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

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE DISPOSAL OF
SHARES OF JINHUI LIQUOR**

DISPOSAL

On 24 July 2023, Yuyuan (an indirect subsidiary of the Company, as the Seller) entered into the Share Transfer Agreement with Jinan Tiesheng (as the Purchaser), pursuant to which the Seller has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase 25,363,000 shares of the Target Company for a total Consideration of RMB598,820,430 (subject to adjustment).

Immediately prior to Completion, the Company (through Yuyuan) holds 126,814,900 shares of the Target Company (representing approximately 25% of the total shares of the Target Company). Assuming there is no change in the total shares of the Target Company from the date of this announcement to the Completion Date, the Company (through Yuyuan) will hold 101,451,900 shares of the Target Company (representing approximately 20% of the total shares of the Target Company) upon Completion. Accordingly, the remaining equity interest in the Target Company indirectly held by the Company will be recorded as “investments in associates”.

PREVIOUS DISPOSALS

On 2 September 2022, the Seller entered into the Previous Agreement I with Longnan Kelite, pursuant to which the Seller has agreed to sell, and Longnan Kelite has agreed to purchase 25,363,000 shares of the Target Company, representing 5% equity interest in the Target Company as of the date of the transfer, for a total consideration of RMB745,164,940. On the even date,

Hainan Yuzhu (a wholly-owned subsidiary of the Seller as at the date of this announcement) entered into the Previous Agreement II with Gansu Yate, pursuant to which Hainan Yuzhu has agreed to sell, and Gansu Yate has agreed to purchase 40,580,800 shares of the Target Company, representing 8% equity interest in the Target Company as of the date of the transfer, for a total consideration of RMB1,192,263,904.

On 14 November 2022, the Seller entered into a supplemental agreement with Longnan Kelite to amend certain terms of the Previous Agreement I, among which, the consideration under the Previous Agreement I was adjusted from RMB745,164,940 to RMB699,004,280. On the even date, Hainan Yuzhu entered into a supplemental agreement with Gansu Yate to amend certain terms of the Previous Agreement II, among which, the consideration under the Previous Agreement II was adjusted from RMB1,192,263,904 to RMB1,118,406,848. Prior to the Previous Disposals, the Seller and Hainan Yuzhu was respectively interested in 30% and 8% equity interest in the Target Company. Upon completion of the Previous Disposals in November 2022, the Seller became interested in 25% equity interest in the Target Company and Hainan Yuzhu ceased to have any interest in the Target Company.

LISTING RULES IMPLICATIONS

As the Disposal is conducted within 12 months from the date of completion of the Previous Disposals, the Disposal and the Previous Disposals are required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As one or more applicable ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Aggregate Disposals exceeds 5% but all less than 25%, the Aggregate Disposals constitute discloseable transactions of the Company and are subject to notification and announcement requirements under Chapter 14 of the Listing Rules. None of the applicable percentage ratios in relation to the Disposal or the Previous Disposals (each on a standalone basis) exceed 5%.

INTRODUCTION

DISPOSAL

On 24 July 2023, Yuyuan (an indirect subsidiary of the Company, as the Seller) entered into the Share Transfer Agreement with Jinan Tiesheng (as the Purchaser), pursuant to which the Seller has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase 25,363,000 shares of the Target Company for a total Consideration of RMB598,820,430 (subject to adjustment).

Immediately prior to Completion, the Company (through Yuyuan) holds 126,814,900 shares of the Target Company (representing approximately 25% of the total shares of the Target Company). Assuming there is no change in the total shares of the Target Company from the date of this announcement to the Completion Date, the Company (through Yuyuan) will hold 101,451,900 shares of the Target Company (representing approximately 20% of the total shares of the Target Company) upon Completion. Accordingly, the remaining equity interest in the Target Company indirectly held by the Company will be recorded as “investments in associates”.

