-mentioned participants will allow the

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Group to attract, retain and motivate talents for the continual operation and development of the Group. The award of the Second Award Shares 2022 to the Selected Participants recognises their continual support to the Group and their efforts will promote the Group's future development. Please refer to the Letter from the Board for details in relation to the contributions for each category of the Selected Participants to the Group.

According to the 2021 Annual Report, the purposes of the Share Award Scheme are (i) to align the interests of the eligible persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) to encourage and retain the eligible persons to make contributions to the long-term growth and profits of the Group. Therefore, as set out in the Letter from the Board, the Group has resolved to grant Second Award Shares 2022 to Selected Participants under the 2022 Second Award, with a view to further motivate employees to maximise the Company's long-term interests and highlight the principle of performance-based awards so as to create more value for the Group in the future.

Furthermore, as set out in the Letter of the Board, the Share Award Scheme has been used in parallel with the New Share Option Scheme adopted on 6 June 2017 and the share award scheme adopted on 30 August 2021 (the "**2021 Share Award Scheme**"), and the Board has the sole discretion to choose between the Share Award Scheme, the 2021 Share Award Scheme and the New Share Option Scheme. The Board believes that the parallel share-based incentive schemes will provide the Group with greater flexibility under particular circumstances of each grant and facilitate the purposes of the Share Award Scheme, the 2021 Share Award Scheme and the New Share Option Scheme and offer meaningful incentives to the participants to contribute to the business performance of the Group. Having considered the benefit of parallel share-based incentive schemes mentioned above, it is a common practice for public companies (in particular innovation-driven companies) to adopt such schemes to offer them with discretion to link the value of the companies with the interests of the participants thereunder, enabling those participants and the companies to develop together and promote the corporate culture of the companies. Based on the above, we concur with the Directors' view that such arrangement is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

In assessing the fairness and reasonableness of the granting of Second Award Shares 2022 to the Selected Participants we (i) have discussed with the Management and were given to understand that it is crucial to provide attractive equity compensation to attract high-caliber employees to maintain the competitive edge as a global innovation-driven consumer group; (ii) have randomly selected and reviewed resumes of 8 Selected Participants (including the Directors and the management of the Company) (the "**Sample Participants**") which we consider the selected samples are able to represent the eligibility of the Selected Participants in general, and noted that they have extensive experience in different fields, including law, finance, economics, internal control, business administration, pharmaceutical, genetic engineering, risk control, insurance and human resources; and (iii) as discussed in the section headed "Principal terms of the 2022 Second Award" below, it is a common market practice to issue award shares to employees, senior management and/or directors to link up their interests with the listed companies. Based on the above, we are of the view that the

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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granting of Second Award Shares 2022 to the Directors and directors of significant subsidiaries of the Company, the Group's business and functional backbone employees and senior management of the Group's core affiliated enterprises is fair and reasonable.

We have also discussed with the Management regarding the benefits of the 2022 Second Award as an incentive scheme. The Management have considered several methods in providing incentives to the Selected Participants, including but not limited to performance bonus, share option scheme as well as the 2022 Second Award. After due and careful consideration of the various alternatives, the Directors consider the 2022 Second Award to be appropriate given that, as opposed to the other alternatives, the 2022 Second Award will allow the Company to prevent potential cash outflow while enhancing incentives to the Selected Participants for future contribution to the operation with an aim to enhance the profitability of the Group. Nonetheless, we were given to understand by the Management that the Group has a comprehensive policy to grant to the respective grantee between the parallel share-based incentive schemes (namely the Share Award Scheme, the 2021 Share Award Scheme and the New Share Option Scheme), according to the grantee's grading, department, performance and/or contribution. In addition, the economic benefits of the 2022 Second Award are dependent on the improvement in the share price of the Company and hence the Selected Participants can only benefit from the Second Awarded Shares 2022 when the Shareholders are also in a position to benefit as a whole, the Directors are thus of the view that the 2022 Second Award will align the interests of the Selected Participants with the Company together with the Shareholders. In determining the number of Second Award Shares 2022 to be issued to each of the Selected Participants, we were given to understand from the Management that they have considered, (a) 3 out of 31 Selected Participants under the 2022 Second Award are key management staff which are new joiners of the Group this year. The Second Award Shares 2022 granted to such newly joined key staff of the Group is in fact sign-on bonus in the form of share award in order to (i) recognise the contribution of such Selected Participants by virtue of their key management role and (ii) compensate such Selected Participants for the loss of long-term incentive in their previous companies (if any) due to job change; and (b) each of the 28 remaining Selected Participants under the 2022 Second Award have satisfied their respective performance assessment targets for the previous financial year. In general, the performance assessment of the remaining Selected Participant are classified into three broad categories: (i) individual performance, (ii) group performance and (iii) performance of business segments, business lines and/or functional departments managed by the Selected Participants. For details, please refer to the Letter from the Board section headed "Reasons for the Award of the Award Shares".

