

SPARKLE ASSETS LIMITED
(the “**Company**”)
(Incorporated in the British Virgin Islands with limited liability)

ANNOUNCEMENT

We refer to the US\$400,000,000 6.875% Senior Notes due 2020 issued by the Company on 30 January 2013 and guaranteed by, *inter alias*, Fosun International Limited (the “**Parent Guarantor**”).

The Parent Guarantor has released the attached announcement dated 31 December 2014 on The Stock Exchange of Hong Kong Limited.

BY ORDER OF THE BOARD

Qin Xuetang
Director

31 December 2014

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

DISCLOSEABLE TRANSACTION

**ACQUISITION OF MEADOWBROOK INSURANCE GROUP, INC.
BY WAY OF MERGER**

THE MERGER AGREEMENT

The Board is pleased to announce that the Merger Parent (an indirect wholly-owned subsidiary of the Company), the Merger Sub (a wholly-owned subsidiary of the Merger Parent) and MIG entered into the Merger Agreement on 30 December 2014 (U.S. time) in relation to the Acquisition, pursuant to which the Merger Sub shall be merged with and into MIG, and MIG shall continue as the Surviving Corporation and shall succeed to and assume all the rights and obligations of the Merger Sub and MIG in accordance with the MBCA, as a wholly-owned subsidiary of the Merger Parent (and an indirect wholly-owned subsidiary of the Company) after the Closing for a purchase price of USD8.65 per share in cash, representing an aggregate transaction value of approximately USD433 million.

The Company has provided a guarantee in favour of MIG and a funding commitment in favour of Merger Parent, pursuant to which the Company is guaranteeing the performance and payment of the Merger Parent's and the Merger Sub's obligations under the Merger Agreement.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceed 5% and are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

INTRODUCTION

The Board is pleased to announce that the Merger Parent, the Merger Sub and MIG entered into the Merger Agreement on 30 December 2014 (U.S. time) in relation to the Acquisition, pursuant to which the Merger Sub shall be merged with and into MIG, and MIG shall continue as the Surviving Corporation and shall succeed to and assume all the rights and obligations of the Merger Sub and MIG in accordance with the MBCA, as a wholly-owned subsidiary of the Merger Parent (and an indirect wholly-owned subsidiary of the Company) after the Closing for a purchase price of USD8.65 per share in cash, representing an aggregate transaction value of approximately USD433 million.

THE MERGER AGREEMENT

Date: 30 December 2014 (U.S. time)

Parties:

- (i) Merger Parent, an indirect wholly-owned subsidiary of the Company;
- (ii) Merger Sub, a wholly-owned subsidiary of the Merger Parent, which shall merge with and into MIG, and MIG shall continue as the Surviving Corporation after the Merger; and
- (iii) MIG

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, MIG and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company, and are not themselves connected persons of the Company.

Merger: Subject to the terms and conditions of the Merger Agreement, and in accordance with the MBCA, at the Effective Time, the Merger Sub shall be merged with and into MIG, whereupon the separate existence of the Merger Sub shall cease, and MIG shall continue as the Surviving Corporation and shall succeed to and assume all the rights and obligations of the Merger Sub and MIG in accordance with the MBCA, as a wholly-owned subsidiary of the Merger Parent.

Consideration and Payment Terms: Each Target Share shall automatically be converted into the right to receive USD8.65 per share in cash, and all of such Target Shares shall cease to be outstanding, shall be cancelled and shall cease to exist, and each certificate or non-certificated Target Share represented by book-entry that formerly represented any of the Target Shares (other than the Dissenting Shares and the Cancelled Shares) shall thereafter represent only the right to receive the

Merger Consideration.

Each issued and outstanding share of capital stock of the Merger Sub shall be automatically converted into and become one validly issued, fully paid and nonassessable share of common stock, par value USD0.01 per share, of the Surviving Corporation.

If, from the date of the Merger Agreement until the Effective Time, the number of outstanding shares of MIG Common Stock shall have been changed into a different number of shares or a different class by reason of any reclassification, stock split (including a reverse stock split), recapitalization, split-up, combination, exchange of shares, readjustment or other similar transaction, or a stock dividend or stock distribution thereon shall be declared with a record date and payment date within said period, the Merger Consideration shall be appropriately adjusted to provide the holders of the Target Shares the same economic effect as contemplated by the Merger Agreement prior to such event.