SHARE TRANSFER AGREEMENT

The principal terms of the Share Transfer Agreement are as follows:

Date:	24 July 2023
Parties:	<p>Seller: Yuyuan</p> <p>Purchaser: Jinan Tiesheng</p> <p>To the best of the Directors’ knowledge, information and belief, and after having made all reasonable enquires, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons (which has the meaning given by the Listing Rules).</p>
Subject Matter under the Disposal	<p>Subject to the satisfaction of conditions precedent of the Share Transfer Agreement, the Seller agrees to sell, and the Purchaser agrees to purchase 25,363,000 shares of the Target Company free from any encumbrance.</p> <p>During the period from the date of the Share Transfer Agreement to the Completion Date, if the Target Company has any ex-entitlement events such as issuing bonus shares, capitalization of capital reserves into share capital, allotment of shares, the number of Sale Shares shall be adjusted accordingly. Distribution of cash dividends by the Target Company will not result in adjustments to the number of Sale Shares, however, if the Seller receives the Target Company’s cash dividends from the date of the Share Transfer Agreement to the Completion Date, the cash dividends corresponding to the Sale Shares shall be compensated in equal amounts by the Seller within five</p>

	(5) Business Days after the Completion to the Purchaser.
Consideration and Payment Terms	<p>The total Consideration is RMB598,820,430 (subject to adjustment).</p> <p>Upon confirmation from all parties that all conditions precedent of the Share Transfer Agreement have been fulfilled, the Consideration shall be paid by the Purchaser in the following manner:</p> <p>(i) the Purchaser shall pay the first instalment of the Consideration within 2 Business Days after the conditions in respect of the consideration payment have been fulfilled. The first instalment of the Consideration shall be 40% of the total Consideration, which is RMB239,528,172.</p> <p>(ii) in the event that the Seller has not breached any of the transaction documents and agreements in relation to the Disposal, the Purchaser shall pay the second instalment of the Consideration within 2 Business Days after the transfer of Sale Shares have been registered with the securities account under the Purchaser's name. The second instalment of the Consideration shall be 30% of the Consideration, which is RMB179,646,129. The Seller shall pay a rights maintenance fee of RMB179,646,129, subject to the adjustment stipulated under the Share Transfer Agreement, to the Purchaser (the "Rights Maintenance Fee") within 1 Business Day after the second instalment of the Consideration is paid by the Purchaser.</p> <p>(iii) in the event that the Seller has not breached any of the transaction documents and agreements in relation to the Disposal, the Purchaser shall pay the third instalment of the Consideration within 1 Business Day after receiving the Rights Maintenance Fee paid by the Seller in full. The third instalment of the Consideration shall be 30% of the total Consideration, which is RMB179,646,129.</p> <p>If the Purchaser fails to pay the Consideration in full and on time in accordance with the Share Transfer Agreement, the Purchaser shall pay damages to the Seller at the rate of 3/10,000 per day for the unpaid amount of the Consideration payable to the Seller.</p>

Basis of the Consideration	<p>The Consideration was determined through arm's length negotiations between the parties to the Share Transfer Agreement with reference to (i) the average share price of the Target Company for the 20 days before the date of the Share Transfer Agreement (i.e. RMB23.61 per share of the Target Company); and (ii) the closing price of the Target Company on the trading day immediately prior to the date of the Share Transfer Agreement (i.e. RMB24 per share of the Target Company), whichever is lower, as well as the factors as set out in the section headed "REASONS FOR AND BENEFITS OF THE AGGREGATE DISPOSALS" below.</p>
Completion	<p>The Seller and the Purchaser agree that within 5 Business Days after the Purchaser pays the first instalment of the Consideration to the Seller in full, the Seller and the Purchaser shall apply to China Securities Depository and Clearing Corporation Shanghai branch for share transfer registration and provide all necessary documents for such registration.</p> <p>The Completion shall be the completion of the share transfer registration of the Sale Shares, and the Completion Date shall be the date of completion of the share transfer registration of the Sale Shares.</p>
Conditions Precedent	<p>Completion is subject to the satisfaction (or written waiver) at or prior to the Completion Date of the conditions set out under the Share Transfer Agreement, including among others, certain customary conditions precedent regarding the valid execution and legality of the relevant transaction documents in respect of the Disposal, all necessary approvals, confirmations and consents in respect of the Disposal having been obtained, all disclosure requirements in respect of the Disposal having been fulfilled by the Seller, the Seller's representations and warranties remaining true and accurate up to the Completion Date and the non-existence of government restrictions.</p>
Right of first refusal	<p>If the Purchaser sells its tradable Sale Shares by way of collective bidding, block trade, transfer agreement or otherwise within a period starting from the date on which the Sale Shares are transferred to the securities account of the Purchaser and ending on the expiration date of 18 months from the date on which the Purchaser pays the first instalment of the Consideration (which may be adjusted in the event that all the Sale Shares are sold in advance or any</p>

