FOSUN 复星

復星國際有限公司

FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

INTERIM RESULTS ANNOUNCEMENT (UNAUDITED) FOR THE SIX MONTHS ENDED 30 JUNE 2021

FINANCIAL SUMMARY

	For the six months ended 30 June	
In RMB million	**2021**	2020 (Restated*)
Revenue	**70,405.8**	63,269.2
Health	**19,282.0**	16,240.6
Happiness	**28,461.3**	27,026.1
Wealth	**19,649.9**	19,312.1
Insurance	**15,475.3**	14,162.5
Asset Management	**4,174.6**	5,149.6
Intelligent Manufacturing	**3,569.7**	1,181.2
Eliminations	**(557.1)**	(490.8)
Profit/(loss) attributable to owners of the parent	**4,062.2**	2,012.1
Health	**1,214.8**	364.2
Happiness	**(1,168.2)**	(454.2)
Wealth	**2,410.5**	1,192.8
Insurance	**1,415.3**	(1,966.5)
Asset Management	**995.2**	3,159.3
Intelligent Manufacturing	**1,629.1**	901.7
Eliminations	**(24.0)**	7.6
Earnings per share – basic *(in RMB)*	**0.48**	0.24
Earnings per share – diluted *(in RMB)*	**0.48**	0.24

*The comparative segment information has been restated to reflect the change of the reporting segments of the Group. Please refer to note 2 of interim condensed consolidated financial information for more operating segment information.

BUSINESS OVERVIEW

After nearly three decades of development, Fosun now operates four business segments, namely Health, Happiness, Wealth and Intelligent Manufacturing. It aims to provide high-quality products and services to families around the world with its focus on industry operations.

Development underpinned by recoveries in businesses and complementary investments

As a global company rooted in China, the Group has been upholding its twin-driver strategy of "Industry Operations + Industrial Investment" since 2019. It has developed a solid global presence with its business operations in more than 20 countries and regions across five continents. As the COVID-19 pandemic is being brought under control, thanks to the world's increasing capacity to combat the coronavirus, the Group has been adapting its business models to the changes in social and economic activities as regular pandemic control measures have become the norm. During the Reporting Period, the Group saw a recovery in its business as reflected in growth in such financial indicators as revenue and net profit. The total revenue increased by 11% year-on-year to RMB70.41 billion. Excluding the declining revenue from FTG, the year-on-year growth in the Group's total revenue would have been RMB8.88 billion, a year-on-year increase of 15%. The profit attributable to owners of the parent during the Reporting Period grew by 102% year-on-year to RMB4.06 billion. Excluding the impact of FTG, the profit attributable to owners of the parent would have risen by 107% year-on-year to RMB5.68 billion.

During the Reporting Period, the industrial operation profit[1] amounted to RMB5.69 billion, representing a year-on-year growth of 40%, and, if the impact of FTG is excluded, would have increased by 53% year-on-year, which reflects the sustainable growth in the Group's businesses despite the pandemic. On the other hand, the Group has also made a series of successful industrial investments, which are another key driving force that fit in with the Group's development strategy. During the Reporting Period, the Group invested in Wansheng[2], a world-leading producer of phosphorus-based flame retardant; Fosun Pharma has proposed its establishment of a Chinese joint venture with BioNTech based on its mRNA technology platform; Fosun Fashion Group entered into the agreement for the acquisition of a well-known Italian women's footwear company Sergio Rossi, and some other investments of the Group

[1] Industrial operation profit: It includes the profit contribution of industrial operation subsidiaries of the Group and associates and joint ventures accounted by equity method.

[2] As at the end of the Reporting Period, Nanjing Iron & Steel has not fully completed the acquisition of 29.98% equity interest.

which will have high synergy with the Group's existing operations and high potential for growth. In the second half of the year, people around the world have been changing the way in which they live, work, travel, and spend to adapt to the new social and economic conditions in the post-COVID-19 era. The Group expects a gradual recovery in its business which will be reflected in its financial and operational indicators.

Building an FC2M ecosystem by putting customers as its top priority

After having gone through two stages of its development, namely those of "Taking roots in China" and subsequently "Combining China's growth momentum with global resources", the Group began in 2018 to target billions of families around the world as customers to build a family-oriented, Fosun Client-to-Maker (FC2M) Ecosystem. Since 2019, when the Group fully embraced its twin-driver strategy of "Industry Operations + Industrial Investment", the Group has dedicated itself to providing more high-quality products to customers through its profound industry operations, with a view to creating a multiplier effect within its FC2M Ecosystem. Therefore, over the past few years, the Group has taken much effort to enhance its product development capability at the "M" (Maker)-end. For instance of Fosun Pharma, the flagship company in the Health segment, Comirnaty® (mRNA COVID-19 vaccine) was included in the government vaccination programs in Hong Kong and Macau during the Reporting Period. In March, Gland Pharma, an India-listed injectables company, announced that it would produce and supply up to 252 million doses of "Sputnik V" COVID-19 vaccine developed in Russia. In June, Yescarta® (Ejilunsai injection) of Fosun Kite, a joint venture of Fosun Pharma, became the first CAR-T cell therapy product approved for launch in China. In July, Sisram Med entered into a sublicensing agreement with a subsidiary of Fosun Pharma for the aesthetic indications of RT002 in Greater China, to further enrich its injectables business pipeline and to collect strategic products for future expansion into the C-end market. These globally advanced products have fully demonstrated the competitiveness of the Group's products which have resulted from its capability to innovate unceasingly.

By putting "C-end Top Priority" at the core strategy of its FC2M Ecosystem, the Group is committed to making good use of internet and other digital solutions to attract and service users via both online and offline channels to create more value for customers in its FC2M Ecosystem. As at the end of the Reporting Period, the accumulative number of registered members of the FC2M Ecosystem reached 376 million, increasing by approximately 5% from that as of 31 December 2020.

Optimizing capital structure to promote long-term prosperity

In addition to focusing on industry operations and building the FC2M Ecosystem, the Group has continued to enhance its financial position so as to form a positive financial ecosystem and lay a solid foundation for its long-term and stable development. In terms of investments, the Group focuses on its four major business segments as well as other businesses that have strong synergy with them. While bolstering all its other existing businesses with its core operations in its Health and Happiness businesses, the Group has also invested in high value-added sectors (for example, Yuyuan's acquisition of Jinhui Liquor and Shede Spirits) and gradually disposed of its non-core assets. To enhance the investment management, the Group strives to strike a balance between investments and divestment to optimize both its capital allocation and portfolio of businesses.

In terms of financial management, the Group actively manages maturing debts in advance and optimizes debt structure. The Group has keenly grasped the window period of bond capital market and has seen remarkable results in its financing activities on both domestic and overseas bond capital markets. During the Reporting Period, the open market financing of the Company reached RMB36.1 billion. As at the end of July, the Company has issued a total of approximately USD1.6 billion worth of offshore bonds. While optimizing the issuance cost, it has made use of tender offer to repurchase short-dated bonds and proactively managed future maturing debts in advance and improved the maturity profile. While seeking to improve its capital structure, the Group also remains committed to seeking breakthroughs in developing financing channels. During the Reporting Period, the Group became the first Chinese enterprise to establish a euro high yield bond yield curve, while Fosun High Technology, a subsidiary of the Company, was the first Chinese corporation to issue US-dollar bonds in Shanghai Free Trade Zone in July, opening up a new front for the Group's onshore financing channels.

In terms of credit ratings, Moody's has upgraded the outlook of the Company to "stable" in February 2021. As at the end of the Reporting Period, the Group continued to maintain ample liquidity and stable financial position with interest-bearing debt to total capital ratio of 55.7%, which was 1.2 percentage points lower than that as at the end of June 2020; and its cash and bank balances and term deposits reached RMB106.08 billion. The average cost of debt was 4.4% during the Reporting Period. The Group will continue to promote prudent financial management steady capital optimization to facilitate the rapid development of business.

Fulfilling social responsibility with outstanding ESG performance

Committed to "Self-improvement, Teamwork, Performance and Contribution to Society", the Group has performed well in environmental, social and governance (ESG) practices. While developing rapidly, Fosun leverages the advantages of its well-established businesses to contribute to public welfare by lending its support to the society's anti-COVID-19 measures, rural doctors, educational and cultural activities, and entrepreneurship. When the pandemic situation worsened in India in April 2021, Fosun Foundation, together with other companies, immediately donated oxygen concentrators, ventilators, masks and other urgently needed medical supplies to India. In July 2021, on the day after the rainstorm in Henan province of China, Fosun Foundation donated RMB50 million worth of cash and resources and participated in collecting and distributing disaster relief.

As at the end of the Reporting Period, the Company received a rating of A in the MSCI ESG Ratings assessment and a rating of A+ in the Hang Seng Sustainability Index and included in the Hang Seng Corporate Sustainability Benchmark Index (HSSUSB); and its FTSE ESG rating was significantly improved, higher than the industry average. In addition, the Company will be included in the Hang Seng ESG50 Index which will become effective from 6 September 2021.

Health Segment

The Health segment of the Group focuses on the ecosystem of pharmaceutical, medical diagnosis technology, healthcare services and products, and adheres to the "4 IN" strategy (Innovation, Internationalization, Integration, Intelligentization) to continuously improve its product competitiveness and brand strength, as well as its innovation, integration and internationalization capabilities. With the reform on the medical and healthcare system in China reaching a deeper level, the research and development ("**R&D**") and launch of innovative drugs have entered a rapid development phase. Plenty of development opportunities for innovative medical devices and medical diagnostics are expected, resulting in a significant increase in demand for quality medical products and services. The Group has already formed four major listed platforms, namely Fosun Pharma, Shanghai Henlius, Sisram Med and Gland Pharma, and will continue to invest in cutting-edge innovation and build an ecosystem in which all the healthcare businesses are interconnected with each other. Furthermore, it will build a medical-grade, one-stop, all-scenario based Fosun health ecosystem on the C-end, and a diverse, distinctive and innovative product matrix on the M-end.

Fosun Pharma is committed to becoming a leading player in the global market for mainstream healthcare. With pharmaceutical manufacturing and R&D as the core of its business, Fosun Pharma endeavors to extend the scope of its business to cover the full value chain of the healthcare industry, ranging from medical devices, medical diagnosis to healthcare services. With the introduction of national policies on centralized procurement of drugs and stepping up the evaluation of new drugs, Fosun Pharma continues to optimize its product mix, build platforms for small-molecule innovative drugs, anti-body drugs and cell therapy technologies centered around oncology, immunomodulation, chronic diseases and the central nervous system. It also kept building up a team in charge of the commercialization of the R&D results. Meanwhile, it has been actively developing and commercializing a COVID-19 vaccine. Comirnaty® (mRNA COVID-19 vaccine) was included in the government vaccination programs in Hong Kong and Macau during the Reporting Period. Fosun Pharma has proposed to establish a joint venture with BioNTech in China to localize the production of the mRNA COVID-19 vaccine. During the Reporting Period, the R&D investment by Fosun Pharma has also come to fruition that in June, Yescarta® (Ejilunsai injection) of Fosun Kite, a joint venture of Fosun Pharma, became the first CAR-T cell therapy product approved for launch in China.

Shanghai Henlius dedicates itself to developing and producing affordable innovative drugs and aspires to become a leader in China's biological medicine industry. It has strong global commercialization capability, covering the whole process of marketing promotion, channel management, pricing and market access, domestic sales and strategic planning. Meanwhile, to further strengthen industrialization-based distribution for biomedicines with high economic benefit based on international standards. The commercial production capacity of Xuhui Facility has been 20,000 liters, and the production capacity construction of 24,000 liters has been completed for the Songjiang First Plant. In addition, Shanghai Henlius enhances the portfolio of its innovative biologics in the pipeline, including serplulimab injection (PD-1). It also speeds up the expansion of innovative potential targets and antibody-drug conjugates (ADC) etc.

Sisram Med is a leading global provider of energy-based medical aesthetic treatment systems, with comprehensive in-house capability to design, develop and produce such systems and has begun to develop its layout into the fields of aesthetic medicine injection products and aesthetic dentistry. Benefiting from strong growth in the markets of North America and China and the expansion and synergy of its multi-dimensional product lines in the global medical cosmetology market, the revenue during the Reporting Period was USD125.3 million, increased significantly by more than 74.7% compared with that in the same period in 2020, with profit attributable to owners of the parent increasing by more than 190% year-on-year. During the Reporting Period, while actively expanding its existing energy-based medical aesthetics equipment business, Sisram Med carried out business integration on strategic tracks such as aesthetic dentistry and injectables. In July 2021, Sisram Med completed the merger of the assets of Shanghai Foshion Medical System Co., Ltd, aiming to create a brand new digital dental brand by leveraging its existing global channel and resource advantages. In the same month, Sisram Med entered into a sublicensing agreement with a subsidiary of Fosun Pharma for the aesthetic indications of RT002 in Greater China, to further enrich its injectables business pipeline and to collect strategic products for future expansion into the C-end market.

Gland Pharma is one of the largest and fastest growing generic injectable-focused companies, with a global footprint spanning over 60 countries. Through the B2B (Business-to-business) and CDMO (Contract Development Manufacture Organization) modes, it has been able to achieve high growth in the value chain of the pharmaceutical industry by playing a significant and unique role. Meanwhile, it has strengthened its global production capacity. Seven of its production sites have passed GMP audit/certification in the United States (US), the European Union (EU), Japan, Australia and Brazil, and it is actively promoting its products in the Chinese market. By increasing investment in R&D, Gland Pharma will gradually enter a new field that involves vaccines and biosimilars, and will develop platforms for complex technologies (such as long-acting/suspension products) and complex active pharmaceutical ingredients (API) production (such as fermentation technology).

Happiness Segment

The Happiness segment of the Group aims to establish a world-class FC2M Ecosystem for family spending on happiness, using the ecosystem of happiness businesses, product competitiveness, digitalization, and globalization strategically to create a happier life for families worldwide.

The Happiness segment is divided into two major businesses: branded consumer and tourism and leisure. The platforms for branded consumer business include Yuyuan, Fosun Fashion Group and Fosun Sports Group, which engage in such businesses as jewelry and fashion, liquor and spirits, C-end platforms, fashion brands, food, catering, beauty and health, sports, cultural business and pet care. Meanwhile, FTG is the platform for the tourism and leisure business, engaging in such businesses as the operation of tourism destinations, resorts, hotels, content services and solutions.

As the flagship enterprise of the Happiness segment, Yuyuan relies on the urban cultural and commercial strengths of Shanghai and has the mission of promoting a happier life for families worldwide through innovation. It is determined to become the world's leading group in the family entertainment and consumption industry with roots in China, leading the trend of Chinese cultural revival. By upholding the twin-driver strategy of "Industry Operations + Industrial Investment", Yuyuan adheres to the concept of happiness and fashion, and continues to develop the "1+1+1" strategy of running "family happiness consumption business + urban commercial landmarks + online and offline member platforms". In the course of such development, Yuyuan has gradually formed an industrial cluster with unique competitive advantages targeting emerging mainstream consumers. Its major business sectors include cultural business, smart retail, jewelry & fashion, cultural catering, food & beverage, Chinese fashion watches, beauty & health, and operating real estates with composite functions.

FTG is a global leader in family retreats. It has three major businesses: resorts, tourism destinations and services and solutions related to tourism. The resort business consists of Club Med, a French-based all-inclusive experience resort, Casa Cook, a luxury boutique resort, Cook's Club, a new-generation trendy resort, and other high-end brands. Tourism destinations include Atlantis Sanya, a high-end, one-stop destination for entertainment, leisure and integrated travel and vacation; FOLIDAY Town, a comprehensive international leisure and vacation destination, and Albion, a professional tourism destination operator and other brands. With the acquisition of Thomas Cook, one of the world's oldest travel brands, and the establishment of the Thomas Cook lifestyle platform and travel agency, FTG's leisure and vacation services and solutions have been greatly improved. It has joined hands with the cultural and entertainment activities provider Fanxiu, international parent-child learning and playing club Miniversity, and a global member club Foryou Club to provide consumers with high-quality travel products and services.

Wealth Segment

The Group's Wealth segment mainly consists of financial services with insurance as the dominated business. It leverages the Group's profound industry operations capability and global investment capability to build an ecosystem of its global asset management businesses. It uses capital as its foundation and conducts investment to help the Group's Health, Happiness and Intelligent Manufacturing segments achieve industrial complementarity.

The Wealth segment is divided into three major businesses: insurance, asset management (investment) and asset management (property). The insurance business includes overseas and domestic insurance businesses. The overseas insurance businesses led by Fosun Insurance Portugal and Peak Reinsurance. Fosun Insurance Portugal is committed to building financially sound global insurance companies with a balanced business portfolio. Peak Reinsurance provides property & casualty and life & health reinsurance as well as tailor-made reinsurance solutions for global clients. The domestic insurance business includes Pramerica Fosun Life Insurance, a life insurance joint venture between Fosun and The Prudential Insurance Company of America. The asset management (investment) business covers global asset management (private equity investments and venture capital investments), including Fosun Capital, Fosun RZ Capital, German private bank H&A and Guide in Brazil. The asset management (property) business covers globally self-owned properties and third-party real estate asset management. Among them, self-owned properties are mainly to build local landmark buildings. For example, BFC in Shanghai China is the flagship work of the asset management (property) business of the Group.

During the Reporting Period, the core enterprises in insurance sector maintained stable and healthy development, reported growing total investment returns and profit attributable to owners of the parent. Fosun Insurance Portugal optimized its products structure and maintained its position as market leader, achieving total market share in Portugal of 29.3% and non-life business combined ratio of 91.5%. During the Reporting Period, the underwriting margin of Peak Reinsurance improved to 13.0% from 10.8% in the same period of last year. Following the business philosophy of "Long-term Value Growth", Pramerica Fosun Life Insurance achieved optimized business structure and growing premium during the Reporting Period.