In view of the foregoing reasons for and possible benefits of the 2022 Second Award to the Selected Participants, we are of the view that the 2022 Second Award to the Selected Participants is in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 2. Principal terms of the 2022 Second Award

As set out in the Letter of the Board, the grant of the 4,286,200 Second Award Shares 2022 to the Selected Participants under the 2022 Second Award shall be subject to (a) the grant of the listing approval by the Hong Kong Stock Exchange in respect of the Second Award Shares 2022; and (b) the approval by the Independent Shareholders at the EGM in respect of the issue and allotment of the Second Award Shares 2022 and the Specific Mandate.

#### *Vesting period and basis of determination of the Second Award Shares 2022 under the 2022 Second Award*

Subject to the satisfaction of the vesting criteria and conditions of the 2022 Second Award, (a) 1,330,000 Second Award Shares 2022 shall be transferred to 17 Selected Participants (comprising 9 Directors and directors of significant subsidiaries of the Company, 6 business and functional backbone employees of the Group and 2 senior management of the Group's core affiliated enterprises) upon expiry of the following vesting periods: (i) 33% vesting on 31 August 2023; (ii) 33% vesting on 31 August 2024; and (iii) 34% vesting on 31 August 2025; and (b) 2,956,200 Second Award Shares 2022 shall be transferred to 22 Selected Participants (comprising 11 Directors and directors of significant subsidiaries of the Company and 11 business and functional backbone employees of the Group) upon expiry on 31 August 2023. On each of the above vesting dates, the Company is entitled to adjust the actual amount of Second Award Shares 2022 that will be vested to the respective Selected Participants under the 2022 Second Award according to their performance at its sole discretion, whereby such number of Second Award Shares 2022 in excess of the actual amount of the Second Award Shares 2022 after the downward adjustments shall lapse.

The Company shall consider the expected performance or contribution for each Selected Participant before adjusting the actual amount of Second Award Shares 2022. According to our discussion with the Management, we understand that the Board adopts the 2022 Second Award after considering (i) the market practice of listed companies on the Main Board of the Hong Kong Stock Exchange; and (ii) the talent retention period in determining the vesting period of the Second Award Shares 2022.

To assess the fairness and reasonableness on the adoption of the 2022 Second Award, and the vesting period and basis in determining the grants of the Second Award Shares 2022, we have performed desktop search on the website of the Stock Exchange on comparable transactions involving the granting of awarded shares by the listed issuers to their respective employees, senior management and/or directors (the “**Comparable Grants**”) based on (i) the listed issuers currently listed on the Main Board of the Hong Kong Stock Exchange; and (ii) the initial announcement of granting respective awarded shares to their respective grantees was published during the period from 1 June 2022 up to the date of the Announcement (the “**Relevant Period**”).