	suspension of trading of the shares of the Target Company during such period), the Seller shall have the pre-emptive right to purchase such Sale Shares under the same conditions.
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PREVIOUS DISPOSALS

On 2 September 2022, the Seller entered into the Previous Agreement I with Longnan Kelite, pursuant to which the Seller has agreed to sell, and Longnan Kelite has agreed to purchase 25,363,000 shares of the Target Company, representing 5% equity interest in the Target Company as of the date of the transfer, for a total consideration of RMB745,164,940. On the even date, Hainan Yuzhu (a wholly-owned subsidiary of the Seller as at the date of this announcement) entered into the Previous Agreement II with Gansu Yate, pursuant to which Hainan Yuzhu has agreed to sell, and Gansu Yate has agreed to purchase 40,580,800 shares of the Target Company, representing 8% equity interest in the Target Company as of the date of the transfer, for a total consideration of RMB1,192,263,904.

On 14 November 2022, the Seller entered into a supplemental agreement with Longnan Kelite to amend certain terms of the Previous Agreement I, among which, the consideration under the Previous Agreement I was adjusted from RMB745,164,940 to RMB699,004,280. On the even date, Hainan Yuzhu entered into a supplemental agreement with Gansu Yate to amend certain terms of the Previous Agreement II, among which, the consideration under the Previous Agreement II was adjusted from RMB1,192,263,904 to RMB1,118,406,848. Prior to the Previous Disposals, the Seller and Hainan Yuzhu was respectively interested in 30% and 8% equity interest in the Target Company. Upon completion of the Previous Disposals in November 2022, the Seller became interested in 25% equity interest in the Target Company and Hainan Yuzhu ceased to have any interest in the Target Company.

FINANCIAL IMPLICATIONS OF THE AGGREGATE DISPOSALS

Immediately prior to Completion, the Company (through Yuyuan) holds 126,814,900 shares of the Target Company (representing approximately 25% of the total shares of the Target Company). Assuming there is no change in the total shares of the Target Company from the date of this announcement to the Completion Date, the Company (through Yuyuan) will hold 101,451,900 shares of the Target Company (representing approximately 20% of the total shares of the Target Company) upon Completion. Accordingly, the remaining equity interest in the Target Company indirectly held by the Company will be recorded as “investments in associates”. As at the date of this announcement, it is expected that, an unaudited realized disposal revenue of approximately

RMB2,416 million will be recognized by the Group from the Aggregate Disposals. The shareholders of the Company shall note that the actual after-tax gain recognized from the Aggregate Disposals is to be determined by the Group and will be reviewed by the auditors of the Company of the consolidated financial statements of the Group.

The Group intends to use the proceeds from the Aggregate Disposals for the Group's general working capital.