At or prior to the Effective Time, the Merger Parent shall deposit with a paying agent for the benefit of the holders of the Target Shares, a cash amount in immediately available funds equal to the aggregate Merger Consideration. At any time following the first anniversary of the Effective Time, the Surviving Corporation shall be entitled to require such paying agent to deliver to it any portion of aggregate Merger Consideration (including any interest received with respect thereto) not disbursed to holders of the Target Shares. The payment of the Merger Consideration shall be satisfied by a combination of the Company's internal resources and bank borrowings.

The Merger Consideration was determined through arm's length negotiations among the parties to the Merger Agreement by reference to, among other matters: (i) the value of the assets and business of MIG; (ii) the prevailing share price of MIG; and (iii) the factors set out in the section headed "Reasons for and Benefits of the Acquisition".

The net profits (both before and after taxation) attributable to equity holders of MIG for the periods immediately preceding the Acquisition are as follows:

	For the nine months ended 30 September		For the year ended 31 December
	2014	2013	2012
	(unaudited)	(audited)	(audited)
	<i>approximately</i>	<i>approximately</i>	<i>approximately</i>
	<i>USD million</i>	<i>USD million</i>	<i>USD million</i>
Net profit (loss) before tax	25.56	(143.27)	3.91
Net profit (loss) after tax	21.09	(112.31)	11.75

The audited total assets and net assets of MIG were approximately USD2,761.84 million and USD413.41 million, respectively as at 31 December 2013. The unaudited net assets of MIG was approximately USD448.10 million as at 30 September 2014.

Conditions to Closing: The respective obligations of the parties to effect the Merger are subject to the satisfaction (or to the extent permitted by Law, waiver by the relevant parties) at or prior to the Effective Time, inter alia, of the following conditions:

- (a) MIG shall have obtained the affirmative vote of the holders of shares representing a majority of the voting power of the outstanding shares of the MIG Common Stock entitled to vote thereon at the MIG's shareholders' meeting to approve the Merger Agreement and the transactions contemplated hereby (including the Merger);
- (b) the parties of the Merger Agreement shall have obtained the approval without the imposition of any burdensome condition of the Merger Parent's acquisition of control of each applicable Insurance Subsidiary from the Insurance Regulators of the States of California, Michigan, Missouri and Ohio and of Washington, D.C.;
- (c) the waiting period (and any extensions thereof) applicable to the Merger under the HSR Act shall have expired or been terminated or any applicable waiting period thereunder shall have been terminated or shall have expired without the imposition of any burdensome condition;
- (d) no Governmental Entity of competent jurisdiction shall have issued or

entered any order, injunction or decree that is in effect and renders the Merger illegal, or prohibits, enjoins or otherwise prevents the Merger; provided, however, that the condition set out here shall not be available to any party whose failure to fulfill its obligations in relation to the shareholders' meeting and appropriate action/consents/filings set out in the Merger Agreement results in the failure of the condition to be satisfied;

(e) certain of the representations and warranties of MIG, and of the Merger Parent and the Merger Sub contained in the Merger Agreement shall be true and correct in all material respects as of the date of the Merger Agreement and as of the Effective Time as though made on and as of the Effective Time (except to the extent expressly made as of a specific date, in which case as of such specific date); other representations and warranties of MIG shall be true and correct except for matters that would not constitute a material adverse effect with regard to the business of MIG and its subsidiaries, taken as a whole;

(f) No MIG Ratings Event shall have occurred and be continuing; and

(g) there shall not be instituted and pending any suit, claim, action, proceeding or arbitration to MIG or any Insurance Subsidiary initiated by any of the Insurance Regulators of the States of California, Michigan, Missouri and Ohio or the U.S. federal government (i) challenging or seeking to make illegal or prohibit the consummation of the Merger or (ii) imposing or seeking to impose a burdensome condition; provided, however, that this condition shall not be available to the Merger Parent or the Merger Sub if its failure to fulfill its obligations in relation to the appropriate action/consents/filings set out in the Merger Agreement results in the failure of the condition to be satisfied.