In the asset management (investment) business, the non-strategic financial investment projects that the Group had earlier invested in have gradually increased in value. In the future, the Group will continue with a balanced investment-divestment strategy and it will selectively divest itself of non-strategic financial investments and focus on taking controlling stakes in businesses that can complement its existing businesses. At the same time, the Group will expand the scale of market-based industrial fund management and make exploratory investments in core technologies. As at the end of the Reporting Period, the number of private equity funds and venture capital funds under the Group's management increased to 23 with total assets of over RMB29.5 billion under its management. Our German private bank H&A has also achieved strong growth despite the headwinds, mainly due to its deployment of resources in the "financial hotspots" in Europe, giving full play to the investment banking business's strength in industry research and the advantage of its staff as well as the flexible product allocation of the private banking business. During the Reporting Period, the assets under management reached EUR194.7 billion, increased by 29.5% compared with that in the same period in 2020. The return on equity reached 14.4% and the tier 1 capital ratio improved to 21.38% in 2021.

The Group's business of asset management (property) projects has already shifted the focus from residential property development to the management of the properties that it owns, including residential properties, offices, commercial properties, hotels, infrastructure and logistics properties. That business has already built an optimal portfolio of properties with footholds in China and other countries and regions in Asia Pacific, Europe and the Americas.

Intelligent Manufacturing Segment

The Group's Intelligent Manufacturing segment which mainly consists of the steel and mineral resources businesses, is actively expanding its extension businesses with high added value of science and technology in the fields such as industrial internet and new materials. It is also strategically deploying resources to develop the business of equipments and core components for smart transportation.

In a cyclical boom in the global commodity trade, the Group's steel and mineral resources businesses, represented by Nanjing Iron & Steel and Hainan Mining, has continued to realize rapid growth. Meanwhile, the technology industries represented by the new energy vehicle industry are experiencing a prosperity. Other companies in the Group's Intelligent Manufacturing segment are expected to reap dividends from the industry's rapid development.

Nanjing Iron & Steel has been developing high-end products, such as medium and thick plates, and increasing investment in R&D and environmental protection for many years that further strengthens the company's long-term strategic advantages. By investing in a coke project in Indonesia, Nanjing Iron & Steel has expanded upstream along the value chain of its main business, thus steadily consolidating its mainstay business advantages. In addition, it is actively expanding into the business of new materials and invested in Wansheng, the leader in the global industry of phosphorus-based flame retardants, in early 2021.

Hainan Mining continued to enhance its core business and bolster its industry operations, investment and financing capabilities. The iron ore business achieved strong performance in both production and sales during the Reporting Period and continued to reduce costs and increase efficiency through lean management. At the same time, the company has optimized its pricing mechanism to match the iron ore market price more closely. As to the oil and gas business, Hainan Mining, through its overseas subsidiary ROC, acquired natural gas assets in China's Sichuan Basin, thus expanding the scale of its clean energy business layout.

Target for 2021

We are about to celebrate the 30th anniversary of the founding of Fosun in 2022. Throughout the stages of the Group's development respectively marked by its strategies of "China's growth momentum", "globalization" and the "glocalization (Global + Local strategy)", Fosuners have forged ahead amid the historically significant market reform. From a single business entity, Fosun has developed into a consumer group covering Health, Happiness, Wealth, and Intelligent Manufacturing, and has evolved from a start-up with only RMB38,000 in capital into a company that ranked in Top 500 on the Forbes Global 2000 list. Fosun, which is about to enter the 30 years' establishment, is still very young. It will keep on upholding its corporate cultural value of "Self-improvement, Teamwork, Performance, Contribution to Society". In the future, Fosun will continue to press on with its twin-driver strategy of "Industry Operations + Industrial Investment". It will also improve the efficiency of its businesses' operation through lean operation to speed up the growth of its Health, Happiness, Wealth and Intelligent Manufacturing businesses. We will also stay true to our original aspiration of "Performance, Contribution to Society" and will take more social responsibility, promote the sustainable development of its ESG (environmental, social and governance) practices at all the businesses of Fosun, and continue to create value for customers, employees, shareholders and other stakeholders for a better life. To achieve a continuously growing and evolving organization, we will also strive to strengthen the Group's Global Partnership system[3], further develop its incentive mechanism, kindle the employees' entrepreneur spirit, and create a FC2M Ecosystem for the healthy and happy life of families worldwide.

[3] It is different from the legal concept of "partner" in partnership enterprises.

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS REVIEW

As at the end of the Reporting Period, total assets of the Group amounted to RMB778,856.1 million, representing an increase of 1.5% compared to the end of 2020.

During the Reporting Period, the Group's revenue amounted to RMB70,405.8 million, an increase of RMB7,136.6 million compared with the same period in 2020, representing a year-on-year increase of 11.3%. In terms of product lines, during the Reporting Period, the revenue from pharmaceutical, devices and diagnosis as well as healthcare services and products accounted for 63%, 15% and 22% of the Group's revenue from the Health segment respectively; the revenue from branded consumer and tourism and leisure of the Happiness segment accounted for 89% and 11% of the Group's revenue from the Happiness segment respectively; the revenue from insurance, asset management (property) and asset management (investment) of the Wealth segment accounted for 79%, 12% and 9% of the Group's revenue from the Wealth segment respectively; and the revenue from the resources and environment, technology and intellectual manufacturing of the Intelligent Manufacturing segment accounted for 54% and 46% of the Group's revenue from the Intellectual Manufacturing segment respectively.

REVENUE BY SEGMENT OF THE GROUP

Unit: RMB million

Segment	**For the six months ended 30 June 2021**	**Proportion**	**For the six months ended 30 June 2020 (Restated)**	**Proportion**	**Change over the same period of last year**
Health	19,282.0	27.4%	16,240.6	25.7%	18.7%
Happiness	28,461.3	40.4%	27,026.1	42.7%	5.3%
Wealth	19,649.9	27.9%	19,312.1	30.5%	1.7%
Insurance	15,475.3	22.0%	14,162.5	22.4%	9.3%
Asset Management	4,174.6	5.9%	5,149.6	8.1%	(18.9%)
Intelligent Manufacturing	3,569.7	5.1%	1,181.2	1.9%	202.2%
Eliminations	(557.1)	(0.8%)	(490.8)	(0.8%)	(13.5%)
Total	**70,405.8**	**100.0%**	**63,269.2**	**100.0%**	**11.3%**

PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT BY SEGMENT OF THE GROUP

Unit: RMB million

Segment	For the six months ended 30 June 2021	Proportion	For the six months ended 30 June 2020 (Restated)	Proportion	Change over the same period of last year
Health	1,214.8	29.9%	364.2	18.1%	233.6%
Happiness	(1,168.2)	(28.8%)	(454.2)	(22.6%)	(157.2%)
Wealth	2,410.5	59.3%	1,192.8	59.3%	102.1%
Insurance	1,415.3	34.8%	(1,966.5)	(97.7%)	172.0%
Asset Management	995.2	24.5%	3,159.3	157.0%	(68.5%)
Intelligent Manufacturing	1,629.1	40.1%	901.7	44.8%	80.7%
Eliminations	(24.0)	(0.5%)	7.6	0.4%	(415.8%)
Total	**4,062.2**	**100.0%**	**2,012.1**	**100.0%**	**101.9%**

ASSET ALLOCATION OF THE GROUP

Unit: RMB million

Segment	As at June 30 2021	Proportion	As at December 31 2020	Proportion	Change compared to the end of 2020
Health	105,180.9	13.5%	100,117.6	13.0%	5.1%
Happiness	184,870.0	23.7%	178,506.3	23.3%	3.6%
Wealth	455,454.3	58.5%	457,572.4	59.6%	(0.5%)
Insurance	212,087.5	27.2%	214,233.4	27.9%	(1.0%)
Asset Management	243,366.8	31.3%	243,339.0	31.7%	0.0%
Intelligent Manufacturing	43,491.8	5.6%	42,055.5	5.5%	3.4%
Eliminations	(10,140.9)	(1.3%)	(10,571.2)	(1.4%)	4.1%
Total	**778,856.1**	**100%**	**767,680.6**	**100%**	**1.5%**

CORPORATE STRUCTURE OF MAIN BUSINESS[1] (AS OF 30 JUNE 2021)

Health[2]			Happiness[3]		Wealth			Intelligent Manufacturing[4]	
Pharmaceutical	Devices & Diagnosis	Healthcare Services & Products	Branded Consumer	Tourism & Leisure	Insurance	Asset Management (Investment)	Asset Management (Property)	Resources & Environment	Technology & Intelligent Manufacturing
Fosun Pharma 600196.SH 02196.HK 39.63%	Sisram Med (Israel) 01696.HK	Foshan Chanyi	Yuyuan 600655.SH 68.59%	FTG 01992.HK 80.79%	Fosun Insurance Portugal (Fidelidade) (Portugal) 84.9892%	H&A (Germany) 99.91%	28 Liberty (US) 100%	Nanjing Iron & Steel[13] 600282.SH 58.71%	FFT[15] (Germany) 100%
Shanghai Henlius 02696.HK		Luz Saúde[5] (Portugal) 99.85%	Jinhui Liquor[10] 603919.SH 38%	Club Med (France)	Peak Reinsurance 86.51%	Guide (Brazil) 70.27%	BFC 50%	Besino Environment 96.43%	JM Digital Steel 834429.OC 72.92%
Gland Pharma (India)		Shanghai Zhuli[6] (Fosun Integrated Care) 90.91%	Shede Spirits[11] 600702.SH 29.95%	Atlantis Sanya	Pramerica Fosun Life Insurance 50%	Fosun Hani Securities 100%	IDERA (Japan) 98%	Hainan Mining 601969.SH 51.57%	JEVE[16] 53.26%
Sinopharm 01099.HK		Sanyuan Foods[7] 600429.SH 20.45%	Wolves (UK) 100%	Thomas Cook Lifestyle Platform	AmeriTrust (US) 100%	Fosun Capital 100%	PAREF (France) 59.87%	ROC[14] (Australia) 100%	
		St Hubert[8] (France)	Baihe Jiayuan 69.16%		Yong'an P&C Insurance 40.68%	Fosun RZ Capital 100%			
		BabyTree[9] 01761.HK 29.50%	Bohe Health[12] 31.34%			BCP (Portugal) 29.93%			
		Fosun United Health Insurance 20%	FFG 82.25%			Cainiao 3.83%			

Notes:

1. This simplified corporate structure illustrates the key investments of the Group only. The equity percentage reflects the total direct shareholdings held by the Group, associates, joint ventures and funds managed by the Group as at 30 June 2021. The companies marked in the solid line boxes are consolidated investments of the Group, and the companies marked in the dotted-line boxes are non-consolidated investments of the Group. The companies marked in the shaded boxes are channels for C-end top priority of the Group.
2. The companies marked in the light blue boxes are invested by Fosun Pharma. For specific information, please refer to the disclosure of Fosun Pharma. The company marked in the light brown box is invested by Sanyuan Foods. For specific information, please refer to the disclosure of Sanyuan Foods.
3. The companies marked in the light yellow boxes are invested by Yuyuan. For specific information, please refer to the disclosure of Yuyuan. The companies marked in the light orange boxes are invested by FTG. For specific information, please refer to the disclosure of FTG.
4. The companies marked in the light green boxes are invested by Nanjing Iron & Steel. For specific information, please refer to the disclosure of Nanjing Iron & Steel. The company marked in the light purple box is invested by Hainan Mining. For specific information, please refer to the disclosure of Hainan Mining.
5. The Company and Fidelidade held 49% and 50.85% equity interest in Luz Saúde, respectively. Therefore, the Group held 92.22% effective equity interest in Luz Saúde.
6. Shanghai Zhuli holds the "Fosun Integrated Care" brand. As at the end of the Reporting Period, the Group through its wholly-owned subsidiaries and a consolidated fund under its management held 87.35% and 3.55% equity interest, respectively, in Shanghai Zhuli. The Group held 39.99% effective equity interest in such fund. Therefore, the Group held 88.78% effective equity interest in Shanghai Zhuli.
7. The Company through its wholly-owned subsidiary and a fund under management of the Group held 16.67% and 3.78% equity interest, respectively, in Sanyuan Foods. The Group held 37.30% effective equity interest in such fund. Therefore, the Group held 18.08% effective equity interest in Sanyuan Foods.
8. St Hubert SAS was held 98.12% by an associate of the Group in which the Group held 51% equity interest.
9. The Company and its wholly-owned subsidiary held 29.36% equity interest in BabyTree, and Fidelidade held 0.14% equity interest therein. Therefore, the effective equity interest held by the Group in BabyTree was 29.48%.
10. Yuyuan held 38% equity interest in Jinhui Liquor; therefore, the Group held 26.06% effective equity interest in Jinhui Liquor.
11. Yuyuan held 70% equity interest in Sichuan Tuopai Shede Group Co., Ltd., which held 29.95% equity interest in Shede Spirits. Therefore, the Group held 14.38% equity interest in Shede Spirits.
12. As at the end of the Reporting Period, the Group through its two consolidated limited partnerships held 30.42% equity interest in Bohe Health, and Yuyuan through its wholly-owned subsidiary held 0.92% equity interest in Bohe Health. Therefore, the Group held 30.15% effective equity interest in Bohe Health.
13. The Group held 58.71% equity interest in Nanjing Iron & Steel through Nanjing Nangang, a joint venture of the Group.
14. The Group held 49% equity interest in ROC through a wholly-owned subsidiary and Hainan Mining held 51% equity interest in ROC. Therefore, the Group held 75.30% effective equity interest in ROC.
15. FFT was 100% held by Shanghai Easun Technology Co., Ltd. (上海翌耀科技有限公司) (formerly known as Shanghai FFT Automation Technology Co., Ltd. 上海愛夫迪自動化科技有限公司) a subsidiary of the Group which was invested through the funds managed by the Group.
16. The Group through its wholly-owned subsidiary and a consolidated fund under management of the Group held 21.73% and 2.82% equity interest, respectively, in JEVE. The Group held 22.14% effective equity interest in such fund. The non-consolidated fund managed by the Group held 28.71% equity interest in JEVE. Therefore, the Group held 22.35% effective equity interest in JEVE.

HEALTH

The revenue and profit attributable to owners of the parent in the Health segment during the Reporting Period were as follows:

Unit: RMB million

	For the six months ended 30 June 2021	For the six months ended 30 June 2020 (Restated)	Change over the same period of last year
Revenue	19,282.0	16,240.6	18.7%
Profit attributable to owners of the parent	1,214.8	364.2	233.6%

During the Reporting Period, the Health segment recorded revenue of RMB19,282.0 million, increasing by 18.7% year-on-year. The growth mainly benefited from the strong growth of Fosun Pharma's profit attributable to owners of the parent year-on-year, and the increase in the fair value of equity investment in the secondary market of the Health segment. During the Reporting Period, this segment recorded profit attributable to owners of the parent of RMB1,214.8 million, an increase of 233.6% year-on-year.

Fosun Pharma

Adhering to the business philosophy of "Innovation for Good Health", Fosun Pharma and its subsidiaries ("**Fosun Pharma Group**") are striving to become a first-tier enterprise in the global mainstream pharmaceutical and healthcare market. The predecessor of Fosun Pharma was founded in 1994 and was listed on the SSE four years later. In 2004, its predecessor officially changed its name to Shanghai Fosun Pharmaceutical (Group) Co., Ltd. In 2005, Fosun Pharma was among the first group of Chinese A-share listed companies included in the CSI 300 Index. In the same year, Fosun Pharma's research center was accredited as a national-level research center. In 2012, Fosun Pharma was listed on the Main Board of the Hong Kong Stock Exchange. As at the end of the Reporting Period, the Group held 39.63% equity interest in Fosun Pharma.

Under the guidance of the "4 IN" strategy (Innovation, Internationalization, Integration, Intelligentization), Fosun Pharma Group has always adhered to the development pattern of "internal organic growth, external expansion, and integrated development". Focusing on unmet medical needs, Fosun Pharma Group continuously strengthens its product competitiveness and brand strength and improves its innovation, integration, and internationalization capabilities to operate efficiently. Fosun Pharma Group's businesses span the full industry chain of pharmaceutical and healthcare businesses. With pharmaceutical manufacturing and R&D as its business core, Fosun Pharma Group focuses on medical devices and medical diagnosis, healthcare services, pharmaceutical distribution, and retail. During the Reporting Period, the operating income of Fosun Pharma Group amounted to RMB16,878 million, increased by 20.86% year-on-year.

Under pressure of national requirements on collective drug procurement, Fosun Pharma Group continued to optimize its product structure and developed a corresponding commercial team within the Reporting Period. The operating income of drug manufacturing amounted to RMB12,179 million, increased by 22.38% year-on-year. The increase was mainly attributable to: 1) the contribution from the launch and increasing sales quantities of new products: Han Li Kang (rituximab injection) achieved substantial sales growth, with cumulative revenue amounting to RMB724 million for the first half of the year, representing a year-on-year increase of 223.21%; Han Qu You (trastuzumab injection) and Su Ke Xin (avatrombopag maleate tablets), which were launched in the second half of 2020, recorded revenue of RMB325 million and RMB206 million in the first half of the year, respectively; 2) benefited from the contribution from Micafungin, enoxaparin sodium injection and new product launch, revenue of Gland Pharma during the Reporting Period increased by 32.08% year-on-year (note: based on the financial statements of Gland Pharma using its presentation currency); 3) Comirnaty® (mRNA COVID-19 vaccine), which was included in the government vaccination programs in Hong Kong and Macau in the first half of the year, recorded revenue of over RMB500 million during the Reporting Period; 4) the continuous optimization of the life cycle management of existing products and expansion of marketing channels. In particular, the sales revenue of Atomolan tablets (glutathione tablets) increased by 60.70% period-on-period. At the same time, Fosun Pharma Group took measures to develop an innovative drug commercialization team, an OTC, a new online retail team, as well as Africa, Europe and US commercialization teams to cover 2,000 Class III hospitals and 10,000 Class I and II hospitals.

