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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)

**MAJOR TRANSACTION
IN RELATION TO
DEEMED DISPOSAL OF EQUITY INTEREST IN
JEWELRY FASHION GROUP**

Capitalized terms used in this cover shall have the same meanings as those defined in the section headed “Definitions” in this circular. A letter from the Board is set out on pages 5 to 21 of this circular.

The Company has obtained a written shareholder’s approval in lieu of holding a general meeting to approve the Capital Increase as required under Rule 14.44 of the Listing Rules. This circular is being dispatched to the shareholders for information only.

25 September 2025

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DEFINITIONS

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

“Aggregate Capital Increases”	the Capital Increase and the Previous Capital Increases
“Board”	the board of directors of the Company
“BOC Investment”	Bank of China Financial Asset Investment Co., Ltd.* (中銀金融資產投資有限公司), a limited liability company established under the laws of the PRC
“BOCOM Capital Increase”	subscription of the newly increased registered capital of the Target Company by BOCOM Investment with RMB600 million in accordance with the BOCOM Capital Increase Agreement
“BOCOM Capital Increase Agreement”	the capital increase agreement entered into on 20 December 2024, between Yuyuan, Shanghai Yuyijin, Heze Zhuying (the existing shareholders of the Target Company), BOCOM Investment and the Target Company in relation to the BOCOM Capital Increase
“BOCOM Investment”	Bank of Communications Financial Asset Investment Co., Ltd.* (交銀金融資產投資有限公司), a limited liability company established under the laws of the PRC
“Business Day(s)”	days other than public holidays and weekends of the PRC
“Capital Increase”	subscription of the newly increased registered capital of the Target Company by BOC Investment with RMB400 million in accordance with the Capital Increase Agreement
“Capital Increase Agreement”	the capital increase agreement entered into on 13 June 2025, between Yuyuan, Shanghai Yuyijin, Heze Zhuying, BOCOM Investment (the existing shareholders of the Target Company), BOC Investment and the Target Company in relation to the Capital Increase
“Company”	Fosun International Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed and traded on the Main Board of the Hong Kong Stock Exchange with stock code 00656
“Directors”	the directors of the Company

DEFINITIONS

“External Investor(s)” or “Each External Investor”	Shui Bo, Chen Xi, Cheng Yu, Chen Bin, Mei Jiawang, Lin Ruizhu, Feng Zheng, Henan Chaomeifu E-Commerce Co., Ltd.* (河南潮美福電子商務有限公司), Hangzhou Fucheng Jewelry Co., Ltd.* (杭州福誠珠寶首飾有限公司), Weng Guanghong, Xi'an Tianshiyuan Industrial Development Co., Ltd.* (西安市天世源實業發展有限公司), Weng Lili, Pan Ruopeng, Chengdu Furuihang Jewelry Co., Ltd.* (成都福瑞航珠寶有限公司), Weng Tingting, Niu Hailiang, Wan Jiahui, Inner Mongolia Laifu Jewelry Co., Ltd. (內蒙古萊福珠寶有限公司), Mingdao Investment (Hainan) Co., Ltd.* (明道投資(海南)有限公司), Ding Jieli, Heilongjiang Yechenghuihe E-Commerce Co., Ltd.* (黑龍江省業成匯合電子商務有限公司), Dai Xiaoling, Wang Xin, Li Dengli, Weng Donglai, Chen Jiajie, Huang Weixiong, Zhang Jianqing, Zou Xiaohan, Weng Qingrong, Zhou Jingwei, Zheng Chunyu, Cai Congjie, Yao Peng, Shanghai Juerui Network Technology Co. Ltd.* (上海爵爾瑞網路科技有限公司), Liu Qingfeng
“Fosun Holdings”	Fosun Holdings Limited, a limited liability company incorporated in Hong Kong
“Fosun International Holdings”	Fosun International Holdings Ltd., a limited liability company incorporated in the British Virgin Islands
“Fosun Pharma”	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a company whose A shares are listed on the SSE with stock code 600196, and whose H shares are listed on the Hong Kong Stock Exchange with stock code 02196
“Group”	the Company and its subsidiaries
“Henlius”	Shanghai Henlius Biotech, Inc.* (上海復宏漢霖生物技術股份有限公司), a company whose shares are listed on the Hong Kong Stock Exchange with stock code 02696
“Heze Zhuying”	Heze Zhuying Enterprise Management Partnership (Limited Partnership)* (荷澤珠盈企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Independent Valuer”	Shanghai Lixin Appraisal Co., Ltd* (上海立信資產評估有限公司)
“Institutional Investor”	BOCOM Investment and BOC Investment
“Investment Agreements”	several investment agreements entered into on 20 November 2024, between Yuyuan, Shanghai Yuyijin, Heze Zhuying (the then shareholders of the Target Company), the Target Company and each of the 36 External Investors regarding the capital increase in Jewelry Fashion Group
“Investors”	External Investors and Institutional Investors
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“LPD”	18 September 2025, being the latest date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“PRC”	the People’s Republic of China and, for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Previous Capital Increases”	pursuant to the several Investment Agreements, the 36 External Investors each made the capital contributions to Heze Zhuying and subsequently obtained equity interest in the Target Company through Heze Zhuying’s capital increase in the Target Company; and pursuant to the BOCOM Capital Increase Agreement, BOCOM Investment subscribed for the newly increased registered capital of the Target Company with RMB600 million
“RMB”	Renminbi, the lawful currency of the PRC
“Senche Business Consulting”	Shanghai Senche Business Consulting Co., Ltd.* (上海森澈商務諮詢有限責任公司), a limited liability company established under the laws of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Yuyijin”	Shanghai Yuyijin Business Consulting Partnership (Limited Partnership)* (上海豫逸金商務諮詢合夥企業(有限合夥)), a limited partnership established under the laws of the PRC

DEFINITIONS

“Shareholder Agreement”	the shareholder agreement entered into on 13 June 2025 between Yuyuan, Shanghai Yuyijin, Heze Zhuying, BOCOM Investment (the existing shareholders of the Target Company), BOC Investment and the Target Company in relation to the Capital Increase, stipulating certain shareholder rights, including equity purchase rights and put option rights
“SSE”	the Shanghai Stock Exchange
“Star Select Data Technology”	Shanghai Fosun Star Select Data Technology Co., Ltd.* (上海復星星選數據科技有限公司), a limited liability company established under the laws of the PRC
“Target Company” or “Jewelry Fashion Group”	Shanghai Yuyuan Jewelry Fashion Group Co., Ltd.* (上海豫園珠寶時尚集團有限公司), a limited liability company established under the laws of the PRC
“Valuation Benchmark Date”	30 June 2024
“Valuation Report”	<i>The Valuation Report on the Total Equity Value of Shareholders of Shanghai Yuyuan Jewelry Fashion Group Co., Ltd.* (上海豫園珠寶時尚集團有限公司) Prepared for the Purpose of Understanding Its Value</i> issued by the Independent Valuer, with 30 June 2024 as the Valuation Benchmark Date, for the appraisal of the Target Company
“Yuyuan”	Shanghai Yuyuan Tourist Mart (Group) Co., Ltd.* (上海豫園旅遊商城(集團)股份有限公司), a joint stock company established under the laws of the PRC, is a 61.84%-owned subsidiary of the Company as at the date of the Capital Increase Agreement whose shares are listed on the Shanghai Stock Exchange with stock code 600655
“Yuyuan Parties”	Yuyuan, Shanghai Yuyijin, and/or the Target Company
“%”	per cent

* All of the English titles or names of the PRC entities, as well as certain items contained in this circular have been included for identification purpose only and may not necessarily be the official English translations of the corresponding Chinese titles or names. If there is any inconsistency between the English translations and the Chinese titles or names, the Chinese titles or names shall prevail.

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. Gong Ping
Mr. Huang Zhen
Mr. Pan Donghui

Non-executive Directors:

Mr. Li Shupe
Mr. Li Fuhua
Mr. Luo Yuanli

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

25 September 2025

To the Shareholders

Dear Sirs or Madams,

**MAJOR TRANSACTION
IN RELATION TO DEEMED DISPOSAL OF EQUITY INTEREST IN
JEWELRY FASHION GROUP**

1. BACKGROUND

Yuyuan (a subsidiary of the Company) planned to introduce investors to its subsidiary Jewelry Fashion Group through capital increase and equity expansion. The planned financing amount did not exceed RMB2 billion, and the total number of investors did not exceed 40.

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2. THE CAPITAL INCREASE

On 13 June 2025, Yuyuan, Shanghai Yuyijin, Heze Zhuying, BOCOM Investment (the existing shareholders of the Target Company), BOC Investment (as an investor) and the Target Company entered into the Capital Increase Agreement, pursuant to which, the parties agreed BOC Investment would subscribe for the Target Company's newly increased registered capital of RMB96,352,578 with RMB400 million in cash, representing 3.5596% of the enlarged total share capital of the Target Company after the Capital Increase. Upon completion of the Capital Increase, the Company will indirectly hold 91.03% of the enlarged total share capital of the Target Company through Yuyuan, and the Target Company will remain a subsidiary of the Company. On the same day, the above-mentioned parties also entered into the Shareholder Agreement, which stipulated certain shareholders' rights.

The principal terms of the Capital Increase Agreement are set out below:

Date

13 June 2025

Parties

The investor: BOC Investment

The existing shareholders of the Target Company: Yuyuan, Shanghai Yuyijin, Heze Zhuying, BOCOM Investment

The Target Company: Jewelry Fashion Group

To the best of the Directors' knowledge, information and belief, and after having made all reasonable enquiries, the parties to the Capital Increase Agreement and their ultimate beneficial owners (save as disclosed below) are third parties independent of the Company and its connected persons.

The Capital Increase

BOC Investment would subscribe for the Target Company's newly increased registered capital of RMB96,352,578 with RMB400 million in cash, representing 3.5596% of the enlarged total share capital of the Target Company after the Capital Increase.

Consideration and Payment Arrangement

The amount of the Capital Increase is RMB400 million (the "**Capital Increase Price**"). Within 10 Business Days after all the conditions precedent specified in the Capital Increase Agreement are satisfied, BOC Investment shall pay the entire Capital Increase Price in a single installment to the capital supervision account (the "**Fund Account**") opened by the Target

LETTER FROM THE BOARD

Company at a bank designated by BOC Investment. The date on which BOC Investment pays the full Capital Increase Price shall be the payment date of the Capital Increase Price (the “**Capital Increase Price Payment Date**”).

Basis for Consideration

Pursuant to the Valuation Report, the net assets of the Target Company as of the Valuation Benchmark Date were valued at RMB9,016 million. The parties to the Capital Increase mutually agreed considering the following factors: (i) the net assets valuation of the Target Company as at the Valuation Benchmark Date; and (ii) the audited consolidated net profit of the Target Company for the second half of 2024 (RMB241.2886 million). The parties to the Capital Increase confirmed that the overall valuation of the Target Company before the Capital Increase (the “**Pre-Capital Increase Valuation**”) shall be the sum of the aforementioned items (i) and (ii). All parties agreed to use the Pre-Capital Increase Valuation as the basis for the consideration of the Capital Increase in the Target Company by BOC Investment.

The shareholding percentage of BOC Investment after the Capital Increase, i.e. 3.5596%, is calculated based on the following formula:

the Capital Increase amount of RMB400 million / (the Capital Increase amount of RMB400 million + the Pre-Capital Increase Valuation + Heze Zhuying’s investment amount of RMB980 million + BOCOM Investment’s investment amount of RMB600 million)

Completion

From the Capital Increase Price Payment Date, BOC Investment will become a shareholder of the Target Company, and shall, by virtue of its shareholdings in the Target Company, enjoy shareholders’ rights and undertake shareholders’ obligations. The Target Company and Yuyuan shall complete the application documents for commercial registration amendments in relation to the Capital Increase and submit the application for the commercial registration amendments within 30 Business Days from the Capital Increase Price Payment Date, and complete the commercial registration amendments in relation to the Capital Increase within 6 months from the Capital Increase Price Payment Date. The documents agreed in the Capital Increase Agreement shall also be delivered to BOC Investment.

