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FOSUN 复星

復星國際有限公司
FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL SUMMARY

	For the year ended 31 December	
In RMB million	**2021**	2020 (restated*)
Revenue	**161,291.2**	136,741.6
Health	**43,979.8**	34,607.1
Happiness	**66,898.3**	56,016.6
Wealth	**43,699.4**	42,519.8
Insurance	**32,149.3**	29,840.1
Asset Management	**11,550.1**	12,679.7
Intelligent Manufacturing	**7,736.9**	4,950.2
Eliminations	**(1,023.2)**	(1,352.1)
Profit/(loss) attributable to owners of the parent	**10,089.9**	7,999.6
Health	**2,029.0**	1,683.6
Happiness	**(593.9)**	(298.4)
Wealth	**5,160.1**	4,547.3
Insurance	**1,461.3**	1,158.2
Asset Management	**3,698.8**	3,389.1
Intelligent Manufacturing	**3,577.6**	2,102.7
Eliminations	**(82.9)**	(35.6)
Earnings per share – basic *(in RMB)*	**1.21**	0.94
Earnings per share – diluted *(in RMB)*	**1.21**	0.94
Dividend per share *(in HKD)*	**0.30**	0.22

*The segment information has been restated to reflect the Group's business combinations of entities under common control. Please refer to notes 1.4.1 and 2 to the audited consolidated financial statements for more operating segment information.

LETTER TO SHAREHOLDERS

Dear shareholders,

Since the global outbreak of the novel coronavirus pneumonia ("**COVID-19**") in early 2020, the pandemic situation remained volatile globally and new COVID-19 variants continued to emerge overseas. The battle between mankind and COVID-19 has changed from a "skirmish" to a protracted battle. We have also witnessed sporadic COVID-19 outbreaks in China. In facing the pandemic and other external negative factors, Fosun persevered and worked unremittingly, continued to develop its four major business segments, namely Health, Happiness, Wealth, and Intelligent Manufacturing, accelerated the implementation of "Profound Industry Operations + Industrial Investment" strategy, and successfully achieved our goal of group-wide steady growth. As a global innovation-driven consumer group, during the Reporting Period, the Group's operating revenue achieved RMB161.29billion, representing a year-on-year increase of 18.0%, while profit attributable to owners of the parent achieved RMB10.09 billion, representing a year-on-year increase of 26.1%, and the profit of industrial operations[1] amounted to RMB10.59 billion, representing a steady year-on-year increase of 30.3%. Thank you to shareholders for your on-going support to Fosun, Fosuners will continue to work diligently to achieve better results in return for your trust in us.

Developing forward amid challenges, Upheld our original aspiration for 30 years

The past year has been a very unusual year, the global epidemic situation remained volatile, the geopolitical landscape changed abruptly, and "black swan" events emerged one after another. In the pandemic era, global political and economic uncertainties have increased drastically, posing severe challenges to capital markets, supply chain management, and production and operations of enterprises. Fosun responded effectively by leveraging on its industrial capabilities, proactive strategic and swift tactical adjustments. Fosun's ecosystem is much more beyond a simple hedging mechanism, in facing such a challenging operating environment, Fosun will be able to deploy global resources and leverage the multiplier effect to form its own internal ecosystem in order to protect the interests of customers and shareholders to create more value.

This year, Fosun enters into the 30th year of establishment. After nearly 30 years of development, Fosun has grown into one of the few domestic enterprises that is equipped with global operations, investment capabilities, and accumulated profound technology and innovation capabilities. Over the years, Fosun has endured different stages of development, but

[1] Includes the profit contribution from operation subsidiaries, associates and joint ventures which are under equity method accounting.

we have always adhered to the values of “Self-improvement, Teamwork, Performance, and Contribution to Society”. Through the continuous upgrade in our strategic evolution, we remain committed to our mission of serving one billion families worldwide and creating happier lives for families worldwide. As a global enterprise rooted in China, we insist on increasing investment in technology and innovation, deepening our development in industry operations and industrial investment, in order to drive growth with innovation; we remain true to our original aspiration and strive for the well-being of the society. Fosun has developed business for good with a customer-oriented focus. We always believe that people’s pursuit of happier and brighter life remains unchanged regardless of the external situation. The significance of the existence of an enterprise is to bring more warmth and love to the society. As the market becomes more volatile, the challenges become more complex, and Fosun’s perseverance to stand firm on its strategy will become increasingly important. It is this perseverance that made the one and only Fosun today.

Investors often ask me, as Fosun has developed into one of the world’s most diversified enterprises with businesses across many sectors today, can it be well-managed? I believe very much so, and organizational support is the key. In 2021, Fosun made a very important strategic upgrade that the Group has set up four committees of overseas operation, technology and innovation, ecosystem and FES to further affirm our strategic determination. In the future, we will continue to forge ahead with these four “multiplier growth” as the core drivers to safeguard the development of Fosun.