Policies on accelerated evaluation of new drugs and other policies were introduced successively during the Reporting Period, and Fosun Pharma Group continued to increase its R&D investments and establish technical platforms for small-molecular innovative drugs, antibody drugs and cell therapy in the sectors of tumor and immunity regulation, four highs (high blood pressure, high blood fat, high blood sugar and high purine trione), central nervous system, etc. The total R&D investment amounted to RMB1,954 million, increased by 15.69% year-on-year. Of this amount, R&D expenses accounted for RMB1,562 million, increased by RMB358 million or 29.73% year-on-year. Its R&D investments finally paid off when in June, Yescarta® (Ejilunsai injection) of Fosun Kite, a joint venture of Fosun Pharma, became the first CAR-T cell therapy product approved for launch in China. Meanwhile, active measures were taken to promote the R&D and commercialization of the COVID-19 vaccine. The mRNA COVID-19 vaccine (Comirnaty®) was included in the government vaccination program in Hong Kong and

Macau. Fosun Pharma has proposed to establish a joint venture with BioNTech in China to further implement the localized production of mRNA vaccine.

During the Reporting Period, Fosun Pharma Group developed the three core branches of plastic surgery, respiration health and professional medicine in the business categories of medical device and medical diagnosis, and its revenue amounted to RMB2,832 million, increased by 7.31% year-on-year. Driven by the robust growth in the North American and Chinese markets, Sisram Med recorded significant growth in business during the Reporting Period. While actively expanding its existing energy-based medical aesthetics equipment business, Sisram Med carried out business integration on strategic tracks such as aesthetic dentistry and injectables. Meanwhile, there was considerable growth in the number of "Da Vinci operating robots" that were installed and operated, with a total of 42 units installed.

Thanks to the recovery of offline medical services, the revenue of Fosun Pharma Group in medical and health services amounted to RMB1,843 million, increased by 35.61% year-on-year in the Reporting Period. Measures were also continued to expand the professional medical service network and promote internal integration and external expansion to develop a regional medical center, with a total of 4,732 verified beds. Meanwhile, Fosun Medical was upgraded to "Fosun Health" to provide "Internet + in-hospital + ex-hospital services" to patients. Products and solutions were expanded to cover the closed loop of "medical treatment, drug, insurance and health management", and one-stop health services and total-process closed-loop solutions were offered to users based on medical-level trust.

Shanghai Henlius

Shanghai Henlius is committed to affordable innovation and aims to "focus on product portfolio, manufacturing capacity and commercial operations to become the leader in biological medicine in China". Based on the patient needs and beginning with the end in mind, Shanghai Henlius spares no effort in developing a complete value chain covering R&D, production, and traditional commercialization, and increase the accessibility and affordability of biological medicines. During the Reporting Period, the company continued to promote the efficient development of the global commercialization of product pipeline and further implemented biopharmaceutical industrialization base layout with international standards and high cost-efficiency, while advancing clinical development and regulatory affairs. As at the end of the Reporting Period, the Group held 57.20% equity interest in Shanghai Henlius through its subsidiaries.

Shanghai Henlius has strong global product commercialization capability and has achieved steady growth in product sales. The company has an experienced commercialization team covering the five major segments of marketing promotion, channel management, pricing and market access, domestic sales, and strategic planning. The number of team members has increased to approximately 450, and the company is fully committed to expanding medical insurance procurement platforms and admission into hospitals, covering nearly 4,500 DTP pharmacies/hospitals. After the launch of 漢利康® (rituximab injection), China's first monoclonal antibody approved in 2019, two core products, 漢曲優® (trastuzumab injection, EU brand name: Zercepac®) and 漢達遠® (adalimumab), successively achieved commercial sales, and global sales cooperation has been reached with partners for 漢利康® and 漢曲優®. In addition, bevacizumab (VEGF) and serplulimab injection (PD-1) are expected to be commercialized in the near future. During the Reporting Period, Shanghai Henlius realized an operating revenue of RMB633.6 million, representing an increase of 474% compared to last year which includes sales revenue of approximately RMB222.2 million from 漢利康®, as well as approximately RMB287.6 million from 漢曲優® and approximately RMB8.5 million from 漢達遠®.

Shanghai Henlius further implemented biopharmaceutical industrialization base layout with international standards and high cost-efficiency. In order to meet the demand for commercialization of drug candidates, the company has formulated phased capacity planning for different product development cycles, gradually perfecting and upgrading the large-scale commercial production capacity based on a sound quality management system, while optimizing the deployment of production technology and production cost control in advance. During the Reporting Period, the commercial production capacity of Xuhui Facility has been 20,000 liters, and it has passed the dual GMP certification of China and EU and realized the normalization of dual-market supply. In order to improve the medium and long-term production capacity planning, the production capacity construction of 24,000 liters (including liquid fill line and lyophilized preparation line), and the verification of pilot workshop for the continuous production were completed for the Songjiang First Plant. In order to achieve long-term commercial production capacity demand, the Songjiang Second Plant Phase I project has a designed production capacity of 36,000 liters, and subsequent phases of construction will be gradually implemented in accordance with the company's strategy.

Shanghai Henlius continues to deploy differentiated innovative product pipelines to enhance global product development capabilities. Starting from clinical needs, the company accelerates the expansion of innovative potential targets, antibody-drug conjugates (ADC) products and optimizes the development platform of dual specific antibodies through independent R&D and introduction of external licenses; and relies on the company's rich experience in target development and integrated R&D platform to seek synergies between product pipelines. It has also gradually improved the innovative pipeline including serplulimab injection (PD-1), HLX208 (BRAF) and developed in an orderly manner around lung cancer, colorectal cancer and other indications. Meanwhile, the company has comprehensively built a global product development team and established a clinical operation and regulatory affair system; four clinical trials in progress, and multiple clinical trials approved for four products. During the Reporting Period, Shanghai Henlius recognized R&D expenditure of RMB739.3 million, representing a decrease of approximately RMB17.6 million compared with the same period in 2020.

Gland Pharma

Established in 1978, Gland Pharma is one of the largest and fastest growing, generic injectable-focused companies in India. In 2003, its flagship sterile injection plant in Hyderabad, India, with multiple delivery formats and capabilities, received its first approval from the U.S. Food and Drug Administration (FDA). Gland Pharma introduced Heparin Sodium Injection, its flagship product, into the U.S. market in 2010. Gland Pharma has a consistent compliance record. All of its manufacturing facilities are FDA-approved, and some have also received regulatory approvals from other major countries around the world, including MHRA (UK), TGA (Australia), ANVISA (Brazil), AGES (Austria) and BGV (Germany). Gland Pharma's main products include: cardiac (Enoxaparin Sodium), hematological (Heparin Sodium), anti-infective (Vancomycin, Caspofungin, Daptomycin, Micafungin), neurocentral (Dexmedetomidine, Remdesivir), pain (Rocuronium Bromide), and other injections.

Fosun Pharma Group, acquired approximately 74% equity interest in Gland Pharma in October 2017. In November 2020, Gland Pharma was successfully listed in India with the largest IPO of INR64.795 billion in the Indian healthcare industry for that year. As at the end of the Reporting Period, Fosun Pharma Group held 58.14% equity interest in Gland Pharma.

Over the years, Gland Pharma has grown from a contract manufacturer of small volume liquid parenteral products to one of the largest and fastest growing generic injectable-focused companies with a global footprint across over 60 countries. Gland Pharma operates primarily under a B2B model and has an excellent track record in the development, manufacturing and marketing of complex injectables. Its unique and significant advantages in the entire pharmaceutical value chain have helped the company achieve exponential growth.

When the COVID-19 pandemic wreaked havoc in India, Gland Pharma faced many challenges: infection prevention and control, lockdowns and curfews, raw material shortages, and traffic shutdowns. It took many steps to combat the pandemic, protect the health and safety of employees, and ensure continued production. For example, a multi-departmental COVID-19 working group was set up to actively promote employee health and safety through posters, videos, SMS and other media. Eventually, Gland Pharma was able to resolve the challenges one by one, successfully overcoming the difficulties and quickly resuming production.

Gland Pharma continued to strengthen its international manufacturing capabilities: seven manufacturing sites were GMP audited/certified in the US, EU, Japan, Australia, and Brazil. During the Reporting Period, Gland Pharma adhered to the international R&D strategy, a number of generic drugs were approved for launch, and the pace of product introduction into the Chinese market was accelerated. During the Reporting Period, Gland Pharma's revenue was RMB1,803 million, an increase of 32.08% year-on-year. (Note: Based on Gland Pharma's local currency financial statements)

Going forward, Gland Pharma will continue to invest in R&D and strengthen vertical integration and expand API production capacity to reduce dependence on APIs. Gland Pharma will manufacture up to 252 million doses of Sputnik V vaccines pursuant to the agreement signed with the Russian Direct Investment Fund (RDIF). Meanwhile, Gland Pharma will expand exogenous growth through mergers and acquisitions, focusing on complex technology and product platforms (e.g. long-acting/suspension products), complex API raw material production technologies (e.g. fermentation technology), etc.

Sisram Med

Sisram Med is a leading global provider of energy-based medical aesthetic treatment systems, with comprehensive in-house capability to design, develop and produce such systems, which feature its innovative and proprietary technologies. Its brands, including "Alma", "Soprano", "Harmony", "ClearLift", "Accent", "FemiLift" and "BeautiFill", are widely recognized and well regarded among both providers and recipients of treatments worldwide. Sisram Med also sells its treatment systems via distributors and direct sales customers in over 90 countries and jurisdictions worldwide. As at the end of the Reporting Period, the Group held 74.76% equity interest in Sisram Med.

During the Reporting Period, Sisram Med's total revenue was USD125.3 million, an increase of 74.7% compared to the same period in 2020. This growth is mainly attributable to Sisram Med's (i) global presence in more than 90 countries and regions, which helps to maintain its sensitivity and flexibility in a dynamic and changing market; (ii) strong growth in two key markets: North America and China; (iii) flexible management strategy and aggressive talent policy that kept its team on track during the pandemic; (iv) multi-dimensional product lines and channels that it used to expand and synergize in the global medical aesthetic market; and (v) strong R&D capabilities that supported the continued launch of new technologies and products.

During the Reporting Period, Sisram Med launched new products, Alma Duo and Alma PrimeX and further expanded its global direct sales market. During the Reporting Period, while actively expanding its existing energy-based medical aesthetics equipment business, Sisram Med carried out business integration on strategic tracks such as aesthetic dentistry and injectables. In July 2021, Sisram Med completed the merger of the assets of Shanghai Foshion Medical System Co., Ltd, aiming to create a brand new digital dental brand by leveraging its existing global channel and resource advantages. In the same month, Sisram Med entered into a sublicensing agreement with a subsidiary of Fosun Pharma for the aesthetic indications of RT002 in Greater China, to further enrich its injectables business pipeline and to collect strategic products for future expansion into the C-end market.

Fosun Integrated Care (Shanghai Zhuli)

Fosun Integrated Care is a brand covering multi-level health and elderly care services formed by the Group around the vision of "making every family healthier" and promoting innovation and service upgrading in the healthcare industry. It is dedicated to providing full lifecycle healthcare services and products to customers in the retired middle-class families in China. Shanghai Zhuli, established in 2014, holds the brand "Fosun Integrated Care" and carries out its main business through several investees, such as Shanghai Starcastle Senior Living Investment Management Co., Ltd., Shanghai Feng-Lin Health Management Co., Ltd., and Shanghai Xingshuangjian Medical Investment Management Co., Ltd. As at the end of the Reporting Period, the Group held 90.91% equity interest in Shanghai Zhuli.

Fosun Integrated Care comprises three major brands: (1) Fosun Starcastle Senior Living, which focuses on high-quality one-stop institutional elderly care; (2) Feng-Lin, which focuses on community health and in-home care; and (3) Xingjian, which focuses on integrated medical care, rehabilitation and nursing care. Fosun Integrated Care takes the traditional elderly care business as the cornerstone, upgrades the rehabilitation care business, extends family health services, and at the same time integrates the Fosun ecosystem by creating a member platform to provide a lifestyle of enjoyment and forming an ecological closed loop, and empowers technological innovation through the combination of smart systems + smart terminal, to provide all-age, all-round continuous family health services. As at the end of the Reporting Period, Fosun Integrated Care held over 11,000 beds, and total managed area of 530,000 square meters, and the occupancy rate of mature projects reached 97%.

In early 2021, Fosun Integrated Care closed its first round of private equity financing, with financing amounting to RMB200 million, which provided strong support for the expansion of the company's business. In 2021, Fosun Integrated Care will focus on expanding new projects around 6+3 cities (6 provincial capitals plus Beijing, Shanghai, and Shenzhen) to further accelerate its nationwide deployment. In terms of operations, it will continue to improve its productivity in terms of safety, quality, and efficiency through lean management, discipline construction and cultural focus to create the ultimate health and wellness products. At the same time, centering on the mission of "providing full lifecycle healthcare services and products to customers in the retired middle-class families", it will expand its target audience to provide online and offline health management and cultural and entertainment services and products for the healthy and energetic "newly retired group".

<u>Fosun United Health Insurance</u>

Fosun United Health Insurance was established in January 2017 with a registered capital of RMB500 million. Fosun United Health Insurance, as a professional health insurance company, was sponsored by the Group together with 5 other companies. As at the end of the Reporting Period, the Group held 20% equity interest in Fosun United Health Insurance. Fosun United Health Insurance is committed to meeting the health and security needs of Chinese consumers and creating quality commercial health insurance products and services. The company aims to provide more diversified and personalized insurance and health services for family customers, integrate the industrial resources of shareholders in insurance, health and other fields to form synergy, fully provide innovative and excellent health insurance products, actively help customers with health management and provide customers with a healthier lifestyle.

Fosun United Health Insurance actively operates in various medical insurance, illness insurance, disability income insurance, nursing insurance and accidental insurance businesses in the Chinese market, providing Chinese families with high-quality whole life cycle products and whole process service system. As at the end of the Reporting Period, hundreds of products have been launched successively, including 25 renewed products in the first half of the year. Long-term critical illness insurance series products and managed healthcare insurance have been highly praised by the market and customers, and the premium income has continued to increase.

As at the end of the Reporting Period, Fosun United health insurance has expanded its business area to Guangdong Province, Beijing, Shanghai, Sichuan Province, Jiangsu Province and Chongqing. The company continues to operate steadily, adheres to value development, and speeds up the iterative evolution of serious illness insurance and medical insurance. As at the end of the Reporting Period, the insurance business income was RMB1,787.7 million, with a year-on-year increase of 65%, of which the health insurance business income was RMB1,664.0 million, with a year-on-year increase of 64%, accounting for 93% of the total insurance business income; the income from accident insurance business was RMB123.7 million, a year-on-year increase of 73.7%, accounting for 7% of the total insurance business income. As at the end of the Reporting Period, the total assets have increased to RMB4,480.4 million; net assets increased to RMB980.7 million.

Looking forward, Fosun United Health Insurance will leverage the Group's high-quality health industry, open up large health resources, create ecological products, and provide one-stop insurance guarantee and health services for healthy people, sub-healthy people and people with diseases.

HAPPINESS

During the Reporting Period, the revenue and loss attributable to owners of the parent of the Happiness segment were as follows:

Unit: RMB million

	For the six months ended 30 June 2021	For the six months ended 30 June 2020 (Restated)	Change over the same period of last year
Revenue	28,461.3	27,026.1	5.3%
Loss attributable to owners of the parent	(1,168.2)	(454.2)	(157.2%)

During the Reporting Period, revenue of the Happiness segment was approximately RMB28,461.3 million, a year-on-year growth of 5.3%. The growth mainly benefited from the robust revenue growth of Yuyuan due to the strong recovery of its jewelry fashion business, which was partially offset by the revenue decrease of FTG's resort operation business. The loss attributable to owners of the parent in the Happiness segment was RMB1,168.2 million, an increased loss of 157.2% over the same period in 2020, mainly due to the year-on-year increase in the loss of FTG.

Yuyuan

Relying on the urban cultural and commercial strength in Shanghai, Yuyuan, with the mission of creating a happy life for families worldwide, is determined to become the world's first-class group in the family entertainment and consumption industry with roots in China, leading the trend of Chinese cultural revival. Yuyuan was formerly known as Shanghai Yuyuan Shopping Mall and was transformed into Shanghai Yuyuan Shopping Mall Co., Ltd. in June 1987. Shanghai Yuyuan Tourist Mart Co., Ltd. was established in May 1992 and its shares were listed on the SSE in September of the same year. In November 2002, the Group became the largest shareholder of Yuyuan. As at the end of the Reporting Period, the Group held approximately 68.59% equity interest in Yuyuan.

Yuyuan upholds the two-pronged strategy of "Industry Operations + Industrial Investment", adheres to the concept of happiness and fashion, and continues to develop the "1 + 1 + 1" strategy of "family happiness consumption industry + urban industry landmarks + online and offline membership platforms", gradually forming the industrial cluster with unique competitive advantages targeting emerging mainstream consumers. The businesses of Yuyuan mainly comprise of several sectors such as culture-commerce projects and smart retail, jewellery and fashion, cultural catering, food and beverage, Chinese fashion watches, beauty and health, and real estates with composite functions.

During the Reporting Period, Yuyuan achieved operating revenue of RMB22.724 billion, an increase of 12.68% year-on-year; net profit attributable to shareholders of the listed company of RMB1.409 billion, an increase of 31.10% year-on-year. The growth of Yuyuan was mainly due to the rapid growth of the consumer sector.

The Yuyuan jewelry and fashion business achieved revenue of RMB15.287 billion, an increase of 47.2% year-on-year, and the proportion of revenue increased to 67.3%. The jewelry and fashion network expanded significantly, with an increase of 285 stores to 3,664 stores and further optimization of the product structure. The sales of "Guyunjin" series products with high margins relying on ancient craftsmanship reached over RMB1.6 billion during the Reporting Period. Since the outbreak of the coronavirus in 2020, Yuyuan has increased its online sales of jewelry and fashion with a sales growth of 52% during the Reporting Period. New brand of lab-grown diamonds "Lusant" has been launched to break the traditional diamond limitations. Yuyuan fully leveraged the advantages of its time-honored brand resources and further implemented the chain development strategy of Songhelou Suzhou-style noodle shops, increasing the number of stores to 32 as at the end of the Reporting Period. In addition, during the Reporting Period, Fosun Cosmetics Innovation Center under Yuyuan Beauty and Health Group successfully launched the "WEI Lotus Series". During the Reporting Period, the multi-functional real estate business developed steadily. The restructuring and renovation of Yuyuan Phase I continued to progress, and the planning and design of Yuyuan Phase II and III has also been launched. In the future, the first and second phases will be linked to further enhance the influence and core property value of Shanghai Yuyuan Mall as an urban cultural landmark of Shanghai. At the same time, Yuyuan actively utilized the Group's rich local resources to expand the offline aspects of its main business. In the first half of the year, it acquired new land for premium projects in Chancheng, Foshan, Wuzhong, Suzhou, and Xuhui, Shanghai. In the future, Yuyuan will work together with its sister companies in other sectors to develop multi-functional compound real estate businesses that integrate healthcare, consumer retail and residential properties.

