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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)

**PLACING OF EXISTING SHARES AND
TOP-UP SUBSCRIPTION OF NEW SHARES
UNDER GENERAL MANDATE
AND RESUMPTION OF TRADING**

Placing Agents



Morgan Stanley



On 12 May 2015, the Vendor, the Company and the Placing Agents entered into the Placing and Subscription Agreement, pursuant to which (i) each of the Placing Agents has agreed to act as a placing agent to procure purchasers for (or failing which, to purchase itself (other than with respect to Hani Securities (H.K.) Limited)) an aggregate of 465,000,000 Placing Shares owned by the Vendor at the Placing Price of HK\$20.00 per Placing Share; and (ii) the Company has conditionally agreed to issue and allot to the Vendor, and the Vendor has conditionally agreed to subscribe for, 465,000,000 Subscription Shares at the Subscription Price of HK\$20.00 per Subscription Share. The Top-up Subscription is subject to various conditions set out below under the section headed “Conditions of the Top-up Subscription”.

The Placing Shares will be placed to not less than six Placees, who and whose ultimate beneficial owners are to be third parties independent of, and not connected persons of the Company. It is not expected that any individual Placee will become a substantial shareholder of the Company immediately after the Placing.

The Placing Shares represent (i) approximately 6.62% of the existing total number of shares in issue of the Company as at the date of this announcement; and (ii) approximately 6.21% of the total number of shares in issue of the Company as enlarged by the Top-up Subscription. The Subscription Shares represent (i) approximately 6.62% of the existing total number of shares in issue of the Company as at the date of this announcement; and (ii) approximately 6.21% of the total number of shares in issue of the Company as enlarged by the Top-up Subscription.

The Placing Price and Subscription Price are the same at HK\$20.00 per Share, which represents (i) a discount of approximately 4.53% to the closing price of HK\$20.95 per Share as quoted on the Stock Exchange on the last trading day immediately preceding the date of the Placing and Subscription Agreement; and (ii) a discount of approximately 2.98% to the average closing price of approximately HK\$20.614 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Placing and Subscription Agreement.

The aggregate gross proceeds and net proceeds from the Top-up Subscription will be approximately HK\$9,300 million and HK\$9,243 million (representing a net price of approximately HK\$19.88 per Subscription Share), respectively. The Company intends to utilise the net proceeds from the Top-up Subscription for general corporate purpose including mergers and acquisitions in the insurance industry.

GENERAL

The Subscription Shares will be issued pursuant to the General Mandate.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, all of the Subscription Shares.

The Placing and Subscription Agreement contains provisions granting the Underwriting Placing Agents the right to terminate the Placing on the occurrence of certain events. Completion of the Top-up Subscription is subject to fulfilment of the conditions precedent set forth in the Placing and Subscription Agreement.

WARNING: As the transactions contemplated by the Placing and Subscription Agreement may or may not complete, and the Subscription Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the relevant securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the securities of the Company has been halted from 9:00 a.m. on Monday, 11 May 2015 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the securities of the Company from 9:00 a.m. on Tuesday, 12 May 2015.

THE PLACING AND SUBSCRIPTION AGREEMENT

Date:

12 May 2015

Parties:

- (i) The Vendor, as vendor of the Placing Shares and subscriber of the Subscription Shares;
- (ii) The Company, as the issuer of the Subscription Shares; and
- (iii) Placing Agents, as the placing agents of the Placing Shares.

The Placing:

Each of the Placing Agents has agreed to act as a placing agent to procure purchasers for (or failing which, to purchase itself (other than with respect to Hani Securities (H.K.) Limited)) the Placing Shares at the Placing Price.

Number of the Placing Shares:

465,000,000 Shares held by the Vendor, representing (i) approximately 6.62% of the existing total number of Shares in issue as at the date of this announcement; and (ii) approximately 6.21% of the total number of shares in issue of the Company as enlarged by the Top-up Subscription.

The Placing Shares will be placed to not less than six Placees, who and whose ultimate beneficial owners are to be third parties independent of, and not connected persons of the Company. It is not expected that any individual Placee will become a substantial shareholder of the Company immediately after the Placing.

Independence of the Placing Agents:

Except that Hani Securities (H.K.) Limited is an indirect wholly-owned subsidiary of the Company, to the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, each of the Placing Agents and their ultimate beneficial owners are third parties independent of, and not connected with the Company or any connected persons of the Company.

Placing Price:

The Placing Price of HK\$20.00:

- (i) represents a discount of approximately 4.53% to the closing price of HK\$20.95 per Share as quoted on the Stock Exchange on the last trading day immediately preceding the date of the Placing and Subscription Agreement;
- (ii) represents a discount of approximately 2.98% to the average closing price of approximately HK\$20.614 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Placing and Subscription Agreement; and
- (iii) equals the Subscription Price.