Globalization is an irreversible trend and win-win cooperation is the key to success

In 2021, the talks of de-globalization were rampant, but it was also precisely the moment that the value of Fosun’s globalization capabilities became more apparent. During this period, the cost of labor, goods and capital have all increased significantly around the world, which poses challenges to business globally. Thanks to Fosun’s globalization capabilities developed over the years, Fosun not only maintained a steady global development in the midst of the crisis, but also positioned itself to a head start on the path to the future global recovery.

In 2021, Fosun established the Overseas Operation Committee to expedite Fosun’s global organizational evolution and foster the multiplier growth of its global business. Fosun’s international team and ecosystem members are the core of Fosun’s globalization capabilities. While highly aligning with Fosun’s values, they are able to execute and operate independently, adopt appropriate methods, and deep dive into the local markets to carry out product development, sales & segment expansion; the strategy is to have the vision to serve the world. HAL’s acquisition of Bankhaus Lampe is an example demonstrating the ability to take root in the local market. Founded in 1852, Bankhaus Lampe is a well-established and longstanding private bank in Germany. HAL first proposed the acquisition of Bankhaus Lampe in 2020, and the acquisition was completed in September 2021. The HAL team and Fosun's German team overcame the difficulties of business travel and the challenges of the pandemic. Leveraging on its strong local execution capability, Fosun's presence as a global financial player was enhanced and upgraded.

On the other hand, having a vision to serve the world means that the organization must be equipped with cross regional, cultural, and organizational operation capabilities, and must develop a global mindset, especially the idea of connecting Chinese resources to the world. Taking Lanvin Group as an example, single-store sales of Lanvin in the U.S. market saw an explosive month-on-month growth in 2021, while its sales in China also maintained a triple-digit growth or above. Moreover, it has deeply penetrated the online market. The true sense of globalization enables our member companies to truly become active units of Fosun's globalization footprint, promoting the mutual connection between Fosun's development in China and overseas.

Just as the pandemic will eventually pass, the tides of de-globalization will not be the mainstream development in the future. I believe that from a long-term perspective, countries around the world have to build a coopetition (cooperation + competition) relationship, in which cooperation is more important than competition. Fosun has always been actively cooperating with major companies and talents around the world. Intuitive Fosun, our joint venture with Intuitive Medical in the United States, continued to promote the development of the Da Vinci Robotic Surgical Systems in China and established Asia Pacific's first innovation center in Shanghai; Fosun joined hands with BioNTech, a German biotechnology company, to jointly develop the COVID-19 mRNA vaccine (COMIRNATY®), which has been rolled out in Hong Kong, Macau and Taiwan region. I believe that, at the end of the day, we, as mankind, share more common interests than differences.

Synergy in the ecosystem and "multiplier growth"

As we enter next stage of digitalization economy, the advantages of internet platforms are gradually fading amid the increasing online customer acquisition costs. Traditional offline commercial operators tend to fall into the "sub-leasing" dilemma, compromising between the rental cost and operating performance. To break out of this dilemma, we must consider the online, offline platforms and the upstream industries together holistically, and Fosun's FC2M ecosystem provides a perfect foundation for such consideration.

The "F" in FC2M stands for both "Family" and "Fosun". Since Fosun started the mission of serving one billion families worldwide, we have understood our customers better, and we have linked Fosun's unique values together at a higher level. Fosun's C2M ecosystem is centered around family, with our product spectra in various industries covering different families and consumption scenarios. It also has the client ("C-end") interfaces covering online and offline as well as different demographics. It is a three-dimensional way to serve the all-round needs and living styles of family customers.

In the FC2M ecosystem, firstly, the Maker ("M-end") achieves cross-scenario and cross-platform sales growth while creating good products and delivering brand power. Leveraging on the "unique and good products", Fosun's product strategy is well-received by the market, and the first batch of good products have begun to become blockbusters with huge market impact. For instance, Laomiao's "Guyun Gold" series recorded sales of nearly RMB4 billion in 2021; Atlantis Sanya became a phenomenal tourist destination, with sales of RMB1.45 billion in 2021, representing a year-on-year increase of 18.6%.