Closing: The Closing will take place on the third Business Day after the satisfaction or waiver of the conditions set forth in the Merger Agreement or on such other date as may be mutually agreed by the parties of the Merger Agreement.

Effective Time: Concurrently with the Closing, MIG shall file the Certificate of Merger with the Secretary of State of the State of Michigan in such form as required by, and executed in accordance with, the applicable provisions of the MBCA. The Merger shall become effective on the date and time at which the Certificate of Merger has been duly filed with the Secretary of State of the State of Michigan

or at such other date and time as is agreed between the parties of the Merger Agreement and specified in the Certificate of Merger.

The Effective Time shall occur on or before the date that is 210 days from the date of the Merger Agreement with a 90 day extension at the election of either MIG or Merger Parent if all conditions to the Closing have been satisfied except for obtaining the insurance regulatory approvals as stated above.

Guarantee: Concurrently with the execution and delivery of the Merger Agreement, the Company has provided a guarantee in favour of MIG and a funding commitment letter in favour of the Merger Parent, pursuant to which the Company is guaranteeing the performance and payment of the Merger Parent's and the Merger Sub's obligations under the Merger Agreement and to fund an amount sufficient to satisfy the payment of the Merger Consideration and any other cash amounts payable by the Merger Parent or the Merger Sub under the Merger Agreement no later than immediately prior to the Closing.

Other Terms: Prior to the Effective Time, the board of directors of MIG shall adopt appropriate resolutions to provide that, immediately prior to the Effective Time, the Restricted Stock granted pursuant to the MIG Stock Plan shall vest in full and all restrictions (including forfeiture restrictions) otherwise applicable to such vested Target Shares shall lapse.

As of the Effective Time, the MIG Stock Plan shall terminate, and no Restricted Stock or other rights with respect to the Target Shares shall be granted thereunder.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group has been making constant efforts to enhance its insurance-oriented comprehensive financial capability and develop insurance as one of its core businesses on a global scale. The Group regards the development of insurance business as a major approach to access long-term high-quality capital. The Acquisition will provide the Group with a strategic insurance platform in the United States, enable the Group to establish a significant presence in the property and casualty insurance market in the United States and further connect the Group's investment capability to long-term high-quality capital. Through close collaboration and cooperation, the parties aim to leverage each other's expertise in respective areas of underwriting, investment, management and operation, thereby generating mutual benefits and enhancing the global strength of both parties.

The Directors (including the independent non-executive Directors) are of the view that the Acquisition is in the ordinary and usual course of business of the Group, and that the terms of the Merger Agreement are on normal commercial terms, fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceed 5% and are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

GENERAL INFORMATION OF THE PARTIES

The Company

The principal businesses of the Company include (i) insurance; (ii) industrial operations; (iii) investment; and (iv) asset management.

The Merger Parent

The Merger Parent is principally engaged in investment holding.

The Merger Sub

The Merger Sub is principally engaged in investment holding.

MIG

MIG is a holding company organized as a Michigan corporation in 1985. MIG was initially founded in 1955 as “Meadowbrook Insurance Agency” and was subsequently incorporated in Michigan in 1965. MIG is a specialty niche focused, commercial insurance underwriter and insurance administration services company. MIG markets and underwrites specialty property and casualty insurance programs and products on both an admitted and non-admitted basis through a broad and diverse network of independent retail agents, wholesalers, program administrators and general agents, who values service, has specialized knowledge, and focused expertise.