The Placing Price was determined with reference to the prevailing market price of Share and was negotiated on an arm's length basis between the Vendor, the Company and the Placing Agents on the date of the Placing and Subscription Agreement.

Completion of the Placing:

The Placing shall be completed on the Closing Date pursuant to terms and conditions of the Placing and Subscription Agreement.

Termination:

The Placing and Subscription Agreement may be terminated by the Underwriting Placing Agents

if at any time prior to 4:00 p.m. (Hong Kong time) on the Closing Date, there develops, occurs or comes into force: (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations in any relevant jurisdiction which in the opinion of the Underwriting Placing Agents has or is likely to have a material adverse effect on the financial position of the Company and/or of the Group as a whole; or (ii) any significant change (whether or not permanent) in local, national or international monetary, economic, financial, political or military conditions which in the opinion of the Underwriting Placing Agents is or would be materially adverse to the success of the Placing; or (iii) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or foreign exchange rates or foreign exchange controls which in the sole judgment of the Underwriting Placing Agents is or would be materially adverse to the success of the Placing; or makes it impracticable or inadvisable or inexpedient to proceed therewith; or (iv) a general moratorium on commercial banking activities in Hong Kong, the PRC, London or New York declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the PRC, the United Kingdom or the United States; or (v) a change or development involving a prospective change in Taxation which constitutes a material adverse effect on the Group as a whole or the Placing Shares or the transfer thereof; or (vi) any outbreak or escalation of hostilities or act of terrorism involving Hong Kong, the PRC, the United Kingdom or the United States or the declaration by Hong Kong, the PRC, the United Kingdom or the United States of a national emergency or war; or (vii) any suspension of dealings in the Shares for a period of one or more trading days whatsoever (other than as a result of the Placing); or (viii) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the London Stock Exchange, the New York Stock Exchange or Nasdaq due to exceptional financial circumstances or otherwise at any time prior to the Closing Date; or (ix) any breach of any of the representations, warranties and undertakings by the Company and/or the Vendor set out in the Placing and Subscription Agreement comes to the knowledge of the Underwriting Placing Agents or any event occurs or any matter arises on or after the date hereof and prior to the Closing Date which if it had occurred or arisen before the date hereof would have rendered any of such representations, warranties and undertakings untrue or incorrect in any respect and any such breach or failure is material or (in the opinion of the Underwriting Placing Agents) is or would materially and adversely affect the financial position or business of the Company and/or of the Group as a whole or is or would be materially adverse to the success of the Placing, or there has been a breach of, or failure to perform, any other provision of the Placing and Subscription Agreement on the part of the Vendor and/or the Company; or (x) there is any such adverse change, or development involving a prospective adverse change in the general affairs, condition, results of operations or prospects, management, business, stockholders' equity or in the financial or trading position of the Company and/or of the Group as a whole which in the opinion of the Underwriting Placing

Agents is materially adverse to the success of the Placing; then and in any such case, the Underwriting Placing Agents may terminate their obligations under the Placing and Subscription Agreement without liability to the Vendor and/or the Company by giving notice in writing to the Vendor and the Company, which notice may be given at any time prior to 4:00 p.m. (Hong Kong time) on the Closing Date.

Lock Up Undertakings:

The Vendor undertakes to the Placing Agents that for a period of 90 days from the Closing Date, it will not and will procure that none of its nominees and companies controlled by it and trusts associated with it (whether individually or together and whether directly or indirectly) will:

- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares (including the Subscription Shares) or any interests therein beneficially owned or held by the Vendor or any securities convertible into or exercisable or exchangeable for any such Shares or interests; or
- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of Shares,

whether any such transaction described in paragraph (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise; or

- (iii) announce any intention to enter into or effect any such transaction described in paragraph (i) or (ii) above, unless with the prior written consent of the Placing Agents.

The Company undertakes to the Placing Agents, and the Vendor undertakes to the Placing Agent to procure, that for a period of 90 days from the Closing Date, the Company will not, except for the Subscription Shares and save pursuant to (1) the terms of any employee share option scheme of the Company; (2) the terms of the share award scheme adopted by the Directors on 25 March 2015 (as announced by the Company on the Stock Exchange's website); (3) bonus or scrip dividend or similar arrangements which provide for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with its articles of association; or (4) the terms of the trust deed entered into by, among others, Logo Star Limited, the Company and The Bank of New York Mellon, London Branch, in November 2013 in relation to the convertible bonds issued by Logo Star Limited on 22 November 2013:

- (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Share(s) or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to Shares or interest in Shares; or
- (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in paragraph (i) above; or
- (iii) announce any intention to enter into or effect any such transaction described in paragraphs (i) and (ii) above,

without first having obtained the written consent of the Placing Agents.