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Following the completion of the Capital Increase, the shareholding structure of the Target Company is as follows:

Shareholder Name	Shareholding Percentage
Yuyuan	81.2752%
Shanghai Yuyijin	0.8202%
Heze Zhuying	8.9392%
BOCOM Investment	5.4059%
BOC Investment	<u>3.5596%</u>
Total	<u><u>100%</u></u>

Conditions Precedent

The conditions precedent to the performance of the payment obligations for the Capital Increase by BOC Investment represent that before the Capital Increase Price Payment Date, certain conditions precedent specified in the Capital Increase Agreement have all been fulfilled or waived by BOC Investment, and Yuyuan and the Target Company have provided BOC Investment with written confirmation letters signed by their respective legal representatives or authorized representatives and affixed with their respective official seals confirming the fulfilment of all conditions precedent as well as relevant supporting documents. Such conditions precedent include:

- (i) the transaction documents relating to the Capital Increase have been duly signed; and the revised contents of the constitution of the Target Company involved in the Capital Increase have been agreed;
- (ii) except for matters disclosed in writing to BOC Investment, the representations and warranties set out in the Capital Increase Agreement are, as at the date of entering into the Capital Increase Agreement and the Capital Increase Price Payment Date, true, accurate, complete and not misleading in all material respects;
- (iii) neither Yuyuan nor the Target Company has, prior to the Capital Increase Price Payment Date, committed any material breach of its obligations under the Capital Increase Agreement;
- (iv) as at the Capital Increase Price Payment Date, no event or circumstance has occurred in respect of Yuyuan and the relevant companies of the Target Company that would have a material adverse effect;
- (v) Yuyuan and the Target Company have obtained all necessary internal and external approvals for the Capital Increase;

LETTER FROM THE BOARD

(vi) the Target Company has opened the Fund Account in accordance with the provisions of the Capital Increase Agreement and has provided the relevant Fund Account details to BOC Investment; and

(vii) the Capital Increase has been duly approved and authorized by all necessary internal and external parties of BOC Investment.

If any of the conditions precedent set out in the Capital Increase Agreement have not been fulfilled within 30 Business Days from the date of entering into the Capital Increase Agreement, BOC Investment shall have the right to either extend the said period or terminate the Capital Increase Agreement by written notice.

Use of Capital Contribution

Unless otherwise approved in writing by BOC Investment in advance, the Target Company shall, and only shall, use all the Capital Increase Price exclusively for the repayment of its own and/or Yuyuan's debts to qualified financial institutions.

3. THE PREVIOUS CAPITAL INCREASES

Capital Increase by External Investors

On 20 November 2024, Yuyuan, Shanghai Yuyijin, Heze Zhuying (the then shareholders of the Target Company) and the Target Company entered into several Investment Agreements with 36 External Investors, pursuant to which, the parties agreed that the 36 External Investors each would make capital contributions in cash to Heze Zhuying, and subsequently obtain indirect equity interest in the Target Company through Heze Zhuying's capital increase in the Target Company.

The External Investors made an aggregate capital contribution of RMB770 million in Heze Zhuying, representing 78.5714% of its partnership interest, and became limited partners of Heze Zhuying; Senche Business Consulting (a wholly-owned subsidiary of Yuyuan), as the general partner of Heze Zhuying, made a capital contribution of RMB10 million in Heze Zhuying, representing 1.0204% of its partnership interest; Star Select Data Technology (a wholly-owned subsidiary of Yuyuan), as a limited partner of Heze Zhuying, made a capital contribution of RMB200 million, representing 20.4082% of its partnership interest. Subsequent to the capital contributions, Heze Zhuying remains consolidated in the financial statements of Yuyuan. Details of the interests of Heze Zhuying are as follows:

Name of the Partner	Type	Subscribed Capital Contribution (RMB million)	Contribution Percentage
Senche Business Consulting	general partner	10	1.0204%
Star Select Data Technology	limited partner	200	20.4082%
Shui Bo	limited partner	90	9.1837%

LETTER FROM THE BOARD

Name of the Partner	Type	Subscribed Capital Contribution (RMB million)	Contribution Percentage
Chen Xi	limited partner	70	7.1429%
Cheng Yu	limited partner	40	4.0816%
Chen Bin	limited partner	50	5.1020%
Mei Jiawang	limited partner	50	5.1020%
Lin Ruizhu	limited partner	30	3.0612%
Feng Zheng	limited partner	30	3.0612%
Henan Chaomeifu E-Commerce Co., Ltd.* (河南潮美福電子商務有限公司)	limited partner	30	3.0612%
Hangzhou Fucheng Jewelry Co., Ltd.* (杭州福誠珠寶首飾有限公司)	limited partner	30	3.0612%
Weng Guanghong	limited partner	20	2.0408%
Xi'an Tianshiyuan Industrial Development Co., Ltd.* (西安市天世源實業發展有限 公司)	limited partner	20	2.0408%
Weng Lili	limited partner	20	2.0408%
Pan Ruopeng	limited partner	20	2.0408%
Chengdu Furuihang Jewelry Co., Ltd.* (成都福瑞航珠寶有限公司)	limited partner	20	2.0408%
Weng Tingting	limited partner	20	2.0408%
Niu Hailiang	limited partner	20	2.0408%
Wan Jiahui	limited partner	20	2.0408%
Inner Mongolia Laifu Jewelry Co., Ltd.* (內蒙古萊福珠寶有限公司)	limited partner	15	1.5306%
Mingdao Investment (Hainan) Co., Ltd.* (明道投資(海南)有限公司)	limited partner	15	1.5306%
Ding Jieli	limited partner	10	1.0204%
Heilongjiang Yechenghuihe E-commerce Co., Ltd.* (黑龍江省業成匯合電子商務 有限公司)	limited partner	10	1.0204%
Dai Xiaoling	limited partner	10	1.0204%
Wang Xin	limited partner	5	0.5102%
Li Dengli	limited partner	5	0.5102%
Weng Donglai	limited partner	10	1.0204%
Chen Jiajie	limited partner	10	1.0204%
Huang Weixiong	limited partner	10	1.0204%
Zhang Jianqing	limited partner	10	1.0204%
Zou Xiaohan	limited partner	10	1.0204%
Weng Qingrong	limited partner	10	1.0204%
Zhou Jingwei	limited partner	10	1.0204%
Zheng Chunyu	limited partner	10	1.0204%
Cai Congjie	limited partner	10	1.0204%
Yao Peng	limited partner	10	1.0204%
Shanghai Juerui Network Technology Co., Ltd.* (上海爵爾瑞網絡科技有限公司)	limited partner	10	1.0204%
Liu Qingfeng	limited partner	10	1.0204%
Total		980	100%

LETTER FROM THE BOARD

Heze Zhuying subscribed for the Target Company's newly increased registered capital of RMB241,972,889 with a total consideration of RMB980 million in cash, representing 9.8196% of the enlarged total share capital of the Target Company after such investments. The parties to the Investment Agreements mutually agreed, based on the following factors: (i) the net assets valuation of the Target Company as at the Valuation Benchmark Date; and (ii) the financial condition and operational performance of the Target Company, that Heze Zhuying used a pre-investment valuation of RMB9,000 million of the Target Company as the basis for the consideration of the capital contribution to subscribe for the newly increased registered capital of the Target Company at a price of RMB4.05 per RMB1 of registered capital under the Investment Agreements. The Target Company intends to use the proceeds from such capital contributions for its daily operations and development.

BOCOM Capital Increase

On 20 December 2024, Yuyuan, Shanghai Yuyijin, Heze Zhuying (the then shareholders of the Target Company), BOCOM Investment (as an investor) and the Target Company entered into the BOCOM Capital Increase Agreement, pursuant to which, the parties agreed BOCOM Investment would subscribe for the Target Company's newly increased registered capital of RMB146,328,846 with RMB600 million in cash, representing 5.6054% of the enlarged total registered capital of the Target Company after such capital increase. The parties to the BOCOM Capital Increase Agreement mutually agreed, with reference to the following factors: (i) the net assets valuation of the Target Company as at the Valuation Benchmark Date of RMB9,016 million; and (ii) the audited consolidated net profit of the Target Company for the third quarter of 2024 of RMB107.98 million, that the pre-investment valuation of the Target Company for the purpose of the BOCOM Capital Increase (the “**BOCOM Pre-Investment Valuation**”) shall be the sum of the aforementioned items (i) and (ii). The parties agreed to use the BOCOM Pre-Investment Valuation as basis for the consideration for the BOCOM Capital Increase. Unless otherwise agreed in writing in advance by BOCOM Investment, the Target Company shall, and only shall, apply the entire capital contribution under the BOCOM Capital Increase Agreement exclusively towards the repayment of its own and/or Yuyuan's debts to qualified financial institutions. On the same day, the above-mentioned parties also entered into relevant shareholder agreement, which stipulated certain shareholders' rights.

Before and upon completion of the Aggregate Capital Increases, the Company indirectly held 100% and will hold 91.03% of the total equity interest in the Target Company through Yuyuan respectively (assuming that there will be no change in the total share capital of the Target Company from 13 June 2025 to the date of completion of the Aggregate Capital Increases). Subsequent to the Aggregate Capital Increases, the Target Company will remain a subsidiary of the Company.

LETTER FROM THE BOARD

Equity Purchase Rights

Under the Investment Agreements, in the event that each External Investor and/or its controlling shareholder or ultimate controller is: (i) investigated by judicial authorities on suspicion of criminal activity; (ii) included in the list of dishonest debtors by the court, and remaining on the list for more than three months since the date of inclusion without being removed in accordance with the law; or (iii) found to have violated securities laws, administrative regulations, or departmental rules and regulations, resulting in being publicly censured by the stock exchange or subject to administrative penalties by the China Securities Regulatory Commission, the Yuyuan Parties shall have the right to repurchase the equity interest of such External Investors in the Target Company or its partnership interest in Heze Zhuying in accordance with the provisions regarding the Put Options of External Investors as stipulated in the relevant Investment Agreements (“**Yuyuan Repurchase of External Investors’ Interests**”).

Pursuant to the relevant shareholder agreements for BOCOM Capital Increase and the Capital Increase, if the Institutional Investor fails to achieve a full exit through the capital market within the agreed investment period (details set out in the section “**PUT OPTIONS OF INVESTORS**” below), Yuyuan shall have the right (but not the obligation), from the day following the expiry of such investment period, to acquire all (but not part of) the equity interest in the Target Company held by such Institutional Investor either by itself or through a designated third party (“**Yuyuan Equity Purchase Right**”).

Put Options of Investors

Under the Investment Agreements, each External Investor shall have the right to require Yuyuan to purchase, within 30 days following the expiry of 60 months from the relevant closing date, all of (but not part of) its equity interest in the Target Company held through Heze Zhuying (calculated based on Heze Zhuying’s equity interest in the Target Company multiplied by the External Investor’s partnership interest in Heze Zhuying), or its entire partnership interest in Heze Zhuying (“**Put Options of External Investors**”).