Looking forward, Yuyuan will continue to drive its business with its two drivers of "Industry Operations + Industrial Investment" to build a global first-class family happiness consumer industry group. In the jewelry and fashion business, Yuyuan will continue to launch good products under its "Laomiao" and "Yayi" brands and will further expand its store networks while improving the quality of channels. In the cultural catering business, Yuyuan will actively promote the development of restaurant chains and its long-established brands, such as Songhelou Noodle Restaurant, and will continue to expand new stores. The advantages of its long-established brands in the food and beverage business and beauty and health business will be leveraged to launch more high-quality products. At the same time, Yuyuan will further enhance its competitive advantage and enrich its happiness and fashion industry through industrial investment. For real estates with composite functions, the development and implementation of benchmark projects will be accelerated to truly create offline happiness and fashion landmarks.

Jinhui Liquor

Jinhui Liquor is principally engaged in the manufacture and sales of liquor and spirits. The company is located in Longnan, Gansu province, which is known as the "areas south of the Yangtze River in Gansu". With the corporate mission of "brewing ecological liquor and spirits and transmitting positive energy", the company insists on being customer-centric, implementing the two-pronged strategy of "deep distribution + key client operation" with C-end top priority. The company strives to realize the strategic goal of "building a large-scale production base of liquor and spirits in China and shaping a well-known brand that ranks among the top 10 Chinese brands of liquor and spirits" by way of "expanding across the nation, significant market penetration in the home market of the northwest, and focusing on innovative breakthroughs".

Yuyuan completed the acquisition of 29.99998% equity interest in Jinhui Liquor in August 2020 and further completed the takeover offer for 8% equity interest in Jinhui Liquor in October 2020. As at the end of the Reporting Period, Yuyuan held 38% equity interest in Jinhui Liquor.

During the Reporting Period, Jinhui Liquor recorded a revenue of RMB971.87 million, representing an increase of 36.59% year-on-year, with the net profit attributable to shareholders of the listed company of RMB187.39 million, representing an increase of 55.89% year-on-year. During the Reporting Period, the company's business operation continued to strive steadily, mainly due to the following reasons: first, with the solid implementation of the two-pronged strategy of "deep distribution + key client operation"; second, the company continued to optimize its product portfolio, and the high-end products, represented by "Jinhui 28" and "Jinhui 18" with a selling price above RMB100, recorded a revenue of RMB578 million, represented a growth of 48.72% year-on-year, with the proportion in the business revenue increasing to 60.27%.

Since 2021, the liquor and spirits industry has showed a trend of stable and positive development. With the upcoming Mid-Autumn Festival, the National Day Holiday and the

Lunar New Year Festival, the liquor and spirits industry will gradually enter into a traditional peak season. Jinhui Liquor will continue to execute on the implementation of its five-year development strategic plan. With the overall coverage of price range, channels and high occupancy, Jinhui Liquor will consolidate and enhance the status of Gansu's base camp. With the strategy of "deep distribution + key client operation" in the northwest market, Jinhui Liquor will increase the market share by way of story-telling of its quality brand. Jinhui Liquor will penetrate the market by way of its new key products in the national market and will cultivate core customers with concentrated sources to create a model market. Jinhui Liquor will push for quality elevation, optimize the product portfolio and enrich product category in order to catch the opportunity of structured development in the liquor and spirits market.

<u>Shede Spirits</u>

Shede Spirits is one of Chinese 17 most famous liquor and spirits and one of the six "golden flowers" of Sichuan liquor and spirits. The company's mission is to "share the wisdom of Shede Spirits with the world", and its development prospect is to "make Shede Spirits an aesthetic brand for life". Shede Spirits is principally engaged in the design, manufacture and sales of liquor and spirits products. The company persists in implementing the "dual-brand strategy", "classic liquor strategy", "youthfulness strategy" and "internationalization strategy". Following the strategies of "focusing on Sichuan, Hebei, Shandong and Henan, promoting the northeast and northwest markets, and breaking through the east and south markets", while focusing on the core regions, the company accelerates the national layout of the brands, continues to enhance the operational capacity of C-end users, and continues to cultivate and influence the young consumers. The company empowers the brands with cultural creation, increases sales volume with digitalized precise traffic sources, enhances users' stickiness with systematic operation on the fan base, forms effective synergies and mutual empowerment between offline and online activities, actively expands into duty-free shops and the international market, and strives to achieve the strategic goal of "becoming a benchmark enterprise with the most cultural characteristics in ecological brewing business and building the No. 1 brand in the classic liquor and spirits category".

In January 2021, Yuyuan acquired 70% equity interest in Sichuan Tuopai Shede Group Co., Ltd.* (四川沱牌舍得集團有限公司), the controlling shareholder of Shede Spirits, by way of participating in a judicial auction and execution of a judicial ruling, pursuant to which, Yuyuan indirectly holds 100,695,768 shares of Shede Spirits (representing 29.95% of the total share capital of Shede Spirits) and becomes an indirect shareholder of Shede Spirits.

During the Reporting Period, with the pandemic in China gradually under control, the economy continued to recover steadily. The economic development showed a trend of stability and improving, which led to a significant rebound in the mid-to-high-end liquor and spirits consumption market. At the same time, with Fosun's shareholding in Shede Spirits and continuously empowering the company with strategic development and ecological resources, the classic liquor strategy of Shede Spirits was gradually accepted by the market. Shede Spirits persists in the classic liquor strategy and market focusing strategy, enhances the advertisement of brand culture of Shede Spirits and accelerates its market expansion. Thanks to the above factors, during the Reporting Period, the company achieved a considerable increase in revenue, and its results were significantly improved compared to the same period of last year. During the Reporting Period, Shede Spirits recorded a revenue of RMB2,391.22 million, representing a year-on-year increase of 133.09%, and a net profit attributable to shareholders of the listed company of RMB735.48 million, representing a year-on-year increase of 347.94%, among which, the sales revenue of liquor and spirits of Shede Spirits reached RMB2,193.77 million, representing a year-on-year increase of 158.63%. In terms of liquor and spirits category, the sales revenue of the mid-end and high-end products amounted to RMB1,877.27 million, representing a year-on-year increase of 149.01%; while the sales revenue of the low-end products amounted to RMB316.50 million, representing a year-on-year increase of 235.52%. The products of different grades both have achieved a substantial growth.

Looking forward to the second half of 2021, the company will adhere to ecological brewing strategy and continuously improve and optimize the product quality; the company will adhere to the promotion of the classic liquor strategy and continuously improve and consolidate advantage of Shede Spirits in the classic liquor and spirits market; the company will continuously enhance its brand construction, further improve the cultural influence of Shede Spirits through the construction of its own intellectual property (IP) and empower its sales; the company will concentrate resources on building markets in key cities and core product items and actively expand new channels and new regions at the same time; the company will strengthen supply chain management, continuously optimize the synergy of manufacture, supply and sales, enhance product delivery capabilities and improve levels of customer service. By way of the above measures, Shede Spirits will maintain its reputation of sustainability, rapidity and high quality development in the future.

FTG

FTG is one of the world's leading leisure-focused integrated tourism groups, and the worldwide largest leisure tourism resorts group, in terms of revenue in 2019, according to Frost & Sullivan's report. In 2015, the Group acquired control of Club Med and subsequently transferred it to FTG upon reorganization. FTG was officially established in 2016, and was spun off from the Group and successfully listed on the Main Board of the Hong Kong Stock Exchange in December 2018. As at the end of the Reporting Period, the Group held approximately 80.79% equity interest in FTG.

Through its lifestyle proposition, "Everyday is FOLIDAY", FTG seeks to infuse concepts of tourism and leisure into everyday living. The principal activities of FTG are: (i) resorts, which FTG operates through Club Med, Club Med Joyview, Casa Cook and Cook's Club, etc.; (ii) tourism destinations, including Atlantis Sanya, FOLIDAY Town, and Albion, etc.; and (iii) services and solutions in various tourism and leisure settings. During the Reporting Period, total revenue of FTG amounted to RMB2,781.5 million, representing a year-on-year decrease of 38.6% and the loss attributable to equity holders of the company amounted to RMB2,004.8 million, while the loss attributable to equity holders of the company was RMB898.7 million for the same period of last year. The group maintains a stable financial position. As of 30 June 2021, the cash and bank balances was approximately RMB5,157 million, the unused banking facilities amounted to approximately RMB4,367.4 million and the borrowings repayable within one year amounted to approximately RMB2,282.2 million.

Club Med, headquartered in France and founded in 1950, is a world-renowned family centric all-inclusive leisure and vacation service provider. As at the end of the Reporting Period, FTG has sales and marketing operations in more than 40 countries and regions across six continents, and operates 63 resorts. Since January 2021, due to the continued spread of pandemic in Club Med's major customer sourcing markets and destinations (except Chinese Mainland) (the "Affected Areas"), and the resulting stringent pandemic prevention measures implemented by governments of various countries, all mountain resorts of Club Med in the Alps (except Saint Moritz resort in Switzerland) were not in operation for the 2021 snow season (the period from January to April 2021) and outbound travel from major customer sourcing markets were suspended. These measures had significant negative impacts on the operation of the resorts. Since mid-May 2021, as the outbreak in the affected areas was effectively controlled due to the advancement of Novel Coronavirus vaccination, the group has been striving to promote the resumption of resort operations in the affected areas. As of 30 June 2021, 39 resorts have resumed in operation, and as of June 2021, Club Med's capacity has increased by 352.5% of that of June 2020 and resumed to 58.4% of that of June 2019. In the first half of 2021, in Chinese Mainland with the pandemic under steady control, benefiting from its outstanding brand and product strength, FTG's resorts recorded significant growth. The business volume[4] of Club Med resorts in China recorded an increase of 171.9% in the first half year of 2021 compared to the same period of 2020.

In early 2021, Club Med laid out a plan to open 16 new resorts by the end of 2023 of which eight resorts are in China. This plan was implemented on schedule in the first half of 2021. The new Exclusive Collection Seychelles resort opened in March 2021. Club Med Lijiang resort in

[4] Business Volume represents the aggregate sales of our resort service, tourism destination operation and other tourism-related services and solutions, regardless of whether the resort is owned, leased or managed.

Lijiang FOLIDAY Town and Quebec Charlevoix resort and Changbaishan resort will open in the upcoming autumn and winter, respectively. In the upcoming three years, 12 existing resorts worldwide are planned to complete renovation and expansion.

Atlantis Sanya, located on the Haitang Bay National Coast of Sanya in Hainan province, China, opened in April 2018. During the Reporting Period, the number of visitors to Atlantis Sanya amounted to approximately 2.6 million, and the business volume of Atlantis Sanya amounted to RMB835.2 million, increased by 152.1% year-on-year, of which room revenue increased by 152.0% and other operating income increased by 152.1%. The average daily rate by room increased by 43.0% and the occupancy rate increased by 34.8 percentage points to 79.9%.

In November 2019, FTG launched the "FOLIDAY Town" (復遊城) brand, the key self-developed brand for the tourism destination business. The vision of FOLIDAY Town is to connect various leading global tourism and leisure brands to lead a new global vacation lifestyle by leveraging the global FOLIDAY ecosystem and the successful operation experience in Club Med and Atlantis Sanya. Among them, Lijiang FOLIDAY Town covers land parcels of approximately 695,000 square meters in Baisha town in Lijiang city, Yunnan province, and Club Med Lijiang resort is expected to open in this autumn. Taicang FOLIDAY Town covers land parcels of approximately 483,000 square meters in Taicang city, Jiangsu province, the construction of which is expected to be completed in stages starting from 2021 and achieve full completion in the following three to four years.

In November 2019, FTG acquired Thomas Cook's right, title and interest in trademark, domain names, software applications, social media accounts and licenses relating to the Thomas Cook brand across most international markets upon its liquidation. With a history of 180 years, the Thomas Cook brand is the frontrunner of establishing tourism industry and one of the most well-known tourism brands around the world. In July 2020, FTG launched "Thomas Cook Lifestyle Platform", a content driven open platform focusing leisure lifestyle products. As at the end of the Reporting Period, the application had approximately 1.5 million downloads. In the first half of 2021, the platform achieved a business volume of approximately RMB161.4 million. On 16 September 2020, the brand-new Thomas Cook online travel agent was soft launched in UK. In the first half of 2021, Thomas Cook UK recorded a business volume of approximately RMB113.4 million. As of 30 June 2021, Foryou Club had approximately 6.6 million members.

WEALTH

The Group's Wealth segment includes two major sectors: Insurance and Asset Management.

INSURANCE

During the Reporting Period, the revenue and profit/(loss) attributable to owners of the parent of the Insurance sector were as follows:

Unit: RMB million

	For the six months ended 30 June 2021	For the six months ended 30 June 2020 (Restated)	Change over the same period of last year
Revenue	15,475.3	14,162.5	9.3%
Profit/(loss) attributable to owners of the parent	1,415.3	(1,966.5)	172.0%

During the Reporting Period, the revenue of the Insurance sector increased by 9.3% year-on-year, mainly due to the business growth of Fosun Insurance Portugal and Peak Reinsurance. During the Reporting Period, the profit attributable to owners of the parent in the Insurance sector was RMB1,415.3 million, which significantly turned from loss to profit compared with the same period in 2020, thanks to the stable and healthy development of core enterprises and the optimization of investment portfolio.

Note: Financial data of individual insurance portfolio companies presented in this section are based on local general accounting standards applicable to respective regulatory territories, and all quoted numbers are unaudited management information.

Fosun Insurance Portugal

In 2014, the Group acquired Fidelidade, Multicare and Fidelidade Assistência. As at the end of the Reporting Period, the Group held 84.9892% equity interest in Fidelidade. This platform is a leading player in the Portuguese insurance market and facilitates business development of the Group in Europe, Africa and Latin American countries.

Fosun Insurance Portugal is a global operator in the Portuguese insurance market, selling products in all key lines of business and benefiting from the largest and most diversified insurance sales network in Portugal, including exclusive and multi-brand agents, brokers, own branches, internet and telephone channels and a strong distribution system with the post offices and Caixa Geral de Depósitos S.A., a leading Portuguese bank. It also has an international presence in eleven countries, with products distributed in four continents (Europe, Asia, Africa and America).

During the Reporting Period, Fosun Insurance Portugal achieved a total market share in Portugal of 29.3%, being the market leader. In life and non-life business, Fosun Insurance Portugal achieved market shares of 29.8% and 28.7%, respectively.

Fosun Insurance Portugal had a good performance despite the economy partial lockdown during the Reporting Period, recording a relevant growth both in total premium and net earned premium. In life financial, the premiums achieved EUR997 million, a year-on-year growth over 200% with support of new attractive products without guaranteed rates, and leveraging the good performance of commercial networks, which allowed to offset the negative impacts of with overall economic uncertainties.

During the Reporting Period, Fosun Insurance Portugal recorded a total premium, including investment contracts, of EUR2,331.9 million (first half of 2020: EUR1,548.5 million), non-life business combined ratio of 91.5% (first half of 2020: 89.1%), net earned premiums of EUR1,075.1 million (first half of 2020: EUR1,002.3 million), net profit attributable to owners of the parent of EUR102.1 million (first half of 2020: EUR47.4 million), net assets attributable to owners of the parent of EUR2,778.8 million (first half of 2020: EUR2,528.2 million), investable assets of EUR17,092 million (first half of 2020: EUR17,149 million) and a total investment return of 1.7% (not annualized) (first half of 2020: 0.9% (not annualized)).

Following the acquisition of 51% equity interest in La Positiva Group in early 2019, Fosun Insurance Portugal's Peruvian operation has reached the third position in the local insurance market with a market share of 13.1% as of May 2021 (13.2% in 2020). In January 2020, FID Chile, Fosun Insurance Portugal's non-life insurance subsidiary in Chile, initiated its operations and achieved EUR31 million of the premium income during the Reporting Period.

During the Reporting Period, Fosun Insurance Portugal's international business (overseas markets except Portugal) recorded overall premiums of EUR457 million, representing 19.6% of the total premiums of Fosun Insurance Portugal.

Recently, Fosun Insurance Portugal won several distinguished awards, such as "Marcas Mais Reputadas 2021 (Most Reputable Brands in 2021)" by the Marktest Reputation Index 2021, "Marca de Confiança 2021 (Trusted Brand in 2021)" by Reader's Digest, and "Escolha Do Consumidor 2021 (Choice of Consumer in 2021)" in categories of "Insurance Companies" and "Health Systems", as well as the distinction of "Escolha do Consumidor Excellentia 2021".

Fosun Insurance Portugal will continue innovating its product offerings, improving service quality and promoting its global strategy.

Peak Reinsurance

Peak Reinsurance is a Hong Kong-based global reinsurer jointly established by the Group and International Finance Corporation in 2012. In April 2018, a wholly-owned subsidiary of U.S.-headquartered Prudential Financial, Inc. completed the acquisition of a minority stake in Peak Reinsurance Holdings Limited ("**Peak Reinsurance Holdings**"). As at the end of the Reporting Period, the Group held 86.51% equity interest in Peak Reinsurance through Peak Reinsurance Holdings.

Authorized by the Insurance Authority of Hong Kong under the Insurance Ordinance (Cap. 41), Peak Reinsurance has grown from a local player over the years from a local player into a global reinsurer that offers a wide suite of products and services encompassing both property & casualty (P&C) and life & health (L&H) reinsurance. It strives to provide clients around the globe with innovative and tailored reinsurance, risk management and capital management solutions.

Since its establishment, Peak Reinsurance has maintained eight consecutive years of growth in premium income. Below are highlights of Peak Reinsurance's financial results during the Reporting Period.