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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	Company name	Stock code	Date of announcement	Number of grantee (number of connected person)	Vesting date/period	Basis in determining the grants
1	Sany Heavy Equipment International Holdings Company Limited	631	8 June 2022	1,144 (5)	20% on 31 March 2023; 20% on 31 March 2024; 20% on 31 March 2025; 20% on 31 March 2026; and 20% on 31 March 2027	Not disclosed
2	Zall Smart Commerce Group Ltd.	2098	9 June 2022	93 (13)	Not disclosed	Not disclosed
3	Activation Group Holdings Limited	9919	10 June 2022	2 (2)	Not disclosed	Not disclosed
4	WuXi Biologics (Cayman) Inc.	2269	10 June 2022	723 (0)	Not disclosed	Not disclosed
5	BOE Varitronix Limited	710	15 June 2022	Not disclosed (5)	40% of the awarded shares to be vested on 26 August 2022; 30% of the awarded shares to be vested on 28 August 2023; and 30% of the awarded shares to be vested on 26 August 2024	Not disclosed
6	Alibaba Pictures Group Limited	1060	17 June 2022	338 (4)	Not disclosed	Not disclosed
7	Landrich Holding Limited	2132	24 June 2022	72 (0)	Between 1 August 2022 to 31 July 2026	The number of awarded shares granted are determined based on the grantee's contribution to the group, years of service and seniority
8	Landsea Green Life Service Company Limited	1965	5 July 2022	3 (2)	100% on 5 July 2027	In the sole opinion of the advisory committee to choose the selected participants to participate in the scheme and determine the number of awarded shares to be awarded
9	Kingmaker Footwear Holdings Limited	1170	6 July 2022	31 (7)	50% on date of grant; and 50% on 1 January 2023	Not disclosed

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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	Company name	Stock code	Date of announcement	Number of grantee (number of connected person)	Vesting date/period	Basis in determining the grants
10	GCL Technology Holdings Limited	3800	6 July 2022	81 (33)	20% from the grant date to the last trading date within 12 months from the grant date; 20% from the first trading date after 12 months from the grant date to the last trading day within 24 months from the grant date; 20% from the first trading date after 24 months from the grant date to the last trading day within 36 months from the grant date; 20% from the first trading date after 36 months from the grant date to the last trading day within 48 months from the grant date; and 20% from the first trading date after 48 months from the grant date to the last trading day within 60 months from the grant date	Not disclosed
11	Homeland Interactive Technology Ltd.	3798	8 July 2022	1 (0)	Immediate	The number of award shares granted is determined based on the selected participant's service, performance and contribution to the group
12	Vobile Group Limited	3738	8 July 2022	7 (7)	Not disclosed	Not disclosed
13	Smooere International Holdings Limited	6969	21 July 2022	Not disclosed (0)	Not disclosed	Not disclosed
14	BC Technology Group Limited	863	22 July 2022	5 (0)	25% on 4 September 2022; 25% on 4 September 2023; 25% on 4 September 2024; and 25% on 4 September 2025	Not disclosed
15	HBM Holdings Limited	2142	27 July 2022	25 (2)	25% on 31 March 2023; 25% on 31 March 2024; 25% on 31 March 2025; and 25% on 31 March 2026	Not disclosed



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	Company name	Stock code	Date of announcement	Number of grantee (number of connected person)	Vesting date/period	Basis in determining the grants
16	Productive Technologies Company Limited	650	1 August 2022	15 (1)	<p>Group A</p> <p>20% on 15 August 2022; 20% on 15 July 2023; 25% on 15 July 2024; and 35% on 15 July 2025</p> <p>Group B</p> <p>30% on 15 July 2023; 30% on 15 July 2024; and 40% on 15 July 2025</p> <p>Group C</p> <p>20% on 8 August 2023; 20% on 8 August 2024; 20% on 8 August 2025; 20% on 8 August 2026; and 20% on 8 August 2027</p>	Not disclosed
17	WuXi AppTec Co., Ltd.*	2359	15 August 2022	Not disclosed (14)	<p>25% within the year immediately following the first anniversary of the grant date;</p> <p>25% within the year immediately following the second anniversary of the grant date;</p> <p>25% within the year immediately following the third anniversary of the grant date; and</p> <p>25% within the year immediately following the fourth anniversary of the grant date</p>	The number of award shares granted is determined based on the selected participant's performance
18	WuXi Biologics (Cayman) Inc.	2269	18 August 2022	151 (0)	Not disclosed	Not disclosed
19	Xiaomi Corporation	1810	21 August 2022	3,142 (1)	Between 22 August 2022 and 21 August 2026	Not disclosed
20	IGG INC	799	25 August 2022	6 (0)	<p>25% on 25 August 2023;</p> <p>25% on 25 August 2024;</p> <p>25% on 25 August 2025; and</p> <p>25% on 25 August 2026</p>	Not disclosed