The consideration for the Put Options of External Investors (the “**Put Options Consideration of External Investors**”) shall be calculated as follows:

Put Options Consideration of External Investors = $M1 + M2 + \dots + Mn - \text{cumulative cash dividends distributed by the Target Company or profit distributions from Heze Zhuying received by the External Investor}$

Where $M1, M2 \dots Mn$ represent each actual capital contribution made by the External Investor to Heze Zhuying $\times (1 + 8\%N)$, and N refers to the number of years from the date such capital contribution was received by Heze Zhuying to the date of payment of the repurchase amount, calculated as $N = \text{number of days between the capital contribution receipt date and the repurchase payment date} / 365$. The repurchase amount shall be paid in cash, and

LETTER FROM THE BOARD

shall be paid in full or be distributed to the External Investor by Yuyuan or its designated party or through Heze Zhuying within 30 days from the date the External Investor issues a written repurchase request.

Pursuant to the relevant agreements regarding the BOCOM Capital Increase and the Capital Increase, all relevant parties agreed that during the investment period (for BOCOM Investment, the investment period is within 3 years from the investment commencement date, extendable by 2 years upon mutual agreement between BOCOM Investment and Yuyuan; for BOC Investment, the investment period is within 30 months from the investment commencement date, extendable by 2 years upon mutual agreement between BOC Investment and Yuyuan; should further extension be required, the specific extended period shall be determined through negotiations between the relevant Institutional Investors and Yuyuan), in the event of any of the following, the Institutional Investor may require Yuyuan or its designated third party to purchase all or part of its equity interest in the Target Company (**“Put Options of Institutional Investors”**, together with the Put Options of External Investors, the **“Put Options of Investors”**):

- (i) Occurrence of any of the following: (a) the Target Company fails to meet the agreed consolidated net profit targets for two consecutive fiscal years; (b) the Target Company fails to distribute profits to all shareholders on a pro-rata basis in accordance with the one share, one vote principle; (c) the consolidated asset-liability ratio of Yuyuan and/or the Target Company, based on audited financial reports for any fiscal year, exceeds the agreed threshold under the relevant agreement (subject to more stringent or lenient regulatory requirements, if applicable), and the issue is not resolved within the grace period provided by the Institutional Investor; (d) financial default, bankruptcy risk or liquidation events (including, but not limited to, any proceedings of bankruptcy, cessation of business, liquidation, revocation, closure, cancellation, or dissolution initiated against it or voluntarily initiated by it) of Yuyuan and/or the Target Company;
- (ii) material breach of the relevant transaction documents by Yuyuan and/or the Target Company, which is not rectified within 30 days after receiving notice from the Institutional Investor;
- (iii) rescission or termination of the relevant shareholder agreement and/or capital increase agreement involving the Institutional Investor.

LETTER FROM THE BOARD

The consideration for the Put Options of Institutional Investors shall be determined as follows:

- (a) at a price based on the valuation conducted by a qualified valuation institution appointed for this purpose (the “**Consideration I**”).
- (b) if Yuyuan and the Institutional Investor fail to reach mutual agreement on Consideration I or the draft valuation report is not provided within the agreed period, both parties agree that the consideration shall be determined by the following formula (the “**Consideration II**”, together with Consideration I, the “**Put Options Consideration of Institutional Investors**”):

$$\text{Consideration II} = \text{Capital Increase Amount by the Institutional Investor} + \text{Unrealized Return}$$

Where Unrealized Return is the amount of profit distribution the Institutional Investor has not yet received based on the annual performance targets and it is calculated as: $(P - D)/75\%$

P refers to the total distributable profits the Target Company should have paid to the Institutional Investor from the date of investment until the full payment date of Consideration II. Annual distributable profits = annual performance target $\times$ equity interest in the Target Company held by the Institutional Investor post-closing.

D refers to the total amount of profits actually distributed by the Target Company to the Institutional Investor from the date of investment until the full payment date of Consideration II.

If Unrealized Return is negative, it shall be deemed as zero in the case with BOC Investment.

4. GENERAL INFORMATION OF THE PARTIES

The 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.

Investors under the Aggregate Capital Increases

The 36 External Investors include 28 natural persons, namely Shui Bo, Chen Xi, Cheng Yu, Chen Bin, Mei Jiawang, Lin Ruizhu, Feng Zheng, Weng Guanghong, Weng Lili, Pan Ruopeng, Weng Tingting, Niu Hailiang, Wan Jiahui, Ding Jieli, Dai Xiaoling, Wang Xin, Li Dengli, Weng Donglai, Chen Jiajie, Huang Weixiong, Zhang Jianqing, Zou Xiaohan, Weng Qingrong, Zhou Jingwei, Zheng Chunyu, Cai Congjie, Yao Peng, and Liu Qingfeng, as well

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as 8 limited liability companies established under the laws of the PRC which are controlled by certain natural persons, namely Henan Chaomeifu E-Commerce Co., Ltd.* (河南潮美福電子商務有限公司) (with Chen Jianyi holding 80% of its equity interest), Hangzhou Fucheng Jewelry Co., Ltd.* (杭州福誠珠寶首飾有限公司) (with Wu Liguoholding 56% of its equity interest), Xi'an Tianshiyuan Industrial Development Co., Ltd.* (西安市天世源實業發展有限公司) (with Yang Jun, Pan Zhijia and Lian Shijian holding 40%, 30% and 30% of its equity interest respectively), Chengdu Furuihang Jewelry Co., Ltd.* (成都福瑞航珠寶有限公司) (with Lin Hang holding 40% of its equity interest), Inner Mongolia Laifu Jewelry Co., Ltd.* (內蒙古萊福珠寶有限公司) (with Cai Jianfang and Pan Yuanfang holding 51% and 49% of its equity interest respectively), Mingdao Investment (Hainan) Co., Ltd.* (明道投資(海南)有限公司) (with Liu Jianbiao holding 75% of its equity interest), Heilongjiang Yechenghuihe E-Commerce Co., Ltd.* (黑龍江省業成匯合電子商務有限公司) (with Wang Zeyu holding 100% of its equity interest), Shanghai Juerui Network Technology Co., Ltd.* (上海爵爾瑞網路科技有限公司) (with Liu Yichao and Yao Shuobin holding 55% and 35% of its equity interest respectively). Except for the above disclosures, no other shareholders hold more than 30% of the equity interest in any of the aforementioned companies. The principal businesses of these 8 companies are wholesale and retail of jewelry, sales of gold and silver products, and other related businesses.

Senche Business Consulting is a limited liability company established under the laws of the PRC, and its main business is enterprise management consulting. As at the date of the Capital Increase Agreement, it is a wholly-owned subsidiary of Yuyuan.

Star Select Data Technology is a limited liability company established under the laws of the PRC, and its main business is sales of gold and silver products, jewelry retail, sales of clock, watch and glasses, internet sales (except for the sale of licensed goods) and other related businesses. As at the date of the Capital Increase Agreement, it is a wholly-owned subsidiary of Yuyuan.

Heze Zhuying is a limited partnership established under the laws of the PRC, and its main business is enterprise management and investment activities with its own funds. As at the date of the Capital Increase Agreement, it is consolidated in the financial statements of Yuyuan. Its general partner is Senche Business Consulting, holding 1.0204% interest in the partnership; Star Select Data Technology is its limited partner, holding 20.4082% interest; while the remaining limited partners are the 36 External Investors, none of whom holds more than 10% interest in the partnership individually.

BOCOM Investment is a limited liability company established under the laws of the PRC, and its main business is non-banking financial services. It is a wholly-owned subsidiary of Bank of Communications Co., Ltd. (“**BOCOM**”). BOCOM’s H shares and A shares are listed on the Hong Kong Stock Exchange with stock code 03328 and the SSE with stock code 601328, respectively. As at the date of the Capital Increase Agreement, the Ministry of Finance of the PRC is its largest shareholder.

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BOC Investment is a limited liability company established under the laws of the PRC and is principally engaged in business activities approved by the banking regulatory and supervisory authorities under the State Council of China, including: acquiring bank debts owed by enterprises for debt-to-equity conversion purposes; converting such debts into equity interest and managing the equity holdings; and restructuring, transferring and disposing of debts that cannot be converted into equity. BOC Investment is a wholly-owned subsidiary of Bank of China Limited (“BOC”). BOC’s H shares and A shares are listed on the Hong Kong Stock Exchange with stock code 03988 and the SSE with stock code 601988, respectively. As at the date of the Capital Increase Agreement, its controlling shareholder is Central Huijin Investment Ltd.* (中央匯金投資有限責任公司) (“**Central Huijin**”), a state-owned enterprise wholly funded by China Investment Corporation* (中國投資有限公司).

Other Parties to the Aggregate Capital Increases

Yuyuan, a joint stock company established under the laws of the PRC and whose shares are listed on the SSE with stock code 600655, is a 61.84%-owned subsidiary of the Company as at the date of the Capital Increase Agreement. Yuyuan is mainly engaged in consumer retail and complex real estate businesses. Its consumer retail segment includes, among others, jewelry fashion, cultural catering, food and beverage, Chinese fashion watches, beauty and health, etc..

Shanghai Yuyijin, a limited partnership established under the laws of the PRC, and its main business is enterprise management consulting. As at the date of the Capital Increase Agreement, it is a subsidiary of Yuyuan. Its general partner is Senche Business Consulting, holding approximately 37.54% equity interest in the partnership. Among its limited partners, Mr. Xu Xiaoliang and Mr. Huang Zhen, being directors of the Company, hold approximately 6.25% and 2.5% interests in the partnership respectively, while Mr. Ni Qiang, Ms. Hao Yuming, Mr. Mao Xianghua and Mr. Zhou Bo, being directors of significant subsidiaries of the Company, hold approximately 1.33%, 0.87%, 1.33% and 1.58% interests in the partnership respectively. Mr. Zhang Jian, being the chief executive of a significant subsidiary of the Company, holds approximately 6.66% interest in the partnership. None of the limited partner holds more than 10% interest in the partnership.

To the best of the Directors’ knowledge, information and belief, and after having made all reasonable enquiries, the parties to the agreements of the Aggregate Capital Increases and their ultimate beneficial owners (other than disclosed above), are third parties independent of the Company and its connected persons.

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Target Company

The Target Company is a limited liability company established under the laws of the PRC, primarily engaged in the wholesale and retail of gold and jewelry products. As at the date of the Capital Increase Agreement, it is a subsidiary of Yuyuan.

The following sets out the audited financial information of Jewelry Fashion Group prepared in accordance with the PRC Generally Accepted Accounting Principles (“**Business Accounting Principles**”) for the three years ended 31 December 2022, 2023 and 2024, and the unaudited financial information prepared in accordance with the Business Accounting Principles for the six months ended 30 June 2025:

	For the 6 months ended 30 June 2025	For the year ended 31 December		
	2024	2023	2022	
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Total assets	17,792.2	17,775.8	14,434.2	9,330.9
Net assets	6,250.9	5,877.9	4,372.2	3,521.2
Revenue	12,899.0	29,995.9	36,426.8	32,432.5
Net profit before tax	384.9	968.3	1,052.1	951.7
Net profit after tax	290.3	713.7	791.7	697.4

5. PROFIT FORECAST

As the income approach is used as the basis of the valuation of the Target Company in determining the consideration for the Aggregate Capital Increase, the valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules. The Board confirms that the profit forecast was made by the Board after due and careful enquiry. OOP CPA & Co., the reporting accountants, has reported on the arithmetical calculations of the discounted future estimated cash flows upon which the valuation prepared by the Independent Valuer were based.

The letter from the reporting accountants and letter from the Board both dated 13 June 2025 regarding the profit forecast contained in the Valuation Report are set out in Appendix IV to this circular, for the purpose of Rule 14.60A of the Listing Rules.