During the Reporting Period, Peak Reinsurance reported the gross written premium of USD773.7 million (first half of 2020: USD855.9 million) and net earned premium of USD778.2 million (first half of 2020: USD637.4 million). During the Reporting Period, underwriting margin improved to 13.0% from 10.8% in the same period of last year, due to portfolio adjustments and continued rate hardening in major markets. Additionally, efforts to rebalance the portfolio towards non-proportional business have helped to ensure price stability alongside further business development.

Peak Reinsurance has maintained a six-year track record of over 90% of claims settled within five days. Efficient claims settlement and a client-centric business approach both played a pivotal role in the success of Peak Reinsurance.

Supported by improving macro-economic fundamentals, as at the end of the Reporting Period, Peak Reinsurance achieved an investment return of 1.6% (not annualized) with investable assets and net assets of USD2.8 billion and USD1.5 billion, respectively. Peak Reinsurance remains solid capitalization and strong solvency, as reflected both in its awarded credit ratings and a solvency ratio of 474% as at the end of the Reporting Period.

In 2016, Peak Reinsurance has completed its strategic investment of a 50% stake in Caribbean insurance group NAGICO Holdings Limited ("**NAGICO**"). In June 2021, Peak Reinsurance has reached a definitive share purchase agreement to acquire the remaining 50% stake of NAGICO. The transaction is subject to the receipt of required regulatory approvals and other customary closing conditions being satisfied. The acquisition aligns with Peak Reinsurance's development strategy to diversify its portfolio globally, and to support the insurance needs and close the protection gaps of developing communities.

In February 2021, Peak Reinsurance completed its third reinsurance sidecar transaction via its Bermuda-domiciled special purpose insurer, Lion Rock Re Ltd., to successfully raise USD107 million in a challenging sidecar market. Peak Reinsurance has been building up its insurance-linked securities (ILS) capabilities since the launch of the first sidecar in 2018 which has become an integral part of its strategy. Peak Reinsurance will continue to provide innovative options for investors and bring more capacity to narrow the protection gap in the emerging middle-class society in Asia and across the globe.

Peak Reinsurance's outstanding achievement has been widely recognized in the industry with strong credit ratings from Moody's Investor Service (IFSR A3 – stable) and A.M. Best (A-stable), reflecting Peak Reinsurance's good brand recognition in the Asian reinsurance market, increasingly diversified product and geographic mix, and solid capitalization relative to risk underwritten. Peak Reinsurance ranks the 29th among global reinsurance groups by S&P Global Ratings in terms of net reinsurance premiums written.

Pandemics have always been one of Peak Reinsurance's risk planning scenarios. Despite COVID-19 and the disruption it has caused are unique, Peak Reinsurance's focus on resilience and agility ensures that there are proper measures and mitigations in place to manage impacts of external factors. Peak Reinsurance's robust risk management framework and the effectiveness of its business continuity planning proved key to the successful response to the onset and ongoing impacts of the global pandemic.

Pramerica Fosun Life Insurance

Pramerica Fosun Life Insurance is a joint venture between the Group and The Prudential Insurance Company of America. With the approval of the regulatory authority, it was formally established in September 2012 and both shareholders held 50% of the joint venture shares as at the end of the Reporting Period. The establishment of Pramerica Fosun Life Insurance marked the Group's first entry into the domestic life insurance market.

With "Guardian of your uniquely defined future" as its mission, Pramerica Fosun Life Insurance adheres to the principle of "Long-term Value Operation", and thus forms a four-pronged path of "Focusing on the Agent Team Building, Focusing on the Regular-Premium Business, Focusing on the Technology and Focusing on Ecosystem".

Pramerica Fosun Life Insurance offers life insurance, health insurance, accident insurance, and reinsurance business of the abovementioned businesses to customers.

During the Reporting Period, Pramerica Fosun Life Insurance recorded premium income of RMB1,575.7 million, representing a slight increase of 0.39% year-on-year, mainly due to the fact that the company insisted on following its "Focusing on Regular-premium Business" strategy, actively reduced its single-premium bancassurance business, and restricted sales of products with low value. Pramerica Fosun Life Insurance recorded net loss of RMB31.30 million and annualized total investment return of 6.11%.

In terms of the team building, Pramerica Fosun Life Insurance is dedicated to building a team of elite tied agencies with high income, high productivity and high retention by way of the system of "Optimizing direction, Optimizing increase and Optimizing customers". During the Reporting Period, 57% of agents remained active on average with each agent achieving an average of three new policies and new scale premium of RMB32,000. These indicators retained upfront among the industry.

Pramerica Fosun Life Insurance is empowered by the ecosystem and technology to build a moat for the company. In terms of ecosystem, Pramerica Fosun Life Insurance has continued to enrich the four ecosystems of "Health, Elderly-care, Wealth, Happiness" with the C-end Top Priority strategy. During the Reporting Period, Pramerica Fosun Life Insurance accumulated 4,700 high-quality customers, achieved 94 orders for Starcastle senior community, and received total premium of RMB245 million. In terms of technology, it has steadily pushed forward digital transformation, with the electronic entry of agents reaching 100%, the policy management system empowering agents to serve 5 families per month, and the double recording time of the intelligent double recording system shortened from 22 minutes to 8 minutes.

In the second half of the year, Pramerica Fosun Life Insurance will continue to adhere to the business philosophy of "Long-term Value Increase" and thoroughly implement the strategy path of "Focusing on the Agent Team Building, Focusing on Regular-premium Business, Focusing on the Technology and Focusing on Ecosystem". It will continuously improve the customer management platform, optimize the newcomer icebreaker training system, upgrade the policy management system, enrich the ecosystem-based service mode, and increase channel development and product customization cooperation. Meanwhile, it will explore a new mode of customer acquisition and attraction by taking advantage of the "vaccine war" and provide customers with high-quality personalized services in the "insurance+" scenario to achieve C-end Top Priority and build a market brand.

ASSET MANAGEMENT

During the Reporting Period, the revenue and profit attributable to owners of the parent of the Asset Management sector were as follows:

Unit: RMB million

	For the six months ended 30 June 2021	For the six months ended 30 June 2020 (Restated)	Change over the same period of last year
Revenue	4,174.6	5,149.6	(18.9%)
Profit attributable to owners of the parent	995.2	3,159.3	(68.5%)

During the Reporting Period, the revenue of the Asset Management sector decreased by 18.9% year-on-year, which was mainly due to the revenue decrease in Asset Management (property) business affected by the business volume fluctuation due to closing timing. Profit attributable to owners of the parent decreased by 68.5% year-on-year, which was mainly due to the decrease in profit of Asset Management (property) and investment gains of Asset Management business during the Reporting Period.

Fosun Capital

Established in April 2007, Fosun Capital is an equity investment and management company, wholly owned by the Group. It is a leading private equity investment institute in the industry. As a first-class private equity fund manager in China, Fosun Capital provides high-quality equity investment and management services to investors such as the well-known family funds, insurance companies, listed companies, large investment institutions and high net wealth individuals domestically and internationally. Relying on its excellent investment capabilities, high-quality post-investment services and the Group's strong global industry integration capabilities, Fosun Capital is able to empower the portfolio companies in terms of business resources and industrial depth. It helps companies realize long-term value creation and sustainable development.

In the past 14 years since its establishment, Fosun Capital has launched and managed a number of assets, including fund of funds, private equity investment funds, industry funds of listed companies and other types of equity investment funds. As at the end of the Reporting Period, Fosun Capital managed 10 funds and the assets under management were nearly RMB20 billion. Fosun Capital is specialized in investment in the four fields including TMT (Telecommunication, Media and Technology), big consumption, big manufacturing as well as healthcare. There are nearly 100 companies being invested, and more than 20 companies have been successfully listed domestically or overseas.

As at the end of the Reporting Period, five companies under Fosun Capital's investment have applied for domestic IPO market, and two of them have been approved by China Securities Regulatory Commission. In 2021, Fosun Capital was ranked on "Top 30 Best Chinese Private Equity Investment Institutions of 2020" by Chinese Venture. At the same time, Fosun Capital won the Top 30 of the "2021 China's Most LP recognized Private Equity Investment Institution" at White Horse Award by 36Kr, and the "Top 100 China 2020 Best Private Equity Investment Institutions" by ChinaVenture.

Fosun RZ Capital

Fosun RZ Capital is the only global venture capital platform of the Group focusing on technology and new consumption. It is also one of the investment institutions with the richest industrial resources in China. Fosun RZ Capital's vision is to become a top investment institution that leverages its advantages as both an industrial platform and an independent fund to take root in China and cover major growing economic regions globally, with the aim of generating excellent investment returns and long-term strategic value for the Group.

Fosun RZ Capital is focusing on major economic growth regions in the world for a long time. It has long focused on investment in mid- and high-growth and high-tech companies in major economic growth regions worldwide, realizing the strategic plan of "top technology as horizontal while emerging markets as vertical" in seven locations globally. It not only invests in cutting-edge technological innovation in the U.S., Israel, etc., but also spans into high-growth emerging markets such as China and India, creating an influential global industry-wide innovation ecosystem. As at the end of the Reporting Period, Fosun RZ Capital had more than 40 employees in 7 offices around the world.

Fosun RZ Capital's global core team has an average of more than 10 years' investment experience. Since its incorporation, Fosun RZ Capital has invested in an average of around 20 new projects each year. As at the end of the Reporting Period, Fosun RZ Capital has total assets under management amounting to RMB5 billion. During the Reporting Period, over ten projects have exited successfully in cash rendering outstanding performance.

During the Reporting Period, nearly twenty portfolio companies gained financing from subsequent rounds of fund-raising. In 2021, Fosun RZ Capital was ranked on the “Top 50 Best Chinese Venture Capital Institutions of 2020” by Chinese Venture, “Top 100 China 2020 Best Venture Capital Institutions” by ChinaVenture, and “Top 100 Chinese Venture Capital Institutions” by Zero2IPO Group.

In the future, Fosun RZ Capital’s investment will deepen its involvement in technological innovation and strive to capture more technology-driven opportunities. Fosun RZ Capital will evolve together with global outstanding enterprises and maintain empowering the development of the four major business segments of the Group.

<u>Hauck & Aufhäuser Privatbankiers AG (H&A)</u>

Founded in 1796, H&A is a leading private bank in Germany, and its brand has lasted for 225 years. H&A is headquartered in Frankfurt with offices in several key German cities such as Munich, Dusseldorf, Hamburg and Cologne. It also has branches in Luxembourg and London, a wholly-owned subsidiary in Zurich and a representative office in Paris. As at the end of the Reporting Period, the Group held 99.91% equity interest in H&A.

H&A aims to rank among the top 3 private banks in Germany with a focus on managing, preserving, serving and trading client assets. H&A has a clear growth strategy with a diversified and capital-light business model covering the four core business areas, i.e. asset servicing, private banking, financial markets and investment banking.

H&A intends to internationalize its product series, and secure new customer groups and thus further strengthen its own market position. An essential element of H&A’s future growth strategy is its role as a bridge between the major Chinese and European commercial entities. It aims to help German companies gain access to the highly-potential Chinese market which is part of the surging Asian market.

In the context of an unprecedented public health crisis and economic stagnation triggered by the global epidemic, H&A still maintains strong growth. As of the end of the Reporting Period, H&A’s services and assets under management reached EUR194.7 billion, an increase of 29.5% over the same period in 2020. Its Return on Equity (ROE) reached 14.4%, and its CET1 capital ratio increased to 21.38% in 2021.

H&A maintains strong growth in the context of the epidemic mainly due to the following reasons:

Firstly, since 2017, H&A has expanded the scale of its assets under custody through mergers and acquisitions in Luxembourg, Ireland and other European "financial hotspots". At the same time, it has formed a good brand effect and enhanced the ability to grow naturally, providing one-stop assets trusteeship service for different fund clients. Even during the epidemic, it still maintained strong profitability.

Secondly, H&A's investment banking business gave full play to its own industry research and team advantage, focused on the technology sector, seized capital growth opportunities and especially gave full play to its advantages in technology sector with small and medium-sized market capitalization in Germany.

Thirdly, the private banking business operates flexibly in product allocation plans, adds alternative allocations such as gold and real estate funds, hedges risks during the epidemic, and safeguards the interests of customers, so it maintains a net inflow of assets during epidemic.

In terms of business innovation, H&A continues to invest in technological innovation, build an online business platform Zeedin through R&D to attract younger generations of customers; at the same time, it enhances experiences in background services, including automation technology and artificial intelligence technology; meanwhile, it explores new products and business models, including the issuance of first digital asset fund and a plan to provide custody management services, to provide comprehensive product services for custody customers; and, it provides innovative service methods, including e-roadshow and remote working environment, to improve work efficiency and customer experience.

The growth of H&A has been recognized by the public and has won multiple awards, including "Germany's Most Popular Bank" and "Leading Employers in Germany". At the same time, H&A actively implements environmental and social governance development requirements and continuously optimizes corporate governance.

<u>BCP</u>

In 1985, a group of over 200 shareholders and a team of experienced banking professionals incorporated BCP. During the period from 1995 to 2000, BCP solidified its position in the Portuguese banking market through a series of strategic mergers and acquisitions, and became the largest private bank in Portugal. Since 2000, BCP has been strengthening its position into emerging markets in Europe and Africa, especially Poland, Mozambique and Angola, which have a close historical connection to Portugal. Since 2010, BCP entered the Chinese Mainland market through its Guangzhou representative office and relaunched its business activities in Macau with an onshore full banking license. In November 2016, the Group invested in BCP. As at the end of the Reporting Period, the Group held 29.93% equity interest in BCP.

BCP operates and acts with respect for people and institutions, pursuing a mission of excellence, trust, ethics and responsibility, being committed to serving the individuals and corporations on the geographies where it is present with comprehensive financial solutions. BCP provides commercial banking products and services to individuals and corporations, complemented by investment banking and private banking services. BCP also owns a leading digital bank known as “Activo Bank”.

During the Reporting Period, the consolidated core net income (net interest income plus net fees and commissions income deducted from operating costs) of BCP amounted to EUR529.1 million, 3.1% lower than EUR545.9 million of the same period of last year, mainly attributed to EUR87.2 million of restructuring charges in Portugal. Excluding restructuring costs, the core net income increased by 8.7% year-on-year. The core net income of the Portuguese business reached EUR354.4 million, increased by 15.6% year-on-year. The good performance of the core net income was mainly due to the increase of the net interest income, recovery of the commission income and consistent cost control. Net profit attributable to shareholders of BCP was EUR12.3 million, compared with EUR76.0 million of the same period of last year, mainly due to the impact of legal risks on the Swiss Franc mortgage loan, which continued to accumulate special provisions.

As at the end of the Reporting Period, the consolidated total assets of BCP amounted to EUR91,365 million, 5.6% of increase year-on-year. BCP’s consolidated loans to customers (gross) amounted to EUR57,885 million, showing a 3.4% year-on-year growth, boosted by the favourable performance in Portugal and Poland. Portuguese loans to customer (gross) amounted to EUR39,515 million, increased by 2.9% year-on-year, in which non-performing loans continued to decrease, performing loans increased 5.4% year-on-year, which benefited from the difference in credit granted due to the specific credit policies introduced by the local government under the impact of COVID-19, reflecting the reinforcement of the presence of BCP in the market segment of small and medium enterprises and companies.

BCP’s credit asset quality performance was solid and BCP continued to implement the strategy of reducing non-performing assets during the Reporting Period. The non-performing exposure (NPE) was reduced by EUR291.0 million at BCP’s group level, the NPE’s proportion of total customer loans down from 5.9% at the end of 2020 to 5.2% at the end of the Reporting Period. As at the end of the Reporting Period, consolidated NPE provision coverage ratio of BCP increased by 8.8 percentage points year-on-year to 66.6%.

There was remarkable performance of customers growth during the Reporting Period. The number of mobile subscribers at BCP’s group level increased to 3.1 million from 2.7 million at the end of 2020. During the Reporting Period, BCP was awarded “Best Foreign Exchange Provider 2021 in Portugal” by Global Finance, as well as “Best Digital Bank 2020 in Portugal”, “Consumer Choice in Portugal 2021” in the “Large Banks” category and “Main Bank for Companies”. Activo Bank was awarded “Customer’s Choice 2021” in the “Digital Bank” category.

In the following years, strategic plan of BCP aims to raise circumstances adaptation and risks response capacity after pandemic. Therefore, BCP presented a new strategic plan to the market called “Excellence 2024,” setting the priorities and objectives for the new strategic cycle for 2021-2024. The design of the Excellence 2024 plan was based on BCP’s aspiration for upcoming cycle: to successfully overcome the impact of the pandemic and achieve robust levels of profitability and balance sheet quality, accelerating the bank’s competitive differentiation in terms of efficiency and involvement with customers, based on excellent personalized services and new mobile/digital solutions, while simultaneously responding to the challenges of sustainability with a focus on the risks and opportunities of climate change, the social aspect and sound governance of society.

The Bund Finance Center (“BFC”)

BFC is located at 600 Zhongshan No. 2 Road (East) (Postcode: 200010), Shanghai, China, to the east it overlooks the Huangpu River, and to the west there is the Yuyuan Tourist Mart. BFC is a landmark project of Fosun’s “Hive City” and a large ecological commercial complex located in the heart of the Bund. The grand opening was on 12 December 2019. The gross floor area (“**GFA**”) of BFC is over 420,000 square meters. It integrates ecology with offices, retail, catering, entertainment, health, art and tourism, opening a brand-new horizon of life in Shanghai.

BFC is the exemplary model of “1 + N Happiness Ecosystem” (i.e. family ecosystem and vertical ecosystem), which regards “Fashion, Art, Design” as main theme and thoroughly implements the FC2M strategy. The BFC introduces Fosun’s rich industry resources to the areas surrounding landmarks to leverage the multiplier effect and creates the high-end product line of the Group’s commercial projects, providing deep-level services to meet the needs of urban residents.