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In our assessment, on an exhaustive basis, based on the aforementioned selection criteria we have identified a list of 20 Comparable Grants. We consider that the identified Comparable Grants within the Relevant Period (i) adequately cover the prevailing Hong Kong capital market conditions and sentiments, being approximately three months immediately prior to the date of Announcement; (ii) provide a meaningful reference on general market practice conducted under a similar market conditions; and (iii) allow the Independent Shareholders with a general reference of companies listed on the Main Board of the Hong Kong Stock Exchange granting awarded shares and the length of the vesting period. Hence, we consider the Comparable Grants and Relevant Period set an appropriate basis for our analysis and that the Comparable Grants is considered fair, sufficient and representative to illustrate the recent trend and terms under common market practice.

As shown from the above table, the vesting period of the Comparable Grants ranged from approximately immediate to five years. The vesting periods of the 2022 Second Award are one year and three years which respectively falls within the range of the Comparable Grants and in line with the market practice. It is also noted that the basis in determining the grants of the Compatible Grants includes the contribution to the group, performance, service provided, years of service and/or seniority of respective grantee, which is generally in line with those as adopted under the 2022 Second Award. In addition, we have obtained and reviewed the comprehensive assessment reports for each of the Sample Participants, and we noted that other than those new joiners of the Group, the assessment criteria for the Sample Participants being adopted are in line with the Group guidelines, including (i) group performance; (ii) respective performance of business segments, business lines and/or functional departments; and (iii) respective individual performance. For performance targets and other criteria in assessing the 2022 Second Award, please refer to the Letter from the Board for detail. Thus, we concur with the Directors' view that the terms of the 2022 Second Award are fair and reasonable so are as the Independent Shareholders are concerned.

Nonetheless, Shareholders or potential investors should note that the business, operations and financial performance of the listed issuers granting the Comparable Grants are not the same as the Company and we have not conducted any in-depth investigation into the businesses and operations of the companies offering the Comparable Grants.

### *Forfeiture of the Second Award Shares 2022 under the 2022 Second Award*

According to the 2022 Second Award, any outstanding Second Award Shares 2022 and related income derived from the Second Award Shares 2022 that are not yet vested shall be forfeited immediately if the Selected Participant ceases to be an eligible person under the Share Award Scheme by reasons of, among others, (i) termination of the Selected Participant's employment or early termination of the contractual engagement with the Group by reasons of misconduct or otherwise pursuant to law or employment or engagement contract; (ii) termination of the Selected Participant's employment or contractual engagement with the Group by reason of redundancy or unsatisfactory performance; (iii) resignation of the Selected Participant's employment; and (iv) winding – up of any member of the Group in which the Selected Participant is employed or is contractually engaged, unless the Board or its delegate(s) determines otherwise at their sole discretion. Shareholders may refer to the sub-

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section headed “12. Cessation as an Eligible Person” as contained in the announcement of the Company dated 25 March 2015 for further details of the clauses leading to the Second Award Shares 2022 under the 2022 Second Award being forfeited.