The Top-up Subscription:

The Company has conditionally agreed to allot and issue and the Vendor has conditionally agreed to subscribe for 465,000,000 Subscription Shares.

Number of the Subscription Shares:

465,000,000 new Shares, representing (i) approximately 6.62% of the existing total number of Shares in issue as at the date of this announcement; and (ii) approximately 6.21% of the total number of shares in issue of the Company as enlarged by the Top-up Subscription.

Subscription Price:

HK\$20.00 per Subscription Share, which is equivalent to the Placing Price. The Company shall bear the cost and expenses incurred by the Vendor in connection with the Placing and the Top-up Subscription (including commissions, fees and other related expenses). The Subscription Price was determined with reference to the prevailing market price of Share and was negotiated on an arm's length basis between the Vendor and the Company on the date of the Placing and Subscription Agreement.

Conditions of the Top-up Subscription:

Completion of the Top-up Subscription is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, all of the Subscription Shares; and
- (b) completion of the Placing.

Completion of the Top-up Subscription:

Pursuant to Rule 14A.92(4)(a)(ii) of the Listing Rules, the Top-up Subscription must be completed within 14 days from the date of the Placing and Subscription Agreement, that is, on or before 26 May 2015.

Completion of the Top-up Subscription will take place on the second Business Day after the date upon which the last of the conditions as set out above has been satisfied, provided that it shall take place on a date no later than a date following 14 days after the date of the Placing and Subscription Agreement (or such other time and/or date as the Vendor and the Company may agree in writing).

Mandate to issue the Subscription Shares:

The allotment and issue of the Subscription Shares will not be subject to the Shareholders' approval. The Subscription Shares will be issued pursuant to the General Mandate, under which the Directors are authorised to issue up to 1,384,495,774 Shares. Up to the date of this announcement, 2,430,000 Shares have been issued under the General Mandate.

The Subscription Shares will, when fully paid, rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of such allotment and issue of the Subscription Shares.

Application for Listing:

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, all of the Subscription Shares.

The Placing and Subscription Agreement contains provisions granting the Underwriting Placing Agents the right to terminate the Placing on the occurrence of certain events. Completion of the Top-up Subscription is subject to fulfillment of the conditions precedent set forth in the Placing and Subscription Agreement.

WARNING: As the transactions contemplated by the Placing and Subscription Agreement may or may not complete, and the Subscription Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the relevant securities of the Company.

REASONS FOR THE PLACING AND TOP-UP SUBSCRIPTION AND USE OF PROCEEDS BY THE COMPANY

The Company is expected to benefit from the Top-up Subscription. It will enlarge the capital base of the Company and enable it to further expand its business and operations. It can also increase the liquidity of the Shares after the participation of more institutional investors in the Company.

Upon full subscription of the Subscription Shares, the aggregate gross proceeds and net proceeds from the Top-up Subscription will be approximately HK\$9,300 million and HK\$9,243 million (representing a net price of approximately HK\$19.88 per Subscription Share), respectively. The Company intends to utilise the net proceeds from the Top-up Subscription for general corporate purpose including mergers and acquisitions in the insurance industry.

The Directors (including the independent non-executive Directors) are of the view that the Placing and Subscription Agreement was entered into under normal commercial terms following arm's length negotiations between the Company, the Vendor and the Placing Agents, and that the terms of the Placing and Top-up Subscription are fair and reasonable and in the interests of the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

On 9 April 2014, the Company proposed to raise not less than approximately HK\$4,888,631,461 (before expenses), and not more than approximately HK\$5,183,627,461 (before expenses), by way of the rights issue of not less than 500,884,371 rights shares and not more than 531,109,371 rights shares on the basis of 39 rights shares for every 500 Shares held by each qualifying shareholder on the record date at the subscription price of HK\$9.76 per rights share payable in full on acceptance. The net proceeds from the rights issue had been fully used for repayment of bank loans, strategic investment and as the ordinary working capital. Save for the rights issue, which was completed on 22 May 2014 with 500,884,371 rights shares being issued, the Company has not engaged in any fund raising exercises in the 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE

The table below sets out the changes to the shareholding structure of the Company as a result of completion of the Placing and the Top-up Subscription under different scenarios:

	Shareholding as at the date of this announcement		Shareholding immediately after completion of the Placing but before the Top-up Subscription ²		Shareholding immediately after completion of the Placing and the Top-up Subscription ²	
	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>
Vendor	5,510,793,609	78.50	5,045,793,609	71.87	5,510,793,609	73.62
Directors and their associates	26,497,240 ¹	0.38	26,497,240 ¹	0.38	26,497,240 ¹	0.35
Public Shareholders						
<i>Placees under the Placing</i>	-	0	465,000,000	6.62	465,000,000	6.21
<i>Other public Shareholders</i>	1,483,118,022	21.13	1,483,118,022	21.13	1,483,118,022	19.81
Total	7,020,408,871	100	7,020,408,871	100	7,485,408,871	100

Notes:

- In addition, the board of Directors has resolved to award Messrs. Ding Guoqi, Qin Xuetao, Wu Ping, Zhang Shengman, Zhang Huaqiao and David T. Zhang, all of whom are Directors, with 900,000 Shares in aggregate pursuant to the share award scheme of the Company on 26 March 2015, details of which are set out in the announcement of the Company dated 26 March 2015 and circular dated 24 April 2015. Such awards are subject to the independent Shareholders' approval at the annual general meeting of the Company to be held on 28 May 2015.
- These shareholdings have not taken into account of the potential share conversion by the holders of the convertible bonds of the Company which have been issued by Logo Star Limited, a wholly owned subsidiary of the Company on 22 November 2013 ("CBs"). As of the date of this announcement, the maximum number of Shares which will be issued pursuant to the CBs is 292,000,000 Shares assuming the conversion price is HK\$10.0 per Share.

Upon completion of the Placing and the Top-up Subscription, the Vendor's shareholding in the Company will be reduced by approximately 4.88% from approximately 78.50% to approximately 73.62%.

GENERAL

Information about the Company

The Company is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange.

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

Information about the Vendor

The Vendor is a company incorporated in Hong Kong with limited liability and being the controlling shareholder of the Company. 5,510,793,609 Shares are held by the Vendor, representing approximately 78.50% of the existing total number of Shares in issue as at the date of this announcement. The principal activity of the Vendor is investment holding.

RESUMPTION OF TRADING

At the request of the Company, trading in the securities of the Company has been halted from 9:00 a.m. on Monday, 11 May 2015 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the securities of the Company from 9:00 a.m. on Tuesday, 12 May 2015.

DEFINITIONS

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

“associate”	has the same meaning ascribed to it under the Listing Rules;
“Business Day”	means any day (excluding a Saturday) on which banks are generally open for business in Hong Kong;
“Closing Date”	means the completion date for the Placing, being 14 May 2015 or such other date as the Vendor and the Placing Agents may agree in writing;
“Company”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the main board of the Stock Exchange;

“connected persons”	has the same meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“General Mandate”	the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 28 May 2014 to allot, issue and deal with up to 20% of the then total number of shares in issue of the Company as at the date of such annual general meeting;
“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;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates (including the Placing Agents themselves) procured by the Placing Agents to purchase any of the Placing Shares pursuant to the Placing Agents’ obligations under the Placing and Subscription Agreement;
“Placing”	the placing of 465,000,000 existing Shares held by the Vendor pursuant to the terms of the Placing and Subscription Agreement;
“Placing Agents”	Morgan Stanley & Co. International plc, UBS AG, Hong Kong Branch, Goldman Sachs (Asia) L.L.C., Citigroup Global Markets Limited, CMB International Capital Limited, Hani Securities (H.K.) Limited and CLSA Limited (中信里昂證券有限公司);
“Placing and Subscription Agreement”	the placing and subscription agreement dated 12 May 2015 entered into between the Vendor, the Company and the Placing Agents in relation to the Placing and Top-Up Subscription;
“Placing Price”	the price of HK\$20.00 per Placing Share;
“Placing Share(s)”	465,000,000 Shares held by the Vendor and to be placed pursuant to the Placing and Subscription Agreement;
“PRC”	The People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of The People’s Republic of China;
“Shareholder(s)”	the holder(s) of Shares;

“Shares”	the ordinary share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price of HK\$20.00 per Subscription Share;
“Subscription Share(s)”	465,000,000 new Shares to be subscribed for by the Vendor pursuant to the Placing and Subscription Agreement;
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Taxation”	All forms of taxation whether of Hong Kong or elsewhere in the world whenever imposed and all statutory, governmental, state, provincial, local governmental or municipal impositions, duties and levies and all penalties, charges, costs and interests relating thereto.
“Top-up Subscription”	the subscription of 465,000,000 Subscription Shares by the Vendor pursuant to the terms of the Placing and Subscription Agreement;
“Underwriting Placing Agents”	the Placing Agents excluding Hani Securities (H.K.) Limited; and
“Vendor”	Fosun Holdings Limited (復星控股有限公司), a company incorporated under the laws of Hong Kong and being a controlling shareholder (as defined in the Listing Rules) of the Company.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 12 May 2015

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