BFC’s principal businesses include (i) office rental business which offers premium grade-A offices integrated with multiple smart building technologies and comfortable workspace experience with attentive concierge service; (ii) retail business that houses over 200 stores and brands, of which 30 stores are the first of its kind; (iii) catering business that offers an array of high-quality international restaurants; (iv) health business with swimming pool, gym equipments, aerobic classes and boxing training and a high-end medical clinic providing services such as health check-up, chronic disease and sub-health management, stomatological treatment, anti-aging treatment and beauty salon, body shape management and international healthcare; (v) art business conducted through Fosun Foundation Art Center (Shanghai), which has the world's first-ever three-layer "moving" veil system creating an unique and dynamic aesthetic appeal for the building; and held various exhibitions for artists all around the world; and (vi) family-oriented services that feature the Miniversity club jointly established by FTG, Mattel (a children's entertainment brand) and Club Med.

During the Reporting Period, BFC recorded total revenue of RMB371.67 million. EBITDA amounted to RMB229.41 million.

After the pandemic stabilized, BFC increased its online and offline efforts. Fosun Foundation Art Center (Shanghai) held the fourth stop of the "Tadao Ando: Endeavors" global tour during the BFC Art Festival, which attracted more than 150,000 visits to the exhibition with great popularity in the country; BFC launched the "Family Day on 15 May" (515家庭日), "BFC Music Festival" (BFC外灘音樂季), "BFC Summer Wave" (BFC外灘造浪季), upgraded "BFC Fengjing Weekend Market" (外灘楓徑週末集市) and other highlight activities in succession, rapidly increasing customer traffic and improving performance.

BFC will deepen its implementation of FC2M strategy and introduce its excellent industry resources of "Health, Happiness, Wealth and Intelligent Manufacturing" to meet the clients' needs, providing caring services to each family meeting their desires for a better life, and securing its building of the "Happiness Ecosystem". Meanwhile, BFC will continue to promote its online businesses, building BFC product lines, completing a thousand of events annually, aiming to become the new commercial benchmark in Shanghai and China. Close to Yuyuan, BFC will strive to achieve two-way empowerment with Yuyuan in the future, aim to become a "Big Yuyuan Cultural Zone" that integrates culture, art, tourism, consumption, finance, commerce and natural scenery with full upgrade of its overall regional image and industrial ecology to become the most representative landmark in Shanghai.

During the Reporting Period, the particulars of the project are as follows:

Name of project	Floor	Area (sq.m.)
GFA		425,591
Grade A offices	S1	107,079
	S2	103,138
	N1	21,425
	N2	25,462
	N3	10,410
Shopping center		117,520
Boutique hotel		36,346
Fosun Foundation Art Center (Shanghai)		4,211

INTELLIGENT MANUFACTURING

During the Reporting Period, the revenue and profit attributable to owners of the parent of the Intelligent Manufacturing segment were as follows:

Unit: RMB million

	For the six months ended 30 June 2021	For the six months ended 30 June 2020 (Restated)	Change over the same period of last year
Revenue	3,569.7	1,181.2	202.2%
Profit attributable to owners of the parent	1,629.1	901.7	80.7%

During the Reporting Period, the revenue of the Intelligent Manufacturing segment was RMB3,569.7 million, a year-on-year increase of 202.2%. With the industry upward cycle, the operation of core companies such as Nanjing Iron & Steel and Hainan Mining has improved and the profit has recovered strongly, and the profit attributable to owners of the parent was RMB1,629.1 million, a year-on-year increase of 80.7%.

Nanjing Iron & Steel

Nanjing Iron & Steel, a leading whole-process steel conglomerate with high efficiency, listed on the SSE in 2000. For many years, Nanjing Iron & Steel has increased production efficiency and product competitiveness through asset reorganization and continuous technological innovation. Nanjing Iron & Steel has formed a unique competitive advantage of "high-efficiency production, low-cost intelligent manufacturing", with the production capability of 10 million tons of crude steel per year. As at the end of the Reporting Period, the Group held 58.71% equity interest in Nanjing Iron & Steel through Nanjing Nangang.

Nanjing Iron & Steel actively responds to "14th Five-Year" high-quality development plan launched by the government of PRC. Aiming at opportunities for manufacturing upgrades and developing around the material industry chain, Nanjing Iron & Steel concentrates on "Green, Smart, High-tech" concept to build it as an intelligent manufacturer of advanced materials with global competitiveness. In terms of the iron and steel business, it aims to build a world-class modern high-quality steel facility, increase R&D and investment in intelligent manufacture and ultra-low carbon emission, and specialize in manufacturing special steels meticulously. In the new industry area, Nanjing Iron & Steel focuses on new materials and the extension of the industrial chain to cultivate and develop it as a leader and hidden champion in this subdivision industry.

During the Reporting Period, Nanjing Iron & Steel recorded total revenue of RMB38,587.8 million, a year-on-year increase of 58.42%. The net profit attributable to shareholders of the listed company was RMB2,260.8 million, a year-on-year increase of 102.65%.

During the Reporting Period, the sales price and sales volume of Nanjing Iron & Steel's advanced iron and steel materials rose together, achieving a sales volume of 867.7 thousand tons with an increase of 40.67% year-on-year. Long-material special steel products continue to make breakthroughs in high-standard bearing steel, construction machinery, automotive transmission, industrial moulds and other fields. It has maintained its leading position in the domestic market share of nine strategic plate-material products such as nickel-based steel, high-grade wear-resistant steel, stainless steel clad plate.

In terms of cost control and efficiency enhancement, Nanjing Iron & Steel has adopted measures such as process optimization, fine and accurate control and management and digital enhancement. In terms of green environmental protection, Nanjing Iron & Steel continues to invest in energy conservation and consumption reduction to upgrade the technology, striving to maintain the position as the industry forerunner in the context of "peaking carbon dioxide emissions" and "carbon neutrality".

During the Reporting Period, Nanjing Iron & Steel continued to extend its steel industry chain. The Indonesian project with annual output of 2.6 million tons of coke was under construction as per schedule. In June 2021, Nanjing Iron & Steel announced the proposed new investment in Indonesia with an annual output of 3.9 million tons of coke.

During the Reporting Period, Nanjing Iron & Steel became the largest shareholder of Wansheng after the acquisition of its 14.42% equity interest, thus expanding its scope to the fine chemical industry and complementing optimal industrial strength.

Looking forward, Nanjing Iron & Steel will focus on the diversification of the material industry chain with the core platform which promotes the dual-balanced development in quality and speed. It will continue to strengthen new materials related fields through "Industry Operations + Industrial Investment", forming cycle complements, enhancing the core competitiveness, and improving corporate value creation ability.

Hainan Mining

Established in August 2007, Hainan Mining was listed on the SSE in December 2014. Hainan Mining focuses on the operation of two types of resources of industry of iron ore and oil and gas. ROC, the subsidiary of Hainan Mining, develops across the full range of upstream business activities in the oil and gas industry from exploration and appraisal to development and production. As at the end of the Reporting Period, the Group held 51.57% equity interest in Hainan Mining.

Hainan Mining's principal businesses include (i) iron ore mining, processing and sales business; (ii) oil and gas exploring, developing and sales business; (iii) commodities trade and processing business.

During the Reporting Period, Hainan Mining achieved a revenue of RMB2,045.13 million, a year-on-year increase of 61.02%; net profit attributable to shareholders of the listed company was RMB578.22 million, a year-on-year increase of 2,976.15%. The two main products, iron ore and crude oil, were both positively attributed by the rapid increase in demand and the acute price increase in the first half of the year. Therefore, the revenue and profit during the Reporting Period increased significantly compared with the same period of last year.

In terms of iron ore production, Hainan Mining has managed production with high efficiency, continuously improved and debugged underground mining equipments, strengthened the refined management of equipments, and achieved dual-well production, which resulted in a steady increase in output. During the Reporting Period, the output of Shilu iron ore was 3.2028 million tons, a year-on-year increase of 6.3%, among which the output of underground mining was 2.1302 million tons, a year-on-year increase of 9.8%; the output of finished ore was 1.7057 million tons, a year-on-year increase of 3.82%.

By the end of April 2021, ROC completed the drilling and connection of six oil wells in the D21 project in Malaysia and created a new production record in May under the oil contract of this project. It also increased the production of the Ungani Oil Field in Australia by approximately 100 barrels per day by changing electric submersible pumps. During the Reporting Period, ROC produced 1.8206 million barrels of oil and gas equivalents, representing a year-on-year increase of 9.09%.

During the Reporting Period, Hainan Mining strived to control costs while boosting its production. Its branch in Shilu Town launched the first 100-day "Eugenie Grandet" Challenge and adopted a series of measures to reduce costs, such as researching off-peak power consumption for electricity savings, fully leveraging pools of water with a volume of 5,000 and 3,000 cubic meters, respectively, to reduce water consumption, and cutting production and transportation costs by strictly limiting internal short-distance transport and optimizing three-machine operation. By increasing income, reducing expenditure, and implementing precise management, Hainan Mining continued to lower its costs and boost efficiency. ROC continued to use technology to enhance its oil and gas reserves to dilute its fixed amortization costs and reduce production costs.

During the Reporting Period, Hainan Mining continued to improve its safety and environmental protection management through closed-loop management, and achieved zero fatalities, zero serious injuries, zero major equipment and major fire accidents in terms of safety production. The qualification rate of comprehensive pollutant discharge was 100%. At the same time, Hainan Mining carried out recovery reclamation and planted 155,000 trees, and continued to promote the construction of "Changjiang Urban Industrial Living Room" and green mines.

ROC acquired 100% equity interest of EOG Resources China Limited in May 2021. Hainan Mining obtained the 100% operation right of the Bajiaochang natural gas field in the Sichuan Basin, and launched a subsequent cooperation with China National Petroleum Corporation on such project. It is currently conducting a rapid post-investment integration of the Bajiaochang natural gas field. The total output of such gas field in 2020 was 378 million cubic meters, approximately 2.3 million barrels equivalent, which has increased ROC's layout in the field of clean energy.

<u>JEVE</u>

Established in 2009, JEVE is one of the earliest domestic enterprises to enter into the new energy passenger vehicle NCM lithium battery industry. It mainly focuses on soft pack batteries, with products covering NCM lithium and lithium iron phosphate systems, which serves to meet demands in high-end pure electric vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles. Amidst the dual pressures of the COVID-19 and fierce market competition, JEVE still maintains a high growth rate relying on technology and R&D investment. During the Reporting Period, JEVE has pressed the fast forward button for advancement and ushered in the "acceleration" of production and sales, while the production value increased by 289% year-on-year. At the same time, the installed capacity of JEVE in the first half of this year increased by 271.4% compared with the same period of last year. During the Reporting Period, in terms of the number of vehicles installed by domestic power battery companies, JEVE ranked the 10th place in China. As at the end of the Reporting Period, the Group and the funds under its management jointly held 53.26% equity interest in JEVE.

On the basis of maintaining the profound cooperation with regular customers such as Great Wall (長城), Chery (奇瑞), Hozon (合眾), JEVE is also actively exploring new customers in 2021. As at the end of the Reporting Period, it has already obtained the fixed points of a number of car companies and connected with several international leading customers. In May, JEVE has successfully passed the ASES review of Dongfeng Nissan (東風日產) and officially entered into the Nissan supplier system. The Nissan expert team had a high opinion of JEVE's relevant established quality management systems, high-level automation of incoming material management-production-delivery and realization of EPA/MES and other systematic data management on site. The successful passing of the ASES review represents a strong customer's recognition in JEVE's project management, product quality and process control, which bears great strategic significance. During the Reporting Period, the company has also passed the Volkswagen (大眾) quality system review and entered into its qualified supplier system. In addition, under the premise of the successful development of the first product, the company has again received the advanced demand in two new products from a leading European car brand this year, which fully demonstrates the customer's recognition in JEVE's technical capabilities.

With the support of Fosun and other shareholders, JEVE has embarked on a fast track of development by building core products based on technological innovation. As at the end of the Reporting Period, JEVE has established two technical centers and one research institute in China and has built cooperation with Tsinghua University, Nankai University, National Power Battery Innovation Center and Institute of Physics/Chemistry of Chinese Academy of Sciences as well as other well-known institutions. As of the end of the Reporting Period, JEVE has applied for 674 patents and 232 invention patents, and undertook 14 national projects and eight local projects. In terms of product development, JEVE currently has developed a soft pack cell with an energy density of approximately 320Wh/kg. In terms of core products, JEVE has four product matrices: high power HEV products, 590 cells and modules, LCM cells and modules and 355 cells and modules.

In terms of production capacity construction, JEVE currently has three power battery production bases in Tianjin, Yancheng and Jiaxing; and the production capacity of soft-pack battery reaches 3.5GWh. In order to further meet the demand of the domestic market, JEVE has been actively planning to increase new production capacity recently. Among them, Yancheng phase II has officially started construction in July 2021, with a designed capacity of 4GWh. Zhejiang Changxing new energy lithium battery factory project has officially entered into a contract with the local government on 31 July 2021 with a planned capacity of 12GWh. Changxing project will add 4GWh energy storage battery construction on top of JEVE's existing power battery, which not only has entered into the domestic energy storage market development track in advance, but also has realized the diversified development of “power + energy storage”, to enrich JEVE’s market layout.

Looking forward to the future, based on the existing market capacity and scale data, JEVE will conduct in-depth analysis and research by way of the four dimensions of “target customer planning, product and R&D technology planning, marketing planning and capital planning”, so as to achieve the strategic goal of being a leading enterprise in the domestic industry and in soft package, and finally become an outstanding customer system solution provider for vehicles.

FINANCIAL REVIEW

NET INTEREST EXPENDITURES

Net interest expenditures, net of capitalized amounts of the Group, decreased to RMB4,546.4 million for the six months ended 30 June 2021 from RMB4,734.3 million for the six months ended 30 June 2020. The decrease in net interest expenditures was mainly attributable to the decline in the interest rate of borrowings. For the six months ended 30 June 2021, the interest rates of borrowings were approximately between 0.0% and 9.8% as compared with approximately between 0.3% and 9.5% over the same period of last year.

TAX

Tax of the Group was RMB2,283.4 million for the six months ended 30 June 2021, which was increased by RMB83.1 million compared with that for the six months ended 30 June 2020 of RMB2,200.3 million. The increase in tax was mainly due to the increase in taxable profit of the Group.

INDEBTEDNESS AND LIQUIDITY OF THE GROUP

As of 30 June 2021, the total interest-bearing debt of the Group was RMB242,810.0 million, representing an increase from RMB229,802.4 million as of 31 December 2020, which was mainly due to the increase in borrowings as a result of business expansion of various segments of the Group. As of 30 June 2021, mid-to-long-term debt of the Group accounted for 60.6% of total debt, while 61.1% as of 31 December 2020. As of 30 June 2021, cash and bank balances and term deposits decreased by RMB757.7 million to RMB106,082.2 million as compared with RMB106,839.9 million as of 31 December 2020.

INTEREST-BEARING DEBT TO TOTAL CAPITAL RATIO

As of 30 June 2021, the ratio of interest-bearing debt to total capital was increased to 55.7% as compared with 54.3% as of 31 December 2020. Healthy debt ratios and abundant funds can reinforce the Group's ability to defend against external risk exposure and ensure the Group to capture investment opportunities.

AVAILABLE FACILITIES

As at 30 June 2021, save for cash and bank balances and term deposits of RMB106,082.2 million, the Group had unutilized banking facilities of RMB170,252.4 million. The Group has signed strategic cooperation agreements with various foreign & Chinese banks. According to these agreements, the banks committed to strengthen further on the existing relationship, and provide comprehensive financial support toward Fosun's "Health, Happiness, Wealth and Intelligent Manufacturing" businesses. Prior approval of individual projects from banks in accordance with bank regulations of China must be obtained before the use of these banking facilities. As at 30 June 2021, available banking facilities under these arrangements totaled RMB325,154.0 million, of which RMB154,901.6 million was utilized.

INTEREST COVERAGE

For the six months ended 30 June 2021, the interest coverage was 3.8 times as compared with 2.9 times for the same period in 2020. The increase was mainly due to that EBITDA of the Group increased to RMB17,336.2 million for the six months ended 30 June 2021 from RMB13,776.9 million for the six months ended 30 June 2020.