### *Market price of the Second Award Shares 2022 under the 2022 Second Award*

Based on the closing price of HK\$5.79 per Share as quoted on the website of the Hong Kong Stock Exchange as at 31 August 2022, being the date of the Announcement, and the closing price of HK\$4.90 per Share as quoted on the Hong Kong Stock Exchange as at the Latest Practicable Date, the aggregate market value of the Second Award Shares 2022 under the 2022 Second Award amounted to HK\$24,817,098 and HK\$21,002,380, respectively.

### **3. Financial effects of the 2022 Second Award**

After granting of the Second Award Shares 2022 under the 2022 Second Award to the Selected Participants, the value of such 2022 Second Award would be allocated and charged as expenses of the Group for the relevant financial year during the vesting period. No fund will be raised as a result of the issue and allotment of the Second Award Shares 2022.

## **RECOMMENDATION**

Having considered that the 2022 Second Award (i) will allow the Group to attract, retain and motivate talents of the Group for the continual operation and development; (ii) will align the interests of the Selected Participants through ownership of Second Award Shares 2022; and (iii) is in line with the market practice, we are of the opinion that although the allotment and issue of 2022 Second Award is not in the ordinary and usual course of business of the Group, the terms of the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award is in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we also recommend, the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM to approve the issue and allotment of the Second Award Shares 2022 and the 2022 Second Award.

Yours faithfully,  
For and on behalf of  
**Lego Corporate Finance Limited**  
**Stanley Ng**  
*Managing Director*

*Mr. Stanley Ng is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He has over 15 years of experience in the accounting and investment banking industries.*

## 1. 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 Group. The Directors, having made all reasonable inquiries, 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.

## 2. DISCLOSURE OF INTERESTS OF DIRECTORS

As at the Latest Practicable Date, the interests or short positions of the Directors or chief executives of the Company in the Shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules (the “**Model Code**”) were as follows:

### (1) Long positions in the Shares, underlying shares and debentures of the Company

Name of Director/chief executive	Class of Shares	Number of Shares	Type of interests	Approximate percentage of Shares in issue
Guo Guangchang	Ordinary	6,044,246,673 <sup>(1)</sup>	Corporate	72.45%
Guo Guangchang	Ordinary	738,000	Individual	0.01%
Wang Qunbin	Ordinary	704,000	Individual	0.01%
Chen Qiyu	Ordinary	27,006,400	Individual	0.32%
Xu Xiaoliang	Ordinary	23,402,000	Individual	0.28%
Qin Xuetao	Ordinary	18,035,440	Individual	0.22%
Gong Ping	Ordinary	13,059,800	Individual	0.16%
Huang Zhen	Ordinary	1,565,200	Individual	0.02%
Zhuang Yuemin	Ordinary	50,000	Individual	0.00%
Yu Qingfei	Ordinary	50,000	Individual	0.00%
Zhang Shengman	Ordinary	100,250	Individual	0.00%
Zhang Huaqiao	Ordinary	505,000	Individual	0.01%
David T. Zhang	Ordinary	205,000	Individual	0.00%
Lee Kai-Fu	Ordinary	160,000	Individual	0.00%
Tsang King Suen Katherine	Ordinary	50,000	Individual	0.00%