DEFINITIONS

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

“Acquisition”	the acquisition of MIG by way of Merger pursuant to the Merger Agreement
“Board”	the board of the Directors
“Business Day”	any day, other than a Saturday or Sunday or a day on which banks are required or authorized by Law to close in New York
“Cancelled Shares”	all shares of MIG that are held in the treasury of MIG or owned of record by any subsidiary of MIG, and all shares of MIG owned of record by the Merger Parent, the Merger Sub or any of their respective subsidiaries (if any), which shall be cancelled and shall cease to exist, with no payment being made
“Certificate of Merger”	a certificate of merger with respect to the Merger to be filed with the Secretary of State of the State of Michigan in such form as required by, and executed in accordance with, the applicable provisions of the MBCA
“Closing”	the closing of the Merger as contemplated under the Merger Agreement
“Company”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the main board of the Hong Kong Stock Exchange
“Directors”	the directors of the Company
“Dissenting Shares”	the issued and outstanding shares of MIG held by a person who has not voted in favour of or consented to the approval of the Merger Agreement
“Effective Time”	being the effective time of the Merger, which shall be the date and time at which the Certificate of Merger has been duly filed with the Secretary of State of the State of Michigan or at such other date and time as is agreed between the parties of the Merger Agreement and specified in the Certificate of Merger
“Governmental Entity”	any national, federal, state, county, municipal or local government, or other governmental or regulatory body or political subdivision

	thereof, and any entity exercising executive, legislative, judicial, regulatory, taxing or administrative functions of or pertaining to government or any quasi-governmental body
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HSR Act”	Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder
“Insurance Laws”	all laws, rules and regulations applicable to the business of insurance or the regulation of insurance holding companies, whether domestic or foreign, and all applicable orders and directives of Governmental Entities and market conduct recommendations resulting from market conduct examinations of Insurance Regulators
“Insurance Regulators”	all Governmental Entities regulating the business of insurance under the Insurance Laws
“Insurance Subsidiaries”	MIG’s subsidiaries, each of which, by virtue of its operations and activities, is required to be licensed as an insurance company or reinsurance company
“Law”	any federal, state, local or foreign law, statute, code, directive, ordinance, rule, regulation, order, judgment, writ, stipulation, award, injunction, decree, binding and enforceable guideline, binding and enforceable written policy, or rule of common law, in each case, of any Governmental Entity
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“MBCA”	Michigan Business Corporations Act
“Merger”	a merger between the Merger Sub and MIG
“Merger Agreement”	an agreement and plan of merger dated 30 December 2014 (U.S. time) entered by and among the Merger Parent, the Merger Sub and MIG in relation to the acquisition of MIG by way of Merger
“Merger Consideration”	USD8.65 per Target Share in cash

“Merger Parent”	Miracle Nova II (US), LLC, a corporation incorporated in Delaware, the United States on 29 December 2014 (U.S. time) and an indirect wholly-owned subsidiary of the Company
“Merger Sub”	Miracle Nova III (US), Inc., a corporation incorporated in Delaware, the United States on 29 December 2014 (U.S. time) and a wholly-owned subsidiary of the Merger Parent as at the date of this announcement
“MIG”	Meadowbrook Insurance Group, Inc., a corporation incorporated in Michigan, the United States and its shares are listed on the New York Stock Exchange (NYSE: MIG)
“MIG Common Stock”	each issued and outstanding share of common stock, par value USD0.01 per share, of MIG
“MIG Ratings Event”	a downgrade in the financial strength rating assigned to MIG and the Insurance Subsidiaries by A.M. Best Company, Inc. below “B++” (negative outlook) primarily and directly attributable to (i) the actions or inactions of MIG and the Insurance Subsidiaries or its management or (ii) an adverse change after the date of the Merger Agreement in the condition (financial or otherwise) of MIG and/or its subsidiaries and their respective businesses, while excluding consequences arising from announcement of the Acquisition, actions taken by the Group, or industry wide events that do not disproportionately affect MIG
“MIG Stock Plan”	collectively the MIG’s 2013 Long Term Incentive Plan and 2012 Long Term Incentive Plan
“Restricted Stock”	each outstanding award of the Target Shares subject to forfeiture restrictions or other restrictions granted pursuant to the MIG Stock Plan
“Surviving Corporation”	after the Effective Time, MIG shall continue as the surviving corporation and shall succeed to and assume all the rights and obligations of the Merger Sub and MIG in accordance with the MBCA, as a wholly-owned subsidiary of the Merger Parent
“Target Share(s)”	the MIG Common Stocks, including Restricted Stock prior to the Effective Time, other than the Dissenting Shares and the Cancelled Shares
“United States” or “U.S.”	the United States of America
“USD”	United States dollar, the lawful currency of the United States

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 31 December 2014

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