FOSUN INTERNATIONAL LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2021

	Notes	For the six months ended 30 June 2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
REVENUE	3	70,405,793	63,269,235
Cost of sales		(46,551,087)	(38,708,624)
Gross profit		23,854,706	24,560,611
Other income and gains	3	11,119,866	7,383,163
Selling and distribution expenses		(10,988,775)	(10,008,730)
Administrative expenses		(11,942,101)	(10,301,509)
Other expenses		(3,817,212)	(5,177,449)
Finance costs	4	(4,740,527)	(5,037,956)
Amount reported in profit or loss applying the overlay approach		(5,525)	982,147
Share of profits and losses of:			
Joint ventures		1,569,692	900,529
Associates		3,730,297	2,071,733
PROFIT BEFORE TAX	5	8,780,421	5,372,539
Tax	6	(2,283,422)	(2,200,250)
PROFIT FOR THE PERIOD		6,496,999	3,172,289
Attributable to:			
Owners of the parent		4,062,181	2,012,111
Non-controlling interests		2,434,818	1,160,178
		6,496,999	3,172,289
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	7		
Basic			
- For profit for the period (RMB)		0.48	0.24
Diluted			
- For profit for the period (RMB)		0.48	0.24

FOSUN INTERNATIONAL LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

	For the six months ended 30 June	
	2021	**2020**
	RMB'000	**RMB'000**
	(Unaudited)	**(Unaudited)**
PROFIT FOR THE PERIOD	6,496,999	3,172,289
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Financial assets designated under the overlay approach:		
Amount reported in other comprehensive income /(loss) applying the overlay approach	5,525	(982,147)
Income tax effect	(25,954)	219,411
	(20,429)	(762,736)
Debt investments at fair value through other comprehensive income:		
Changes in fair value	(1,252,981)	(1,098,761)
Changes in allowance for expected credit losses	(157,494)	16,073
Reclassification adjustments for loss/(gain) on disposal included in the consolidated statement of profit or loss	46,308	(2,779)
Income tax effect	128,439	342,662
	(1,235,728)	(742,805)
Change in other life insurance contract liabilities due to potential loss on financial assets	64,338	94,723
Income tax effect	7,576	4,076
	71,914	98,799
Fair value adjustments of hedging instruments in cash flow hedges	112,800	69,816
Income tax effect	(32,197)	(11,715)
	80,603	58,101
Fair value adjustments of hedging of a net investment in a foreign operation	(203,981)	172,776
Income tax effect	46,745	(40,652)
	(157,236)	132,124
Share of other comprehensive income of associates	13,917	23,979
Exchange differences on translation of foreign operations	(1,709,576)	(902,722)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	(2,956,535)	(2,095,260)

	For the six months ended 30 June 2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
OTHER COMPREHENSIVE INCOME (continued)		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Revaluation gain upon transfer from owner-occupied property to investment property	2,131	51,283
Income tax effect	(448)	(10,565)
	1,683	40,718
Actuarial reserve relating to employee benefit	35,932	350
Income tax effect	(1,109)	(408)
	34,823	(58)
Equity investments designated at fair value through other comprehensive income:		
Change in fair value	21,934	(167,453)
Income tax effect	(5,962)	13,744
	15,972	(153,709)
Share of other comprehensive income of associates	23,634	49,403
Net other comprehensive gain/(loss) that will not be reclassified to profit or loss in subsequent periods	76,112	(63,646)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	(2,880,423)	(2,158,906)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,616,576	1,013,383
Attributable to:		
Owners of the parent	2,222,726	416,201
Non-controlling interests	1,393,850	597,182
	3,616,576	1,013,383

FOSUN INTERNATIONAL LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2021

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	41,579,459	42,459,864
Investment properties	66,650,329	65,688,473
Right-of-use assets	18,418,898	18,434,077
Exploration and evaluation assets	546,610	555,489
Mining rights	504,061	512,824
Oil and gas assets	2,127,672	1,387,545
Intangible assets	25,745,997	26,223,404
Goodwill	24,258,221	24,479,151
Investments in joint ventures	27,165,160	25,621,386
Investments in associates	97,337,057	92,254,373
Financial assets at fair value through profit or loss	25,983,092	25,193,993
Equity investments designated at fair value through other comprehensive income	541,730	746,295
Debt investments at fair value through other comprehensive income	63,325,288	66,371,132
Debt investments at amortised cost	20,844,472	23,741,297
Properties under development	15,390,942	18,233,525
Due from related companies	1,160,210	1,075,137
Prepayments, other receivables and other assets	2,836,196	4,175,895
Deferred tax assets	6,379,087	6,323,124
Policyholder account assets in respect of unit-linked contracts	8,155,413	3,732,640
Insurance and reinsurance debtors	63,620	76,264
Reinsurers' share of insurance contract provisions	4,477,769	4,769,326
Term deposits	648,194	1,121,996
Placements with and loans to banks and other financial institutions	38,431	40,125
Loans and advances to customers	325,914	361,491
Derivative financial instruments	213,541	407,526
Finance lease receivables	790,056	244,537
Contract assets and other assets	6,706	12,566
Total non-current assets	455,514,125	454,243,455

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

For the six months ended 30 June 2021

	Note	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
CURRENT ASSETS			
Cash and bank balances		105,434,044	105,717,947
Financial assets at fair value through profit or loss		36,652,723	33,969,450
Debt investments at fair value through other comprehensive income		23,197,912	22,771,181
Debt investments at amortised cost		11,189,941	11,071,593
Derivative financial instruments		813,095	1,604,363
Trade and notes receivables	8	12,241,721	9,016,852
Contract assets and other assets		142,150	97,410
Prepayments, other receivables and other assets		23,657,340	21,208,160
Inventories		18,498,058	17,664,600
Completed properties for sale		10,684,033	11,762,976
Properties under development		40,572,339	36,961,448
Due from related companies		13,146,513	11,831,435
Policyholder account assets in respect of unit-linked contracts		923,139	468,689
Insurance and reinsurance debtors		14,934,931	17,285,390
Reinsurers' share of insurance contract provisions		6,352,156	5,825,518
Placements with and loans to banks and other financial institutions		85	37
Loans and advances to customers		4,243,746	4,035,666
Finance lease receivables		469,771	1,351,935
		323,153,697	312,644,650
Non-current assets classified as held for sale		188,319	792,496
Total current assets		323,342,016	313,437,146

	Note	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		95,694,138	89,339,137
Contract liabilities		28,696,965	25,165,866
Trade and notes payables	9	18,721,511	18,296,504
Accrued liabilities and other payables		35,826,101	37,940,450
Tax payable		8,374,698	9,599,619
Deposits from customers		54,122,463	47,788,958
Due to the holding company		1,492,987	659,378
Due to related companies		3,362,725	2,196,843
Derivative financial instruments		2,444,237	2,021,960
Accounts payable to brokerage clients		587,971	1,184,878
Unearned premium provisions		8,702,116	9,650,294
Provision for outstanding claims		23,359,256	21,137,373
Provision for unexpired risks		394,422	371,607
Financial liabilities for unit-linked contracts		119,195	129,720
Investment contract liabilities		9,560,373	11,989,305
Other life insurance contract liabilities		359,020	387,828
Insurance and reinsurance creditors		8,930,450	10,259,769
Financial liabilities at fair value through profit or loss		3,069,327	2,134,246
Due to banks and other financial institutions		1,713,228	1,992,004
Assets sold under agreements to repurchase		1,313	3,120,034
Placements from banks and other financial institutions		-	212,595
		305,532,496	295,578,368
Liabilities directly associated with the assets classified as held for sale		4,419	4,614
Total current liabilities		305,536,915	295,582,982
NET CURRENT ASSETS		17,805,101	17,854,164
TOTAL ASSETS LESS CURRENT LIABILITIES		473,319,226	472,097,619

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	147,115,862	140,463,287
Deposits from customers	34,972	69,570
Derivative financial instruments	436,877	671,197
Deferred income	1,126,049	1,184,499
Other long term payables	16,262,661	16,035,233
Deferred tax liabilities	16,387,945	16,654,453
Provision for outstanding claims	19,025,651	19,265,658
Financial liabilities for unit-linked contracts	8,959,357	4,071,609
Investment contract liabilities	43,980,309	50,856,395
Other life insurance contract liabilities	22,416,204	24,037,018
Insurance and reinsurance creditors	134,951	132,202
Contract liabilities	421,265	700,277
Due to banks and other financial institutions	904,281	944,141
Due to related companies	133,769	923,453
Due to the holding company	3,000,000	3,000,000
Financial liabilities at fair value through profit or loss	-	2,000
Total non-current liabilities	280,340,153	279,010,992
Net assets	192,979,073	193,086,627
EQUITY		
Equity attributable to owners of the parent		
Share capital	36,919,936	36,785,936
Treasury shares	(208,528)	(163,600)
Other reserves	91,007,960	91,189,690
	127,719,368	127,812,026
Non-controlling interests	65,259,705	65,274,601
Total equity	192,979,073	193,086,627

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2021 (the "Period") has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020.

The financial information relating to the year ended 31 December 2020 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditors have reported on the financial statements for the year ended 31 December 2020. The auditor's report was unqualified; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

1.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 9, HKAS 39 , HKFRS 7, HKFRS 4 and HKFRS 16	*Interest Rate Benchmark Reform-Phase 2*
Amendment to HKFRS 16	*COVID-19-Related Rent Concessions beyond 30 June 2021(early adopted)*

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING (continued)

1.2 CHANGES IN ACCOUNTING POLICIES (continued)

The nature and impact of the revised HKFRSs are described below:

(a) Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR"). The phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 or HKAS 39 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

The Group had certain interest-bearing bank and other borrowings denominated in Renminbi and foreign currencies based on various Interbank Offered Rates as at 30 June 2021. Since the interest rates of these borrowings were not replaced by RFRs during the Period, the amendment did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings provided that the "economically equivalent" criterion is met.

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING (continued)

1.2 CHANGES IN ACCOUNTING POLICIES (continued)

(b) Amendment to HKFRS 16 issued in April 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted.

The Group has early adopted the amendment on 1 January 2021 and applied the practical expedient during the period ended 30 June 2021 to all rent concessions granted by the lessors that affected only payments originally due on or before 30 June 2022 as a direct consequence of the COVID-19 pandemic. A reduction in the lease payments arising from the rent concessions of RMB77,262,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the period ended 30 June 2021.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

(i) The Health segment engages in the research and development, manufacture, sale and trading of pharmaceutical and health products and providing medical services and health management;

(ii) The Happiness segment comprises principally the operation and investments in tourism and leisure, fashion consumer and lifestyle industries;

(iii) The Insurance segment mainly engages in the operation of and investment in the insurance businesses;

(iv) The Asset Management segment comprises principally the operation and investment of asset managements, market investments, and investments in other companies of the Group; and

(v) The Intelligent Manufacturing segment comprises principally the operation of and investment in the intelligent manufacturing and iron, steel and ore production.

Both the Insurance segment and the Asset Management segment listed above belong to the Wealth sector of the Group.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

As management changed the structure of the Group’s internal organisation to match its business development strategy in a manner that caused to change the Group’s composition of its reportable segments as at the end of 2020, some entities in the Group were re-allocated to reflect such change and we have restated the comparative amounts for the six months ended 30 June 2020. Segment performance is evaluated based on reportable segment profit or loss, which is measured consistently with the Group’s profit or loss after tax. The head office and corporate expenses are allocated to each reportable segments based on their respective utilisation of internal resources. Certain interest-bearing bank and other borrowings which are managed on the group basis are allocated to each reportable segments based on their respective utilisation of the financing.

Inter-segment sales and transfers are transacted with reference to the fair selling prices used for sales made to third parties at the then prevailing market prices.

2. OPERATING SEGMENT INFORMATION (continued)

Six months ended 30 June 2021 (unaudited)

	Health	Happiness	Wealth		Intelligent Manufacturing	Eliminations	Total
			Insurance	Asset Management			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:							
Sales to external customers	18,948,617	28,341,099	15,475,044	4,071,302	3,569,731	-	70,405,793
Inter-segment sales	333,378	120,198	282	103,288	-	(557,146)	-
Total revenue	19,281,995	28,461,297	15,475,326	4,174,590	3,569,731	(557,146)	70,405,793
Segment results:							
Profit before tax	3,476,662	(591,550)	2,203,987	1,778,532	1,952,082	(39,292)	8,780,421
Tax	(522,787)	(708,866)	(482,710)	(436,301)	(132,758)	-	(2,283,422)
Profit/(loss) for the Period	2,953,875	(1,300,416)	1,721,277	1,342,231	1,819,324	(39,292)	6,496,999
Other segment information:							
Interest and dividend income	130,809	304,282	1,845,517	503,571	36,342	(61,510)	2,759,011
Other income and gains (excluding interest and dividend income)	2,136,931	893,495	2,621,465	2,450,820	276,126	(17,982)	8,360,855
Amount reported in profit or loss applying the overlay approach	-	-	(5,525)	-	-	-	(5,525)
Impairment losses recognised in the statement of profit or loss, net	(298,581)	(18,886)	398,871	(291,699)	(1,000,985)	-	(1,211,280)
Finance costs	(549,522)	(1,223,737)	(803,865)	(2,122,765)	(134,455)	93,817	(4,740,527)
Share of profits and losses of							
- Joint ventures	(85,223)	(77,250)	(15,648)	829,637	918,176	-	1,569,692
- Associates	986,944	121,362	640,465	646,783	1,369,880	(35,137)	3,730,297

2. OPERATING SEGMENT INFORMATION (continued)

Six months ended 30 June 2020 (restated) (unaudited)

	Health	Happiness	Wealth		Intelligent Manufacturing	Eliminations	Total
			Insurance	Asset Management			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:							
Sales to external customers	15,956,537	26,981,985	14,162,412	4,987,101	1,181,200	-	63,269,235
Inter-segment sales	284,099	44,114	95	162,504	-	(490,812)	-
Total revenue	16,240,636	27,026,099	14,162,507	5,149,605	1,181,200	(490,812)	63,269,235
Segment results:							
Profit before tax	2,264,469	528,664	(1,681,113)	3,321,427	960,059	(20,967)	5,372,539
Tax	(360,435)	(1,143,712)	(134,098)	(525,654)	(36,351)	-	(2,200,250)
Profit/(loss) for the Period	1,904,034	(615,048)	(1,815,211)	2,795,773	923,708	(20,967)	3,172,289
Other segment information:							
Interest and dividend income	118,054	202,036	1,581,174	330,565	19,418	(70,597)	2,180,650
Other income and gains (excluding interest and dividend income)	881,296	414,367	1,131,488	2,689,706	88,406	(2,750)	5,202,513
Amount reported in profit or loss applying the overlay approach	-	-	982,147	-	-	-	982,147
Impairment losses recognised in the statement of profit or loss, net	(59,368)	(56,076)	(221,630)	(44,957)	3,339	16,344	(362,348)
Finance costs	(594,172)	(1,099,075)	(905,357)	(2,387,850)	(126,427)	74,925	(5,037,956)
Share of profits and losses of							
- Joint ventures	(45,806)	(4,757)	(21,410)	495,127	477,375	-	900,529
- Associates	708,441	167,279	310,920	473,345	487,842	(76,094)	2,071,733

2. OPERATING SEGMENT INFORMATION (continued)

Total segment assets and liabilities as at 30 June 2021 and 31 December 2020 are as follows:

Segment assets:

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited) (Restated)
Health	105,180,895	100,117,588
Happiness	184,870,046	178,506,250
Wealth		
Insurance	212,087,472	214,233,433
Asset Management	243,366,832	243,338,968
Intelligent Manufacturing	43,491,808	42,055,524
Eliminations*	(10,140,912)	(10,571,162)
Total consolidated assets	778,856,141	767,680,601

Segment liabilities:

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited) (Restated)
Health	48,910,067	45,006,099
Happiness	131,620,230	123,472,719
Wealth		
Insurance	190,958,740	193,525,754
Asset Management	209,177,822	207,315,956
Intelligent Manufacturing	15,324,323	15,041,512
Eliminations*	(10,114,114)	(9,768,066)
Total consolidated liabilities	585,877,068	574,593,974

* Inter-segment loans and other balances are eliminated on consolidation.

2. OPERATING SEGMENT INFORMATION (continued)

Geographical information

Revenue from external customers

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Chinese Mainland	40,750,240	35,841,277
Portugal	8,527,445	8,459,635
Other countries and regions	21,128,108	18,968,323
Total Revenue	70,405,793	63,269,235

The revenue information above is based on the locations of the customers.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

		For the six months ended 30 June	
		2021	2020
		RMB'000	RMB'000
	Note	(Unaudited)	(Unaudited)
Revenue			
Revenue from contracts with customers			
- Sale of goods		42,983,167	36,388,284
- Rendering of services		11,289,511	11,859,716
		54,272,678	48,248,000
Revenue from other sources			
- Insurance revenue	(1)	15,265,863	14,019,496
- Rental income		952,344	905,168
- Interest income		230,379	294,368
		16,448,586	15,219,032
Others			
- Less: Government surcharges		(315,471)	(197,797)
		70,405,793	63,269,235

(1) Insurance revenue:

Gross premiums written	17,910,794	18,111,967
Less: Premiums ceded to reinsurers and retrocessionaires	(3,289,672)	(3,516,591)
Net premiums written	14,621,122	14,595,376
Change in unearned premium provisions, net of reinsurance	644,741	(575,880)
Net earned premiums	15,265,863	14,019,496

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

Disaggregated revenue information

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

For the six months ended 30 June 2021 (unaudited)

Segments:

	Health	Happiness	Wealth		Intelligent Manufacturing	Total
			Insurance	Asset Management		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Type of goods or services						
Sale of goods	14,585,621	23,915,886	-	869,420	3,612,240	42,983,167
Rendering of services	4,344,532	4,418,126	209,785	2,300,564	16,504	11,289,511
	18,930,153	28,334,012	209,785	3,169,984	3,628,744	54,272,678
Timing of revenue recognition						
Goods transferred at a point in time	14,585,621	23,915,886	-	869,420	3,612,240	42,983,167
Services transferred over time	4,344,532	4,418,126	209,785	2,300,564	16,504	11,289,511
	18,930,153	28,334,012	209,785	3,169,984	3,628,744	54,272,678

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information: (continued)

For the six months ended 30 June 2020(restated) (unaudited)

Segments:

	Health	Happiness	Wealth		Intelligent Manufacturing	Total
			Insurance	Asset Management		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Type of goods or services						
Sale of goods	12,108,104	21,267,629	-	1,801,822	1,210,729	36,388,284
Rendering of services	3,890,479	5,622,932	143,196	2,203,109	-	11,859,716
	15,998,583	26,890,561	143,196	4,004,931	1,210,729	48,248,000
Timing of revenue recognition						
Goods transferred at a point in time	12,108,104	21,267,629	-	1,801,822	1,210,729	36,388,284
Services transferred over time	3,890,479	5,622,932	143,196	2,203,109	-	11,859,716
	15,998,583	26,890,561	143,196	4,004,931	1,210,729	48,248,000

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of the Group's other income and gains is as follows:

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	530,076	493,623
Dividends and interest from financial assets	2,228,935	1,687,027
Rental income	290,351	347,863
Government grants	405,396	350,213
Consultancy and other service income	212,075	208,971
Fee income relating to investment contracts and reinsurance profit sharing	387,411	355,396
Others	691,563	419,111
	4,745,807	3,862,204
Gains		
Gain on disposal of subsidiaries	353,983	-
Gain on deemed disposal of associates	2,893	399,001
Gain on disposal/partial disposal of associates	780,873	205,437
Gain on bargain purchase of associates	-	1,341,916
Gain on disposal of property, plant and equipment	100	533
Gain on disposal of investment properties	-	4,171
Gain on disposal of intangible assets	-	61,563
Gain on disposal of debt investments at fair value through other comprehensive income	202,922	-
Gain on fair value adjustment of investment properties	122,742	1,432,618
Gain on fair value adjustment of financial assets at fair value through profit or loss	3,987,552	-
Gain on reversal of impairment of debt investments at amortized cost	11,864	-
Gain on reversal of impairment of debt investments at fair value through other comprehensive income	157,494	-
Gain on rent concessions as a result of the COVID-19 pandemic	55,556	75,720
Exchange gains, net	698,080	-
	6,374,059	3,520,959
Other income and gains	11,119,866	7,383,163

4. FINANCE COSTS

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Total interest expenses (excluding lease liabilities)	5,152,995	5,135,802
Incremental interest on other long term payables	2,305	18,241
Interest on lease liabilities	308,788	351,489
Less: Interest capitalised, in respect of bank and other borrowings	(926,145)	(777,484)
Interest expenses, net	4,537,943	4,728,048
Interest on discounted bills	8,453	6,246
Bank charges and other finance costs	194,131	303,662
Total finance costs	4,740,527	5,037,956

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of sales	46,551,087	38,708,624
Depreciation of items of property, plant and equipment	1,655,929	1,539,120
Depreciation of items of right-of-use assets	1,221,999	1,228,570
Amortisation of:		
Mining rights	8,763	8,313
Intangible assets	976,163	724,795
Oil and gas assets	146,524	169,317
Impairment of financial assets, net:		
- Impairment of receivables	22,205	102,696
- (Reversal of)/provision for impairment of debt investments measured at fair value through other comprehensive income	(157,494)	16,073
- Impairment of loans and advances to customers	-	16,144
- Impairment of insurance and reinsurance debtors	14,717	188,064
- (Reversal of)/provision for impairment of debt investments at amortised cost	(11,864)	6,211
- Impairment of finance lease receivables	27,442	1,499
Provision for inventories	49,556	5,935
Provision for impairment of investments in associates	1,191,697	-
Provision for impairment of completed properties for sale	854	13,301
Provision for impairment of items of property, plant and equipment	74,167	12,425
Exchange (gain)/loss, net	(698,080)	117,133
(Gain)/loss on disposal of subsidiaries	(353,983)	56,343
(Gain)/loss on disposal of debt investments at fair value through other comprehensive income	(202,922)	296,285
(Gain)/loss on fair value adjustment of financial assets at fair value through profit or loss	(3,987,552)	2,504,045
Loss on derivative financial instruments	672,706	338,470
Ineffectiveness of hedges	119,657	19,440

6. TAX

The major components of tax expenses for the six months ended 30 June 2021 and 2020 are as follows:

		For the six months ended 30 June	
		2021	2020
	Notes	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Current – Portugal, Hong Kong and others	(1)	1,324,036	428,368
Current – Chinese Mainland			
- Income tax in Chinese Mainland for the period	(2)	739,777	1,145,647
- LAT in Chinese Mainland for the period	(3)	438,179	806,763
Deferred		(218,570)	(180,528)
Tax expenses for the period		2,283,422	2,200,250

Notes:

(1) Taxes on profits assessable elsewhere have been calculated at the tax rates prevailing in the jurisdictions in which the Group operates. Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period.