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6. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given their opinions or advices in this circular:

Name	Qualification	Date of Opinion
OOP CPA & Co.	Certified Public Accountants under Professional Accountant Ordinance (Cap.50 of Laws of Hong Kong) and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Cap.588 of Laws of Hong Kong)	13 June 2025
Shanghai Lixin Appraisal Co., Ltd* (上海立信資產評估有限公司)	an independent valuer qualified in the PRC	12 September 2024

As at the LPD, none of the above experts has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate other persons to subscribe for securities in any member of the Group.

As at the LPD, each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name and letter, where applicable, in the form and context in which they respectively appear.

7. FINANCIAL IMPACT OF THE AGGREGATE CAPITAL INCREASES

The Aggregate Capital Increases are not expected to generate any gains or losses. As the Company will hold 91.03% equity interest in Jewelry Fashion Group through Yuyuan upon completion of the Aggregate Capital Increases, the Aggregate Capital Increases will not result in a change in the control of the Jewelry Fashion Group or the consolidation scope of Yuyuan's financial statements, and will not affect the overall scale of operating income of Yuyuan, the Company's subsidiary, as such will not lead to the Group recognizing any gains or losses in profit or loss. The Aggregate Capital Increases, optimize the asset liability structure, and help Jewelry Fashion Group under the Group strengthen its brand, product, channel, supply chain and other advantages, further enhancing its industry position and expanding its market influence.

8. REASONS FOR AND BENEFITS OF THE AGGREGATE CAPITAL INCREASES

In recent years, Jewelry Fashion Group under Yuyuan has continued to focus on the jewelry fashion dominant industry, committed to building a C2M ecosystem for the industry, depicting user profiles and constructing consumption scenarios on a family basis. By deepening cooperation with upstream and downstream industries, it has built an efficient industrial ecological cooperation system to quickly, accurately, and effectively serve family customers. The Aggregate Capital

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Increases will facilitate the Jewelry Fashion Group in strengthening its advantages in branding, products, channels, and supply chain, thereby further enhancing its industry position and expanding its market influence.

The Directors (including the independent non-executive Directors) consider that the terms of the Capital Increase Agreement and the Shareholder Agreement are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

9. LISTING RULES IMPLICATIONS

The Aggregate Capital Increases shall constitute a deemed disposal of the equity interest in the Target Company held by the Company through Yuyuan under Rule 14.29 of the Listing Rules. As the Aggregate Capital Increases were entered into within a 12-month period, the Aggregate Capital Increases are required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Aggregate Capital Increases exceed 25% but all such percentage ratios are less than 75%, the Aggregate Capital Increases constitutes a major transaction of the Company and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The relevant agreements for the Aggregate Capital Increases include Put Options of Investors, and the exercise of Put Options of Investors is not subject to the discretion of the Target Company, the Company or Yuyuan. Pursuant to Rule 14.74(1) of the Listing Rules, the grant of Put Options of Investors under the relevant agreements for the Aggregate Capital Increases shall be classified as if the Put Options of Investors had been exercised. As the grant of Put Options of Investors under the Aggregate Capital Increases were entered into within a 12-month period, they are required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. Having considered the maximum Put Options Consideration of External Investors payable to the 36 External Investors, the exercise periods of the Put Options of Institutional Investors, the discretionary power of Yuyuan in determining the Put Options Consideration of Institutional Investors, and the negotiations among the relevant parties, it is expected that one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the full exercise of the Put Options of Investors granted under the Aggregate Capital Increases exceed 25% but all such percentage ratios are less than 75%, the granting of Put Options of Investors is expected to constitute a major transaction of the Company and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Under the relevant agreements in respect of the Aggregate Capital Increases, the Yuyuan Parties were granted the Yuyuan Repurchase of External Investors' Interests and the Yuyuan Equity Purchase Right, which are exercisable at the discretion of the Yuyuan Parties. Pursuant to Rule 14.75(1) of the Listing Rules, only the premium (which is zero) will be considered in calculating the applicable percentage ratios in respect of the grant of such rights. The Company will comply with the applicable requirements under the Listing Rules upon the exercise of such rights.

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To the best of the knowledge, information and belief of the Directors, and after having made all reasonable enquiries, no shareholders or any of their respective associates (as defined under the Listing Rules) has any material interest in the Capital Increase, thus no shareholder is required to abstain from voting if the Company was to convene a general meeting for the approval of the Capital Increase. The Company has obtained a written shareholder's approval from Fosun Holdings (the controlling shareholder of the Company, being the beneficial owner of 5,921,160,734 shares of the Company as at the LPD, representing approximately 72.50% of the total issued shares of the Company) in lieu of holding a general meeting to approve the Capital Increase and the grant of the put option right under the Shareholder Agreement as required under Rule 14.44 of the Listing Rules.

10. WAIVER FROM COMPLIANCE WITH RULES 14.67(6)(a)(i) AND (ii) OF THE LISTING RULES

An application for waiver from strict compliance with the disclosure requirements under Rules 14.67(6)(a)(i) and (ii) of the Listing Rules was made to the Hong Kong Stock Exchange. If the requirements of Rules 14.67(6)(a)(i) and (ii) of the Listing Rules were to be complied with in respect of the put option rights, the Company is required to include in this circular an accountants' report on the Target Company (the **"Target's Accountants' Report"**) and a pro forma statement of the assets and liabilities of the Group and the assets and liabilities of the Target Company (the **"Pro Forma Statement"**) prepared in accordance with Chapter 4 of the Listing Rules.

The application for waiver is on the basis that the disclosure would not provide meaningful information to the shareholders of the Company and the public for the following reasons:

- (i) the Target Company has been a subsidiary of the Company since its establishment and will remain a subsidiary of the Company after the full exercise of all put option rights by the Investors. The inclusion of the Target's Accountants' Report in this circular would add little value in providing the shareholders of the Company or investors with additional information, as the put option rights will not affect the Target Company being accounted as a subsidiary of the Company before and after the exercise of such put option rights;
- (ii) as the Target Company will remain a subsidiary of the Company following completion of the Aggregate Capital Increases, the impact of its operating results will continue to be reflected in the financial results of the Company. The put option rights, if exercised, will only increase the Company's interest in the Target Company in the future. Accordingly, the shareholders of the Company and the investing public would have adequate access to the financial information of the Target Company at the relevant time when the put option rights are exercised; and
- (iii) the audited financial results prepared by the Target Company adopting HKFRS (the same accounting policies as the Group) are not readily available and would involve considerable work and cost on the part of the Company to prepare them, therefore, the Company considers that it would be unduly onerous to require the Company to set out the Target's Accountants' Report and the Pro Forma Statement in this circular.

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The Company has included the audited financial information prepared in accordance with the Business Accounting Principles for the three years ended 31 December 2022, 2023 and 2024 and the unaudited financial information prepared in accordance with the Business Accounting Principles for the six months ended 30 June 2025 of the Target Company (including total assets, net assets, revenue, net profit before taxation and net profit after taxation) in this circular for the shareholders of the Company to better understand the financial performance and position of the Target Company. Based on the above reasons, the Company has applied for, and the Hong Kong Stock Exchange has granted, a waiver from the strict compliance with the requirements of Rules 14.67(a)(i) and (ii) of the Listing Rules.

11. RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Capital Increase Agreement and the Shareholder Agreement are fair and reasonable, and in the interests of the Company and its shareholders as a whole. Accordingly, if the Company were to convene a general meeting for the approval of the terms of the Capital Increase Agreement and the Shareholder Agreement, the Directors would recommend the shareholders of the Company to vote in favour of the ordinary resolution to approve the terms of the Capital Increase Agreement and the Shareholder Agreement at such general meeting.

12. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the fiscal years ended 31 December 2022, 2023, and 2024, respectively, is disclosed in the following documents, which have been published on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.fosun.com>). The links to the Company's annual reports are set out below:

Annual Report for the year ended 31 December 2022 (pages 118 to 332):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042800973.pdf>

Annual Report for the year ended 31 December 2023 (pages 118 to 352):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042601002.pdf>

Annual Report for the year ended 31 December 2024 (pages 93 to 312):

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042501783.pdf>

2. INDEBTEDNESS

As at the close of business on 31 July 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained in this indebtedness statement, the Group had an aggregate outstanding indebtedness of approximately RMB225,000,225,000, which comprised:

	As at 31 July 2025 RMB'000
Interest-bearing bank and other borrowings:	
Bank loans	
Guaranteed	372,048
Secured	88,639,448
Unsecured	<u>86,255,300</u>
	175,266,796
Corporate bonds and enterprise bonds (unguaranteed, unsecured)	10,616,935
Private placement notes (secured)	1,244,169
Private placement notes (unsecured)	342,063
Senior notes (unguaranteed, unsecured)	15,088,884
Medium-term notes (secured)	3,488,232
Medium-term notes (unsecured)	2,349,997
Super short-term commercial papers (unguaranteed, unsecured)	5,804,488
Other borrowings, secured	7,442,462
Other borrowings, unsecured	<u>3,356,199</u>
Total	<u>225,000,225</u>
Repayable:	
Within one year	116,394,483
In the second year	47,002,273
In the third to fifth years, inclusive	31,679,228
Over five years	<u>29,924,241</u>
Total	<u><u>225,000,225</u></u>

As at the close of business on 31 July 2025, some of the Group's bank loans and other borrowings were secured by the pledge of some of the Group's pledged bank balances, inventories, completed properties for sale, properties under development, financial assets at fair value through profit or loss, property, plant and equipment, investment properties, right-of-use assets, intangible assets, investment in associates, and investment in subsidiaries, etc..

Contingent Liabilities:

As at the close of business on 31 July 2025, the Group had the following contingent liabilities:

	As at 31 July 2025 RMB'000
Guaranteed bank loans of:	
Related parties	2,154,014
Qualified buyers' mortgage loans	<u>4,264,294</u>
Total	<u><u>6,418,308</u></u>

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, as at the close of business on 31 July 2025, the Group did not have any other issued or outstanding debt securities, nor any authorized or otherwise created but unissued debt securities, term loans, other borrowings or indebtedness, bank overdrafts and liabilities under acceptance (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages or charges (whether guaranteed, unguaranteed, secured and unsecured), guarantees or other material contingent liabilities.

Save as disclosed above, the Directors have confirmed that as at the LPD there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 July 2025.

3. WORKING CAPITAL

Taking into account the existing cash and bank balances, the present internal resources and the available banking facilities of the Group, the Directors, after due and careful enquiry, are of the opinion that the working capital available to the Group is sufficient for the Group's requirements for at least twelve months from the date of this circular. The Company has obtained the relevant confirmations regarding the working capital sufficiency.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

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 business segments. Meanwhile, it constantly optimizes its debt structure, aiming for a higher rating of the Group.

For the Health segment, it focuses on the ecosystem of (i) pharmaceutical business (Fosun Pharma, Henlius and Gland Pharma Limited), (ii) devices and diagnosis business (Sisram Medical Ltd) and (iii) the business of healthcare services and consumption (Shanghai Fosun Health and Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司)), and adheres to the “4 IN” strategy (Innovation, Internationalization, Intelligentization, Integration) to continuously improve its product competitiveness and brand value. In recent years, with the evolution of social development and population aging, innovative drug research and development, innovative medical devices and medical diagnostics are opening up development opportunities, and the demand for quality medical products and services has increased significantly. The Group will continue to upgrade its innovation, integration and internationalization capabilities. Meanwhile, it will build a medical-grade, one-stop Fosun health ecosystem for all scenarios on the C-end, as well as a matrix of diverse, distinctive and innovative products on the M-end.