REASONS FOR AND BENEFITS OF THE AGGREGATE DISPOSALS

Yuyuan adheres to the strategy of developing business with the twin-driver of “industry operations and industrial investment”, takes the promotion of “oriental lifestyle aesthetics” as its top priority, continues to develop the “1+1+1” strategy layout of “online and offline membership and service platforms + family happiness consumption industry + urban industry landmarks” and gradually forms an industrial cluster with unique competitive advantages targeting family consumption. The Aggregate Disposals will enable Yuyuan and the Company to focus more resources on the key development strategies and the key projects and create value for their shareholders.

The Directors (including the independent non-executive Directors) are of the view that the Disposal and the terms of the Share Transfer Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the Disposal is conducted within 12 months from the date of completion of the Previous Disposals, the Disposal and the Previous Disposals are required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As one or more applicable ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Aggregate Disposals exceeds 5% but all less than 25%, the Aggregate Disposals constitute discloseable transactions of the Company and are subject to notification and announcement requirements under Chapter 14 of the Listing Rules. None of the applicable percentage ratios in relation to the Disposal or the Previous Disposals (each on a standalone basis) exceeds 5%.

GENERAL INFORMATION

Company

The Company 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.

Seller

The Seller is a joint stock limited company established in the PRC whose shares are listed and traded on the Shanghai Stock Exchange (with stock code 600655) and is a subsidiary of the Company indirectly held as to 61.79% as of the date of this announcement. The Seller is principally engaged in consumer retail and real estates with composite functions. In particular, consumer retail includes but not limited to jewelry and fashion, cultural catering, food and beverage, Chinese fashion watches, and beauty and health.

Purchaser

The Purchaser is a limited partnership established in the PRC and is principally engaged in investment activities and provision of financing consulting services. As at the date of this announcement, the Purchaser was owned as to (i) approximately 99.98% by its limited partner Shandong Railway Development Fund Co., Ltd.* (山東鐵路發展基金有限公司) (“**Shandong Railway**”) and (ii) approximately 0.02% by its general partner Shandong Lisheng Investment Co., Ltd* (山東曆晟投資有限公司) (“**Shandong Lisheng**”). Shandong Railway was held as to approximately 48.49% by Shandong Railway Investment Holding Group Co., Ltd* (山東鐵路投資控股集團有限公司) (“**Shandong Railway Investment**”), which was in turn owned as to approximately 32.25% by Shandong High-speed Group Co., Ltd.* (山東高速集團有限公司) (“**Shandong High-speed Group**”) and ultimately controlled by the State-owned Assets Supervision and Administration Commission of Shandong Province. Save as disclosed above, no individual shareholders of Shandong Railway Investment and Shandong High-speed Group was interested in more than 30% equity interest in Shandong Railway Investment and Shandong High-speed Group, respectively.

Shandong Lisheng was held as to (i) 40% by Jinan Shunsheng Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (濟南舜升企業管理諮詢合夥企業 (有限合伙)), which was in turn owned as to 60% by Li Jie (李潔) and 40% by Fang Meng (房猛); (ii) 35% by

Shandong Lijin Financial Service Contractor Co., Ltd.* (山東曆金金融服務外包有限公司), which was in turn wholly owned by the Finance Bureau of the Licheng District of Jinan; and (iii) 25% by Jinan Yuke Zixing Equity Investment Co., Ltd.* (濟南裕科紫星股權投資有限公司), which was in turn owned as to 70% by Li Jian (李健) and 30% by Yuan Xiangyu (袁翔宇).

To the best of the Directors' knowledge, information and belief, and after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Target Company

The Target Company was established in the PRC. Its shares are listed on the Shanghai Stock Exchange with stock code 603919. The Target Company is principally engaged in the production and sales of liquor.

The consolidated net profits (both before and after taxation) attributable to the equity holders of the Target Company for the two fiscal years immediately preceding the Disposal (in accordance with the China Accounting Standards for Business Enterprises) are as follows:

	For the year ended 31 December	
	2022	2021
	(audited)	(audited)
	approximately	approximately
	RMB million	RMB million
Net profit before tax	302.87	390.09
Net profit after tax	280.24	324.84

The unaudited consolidated total assets and net assets of the Target Company were approximately RMB4,226.68 million and RMB3,334.86 million, respectively, as at 31 March 2023.