Secondly, offline C-end business creates both new lifestyles and consumption scenarios that also help improve the quality and enhance the value of our business. The online platform portal on the other hand bring in more effective traffic, it preserves a membership system with member profiles exchangeable within the entire ecosystem. On the basis of this cognition, investment performance and profit indicators are no longer our only target and guidance. We have already taken the first step to explore this C-end strategy by onboarding our customers to a membership system across different businesses, and in the future, we aim to create an integrated membership system for our customers across different industries. As at the end of the Reporting Period, Fosun has accumulated 396 million operational members[2], representing an increase of 27 million compared with the previous year; both of the two flagship consumer platforms, Fosun Alliance and Fosun Health, have achieved upgrades and growth. Fosun Alliance has facilitated cross-sector consumption from 20% of its active members, and Fosun Health has accumulated 13.34 million registered users, and collaborated with 16 external and internal enterprises.

Lastly, with a flexible supply chain and a strong marketing team, the Link-end facilitates the efficiency and synergy of the entire ecosystem; we aim to achieve data-driven processing, flexible supply chain management as well as integration of production, supply and distribution process. In 2021, through our global supply chain, the Group has achieved an overall reduction of RMB2.0 billion in procurement costs, improved direct procurement rate and centralized procurement rate by 9% and 6% respectively. In the future, we aim to leverage on the ecological multiplier effect to provide more good products to our customers..

Technology and innovation-driven development have been manifested over time

[2] Customers agreed to official member terms of the brand and authorized privacy right, provided personal information, including phone numbers in any channels, and who are identifiable, accessible and traceable, are defined as registered members (e.g. available members). Starting from 2021, this number includes customers accumulated in Fosun Health ecosystem.

In the process of enterprise development, investment can be a tool to expedite the process, while on the other hand business operation can lead to improved financial performance. However, only technology and innovation can enable a company to develop a full-fledged advantage and assume leadership in the industry. Therefore, Fosun has always defined technology and innovation capability as one of our core competences. Technology and innovation could only be accumulated over time. Thanks to Fosun’s long-term persistence in technology and innovation-driven development, we were able to harvest the fruits of success brought by technology and innovation in 2021.

In the pharmaceutical field, the sales of HANLIKANG (漢利康®), a blockbuster anti-cancer product, doubled in 2021 and reached RMB1.69 billion; the new product Su Ke Xin (蘇可欣®), which was launched at the end of 2020, recorded revenue of RMB426 million in 2021; Yi Kai Da (axicabtagene ciloleucel injection) was introduced into China and became the first CAR-T cell therapy approved for commercialization in China, and has served around 100 patients. The significance of Fosun’s technological innovation in the health segment is not only reflected in sales, but it also aims to bring more and better health protection to tens of millions of families and provide hope to cure intractable diseases.

In the Intelligent Manufacturing segment, one of Nanjing Iron & Steel’s technological innovation, special weathering steel, was widely used in the “Snow Dragon”(雪游龍）(National Sliding Centre) in the Beijing Winter Olympics 2022. This project was the most challenging among the facilities in the 2022 Winter Olympics in terms of design specification, construction difficulty and facility complexity. Since the “Snow Dragon” track was exposed to open air while ice had to be generated repeatedly on the surface, the steel plate must possess strong atmospheric corrosion resistance, the weather resistance of the special steel provided by Nanjing Iron & Steel for the Winter Olympics was eight times more resistant than that of ordinary steel. Through technological innovation, Fosun is honored to contribute to our country’s Winter Olympics and Olympic athletes from all over the world. More importantly, we also deeply recognize the greater significance of technological innovation beyond pure corporate development.

The twin-driver of investment and industry operations

In the past 29 years, Fosun has established a global layout with footprints across the Health, Happiness, Wealth, and Intelligent Manufacturing segments through investments. And industry operations enable each of the businesses to flourish globally. Leveraging Fosun's profound investment gene and capabilities, our mergers and acquisitions are in fact a series of product and service enhancements centered around the concept of "family". For that reason, we do not blindly pursue trendy new models in the market, but insist on doing the "right things" and the "difficult things" - reinforcing our fundamental positioning as a family consumer group, and striving to bring better experience of health, happiness and wealth to families worldwide.

In the past, the twin-driver of investment and industry operations were accomplished in parallel and were relatively independent of each other. The purpose of investment then was only to complement our business as another piece of the puzzle. Today, the logic of Fosun's investment and industry operations has entered a new evolution. We invest to build on Fosun's industrial matrix at a deeper level based on the perspective of industrial development. During the Reporting Period, various industries of Fosun have achieved rapid growth, and the profit of industrial operations amounted to RMB10.59 billion, representing a year-on-year increase of 30.3%. At the same time, there were many highlights in our industrial investment performance, such as Nanjing Iron & Steel's investment in Wansheng, a global leading new phosphorus-based materials manufacturer, and Lanvin Group's acquisition of 100% equity interest of the Italian footwear company, Sergio Rossi. These transactions are highly synergistic with the Group's ecosystems, and have substantial growth potential.