For the Happiness segment, it targets the consumption needs of family customers in the happiness aspect. Centering on brand consumption and tourism and leisure, the Group actively organizes teams of people, creates goods and arranges venues to meet customer needs directly. The platforms for brand consumption business include Yuyuan, Lanvin Group Holdings Limited, and Fosun Sports Group S.à r.l., which engage in businesses such as jewelry and fashion, baijiu (Chinese liquor), C-end platforms, fashion brands, cultural food and beverage, Chinese fashion watches, beauty and health, real estate complex, sports. Meanwhile, Fosun Tourism Group is the platform for the tourism and leisure business, engaging in business segments including “Club Med and Others”, “Atlantis Sanya”, “Vacation Asset Management Center”. Through the twin-driver strategy of “profound industry operations + industrial investment”, the Group builds a globalized happiness ecosystem covering the whole value chain of the industry.

For the Wealth segment, it mainly consists of financial services with insurance as the core business. The Wealth segment is divided into two major sub-segments, namely insurance and asset management. The insurance business includes overseas and domestic insurance businesses, with major member companies including Fidelidade — Companhia de Seguros, S.A., Peak Reinsurance Company Limited, Pramerica Fosun Life Insurance Co., Ltd.* (復星保德信人壽保險有限公司) and Fosun United Health Insurance Co., Ltd.* (復星聯合健康保險股份有限公司). The asset management business covers asset management (investment) and asset management (property). Asset management (investment) includes Shanghai Fosun Capital Investment Management Co., Ltd.* (上海復星創富投資管理股份有限公司), Fosun RZ Capital and Banco Comercial Português, S.A. The asset management (property) business covers comprehensive real estate projects in China, Asia Pacific, Europe and the Americas, including such asset types as residential properties, office buildings, commercial properties, hotels, infrastructure and logistics facilities, etc..

For the Intelligent Manufacturing segment mainly focuses on mineral oil and gas resources and intelligent manufacturing, and actively expand relevant industries with high added value of technology, such as fields of new materials. The Group's strategic metal minerals and energy minerals business, represented by Hainan Mining Co., Ltd.* (海南礦業股份有限公司), focused on the most upstream resource industries and deepen resource integration and industrial synergy. At the same time, with the vigorous development of intelligent manufacturing services represented by Shanghai Easun Technology Co., Ltd.* (上海翌耀科技股份有限公司), other companies under the Group's Intelligent Manufacturing segment are expected to benefit of the growth of rapid development of the industry.

Based on the Group's well-developed strengths and fundamentals, we will continue to strengthen innovation, deepen global operations, and refine more good products and services to create happier lives for families worldwide and will continue to achieve sustainable growth, strengthening the core from various aspects such as business and finance, and shaping for future.

Set out below is the management discussion and analysis of Jewelry Fashion Group for the years ended 31 December 2022, 31 December 2023 and 31 December 2024 and for the six months ended 30 June 2025 (the “**Relevant Period**”).

OVERVIEW

Jewelry Fashion Group is a limited liability company established under the laws of the PRC, primarily engaged in the wholesale and retail of gold and jewelry products. Its principal business spans the jewelry and fashion segments, which fall within the consumption-upgrade and commercial-retail sectors. These sectors are characterized by a high degree of marketization and intense competition. Jewelry Fashion Group owns two core brands, “Laomiao” and “Ya Yi”. As at the end of 2024, the “Laomiao” and “Ya Yi” brands collectively operated 4,615 stores. In response to evolving market trends and shifting consumer demands and preferences, Jewelry Fashion Group is actively re-aligning its business footprint. It continuously explores and enhances product competitiveness from multiple dimensions, such as culture, design, craftsmanship, quality, service and in-store experience, while integrating ecosystem partnership resources. Concurrently, Jewelry Fashion Group is accelerating the expansion of innovative sales channels, deepening membership operations and elevating customer satisfaction, with the aim of driving transformational growth across the industry.

FINANCIAL REVIEW

Revenue

The revenue of Jewelry Fashion Group mainly comes from wholesale and retail of gold jewelry. For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025, the revenue of Jewelry Fashion Group was approximately RMB32,432.5 million, RMB36,426.8 million, RMB29,995.9 million and RMB12,899.0 million, respectively.

The increase in revenue for the year 2023 as compared to 2022 was primarily attributable to the expansion of the Jewelry Fashion Group’s business scale and the rapid roll-out of its new-format stores. The decrease in revenue for the year 2024 as compared to 2023 was mainly due to the impact of structural adjustments in consumer sector and heightened volatility in international gold prices on Jewelry Fashion Group’s gold jewelry sales.

Net profit

For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025, the net profit of Jewelry Fashion Group was approximately RMB697.4 million, RMB791.7 million, RMB713.7 million and RMB290.3 million, respectively.

The increase in net profit for the year 2023 as compared to 2022 was primarily due to the year-on-year growth in revenue in 2023. The business model has matured and the profit margin of Jewelry Fashion Group has remained stable overall. The decrease in net profit for the year 2024 compared to 2023 was primarily attributable to the year-on-year decline in revenue in 2024.

Liquidity, financial resources and capital structure

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the net current assets of Jewelry Fashion Group was RMB8,720.8 million, RMB13,813.8 million, RMB16,392.4 million and RMB16,540.4 million, respectively.

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the cash and cash equivalents of Jewelry Fashion Group was RMB917 million, RMB1,866.3 million, RMB2,726.4 million and RMB3,673.8 million, respectively.

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the total assets of Jewelry Fashion Group was RMB9,330.9 million, RMB14,434.2 million, RMB17,775.8 million and RMB17,792.2 million, respectively.

Jewelry Fashion Group's funding sources primarily come from revenues generated from wholesale and retail sales. The capital expenditure primarily consists of the purchase of raw materials and other production and operating cost expenditures. Against the backdrop of sustained profitability, the operating cash flow remains positive.

Jewelry Fashion Group has implemented stringent financial controls. It maintains a very low level of borrowing, accounting for less than 1% of the total assets, which does not constitute a material source of operating funds. Its borrowing and repayment do not affect Jewelry Fashion Group's operations or liquidity management. As at the end of 2024, Jewelry Fashion Group had a gold lease balance of RMB6.624 billion, valued at the fair value of gold, which accounted for 37.25% of its total assets. The counterparties of the gold lease transactions are all commercial banks with membership in the Shanghai Gold Exchange. The gold lease transactions are settled at the Shanghai Gold Exchange under the supervision of the People's Bank of China. The maturity dates of all the Jewelry Fashion Group's existing gold lease contracts are within one year, and the timing of the gold leasing and repayment is aligned with the Jewelry Fashion Group's own business cycle. Jewelry Fashion Group has maintained a good credit record in its gold leasing arrangements with banks. As at the end of 2024, Jewelry Fashion Group had engaged in financing activities with a total of 22 domestic banks and had obtained a comprehensive credit facility exceeding RMB10 billion.

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, Jewelry Fashion Group's outstanding borrowings amounted to RMB21.9 million, RMB214.9 million, RMB97.5 million and RMB107.06 million, respectively. All borrowings are denominated in

Renminbi, as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the amount of borrowings made at fixed interest rates was RMB21.9 million, RMB68.9 million, RMB69.0 million, and RMB77.1 million, respectively.

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the debt ratio of Jewelry Fashion Group (defined as the proportion of total liabilities to total assets) was 62.26%, 69.71%, 66.93% and 64.87%, respectively.

Pledge of Assets

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, Jewelry Fashion Group had pledged certain retail shop tenancies with net book values of RMB8.02 million, RMB8.49 million, RMB3.61 million and RMB4.03 million respectively, as security for secured bank borrowings of Jewelry Fashion Group.

Contingent Liabilities

As at the end of each Relevant Period, Jewelry Fashion Group did not have any material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the number of employees of Jewelry Fashion Group was 3,243, 2,425, 2,155 and 2,014, respectively. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2025, employee cost was approximately RMB688.14 million, RMB650.46 million, RMB507.31 million and RMB233.3 million, respectively. The remuneration packages of Jewelry Fashion Group are generally structured with reference to the company's performance, market terms and individual performance. Remuneration is generally reviewed on an annual basis based on performance appraisals and other relevant factors. Jewelry Fashion Group has also formulated a medium to long-term shareholding scheme for the core team and arranged for employees to participate in relevant training of job content.

FOREIGN EXCHANGE EXPOSURE

During the Relevant Period, the majority of the subsidiaries of the Jewelry Fashion Group operated in the PRC with most of the transactions denominated and settled in RMB. Therefore, Jewelry Fashion Group did not have material foreign exchange exposure. During the Relevant Period, Jewelry Fashion Group did not use foreign exchange-related hedging instruments.

FINANCIAL INSTRUMENTS

Jewelry Fashion Group utilizes gold T+D deferred tradings and gold leasing arrangements within the financial system to implement hedging strategies for its gold products, thereby mitigating the risk associated with gold price fluctuations. These measures stabilize Jewelry Fashion Group's operations and better protect against the impact of fluctuations in the price of gold raw materials on its business.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

During the Relevant Period, Jewelry Fashion Group did not engage in significant investments in, material acquisitions or disposals of any subsidiaries, associates or joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the LPD, Jewelry Fashion Group had no plans for material investments or capital assets.

FINANCIAL AND BUSINESS PROSPECTS

In the first half of 2025, international gold prices remained high with continued volatility and upward trends, accompanied by structural diversification in demand within the end-market for gold and silver jewelry. Leveraging the cultural essence of Oriental Lifestyle Aesthetics, Jewelry Fashion Group will continue to deepen its focus on the “Good Luck” culture, building a product portfolio centered on this theme, and continuously refining its specialized product management system to enhance product strength and drive business transformation toward high-gross-margin sales. Meanwhile, through business model innovation, Jewelry Fashion Group will continue to integrate online and offline channel ecosystems and optimize its supply chain to enhance agility and efficiency. In addition, by combining technology-driven innovation with digital empowerment, Jewelry Fashion Group has established a lean operating system to support the iteration of its business model.

During the first half of 2025, Jewelry Fashion Group recorded revenue of RMB12,899.0 million, with overall performance under pressure. However, as Jewelry Fashion Group consistently implemented measures including enhancing product strength to drive the business transformation toward high-gross-margin sales, evolving its business model into a refined operating model, deepening supply chain integration, enhancing efficiency, adhering to technology-driven innovation, advancing digital empowerment, and strengthening membership management, the revenue of Jewelry Fashion Group showed signs of rebound in the second quarter. The signature “Guyun” series generated over RMB2.3 billion in revenue, while the newly launched “String of Good Luck” series recorded revenue of over RMB0.15 billion since its debut. Sales of unit-priced products under the Laomiao brand increased by 66% year-on-year. The overall gross profit margin of the jewelry and fashion segment increased by 0.43 percentage points, reflecting an emerging structural trend from the business model adjustment. In June 2025, Laomiao collaborated with the original Chinese animation IP “Tian Guan Ci Fu” to launch the co-branded “Golden Fortune Gift Set”,

which achieved sales of over RMB1 million on Tmall on the first day of launch, ranking No.1 in the IP co-branded gold category. The campaign successfully combined online viral marketing, offline interactive experiences and omni-channel resource coverage, leveraging a popular ACG (Animation, Comic and Games) IP to resonate with younger consumers, expand brand reach, and inject new vitality into the brand.

The Aggregate Capital Increases will facilitate the Jewelry Fashion Group in strengthening its advantages in branding, products, channels, and supply chain, thereby further enhancing its industry position and expanding its market influence.

The following is a summary of the valuation report issued by the independent valuer Shanghai Lixin Appraisal Co., Ltd in respect of the total equity value of shareholders of the Target Company, with the valuation date set as 30 June 2024, for inclusion in this circular.