## (2) Long positions in the shares, underlying shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO)

Name of Director/chief executive	Name of associated corporation	Class of shares/ Debentures	Number of shares/Amount of debentures	Type of interests	Approximate percentage of class shares in issue/ debentures
Guo Guangchang	Fosun Holdings	Ordinary	1 <sup>(7)</sup>	Corporate	100.00%
	Fosun International Holdings	Ordinary	29,000	Individual	85.29%
	Fosun Pharma <sup>(3)</sup>	A Shares <sup>(2)</sup>	114,075	Individual	0.01%
		A Shares <sup>(2)</sup>	928,515,290 <sup>(7)</sup>	Corporate	43.85%
		H Shares	77,533,500 <sup>(7)</sup>	Corporate	14.05%
	Sisram Medical Ltd	Ordinary	331,827,600 <sup>(7)</sup>	Corporate	71.18%
	FTG <sup>(4)</sup>	Ordinary	984,023,932 <sup>(7)</sup>	Corporate	79.33%
	Shanghai Henlius <sup>(5)</sup>	Domestic Shares	291,365,387 <sup>(7)</sup>	Corporate	80.00%
		H Shares	32,324,939 <sup>(7)</sup>	Corporate	19.78%
Wang Qunbin	Fosun International Holdings	Ordinary	5,000	Individual	14.71%
	Fosun Pharma <sup>(3)</sup>	A Shares <sup>(2)</sup>	114,075	Individual	0.01%
	Fortune Star (BVI) Limited	Debentures	1,275,606	Individual	0.18%
Chen Qiyu	Fosun Pharma <sup>(3)</sup>	A Shares <sup>(2)</sup>	114,075	Individual	0.01%
	FTG <sup>(4)</sup>	Ordinary	501,478	Individual	0.04%
	Fortune Star (BVI) Limited	Debentures	1,063,005	Individual	0.15%
Xu Xiaoliang	FTG <sup>(4)</sup>	Ordinary	552,328	Individual	0.04%
	Fortune Star (BVI) Limited	Debentures	4,570,921	Individual	0.65%
Qin Xuetang	FTG <sup>(4)</sup>	Ordinary	200,000	Individual	0.02%
Gong Ping	FTG <sup>(4)</sup>	Ordinary	200,988	Individual	0.02%
	Fortune Star (BVI) Limited	Debentures	1,063,005	Individual	0.15%
Huang Zhen	Yuyuan <sup>(6)</sup>	A Shares <sup>(2)</sup>	1,631,000	Individual	0.04%
	FTG <sup>(4)</sup>	Ordinary	358,000	Individual	0.03%
	Fosun Pharma <sup>(3)</sup>	A Shares <sup>(2)</sup>	45,500	Individual	0.00%
	Fortune Star (BVI) Limited	Debentures	531,502	Individual	0.08%

*Notes:*

- (1) Pursuant to Division 7 of Part XV of the SFO, 6,044,246,673 Shares held by Mr. Guo Guangchang are deemed corporate interests held through Fosun Holdings and Fosun International Holdings.

- (2) A Shares mean the equity securities listed on the Shanghai Stock Exchange.
- (3) Fosun Pharma refers to Shanghai Fosun Pharmaceutical (Group) Co., Ltd.
- (4) FTG refers to Fosun Tourism Group.
- (5) Shanghai Henlius refers to Shanghai Henlius Biotech, Inc.
- (6) Yuyuan refers to Shanghai Yuyuan Tourist Mart (Group) Co., Ltd.
- (7) Pursuant to Division 7 of Part XV of the SFO, the shares held by Mr. Guo Guangchang are deemed as corporate interests held through Fosun International Holdings, Fosun Holdings, the Company and/or its subsidiaries.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company and their respective associates had interests or short positions in the shares, underlying shares and/or debentures (as the case may be) of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which are taken or deemed to have under such provisions of the SFO), or recorded in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

### **3. DIRECTORS' INTERESTS**

- (a) None of the Directors has any direct or indirect interest in any assets which have been, since 31 December 2021, being the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group.
- (b) None of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.
- (c) None of the Directors or chief executives of the Company and their respective associates has any competing interests which would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling Shareholder of the Company.