DEFINITIONS

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

“Aggregate Disposals”	the Disposal and the Previous Disposals
“Board”	the board of the Directors of the Company
“Business Days”	days other than statutory holidays of the PRC
“Company”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the Main Board of the Hong Kong Stock Exchange
“Completion”	the completion of the Disposal under the Share Transfer Agreement
“Completion Date”	the date of Completion
“Consideration”	the consideration of the Disposal
“Directors”	the directors of the Company
“Disposal”	the disposal of the Sale Shares held by Yuyuan pursuant to the Share Transfer Agreement
“Gansu Yate”	Gansu Yate Investment Group Co., Ltd* (甘肅亞特投資集團有限公司), a company established in the PRC with limited liability and a third party independent of the Company and its connected persons
“Group”	the Company and its subsidiaries
“Hainan Yuzhu”	Hainan Yuzhu Enterprise Management Co., Ltd.* (海南豫珠企業管理有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Yuyuan as at the date of this announcement
“HKD”	Hong Kong dollars, 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

“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Longnan Kelite”	Longnan Kelite Investment Management Center (Limited Partnership)* (隴南科立特投資管理中心（有限合夥）), a limited partnership established in the PRC and a third party independent of the Company and its connected persons
“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement only excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan region
“Previous Agreement I”	a share transfer agreement dated 2 September 2022 entered into between Yuyuan (as seller) and Longnan Kelite (as purchaser) in relation to the sale of 25,363,000 shares of the Target Company (as amended by a supplemental agreement entered into between Yuyuan and Longnan Kelite dated 14 November 2022)
“Previous Agreement II”	a share transfer agreement dated 2 September 2022 entered into between Hainan Yuzhu (as seller) and Gansu Yate (as purchaser) in relation to the sale of 40,580,800 shares of the Target Company (as amended by a supplemental agreement entered into between Hainan Yuzhu and Gansu Yate dated 14 November 2022)
“Previous Agreements”	Previous Agreement I and Previous Agreement II
“Previous Disposals”	the disposal of an aggregate of 65,943,800 shares of the Target Company by Yuyuan and Hainan Yuzhu to Longnan Kelite and Gansu Yate pursuant to the Previous Agreements
“RMB”	Renminbi, the lawful currency of the PRC
“Purchaser” or “Jinan Tiesheng”	Jinan Tiesheng No.3 Investment Partnership (Limited Partnership)* (濟南鐵晟叁號投資合夥企業（有限合夥）), a limited partnership established in the PRC and a third party independent of the Company and its connected persons
“Sale Shares”	25,363,000 shares of the Target Company which are not subject to any selling restriction, representing 5.0% of the total shares of the Target Company
“Seller” or “Yuyuan”	Shanghai Yuyuan Tourist Mart (Group) Co., Ltd.* (上海豫園旅遊商城（集團）股份有限公司), established under the laws of the PRC, is a 61.79% owned subsidiary of the Company as at the date of this

	announcement whose A shares are listed on the Shanghai Stock Exchange with stock code 600655
“Share Transfer Agreement”	a share transfer agreement dated 24 July 2023 entered into between Yuyuan (as seller) and Jinan Tiesheng (as purchaser) in relation to the sale of the Sale Shares
“Target Company” or “Jinhui Liquor”	Jinhui Liquor Co., Ltd. * (金徽酒股份有限公司), a joint stock limited company established under the laws of the PRC, whose A shares are listed on the Shanghai Stock Exchange with stock code 603919
“%”	per cent

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

24 July 2023

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Wang Qunbin, Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Gong Ping, Mr. Huang Zhen and Mr. Pan Donghui; the non-executive directors are Mr. Yu Qingfei, Mr. Li Shupeí and Mr. Li Fuhua; 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.

** for identification purpose only*