1. VALUATION APPROACHES

With reference to relevant standards, three basic methods, namely the income approach, the market approach, and the cost approach (asset-based approach), can be adopted for the valuation of the enterprise.

This valuation is for the overall value of the enterprise, and domestic similar comparable listed companies can be identified. The financial data and comparable factors of comparable companies can be collected, and the impact of comparable factors on enterprise value can also be quantified. Therefore, the market approach is applicable for this valuation.

The appraised enterprise Jewelry Fashion Group in this case is an enterprise with relatively high profitability or an enterprise with sustainable growth of future economic benefits. The expected income can be quantified, the expected income period can be predicted, and the risks borne by the expected income closely related to discounting can be predicted. Therefore, the income approach is applicable for this valuation.

The appraised enterprise in this case has a sales network and multiple well-known brands, among other intangible assets. The cost approach (asset-based approach) cannot reflect the value of these intangible assets, while the income approach and market approach are more applicable.

Based on the abovementioned applicability analysis and considering the specific situation of the appraised assets, the income approach and the market approach are respectively adopted to value the appraised assets. The valuer analyzes various preliminary value conclusions formed. On the basis of comprehensively considering the rationality of different valuation approaches and preliminary value conclusions as well as the quality and quantity of the data used, the income approach is finally selected as the valuation conclusion.

2. KEY ASSUMPTIONS

The valuation is based on the following assumptions:

(1) Basic assumptions

- (i) Going concern assumption: it is assumed that after fulfilling the valuation purpose, the appraised assets will still be used continuously in accordance with the original purpose and method of use, and the operation status such as the supply and marketing mode of the enterprise and the profit distribution with related enterprises will remain unchanged.

- (ii) Open market assumption: it is assumed that assets can be freely bought and sold in a fully competitive market, and their prices depend on the value judgment of independent buyers and sellers on the assets under certain supply situation of a market. A public market refers to a fully competitive market with numerous buyers and sellers. In such market, buyers and sellers have equal standing, with each having the opportunity and time to access sufficient market information. The transactions between buyers and sellers are conducted voluntarily and rationally, rather than under coercive or unrestricted conditions.
- (iii) Transaction assumption: The value of any asset is inherently tied to transactions. Regardless of whether the appraised asset is involved in transactions or not in the economic activities related to the valuation purpose, it is assumed that the valuation target is in the process of a transaction. The valuer will simulate the market based on the transaction conditions of the appraised asset to conduct the valuation.

(2) General Assumptions

- (i) The industry of the enterprise maintains a stable development trend, and the current national, local laws, regulations, systems, socio-political and economic policies that it follows have not changed significantly;
- (ii) The impact of inflation on the appraisal results will not be considered;
- (iii) Interest rates and exchange rates will remain at their current levels without significant changes;
- (iv) There is no significant adverse impact caused by other force majeure and unforeseen factors.

(3) Special Assumptions

- (i) There is no significant change in the relationship and mutual interests between the appraised enterprise and domestic and foreign cooperative partnerships;
- (ii) The current and future operators of the appraised enterprise are responsible, and the management of the enterprise can steadily advance the development plan of the enterprise, and try its best to realize the expected operating situation;
- (iii) The core team of the appraised enterprise will continue to hold positions in the appraised enterprise in the coming years and will not engage in competing businesses outside of the appraised enterprise;
- (iv) The appraised enterprise is able to perform the contracts and agreements executed as at the Valuation Benchmark Date in accordance with their terms;

- (v) The appraised enterprise complies with relevant national laws and regulations, and there will be no significant violations affecting the development and revenue realization of the enterprise;
- (vi) The accounting policies adopted in the financial data provided by the appraised enterprise over the years are basically consistent with the accounting policies and the accounting methods used in earnings forecast in important aspects;
- (vii) cash inflows and outflows from revenue and expenses occur evenly throughout each year;
- (viii) the premises and equipment leased by the appraised enterprise for production and operations can be renewable upon lease expiry and available for continued use in the normal course of business;
- (ix) The appraised enterprise is able to obtain necessary funding in line with its business needs, and its operations are not expected to be adversely affected by financing matters;
- (x) the relevant business licenses of the appraised enterprise can be renewable upon expiry under normal circumstances;
- (xi) the data of listed companies and comparable cases sourced from iFinD Information and Wind Financial Terminal are true and reliable;
- (xii) the stock exchanges on which the comparable listed companies are traded are efficient markets, and their share prices are considered fair and effective;
- (xiii) the valuation does not take into account the impact of any potential future mortgages, guarantees, or additional consideration that may arise from special transaction arrangements;
- (xiv) given the high degree of uncertainty in investor preferences in the A-share market and the inability to accurately predict such preferences, investor behaviour and preferences have not been factored into the valuation adjustments and are therefore not reflected in this valuation.

3. VALUATION MODEL AND PARAMETERS

Income Approach:

When entrusting Shanghai Lixin Appraisal Co., Ltd to conduct an income approach valuation, Jewelry Fashion Group and Shanghai Lixin Appraisal Co., Ltd jointly conducted an investigation, analysis, predictive discussion, and adjustment of Jewelry Fashion Group's future operations and income conditions.

(1) *Financial Forecast*

The income period of a company may be classified as either finite or perpetual. In theory, the difference lies only in the method of calculation, and the resulting valuation should be broadly consistent. Due to non-equalized annuity income patterns and the estimation of terminal residual value, the results derived from finite and perpetual models may vary slightly. Jewelry Fashion Group was established on 30 April 2004, with a business license valid from 30 April 2004 to 29 April 2054. Considering that there are no restrictions on the future development of the industry in which the company operates, a perpetual income period is adopted for the purpose of this valuation. Under the perpetual forecast model, the terminal residual asset value is considered negligible.

Generally, the forecast period is divided into two stages, being the detailed forecast period and the subsequent period. The Valuation Benchmark Date is 30 June 2024. Based on the operating conditions of the company and the purpose of the Valuation, a detailed forecast is adopted for the period from July 2024 to 2029, and therefore we have assumed that the operating results of the appraised company will basically stabilize at the level projected for the forecast period in 2029 for the years after 2029.

(2) *Valuation model*

According to the situation of the due diligence and the asset composition and main business of the subject of valuation, the basic ideas of this valuation are:

- (i) to calculate the expected income (net cash flow) of the assets and main business included in the scope of statements according to the changes in historical operating conditions and business types of recent years, and discount the same to attain the value of business assets;
- (ii) to separately calculate the value of surplus assets and other assets as at the Valuation Benchmark Date included in the scope of statements but not considered in the calculation of the expected income (net cash flow) and assets (liabilities) defined as non-operating assets (liabilities);
- (iii) to attain the value of equity capital of the subject of valuation by adding the value of the above two assets and deducting the value of interest-bearing liabilities.

The valuation is performed on the basis of enterprise consolidation.

This valuation adopts the discounted cash flow method (DCF) to value the operating assets of the enterprise. The income caliber is equity free cash flow (FCFE), and the corresponding discount rate adopts WACC model. The basic formula is as follows:

Value of all equity interest of shareholders = overall enterprise value – interest bearing liabilities

Overall enterprise value = value of operating assets + value of surplus assets + value of non-operating assets

Of which, the value of operating assets is calculated according to the following formula:

$$P = \sum_{i=1}^n \frac{F_i}{(1+r)^i} + \frac{F_n \times (1+g)}{(r-g) \times (1+r)^n}$$

In the formula: P: The value of operating assets;

r: The discount rate;

i: The forecast year;

F_i: The net cash flow of year i;

n: The last year of the forecast;

g: The sustainable growth rate.

Interest-bearing liabilities refer to liabilities with interests required to be paid as at the Valuation Benchmark Date.

Surplus assets refer to the assets that have no direct relationship with the company's earnings and beyond the demand of the enterprise production, mainly including surplus cash and assets not included in the valuation using income approach.

Non-operating assets refer to the assets which are irrelevant to the enterprise production and do not generate benefits.

(3) Forecast of Revenue

Obtain and analyze historical financial data from the company's management:

Jewelry Fashion Group's operating revenue is primarily composed of wholesale and retail sales of gold and jewelry ornaments in the form of directly-managed stores, franchised stores and online sales.

The main commodities sold by the entity are still gold ornaments, and the cost of gold and the market prices of ornaments fluctuate with the gold price. In forecasting operating revenue of wholesale and retail sales of Jewelry Fashion Group's gold and

jewelry ornaments in the future, consistent with prudent and objective principles, we take into account the overall market development trend of the industry and actual development of each brand and channel under Jewelry Fashion Group based on Jewelry Fashion Group's historical operating statistics, actual operating conditions and future operating development plans.

The entity's other business revenue represents administrative fee revenue from franchisees, which is forecasted for the appraised company on the basis of a steady growth rate.

(4) *Forecast of Costs*

Obtain and analyze historical financial data from the company's management:

Costs of the principal business of the entity primarily comprise raw materials, labor costs and commissioned processing fees of various products, which are forecasted for the appraised company with reference to historical annual gross margin.

Other business costs of the entity are primarily administrative fees in relation to management on franchisees, which are forecasted for the appraised company with reference to projected growth level of franchisees' administrative fees and based on a certain growth rate.

(5) *Determination of the Discount Rate*

(i) *Calculation Model of the Discount Rate*

In accordance with the principle of consistency between the basis used for income amount and that for the discount rate, the determination of the discount rate is based on the weighted average cost of capital (WACC) with the formula as follows:

$$WACC = R_e \times \frac{E}{D + E} + R_d \times (1 - T) \times \frac{D}{D + E}$$

where, WACC: weighted average cost of capital

R_e : expected rate of return on equity

R_d : expected rate of return on debts

E: value of equity

D: value of debts

T: income tax rate

Where, the expected rate of return on equity (R_e) is calculated using the capital assets pricing model (CAPM) with the formula as follows:

$$R_e = R_f + \beta \times (R_m - R_f) + \varepsilon$$

where, R_f : risk-free interest rate

β : adjustment factor for systemic risk of equity

R_m : the rate of market return

$(R_m - R_f)$: market risk premium

ε : specific risk premium rate

(ii) *Selection Process for Key Parameters of the Discount Rate*

A. Determination of the Risk-Free Interest Rate (R_f)

The risk-free interest rate serves as compensation for the time value of money. For this valuation, reference was made to the guidelines in the Guidelines for Assets Appraisal Experts No. 12 — Measurement of Discount Rates in the Valuation of Enterprise Value by the Income Approach. The yield to maturity of China Bond with a remaining term of 10 years was selected as the risk-free interest rate, updated monthly. The data source is the China Government Bond Yield (to Maturity) Curve, published online by the China Appraisal Society and provided by the China Central Depository & Clearing Co., Ltd. (CCDC). The average 10-year yield to maturity announced for the month of the Valuation Benchmark Date is used for calculation.

B. Determination of Market Risk Premium ($R_m - R_f$)

Market risk premium refers to the expected excess return required by investors for equity investment with the same average risk as the overall market, that is, the risk compensation that exceeds the risk-free interest rate. The market risk premium can usually be measured by using the historical risk premium data of the market.

Considering that the primary business operations of the entity being valued are conducted within China, the historical risk premium data of the China Securities Market Index are used for the calculation.

Given the presence of numerous indices in the Shanghai and Shenzhen stock markets, the CSI 300 Index, recognized as a representative benchmark for the Chinese securities market, is selected as the market return indicator in accordance with the guidelines of the Guidelines for Assets Appraisal Experts No. 12 — Measurement of Discount Rates in the Valuation of Enterprise Value by the Income Approach. For this valuation, the annual average closing value of the CSI 300 Index is determined using the 12-month monthly closing

values obtained from the iFinD financial terminal. The market return (R_m) for the year is calculated as either the arithmetic average return or the geometric average return from the base date of the CSI 300 Index to the annual average closing value. This market return is then compared with the risk-free interest rate for the same year to derive the market risk premium for the Chinese securities market for each respective year.