### **4. SERVICE CONTRACTS**

None of the Directors has any existing or proposed service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

## 5. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

**Long positions in the Shares, underlying shares and debentures of the Company**

As at the Latest Practicable Date, so far as was known to the Directors, the persons or entities, other than a Director or chief executive of the Company, who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of substantial Shareholder	Number of Shares directly or indirectly held	Approximate percentage of Shares in issue
Fosun Holdings	6,044,246,673 <sup>(2)</sup>	72.45%
Fosun International Holdings <sup>(1)</sup>	6,044,246,673 <sup>(2)(3)</sup>	72.45%

*Notes:*

- (1) Fosun International Holdings is owned as to 85.29% and 14.71% by Mr. Guo Guangchang and Mr. Wang Qunbin, respectively.
- (2) Fosun International Holdings is the beneficial owner of all the issued shares in Fosun Holdings and, therefore Fosun International Holdings is deemed, or taken to be interested in the Shares owned by Fosun Holdings for the purpose of the SFO.
- (3) Mr. Guo Guangchang, by virtue of his ownership of shares in Fosun International Holdings as to 85.29%, is deemed or taken to be interested in the Shares owned by Fosun Holdings for the purpose of the SFO.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors and chief executives of the Company, the Company has not been notified by any persons (other than a Director or chief executive of the Company) who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## 6. MATERIAL ADVERSE CHANGE

As disclosed in the 2021 annual report of the Company, the ongoing coronavirus disease (“COVID-19”) and containment measures may have certain impacts on the results of operation, financial condition and cash flow of the Group. The Group has implemented various measures to mitigate such impacts. As at the Latest Practicable Date, the Directors have been monitoring and assessing the impact of the COVID-19 on the Group, and will make further announcements as and when appropriate under the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, the Directors confirmed that there was not any material adverse change in the financial or operation positions of the Group since 31 December 2021, the date to which the latest published audited consolidated accounts of the Group were made up.

## 7. MATERIAL LITIGATION

No member of the Group was engaged in any litigation or claim of material importance, and no such litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group, as at the Latest Practicable Date.

## 8. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given opinion, letter or advice, contained or referred to in this circular:

<b>Name</b>	<b>Qualification</b>
Lego Corporate Finance Limited	A corporation licensed to carry on Type 6 (advising on corporate finance) regulated activities as defined under the SFO

As at the Latest Practicable Date, Lego had no shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member of the Group.

As at the Latest Practicable Date, Lego was not interested, directly or indirectly, in any assets which had since 31 December 2021 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group or which are proposed to be acquired or disposed of by or leased to any member of the Group.

Lego has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which it appears.

## 9. DOCUMENT ON DISPLAY

A copy of the Share Award Scheme will be published on the websites of the Hong Kong Stock Exchange at <http://www.hkexnews.hk> and the Company at <http://www.fosun.com> for not less than 14 days before the date of the EGM and a copy of Share Award Scheme is available for inspection at the EGM.



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.*

# FOSUN 复星

## 復星國際有限公司

### FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

### PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Extraordinary General Meeting of the Company, including but not limited to (i) compulsory body temperature checks, (ii) wearing of surgical face mask throughout the Extraordinary General Meeting, (iii) physical distancing through seating arrangement, (iv) no provision of refreshments or drinks and (v) no distribution of corporate gifts.

Shareholders and Shareholders' agents who intend to attend the Extraordinary General Meeting on site shall abide by the relevant provisions on epidemic prevention and control at the meeting venue, cooperate with the preparation of temperature checking and take effective personal protective measures. To the extent permitted by law, participants who do not comply with the above precautions are not allowed to enter the meeting venue by the Company.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the Extraordinary General Meeting by appointing the Chairman of the Extraordinary General Meeting as their proxy and to return their proxy forms by the time specified above, instead of attending the Extraordinary General Meeting in person.

Due to the constantly evolving COVID-19 pandemic situation and related change of legal restrictions or requirements, the Company may be required to change the Extraordinary General Meeting arrangements at short notice. Shareholders should check the latest legal requirements, policies and notices announced by the authorities from time to time. As at the date of this notice, it is not certain as to whether the group gathering restrictions and related legal requirements and policies will continue to apply on the date of the Extraordinary General Meeting, and those restrictions, requirements and policies may still have a significant impact on the Extraordinary General Meeting arrangements on that date. Shareholders should check the website of the Company at [www.fosun.com](http://www.fosun.com) for future announcements and updates on the Extraordinary General Meeting arrangements, if any.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the “**EGM**”) of Fosun International Limited (the “**Company**”) will be held at 10:00 a.m. on Wednesday, 19 October 2022 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China for the following purposes:

1. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

**“THAT:**

- (a) the grant of specific mandate to the Directors regarding the issue and allotment of an aggregate of 4,286,200 new shares (the “**New Award Shares**”) to Computershare Hong Kong Trustees Limited to hold on trust for selected participants who are selected by the Board (the “**Selected Participants**”) for participation in the share award scheme adopted by the Company on 25 March 2015 (the “**Share Award Scheme**”) (a copy of which has been produced to the EGM marked “A” and signed by the chairman of the EGM for the purpose of identification) (the “**Award**”) and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) the grant of 552,400 award shares pursuant to the Share Award Scheme to Mr. Chen Qiyu is hereby approved and confirmed;
- (c) the grant of 270,200 award shares pursuant to the Share Award Scheme to Mr. Xu Xiaoliang is hereby approved and confirmed;
- (d) the grant of 74,800 award shares pursuant to the Share Award Scheme to Mr. Qin Xuetang is hereby approved and confirmed;
- (e) the grant of 621,800 award shares pursuant to the Share Award Scheme to Mr. Gong Ping is hereby approved and confirmed;
- (f) the grant of 165,200 award shares pursuant to the Share Award Scheme to Mr. Huang Zhen is hereby approved and confirmed;
- (g) the grant of 226,500 award shares pursuant to the Share Award Scheme to Mr. Jin Hualong is hereby approved and confirmed;
- (h) the grant of 206,200 award shares pursuant to the Share Award Scheme to Mr. Li Tao is hereby approved and confirmed;
- (i) the grant of 189,500 award shares pursuant to the Share Award Scheme to Mr. Yao Fang is hereby approved and confirmed;
- (j) the grant of 153,600 award shares pursuant to the Share Award Scheme to Mr. Zhang Houlin is hereby approved and confirmed;

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (k) the grant of 137,100 award shares pursuant to the Share Award Scheme to Mr. Pan Donghui is hereby approved and confirmed;
- (l) the grant of 100,000 award shares pursuant to the Share Award Scheme to Mr. Wang Jiping is hereby approved and confirmed;
- (m) the grant of 100,000 award shares pursuant to the Share Award Scheme to Mr. Henri Giscard d'Estaing is hereby approved and confirmed;
- (n) the grant of 60,000 award shares pursuant to the Share Award Scheme to Mr. Qian Jiannong is hereby approved and confirmed;
- (o) the grant of 58,200 award shares pursuant to the Share Award Scheme to Ms. Hao Yuming is hereby approved and confirmed;
- (p) the grant of 1,370,700 award shares pursuant to the Share Award Scheme to Selected Participants, other than those persons named in resolutions 1(b) –1(o) above, is hereby approved and confirmed; and
- (q) any one or more of the Directors be and is/are hereby authorized to do all such acts and things and execute all such documents which he/she/they consider necessary, expedient or appropriate for the purpose of, or in connection with, the implementation of and giving effect to the Award and the transactions contemplated thereunder, including but not limited to the issue and allotment of the New Award Shares pursuant to the Share Award Scheme.”

By Order of the Board  
**Guo Guangchang**  
*Chairman*

29 September 2022

*Notes:*

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy needs not to be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To be effective, a form of proxy together with the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, must be deposited at 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 not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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3. The register of members of the Company will be closed from Monday, 17 October 2022 to Wednesday, 19 October 2022, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the EGM, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Friday, 14 October 2022.

*As at the date of this notice, the executive directors of the Company are Mr. Guo Guangchang, Mr. Wang Qunbin, Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Qin Xuetao, Mr. Gong Ping and Mr. Huang Zhen; the non-executive directors are Ms. Chen Shucui, Mr. Zhuang Yuemin and Mr. Yu Qingfei; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine.*