The provision for income tax of Peak Reinsurance Company Limited ("Peak Re") incorporated in Hong Kong, is based on a preferential rate for insurance companies of 8.25% (six months ended 30 June 2020: 8.25%).

The provision for income tax of Alma Lasers Ltd. ("Alma Lasers"), a subsidiary of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("Fosun Pharma"), which was incorporated in Israel, is based on a preferential rate of 6% (six months ended 30 June 2020: 9.48%).

The provision for income tax of Fidelidade - Companhia de Seguros, S.A., Multicare - Seguros de Saúde, S.A. and Fidelidade Assistência - Companhia de Seguros, S.A., subsidiaries incorporated in Portugal, is based on a rate of 31.5% (six months ended 30 June 2020: 31.5%).

6. TAX (continued)

Notes: (continued)

(1) (continued)

The provision for income tax of AmeriTrust Group, Inc. and its subsidiaries which was incorporated in the United States is based on a rate of 21% (six months ended 30 June 2020: 21%).

The provision for income tax of Club Med Holding and its subsidiaries which was incorporated in France is based on a rate of 32.02% (six months ended 30 June 2020: 32.02%).

The provision for income tax of Hauck & Aufhäuser Privatbankiers AG and its subsidiaries which was incorporated in Germany is based on a rate of 32.10% (six months ended 30 June 2020: 32.15%).

The provision for income tax of Gland Pharma Limited ("Gland"), which was incorporated in India, is based on a statutory rate of 25.17% (six months ended 30 June 2020: 25.17%).

(2) The provision for Chinese Mainland current income tax is based on a statutory rate of 25% (six months ended 30 June 2020: 25%) of the assessable profits of the Group as determined in accordance with the Enterprise Income Tax Law of the PRC which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in Chinese Mainland, which were taxed at preferential rates of 0% to 20%.

(3) According to the tax notices issued by the relevant local tax authorities, the Group commenced to pay land appreciation tax ("LAT") at rates ranging from 0.5% to 5% on proceeds from the sale and pre-sale of properties from 2004. The Directors considered that the relevant tax authorities would unlikely impose additional LAT levies other than the amount already paid based on the relevant percentages of the proceeds from the sale and pre-sale of the Group's properties.

During the Period, the prepaid LAT of the Group amounted to RMB 204,232,000 (six months ended 30 June 2020: RMB331,717,000).

In addition, based on the latest understanding of the LAT regulations from the State Administration of Taxation, the Group made an additional LAT provision in the amount of RMB 258,695,000 (six months ended 30 June 2020: RMB693,881,000) in respect of the sales of properties in the Period in accordance with the requirements set forth in the relevant PRC tax laws and regulations. During the Period, unpaid LAT provision in the amount of RMB 24,748,000 (six months ended 30 June 2020: RMB218,835,000) was reversed to the consolidated statement of profit or loss upon the completion of the liquidation and clearance with the local tax authorities by certain subsidiaries of the Group.

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the Period attributable to ordinary equity holders of the parent, adjusted to reflect the cash dividends distributed to the share award scheme, and the weighted average number of ordinary shares of 8,367,986,984 (six months ended 30 June 2020: 8,504,385,532) in issue during the Period.

The calculation of the diluted earnings per share amount is based on the profit for the Period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed vesting or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of the basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent	4,062,181	2,012,111
Less: Cash dividends distributed to share award scheme	(3,958)	(1,708)
Adjusted profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	4,058,223	2,010,403
Cash dividends distributed to the share award scheme	3,958	1,708
Profit attributable to ordinary equity holders of the parent, used in the diluted earnings per share calculation	4,062,181	2,012,111*

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

The calculations of the basic and diluted earnings per share are based on: (Continued)

	Number of shares For the six months ended 30 June	
	2021 (Unaudited)	2020 (Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	8,367,986,984	8,504,385,532
Effect of dilution – weighted average number of ordinary shares:		
– Share award scheme	8,013,313	5,427,603
Share option scheme	2,706,033	-
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	8,378,706,330	8,509,813,135*
Basic earnings per share (RMB)	0.48	0.24
Diluted earnings per share (RMB)	0.48	0.24

* Because the diluted earnings per share amount is increased when taking the share award scheme into account, the share award scheme had an anti-dilutive effect on the basic earnings per share for the six months ended 30 June 2020 and were ignored in the calculation of diluted earnings per share. The potential ordinary shares of the share option scheme are excluded from the calculation of diluted earnings per share, because the exercise price of the share option scheme is higher than the average market price of the ordinary shares of the Company for the six months ended 30 June 2020. Therefore, the diluted earnings per share amount is based on the profit for the six months ended 30 June 2020 of RMB2,010,403,000, and the weighted average number of ordinary shares of 8,504,385,532 in issue for the six months ended 30 June 2020.

8. TRADE AND NOTES RECEIVABLES

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Trade receivables	11,554,387	8,665,245
Notes receivable	687,334	351,607
	12,241,721	9,016,852

An ageing analysis of trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Outstanding balances with ages:		
Within 90 days	8,100,218	5,897,611
91 to 180 days	1,869,380	1,718,135
181 to 365 days	1,253,132	627,514
1 to 2 years	403,216	371,935
2 to 3 years	161,331	193,354
Over 3 years	247,072	241,327
	12,034,349	9,049,876
Less: Provision for impairment of trade receivables	479,962	384,631
	11,554,387	8,665,245

Trade and notes receivables of the Group mainly arose from the Health segment and the Happiness segment. Credit terms granted to the Group's customers are as follows:

	Credit terms
Health segment	90 to 180 days
Happiness segment	30 to 360 days

9. TRADE AND NOTES PAYABLES

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Trade payables	16,165,623	15,885,833
Notes payable	2,555,888	2,410,671
	18,721,511	18,296,504

An ageing analysis of trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Outstanding balances with ages:		
Within 90 days	8,367,458	8,913,013
91 to 180 days	1,982,202	1,632,474
181 to 365 days	3,382,523	3,017,718
1 to 2 years	1,748,040	1,600,842
2 to 3 years	382,595	504,710
Over 3 years	302,805	217,076
	16,165,623	15,885,833

Trade and notes payables of the Group mainly arose from the Health segment and Happiness segment. The trade and notes payables are non-interest-bearing and are normally settled on terms of 30 to 60 days or based on the progress of construction of properties.

10. DIVIDENDS

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final declared – HKD0.22 per ordinary share (2020: HKD0.27)	1,537,028	2,042,029

The proposed final dividend of HKD0.22 per ordinary share for the year ended 31 December 2020 was approved by the shareholders at the annual general meeting of the Company on 3 June 2021.

The directors did not recommend the payment of an interim dividend in respect of the Period (six months ended 30 June 2020: Nil).

11. EVENT AFTER THE REPORTING PERIOD

On 2 July 2021, Fortune Star (BVI) Limited, an indirect subsidiary of the Company, issued 5.25 year senior notes with a par value of EUR500 million (equivalent to RMB3,843 million) at a coupon rate of 3.95% per annum.

12. COMPARATIVE AMOUNTS

As stated in note 2, the comparative segment information has been restated to reflect the change of the reporting segments of the Group.

INTERIM DIVIDEND

The Board has resolved not to declare or distribute any interim dividend for the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company purchased a total of 53,383,500 Shares on the Hong Kong Stock Exchange at an aggregate consideration of HKD628,763,450 during the Reporting Period. As at the end of the Reporting Period, all the purchased Shares have been cancelled.

Month	Total number of Shares purchased	Purchase price paid per Share		Total purchase price paid (HKD)
		Highest (HKD)	Lowest (HKD)	
January 2021	14,283,500	12.00	11.72	169,947,760
February 2021	27,500,000	12.40	11.46	328,481,730
April 2021	11,600,000	11.46	10.82	130,333,960
Total	**53,383,500**	–	–	**628,763,450**

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any Shares during the Reporting Period.

SHARE OPTION SCHEMES

The Company adopted a share option scheme on 19 June 2007 and it was expired on 18 June 2017 (the "**Old Share Option Scheme**"). All outstanding options granted under the Old Share Option Scheme will continue to be valid and exercisable in accordance with the provisions of the Old Share Option Scheme. The Company adopted a new share option scheme at the general meeting of the Company held on 6 June 2017 (the "**New Share Option Scheme**"). The purpose of the New Share Option Scheme is to provide incentive and/or reward to eligible persons for their contribution to, and continuing efforts to promote the interest of the Group.

The Board announced that on 31 March 2021, subject to the acceptance of relevant grantees, the Company has decided to grant 39,910,000 share options to subscribe for an aggregate of 39,910,000 Shares under the New Share Option Scheme.

SHARE AWARD SCHEME

The share award scheme was adopted by the Company on 25 March 2015 (the "**Share Award Scheme**"), unless otherwise defined, the capitalized terms used herein shall have the same meanings as set out in the circular of the Company dated 27 April 2021.

The purposes of the Share Award Scheme are (i) to align the interests of the eligible persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) to encourage and retain the eligible persons to make contributions to the long-term growth and profits of the Group.

On 31 March 2021, the Board resolved to award an aggregate of 12,790,000 award shares (the "**2021 Award Shares**") to 88 Selected Participants under the Share Award Scheme. 2021 Award Shares had been issued and allotted pursuant to a specific mandate obtained in the annual general meeting of the Company held on 3 June 2021. Subject to the satisfaction of the vesting criteria and conditions of the Share Award Scheme, the 2021 Award Shares shall be transferred from the trustee, Computershare Hong Kong Trustees Limited (the "**Trustee**") to the Selected Participants upon expiry of the respective vesting period. As at the end of the Reporting Period, 2021 Award Shares have been fully issued to the Trustee.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company comprises five Independent Non-Executive Directors, namely Mr. Zhang Shengman (Chairman), Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine. The main duties of the Audit Committee are to review the relationship with external auditors, review the Company's financial information and oversee the financial reporting system, risk management and internal control systems of the Company, and to provide recommendations and advice to the Board.

The interim results of the Company for the Reporting Period are unaudited but have been reviewed by the Audit Committee of the Company. The Audit Committee does not have any disagreement with the accounting treatment adopted by the Company.

COMPLIANCE WITH THE CG CODE

During the Reporting Period, the Company applied the principles of and fully complied with all code provisions as set out in the CG Code. The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

PUBLICATION OF INTERIM REPORT

This results announcement is published on the websites of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.fosun.com). The interim report will be despatched to the shareholders of the Company and published on both websites on or before 30 September 2021.

FORWARD-LOOKING STATEMENTS

This announcement includes certain forward-looking statements which involve the financial conditions, results and businesses of the Group. These forward-looking statements are the Group's expectation or beliefs for future events and they involve known and unknown risks and uncertainties, which may cause actual results, performance or development of the situation to differ materially from the situation expressed or implied by these statements.

GLOSSARY

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

FORMULA

EBITDA	=	profit for the year + tax + net interest expenditures + depreciation and amortisation
Interest coverage	=	EBITDA/net interest expenditures
Net interest expenditures	=	interest expenses, net + interest on discounted notes
Interest-bearing debt	=	current and non-current interest-bearing bank and other borrowings
Interest-bearing debt to total capital ratio	=	interest-bearing debts/(shareholder's equity + total debt)

ABBREVIATIONS

BabyTree	BabyTree Group, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01761
BCP	Banco Comercial Português, S.A., a company whose shares are listed on the Euronext Lisbon with stock code BCP
BioNTech	BioNTech SE, a company registered in Germany, which is listed on the NASDAQ (Stock Code: BNTX)
the Board	the board of Directors
CG Code	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 of the Listing Rules
Club Med	Club Med SAS
the Company	Fosun International Limited
the Director(s)	the director(s) of the Company
EUR	Euro, the official currency of the Eurozone
FFT	FFT GmbH & Co. KGaA
Fidelidade	Fidelidade – Companhia de Seguros, S.A.

Fidelidade Assistência	Fidelidade Assistência – Companhia de Seguros, S.A. (formerly known as Cares – Companhia de Seguros, S.A.)
Foshan Chanyi	Foshan Fosun Chancheng Hospital Company Limited (佛山復星禪誠醫院有限公司) (formerly known as Foshan Chancheng Central Hospital Company Limited 佛山市禪城區中心醫院有限公司)
Fosun Capital	Shanghai Fosun Capital Investment Management Co., Ltd. (上海復星創富投資管理股份有限公司)
Fosun High Technology	Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技（集團）有限公司)
Fosun Insurance Portugal	Fidelidade and the SPV (special purpose vehicle) which holds the equity interest in Fidelidade directly
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
Fosun United Health Insurance	Fosun United Health Insurance Co., Ltd. (復星聯合健康保險股份有限公司)
FTG	Fosun Tourism Group, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01992
Gland Pharma	Gland Pharma Limited, a company whose shares are listed on the National Stock Exchange of India Limited and BSE Limited with stock code GLAND
the Group or Fosun	the Company and its subsidiaries
H&A	Hauck & Aufhäuser Privatbankiers AG (formerly known as Hauck & Aufhäuser Privatbankiers KGaA)
Hainan Mining	Hainan Mining Co., Ltd. (海南礦業股份有限公司), a company whose shares are listed on the SSE with stock code 601969
HKD	Hong Kong dollars, the official currency of Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of PRC
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
INR	Indian Rupee, the official currency of India
JEVE	Tianjin EV Energies Co., Ltd. (天津市捷威動力工業有限公司)
Jinhui Liquor	Jinhui Liquor Co., Ltd. (金徽酒股份有限公司), a company whose shares are listed on the SSE with stock code 603919

La Positiva	La Positiva Seguros y Reaseguros S.A.
Listing Rules	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
Luz Saúde	Luz Saúde, S.A. (formerly known as ESPÍRITO SANTO SAÚDE – SGPS, SA)
Macau	the Macau Special Administrative Region of PRC
Multicare	Multicare – Seguros de Saúde, S.A.
Nanjing Iron & Steel	Nanjing Iron & Steel Co., Ltd. (南京鋼鐵股份有限公司), a company whose shares are listed on the SSE with stock code 600282
Nanjing Nangang	Nanjing Nangang Iron & Steel United Co., Ltd. (南京南鋼鋼鐵聯合有限公司)
Peak Reinsurance	Peak Reinsurance Company Limited
Pramerica Fosun Life Insurance	Pramerica Fosun Life Insurance Co., Ltd. (復星保德信人壽保險有限公司)
PRC or China	the People's Republic of China
Reporting Period	the six months ended 30 June 2021
RMB	Renminbi, the official currency of the PRC
ROC	Roc Oil Company Pty Limited
Sanyuan Foods	Beijing Sanyuan Foods Co., Ltd. (北京三元食品股份有限公司), a company whose shares are listed on the SSE with stock code 600429
Shanghai 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
Shanghai Zhuli	Shanghai Zhuli Investment Co., Ltd. (上海助立投資有限公司)
Share(s)	the share(s) of the Company
Shede Spirits	Shede Spirits Co., Ltd. (舍得酒業股份有限公司), a company whose shares are listed on the SSE with stock code 600702
Sinopharm	Sinopharm Group Co., Ltd. (國藥控股股份有限公司), a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01099
Sisram Med	Sisram Medical Ltd, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01696

SSE	the Shanghai Stock Exchange
USD	United States dollars, the official currency of the United States
Wansheng	Zhejiang Wansheng Co., Ltd (浙江萬盛股份有限公司), a company whose shares are listed on the SSE with stock code 603010
Wolves	Wolverhampton Wanderers Football Club
Yong’an P&C Insurance	Yong’an Property Insurance Company Limited (永安財產保險股份有限公司)
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 company whose shares are listed on the SSE with stock code 600655

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

24 August 2021

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