As geometric mean return better reflects the long-term trend of returns in the Chinese securities market, the market risk premium ($R_m - R_f$) adopted in this Valuation is based on the average of the annual market risk premiums over the past 10 years, estimated using geometric mean return and derived through data processing and analysis.

C. Determination of β Coefficient for Systematic Equity Risk Adjustment

The β coefficient for systematic equity risk adjustment measures the risk premium of the appraised enterprise relative to the overall return of the capital market. It also serves as an indicator of the extent to which an individual stock is affected by changes in the broader economic environment, including stock price fluctuations. In selecting reference companies, listed companies operating in the same industry or subject to similar economic factors are typically chosen, with a preference for those located in the same country or region as the appraised enterprise. We selected three listed companies in similar industries and queried their adjusted β values through the financial terminal of iFinD (同花順) to convert the reference companies with financial leverage β coefficients to no financial leverage β coefficients. The average financial leverage (D/E) of the reference companies and the average value of the lever-adjusted β were converted to the target financial leverage β_L of the Target Companies based on the average financial leverage coefficient.

D. Determination of the ε Specific Risk Premium

The company-specific risk premium is the expectation of the company's shareholders that the company's exposure to risk is different from that of other companies and therefore requires an additional rate of return on investment. The specific risk premium is determined by the professional experience of the valuer, taking into account the size, operational, financial and other risks of the unit being valued.

(iii) *Calculation of weighted average cost*A. Calculation of expected rate of return on equity (R_e)

$$R_e = R_f + \beta \times (R_m - R_f) + \varepsilon$$

$$R_e = 2.26\% + 6.31\% \times 1.0261 + 4.00\% = 12.70\% \text{ (rounded to the nearest two decimal places)}$$

B. Calculation of expected rate of return on debt (R_d)

Expected rate of return on debt (R_d) is 3.95% based on the quoted market interest rate for five-year bank loans.

C. weighted cost of capital of 11.50%.

(6) *Forecast of the Future Operating Period*

Forecasts for revenue growth rate, gross profit margin, net profit margin, EBIT to revenue ratio, and EBITDA to revenue ratio are presented in the table below. The projections for future earnings were developed based on a comprehensive assessment incorporating market research and analysis of the industry in which the company operates, historical financial data of the company, operating performance of relevant comparable companies, market demand trends, and future industry development prospects.

Items	July-Dec 2024	Full year 2024	Full year 2025	Full year 2026	Full year 2027	Full year 2028	Full year 2029	Later Years
Revenue growth rate	n/a	13.06%	8.00%	5.00%	4.00%	3.00%	2.00%	0.00%
Gross profit margin	7.49%	7.43%	7.48%	7.48%	7.48%	7.49%	7.49%	7.49%
Net profit margin	2.66%	2.48%	2.39%	2.38%	2.35%	2.30%	2.20%	2.20%
EBIT/Revenue (%)	3.83%	3.74%	3.59%	3.56%	3.51%	3.42%	3.29%	3.29%
EBITDA/Revenue (%)	4.08%	4.01%	3.86%	3.83%	3.76%	3.66%	3.53%	3.53%

(7) Sensitivity Analysis

Since changes in certain parameters have a significant impact on the value of shareholders' equity, the appraiser needs to analyze the sensitivity of these parameters to the value of shareholders' equity. The results are as follows:

Change in Revenue	Percentage Change in Equity Value	Change in Gross Margin	Percentage Change in Equity Value	Change in Discount Rate	Percentage Change in Equity Value
-10%	-50.2%	-10%	-434.3%	-10%	13.3%
-5%	-27.4%	-5%	-198.1%	-5%	6.2%
0	0.0%	0	0.0%	0	0.0%
5%	32.8%	5%	178.0%	5%	-5.7%
10%	71.9%	10%	356.0%	10%	-10.9%

Market approach:**1. Market approach selection**

The valuer used the listed company comparison method to value the Jewelry Fashion Group based on its industry, scope of operations, scale, financial status, etc.

(i) About Market Approach

The market approach under business valuation refers to the valuation method that compares the valuation subject with comparable listed companies or comparable transactions to determine the value of the valuation subject.

The essence of the market method is a valuation technique that uses transaction information or reasonable quotation data of similar cases that have been traded in the active trading market to determine the value of the entrusted enterprise or equity through comparative analysis. The theoretical basis of the market method is that in the case of open and active trading in the market, the values of the same or similar assets are the same or similar.

The same or similar concept of business:

Same efficacy: identical or similar products or services;

Comparable competency: comparable business performance and scale;

Similar trends: identical or similar future growth.

As there is no absolute identical enterprise in reality, the valuation operation is based on relatively identical "comparables".

According to the choice of comparables, market approach can be divided into listed company comparison approach and transaction case comparison approach.

The listed company comparison method is a method to determine the value of the subject of valuation by acquiring and analysing the operational and financial data of listed companies to calculate appropriate value ratios and comparing them against those of the appraised enterprise.

The transaction case comparison method is a method to determine the value of the subject of valuation by acquiring and analysing information on sale and purchase, acquisition and merger cases of comparable enterprises to calculate appropriate value ratios and comparing them against those of the appraised enterprise.

(ii) *Selection of valuation methodology*

The main business of the appraised enterprise is wholesale and retail of gold jewelry, which belongs to the jewelries, crafts and collections wholesale industry, and its operation is relatively mature. There are many listed companies in this industry, and therefore this valuation adopts the listed company comparison method to value the equity value of the Target Company.

The calculation formula is as follows:

Target Company's Equity Value = Target Company's Operating Equity Value × (1 – Lack of Market Liquidity Discount) + Target Company's Non-operating Assets and Liabilities Value

(iii) *Selection of listed companies*

The principles for determining comparable companies include:

- ① The comparable company issues RMB A shares and has been listed for more than 3 years;
- ② The industry or main business of the comparable company is the same or similar to that of the Target Company. The comparable companies selected for this valuation are all in the jewelries, crafts and collections wholesale industry;
- ③ The operating scale/market value of the comparable company is close to or comparable to that of the Target Company.

This valuation selects three listed companies, namely Lao Feng Xiang, China Gold and Chow Tai Seng, as comparable companies.

(iv) *Selection and calculation of value ratios*

The listed company comparison method is adopted, which is generally based on the conditions of the market where the valuation target operates, selecting certain public metrics such as Price-to-Book (PB), Price-to-Earnings (PE), Price-to-Sales (PS) and Enterprise Value to EBITDA (EV/EBITDA) for comparison with comparable companies. The Price-to-Book (PB), Price-to-Earnings (PE), Price-to-Sales (PS) and Enterprise Value to EBITDA (EV/EBITDA) of the valuation target are obtained by adjusting the differences that affect the metric factors through a comparison of the metric-related factors between the valuation target and the comparable companies, based on which the equity value of the Target Company is calculated.

Given the characteristics of the industry where the valuation target operates and having considered that the business of the entity being valued is the wholesale and retail sales of gold and jewelry, the Price-to-Earnings (PE) valuation model is adopted to value the equity value of the company.

The valuation formula for the Price-to-Earnings (PE) valuation model under the listed company comparison method is as follows:

Equity Value of the Target Company = Operating Equity Value of the Target Company $\times$ (1 – Discount for Lack of Marketability) + Value of Non-Operating Assets and Liabilities of the Target Company.

A. Calculation of value ratios for listed companies

The adjusted PE of comparable listed companies in 2024 are as follows:

Item	Lao Feng Xiang	China Gold	Chow Tai Seng
Adjusted PE	9.98	17.06	11.22

Adjusted PE = Adjusted Market Capitalization/Median of Forecasted Net Profit for 2024

B. Determination of correction factors

The Target Company serves as the baseline for comparison and the adjustment target. Therefore, each metric coefficient of the Target Company is set at 100, while the metric coefficients of comparable companies are determined upon the comparison with that of the Target Company. If the metric coefficient of a comparable company is lower than that of the Target Company, its correction factor is set below 100; if the metric coefficient of a comparable company is higher than that of the Target Company, the correction factor is above 100.

Based on the above description of adjustment factors and the methodology for determining correction factors, the correction factors for each influencing factor are as follows:

Item	Content	Valued unit	Lao Feng Xiang	China Gold	Chow Tai Seng
Transaction time factor	Transaction time differences	100	100	100	100
Market factor	Market differences	100	100	100	100
Operating scale	Total assets for the latest period	40	45	39	37
	Gearing ratio for the latest period	30	28	27	26
	Operating income in 2023	30	37	34	26
Profitability	Adjusted net profit margin for the latest year	30	31	30	33
	Gross profit margin on sales for the latest year	40	40	39	42
	Adjusted return on net assets	30	34	33	37
Growth capability	Two-year geometric average growth rate of book operating income	30	28	26	36
	Two-year geometric average growth rate of adjusted net profit	40	35	54	31
	Two-year geometric average growth rate of adjusted net assets	30	31	23	26

Based on the identified adjustment factors, the coefficient adjustment table for PE is as below:

Content	Valued unit	Lao Feng Xiang	China Gold	Chow Tai Seng
Transaction time factor	100	100	100	100
Market factor	100	100	100	100
Operating scale	100	110	100	89
Profitability	100	105	102	112
Growth capability	100	94	103	93

C. Determination of the Price-to-Earnings (PE) for the Target Company

The Price-to-Earnings (PE) of the Target Company is calculated as follows:

Item	Valued unit	Lao Feng Xiang	China Gold	Chow Tai Seng
Adjusted multiplier for comparable companies		9.98	17.06	11.22
Correction factor for transaction time factor	100	100/100	100/100	100/100
Correction factor for market factor	100	100/100	100/100	100/100
Correction factor for operating scale	100	100/110	100/100	100/89
Correction factor for profitability	100	100/105	100/102	100/112
Correction factor for growth capacity	100	100/94	100/103	100/93
Correction factor for other factors	100	100/100	100/100	100/100
Modified multiplier		9.19	16.24	12.10
Weighting		1/3	1/3	1/3
Weighted modified multiplier		12.51		

Based on the above calculation, the PE of the Target Company is 12.51.

D. Determination of the lack of marketability discount

Marketability refers to the feasibility and convenience of an asset being readily available in the open market. An asset that is completely illiquid has virtually no investment value because it is contrary to the definition of an investment asset. The value of an asset is significantly reduced if there are restrictions on its marketability.

Lack of marketability refers to the inability of non-controlling equity holders in a company to convert their investments into cash quickly at a reasonably and predictably low cost.

By analyzing statistical data from domestic and international studies on illiquidity discounts, and taking into account the specific characteristics of the appraised enterprise's assets, liabilities and operations, we have determined the discount for lack of marketability.

The appraised enterprise of this valuation operates in the wholesale sector for jewelry, crafts and collections, which falls under the wholesale and retail trade industry. Referring to the 2024 Illiquidity Discount Ratio Table Comparing the PE Ratios of Unlisted Company Mergers and Acquisitions with Those of Listed Companies, the discount for lack of marketability adopted for the appraised enterprise of this valuation is 24.7%.

E. Determination of Value of All Equity Interest of Shareholders

Using the comparable listed company approach for valuation, the value of equity interest of the appraised enterprise is calculated as follows:

$$\begin{aligned} \text{Valuation} &= \text{Value of operating equity interest} \times (1 - \text{Discount for lack of marketability}) + \text{Value of non-operating assets and liabilities} \\ &= \text{Forecasted net profit attributable to parent company of the Target Company in 2024} \times \text{Target Company's PE} \times (1 - \text{Discount for lack of marketability}) + \text{Value of non-operating assets and liabilities} \\ &= \text{RMB9,017,000,000 (rounded)} \end{aligned}$$

Therefore, using the comparable listed company approach, the valuation of value of equity interest of the appraised enterprise is RMB9,017,000,000.

4. CALCULATION OF THE VALUATION RESULTS

Through valuation by the income approach, the value of all equity interest of shareholders of Jewelry Fashion Group as at the Valuation Benchmark Date of 30 June 2024, is estimated to be RMB9,016 million. Through valuation by the market approach, the value of all equity interest of shareholders of Jewelry Fashion Group as at the Valuation Benchmark Date of 30 June 2024, is estimated to be RMB9,017 million. The difference between the income approach and the market approach is RMB1 million, with a difference rate of 0.02%.

The income approach reflects the contribution of various tangible assets and intangible assets owned by the enterprise to its value from the perspective of the overall profitability. The market approach assessment adopts the listed company comparison method, using the price-earnings ratio (PE) as the value ratio, which reflects investors' reasonable market expectations for factors such as the appraised enterprise's capital operation capability, profitability, and development capability.

The Target Company belongs to the watch and jewelry industry, with its main business being the wholesale and retail of various gold and silver jewelry. It has a wide range of sales brands and product lines. Due to the limitations in data collection, there may be situations where the differences between the Target Company and listed companies cannot be fully corrected, so the reliability of the valuation results by the market approach is poor. The value of an enterprise also depends on its core competitiveness, brand influence, customer operation network, business model, as well as high-quality employees and management teams. Therefore, the valuation of an enterprise in this industry requires more attention to the core competitiveness of the enterprise and its future earnings capacity. As a result, the income approach is usually selected for the valuation of enterprises with excess profit-making capabilities.

Considering that the valuation results of the income approach and the market approach are relatively close, and the income approach can better reflect the true value of the valuation subject, after comprehensive analysis, the valuer has determined that it is more reasonable to use the income approach valuation result of RMB9,016 million as the valuation result for this economic act.

The following is the text of a letter from the Company's reporting accountants, OOP CPA & Co., Certified Public Accountants, Hong Kong, for inclusion in this circular.

**LETTER FROM THE REPORTING ACCOUNTANTS IN RELATION TO THE
VALUATION REPORT**



OOP CPA & Co.
Certified Public Accountant
Unit A, 21/F, LL Tower,
2-4 Shelley Street,
Central, Hong Kong
Tel: +852 2383 6191
Email: info@oopww.com
www.oopww.com

13 June 2025

The Board of Directors
Fosun International Limited
Room 808, ICBC Tower,
3 Garden Road,
Central, Hong Kong

Dear Sirs,

We have examined the principal accounting policies adopted in and the calculations of the discounted cash flow forecast (the “**Forecast**”) underlying the valuation (the “**Valuation**”) of Shanghai Yuyuan Jewelry Fashion Group Co., Ltd.* (上海豫園珠寶時尚集團有限公司) (the “**Target Company**”) performed by Shanghai Lixin Appraisal Co., Ltd* (上海立信資產評估有限公司) (the “**Valuer**”) in respect of the valuation of the fair value of the total equity value of the Target Company as at the reference date of 30 June 2024 in connection with the announcement of Fosun International Limited (the “**Company**”) dated 13 June 2025 (the “**Announcement**”). The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

DIRECTORS’ RESPONSIBILITIES

The directors of the Company are solely responsible for the preparation of the Forecast and the reasonableness and validity of the assumptions based on which the Forecast is prepared (the “**Assumptions**”).

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements”, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

REPORTING ACCOUNTANTS’ RESPONSIBILITIES

It is our responsibility, pursuant to paragraph 14.60A(2) of the Listing Rules, to express an opinion on the accounting policies and calculations of the Forecast, and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person in respect of, arising out of or in connection with our work.

We conducted our work in accordance with the terms of our engagement and Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company’s directors have properly compiled the Forecast in accordance with the Assumptions adopted by the directors and as to whether the Forecast is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

OPINION

In our opinion, so far as the accounting policies and calculations are concerned, the Forecast has been properly compiled in accordance with the Assumptions adopted by the directors as set out in the Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group.

Yours faithfully,

OOP CPA & Co.

Certified Public Accountants

Hong Kong

The following is the text of the letter dated 13 June 2025 from the Board prepared for inclusion in this circular.

LETTER FROM THE BOARD IN RELATION TO THE PROFIT FORECAST

13 June 2025

To: The Listing Division

The Stock Exchange of Hong Kong Limited
12th Floor, Two Exchange Square
8 Connaught Place
Central, Hong Kong

Dear Sirs,

Re: Major transaction in relation to deemed disposal of equity interest in Shanghai Yuyuan Jewelry Fashion Group Co., Ltd.* (上海豫園珠寶時尚集團有限公司)

Reference is made to the announcement of Fosun International Limited (the “**Company**”) dated 13 June 2025 (the “**Announcement**”) in relation to deemed disposal of equity interest in Shanghai Yuyuan Jewelry Fashion Group Co., Ltd.* (上海豫園珠寶時尚集團有限公司). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, in determining the consideration of the Aggregate Capital Increases, the Company made references to, among other things, the valuation results of Jewelry Fashion Group by Shanghai Lixin Appraisal Co., Ltd.* (上海立信資產評估有限公司), a professional Independent Valuer, which adopted the income approach with 30 June 2024 as the Valuation Benchmark Date. The income approach valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules.

The Board has (i) reviewed the basis and the assumptions in the Valuation Report; (ii) reviewed the Valuation Report from the Independent Valuer regarding the calculations of the income approach valuation; (iii) reviewed the relevant work conducted by the Independent Valuer in relation to the income approach valuation and the historical performance of Jewelry Fashion Group; and (iv) considered the letter from the Company’s reporting accountants, OOP CPA & Co., regarding whether the profit forecast, so far as the accounting policies and calculations are concerned, has been properly complied with the basis and assumptions set out in the Valuation Report.

Based on the above, the Board confirms that the profit forecast in the aforesaid income approach valuation has been made after due and careful enquiry.

The Board of Directors
Fosun International Limited

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 enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects 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 LPD, 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 C3 of the Listing Rules (the “**Model Code**”) were as follows:

(1) Long positions in the shares, underlying shares 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	5,921,160,734 ⁽¹⁾	Corporate	72.50%
Guo Guangchang	Ordinary	738,000	Individual	0.01%
Wang Qunbin	Ordinary	704,000	Individual	0.01%
Chen Qiyu	Ordinary	39,330,400 ⁽⁴⁾	Individual	0.48%
Xu Xiaoliang	Ordinary	35,726,000 ⁽⁴⁾	Individual	0.44%
Gong Ping	Ordinary	18,416,800 ⁽⁴⁾	Individual	0.23%
Huang Zhen	Ordinary	8,347,200 ⁽⁴⁾	Individual	0.10%
Pan Donghui	Ordinary	18,574,484 ⁽⁴⁾	Individual	0.23%
Zhang Shengman	Ordinary	175,250 ⁽⁴⁾	Individual	0.00%
Zhang Huaqiao	Ordinary	280,000 ⁽⁴⁾	Individual	0.00%
David T. Zhang	Ordinary	280,000 ⁽⁴⁾	Individual	0.00%
Lee Kai-Fu	Ordinary	235,000 ⁽⁴⁾	Individual	0.00%
Tsang King Suen Katherine	Ordinary	125,000 ⁽⁴⁾	Individual	0.00%

(2) Long positions in the shares, underlying shares 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	Number of Shares and or underlying shares	Type of interests	Approximate percentage in relevant class of shares
Guo Guangchang	Fosun Holdings	Ordinary	1 ⁽²⁾	Corporate	100.00%
	Fosun International Holdings	Ordinary	29,000	Individual	85.29%
	Fosun Pharma	A Shares ⁽³⁾	114,075	Individual	0.01%
		A Shares ⁽³⁾	889,890,955 ⁽²⁾	Corporate	42.01%
		H Shares	77,533,500 ⁽²⁾	Corporate	14.05%
	Sisram Medical Ltd	Ordinary	334,504,800 ⁽²⁾	Corporate	71.42%
	Henlius	Unlisted Shares	312,399,700 ⁽²⁾	Corporate	82.20%
		H Shares	32,331,100 ⁽²⁾	Corporate	19.78%
Wang Qunbin	Fosun International Holdings	Ordinary	5,000	Individual	14.71%
	Fosun Pharma	A Shares ⁽³⁾	114,075	Individual	0.01%
Chen Qiyu	Fosun Pharma	A Shares ⁽³⁾	114,075	Individual	0.01%
Xu Xiaoliang	Yuyuan	A Shares ⁽³⁾	1,652,320	Individual	0.04%
Huang Zhen	Fosun Pharma	A Shares ⁽³⁾	45,500	Individual	0.00%
	Yuyuan	A Shares ⁽³⁾	2,383,600	Individual	0.06%

Notes:

- (1) Pursuant to Division 7 of Part XV of the SFO, 5,921,160,734 shares of the Company held by Mr. Guo Guangchang are deemed corporate interests held through Fosun Holdings and Fosun International Holdings.
- (2) 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.
- (3) A Shares mean the equity securities listed on the SSE.
- (4) Pursuant to Division 7 of Part XV the SFO, such number of shares of the Company includes the award shares granted but not vested and/or options granted but not vested or exercised according to the share schemes of the Company.

Save as disclosed above, as at the LPD, none of the Directors or chief executives of the Company had interests or short positions in the shares, underlying shares and debentures 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 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) As at the LPD, none of the Directors has any direct or indirect interest in any assets which have been, since 31 December 2024, 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) As at the LPD, none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular and which was significant in relation to the business of the Group.
- (c) As at the LPD, 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 (as if each of them was a controlling shareholder of the Company under Rule 8.10 of the Listing Rules).

4. SERVICE CONTRACTS

As at the LPD, 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 of the Company

As at the LPD, 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	5,921,160,734 ⁽²⁾	72.50%
Fosun International Holdings ⁽¹⁾	5,921,160,734 ⁽²⁾⁽³⁾	72.50%

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 of the Company 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 of the Company owned by Fosun Holdings for the purpose of the SFO.

Save as disclosed above, as at the LPD, 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 at the LPD, the Directors confirmed that there was not any material adverse change in the financial or operation positions of the Group since 31 December 2024, 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 LPD.

8. MATERIAL CONTRACTS

Other than the Capital Increase Agreement and the Shareholder Agreement, none of contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the LPD which are or may be material.

9. DOCUMENT ON DISPLAY

A copy of the following documents 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 a period of 14 days from the date of this circular.

- (i) the Capital Increase Agreement;
- (ii) the Shareholder Agreement;
- (iii) The Valuation Report;
- (iv) the letter from the reporting accountants, OOP CPA & CO., the text of which is set out in Appendix IV to this circular;

- (v) the letter from the Board in relation to the profit forecast, the text of which is set out in Appendix IV to this circular; and
- (vi) the letters of consent from each of the experts referred to in the section headed “Experts and Consents” in Letter from the Board.

10. GENERAL

- (i) The registered office of the Company is situated at Room 808, ICBC Tower, 3 Garden Road, Central, Hong Kong.
- (ii) The share registrar of the Company is Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (iii) The company secretary of the Company is Ms. Sze Mei Ming, who is a fellow member of both The Chartered Governance Institute (CGI) and The Hong Kong Chartered Governance Institute (HKCGI).
- (iv) In case of inconsistencies, the English texts of this circular shall prevail over the Chinese texts thereof.