FES + talents to create core competitiveness of a longstanding enterprise

In 2021, Fosun introduced the concept of the "Fosun Entrepreneurship/Ecosystem System" (FES system). In this system, we have two visions and expectations for "E", one is Entrepreneurship, we leverage FES to empower, motivate and manage Fosun entrepreneurs; the other one is Ecosystem, we empower the enterprise through FC2M. FES serves as a bridge between Fosun's ecosystem and talents with entrepreneurial spirit, and it is also a system that helps Fosun's ecosystem and entrepreneurs succeed. Since Fosun's establishment, Fosun has had many successful experiences in industry operations and investment, but we have yet to summarize and refine the past successful experiences. Through the FES system, we have formed a "trinity" of case library, expert library and toolbox. In the future, we will help Fosun's ecosystem and entrepreneurs to succeed through the training, certification and application of methodology and tools under the five modules of "Entrepreneurial Organization", "Ecosystem Multiplier Growth", "Value Growth", "Refined Operations" and "Risk Control".

Another core strategy of organizational assurance is organizational talents. In 2021, Fosun continued to build a multi-level and multi-dimensional partner[3] system, bringing the total number of global partners to more than 140. In the past, we required our global partners to shoulder the responsibility to excel in their professional field, as these elite talents must lead the team to deliver solid performance and create growth in their respective sectors in Fosun. However, in 2022, we have put forward higher requirements for our global partners. In addition to the aforementioned duties, they must also create an FC2M environment at the highest level, leading individually and collectively as the nodes of ecological integration to promote the multiplier effect between segments and functional lines. We will create a "pyramid" partner backup array, forming a competitive dynamic partnership management mechanism that allows talent appraisals at different levels according to their performance. We also put forward new requirements for these Fosun talents. They must not only be excellent "players" to deliver solid performance on the ground, they must also be excellent "coaches" to set goals as leaders, and excellent "directors" to guide holistically from the Group's perspective so as to maximize their role as global partners. We will continue to evolve the organizational mechanism, build talent echelons, implement digital and intelligent budget planning to achieve global empowerment and maximize synergy from ecosystem procurements.

Sound financial position, ESG continued to evolve

By maintaining a stable leverage ratio, we adopted an approach to pursue steady and sustainable development. As at the end of the Reporting Period, the total debt to total capital ratio of the Group was 53.8%, representing a slight decrease year-on-year, and the average financing cost was at a historical low of 4.6%. In addition, although the capital market has become increasingly volatile, the Group continued to achieve a balance between investment and disposal in 2021. While adhering to our controlling-stake investment strategy, Fosun actively disposed of non-core assets, and actively carried out equity financing to increase the transparency of asset valuation. On the basis of the stable credit rating of the Group, we are also actively expanding financing channels to further reinforce the stability of corporate financing.

Along with our rapid development, Fosun leveraged its own industrial advantages to actively contribute to the society through public welfare programs such as supporting the combat against the pandemic, providing disaster relief, Rural Doctors, universal education, culture promotion, and entrepreneurship support. Fosun has participated in the joint construction of the "Malaria-Free World" project for more than 15 years. According to incomplete statistics, since 2005, Fosun Pharma has supplied more than 200 million vials of Artesun (artesunate for injection) with independent intellectual property rights to the international market and saved more than 40 million lives of patients with malaria, most of which are African children under five years

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

old. Over the years, Fosun Foundation has leveraged Fosun's industrial resources to carry out public welfare work in the fields of rural revitalization, culture, education, art, youth entrepreneurship and employment, etc. We actively promote community development and support people's livelihood to improve social well-being. Fosun continues to actively cooperate with our member companies to promote the implementation of ESG strategies. In December 2021, the Company's MSCI ESG rating was upgraded to AA. This upgrade is a recognition of the Company's ESG management effort as well as an affirmation of Fosun's commitment to its original aspiration.

Many people consider the pandemic as a "hurdle" in our era, but I believe that it is more of a "watershed" that clearly separates the 2020s from the previous three decades. Looking back, 2022 and 2019 seem like they belong to two completely different eras: geopolitical landscape, trend of globalization, trending business models, popular industries and even the way of life have undergone and are still undergoing profound changes.

After 30 years of development, most of Fosun's enterprises have passed the start-up stage and developed from 0 to 1, and the future is the limitless vision of growth from 1 to N. Fosun shall always uphold our original aspiration, and only then could we venture far and long. There was no one like Fosun before Fosun came long. We have chosen this path not because it is easy, or because someone else has already trodden the path before us. Despite the challenges ahead, we choose this path because we believe it is meant for us, even if it is the road less travelled by.

Guo Guangchang

23 March 2022

BUSINESS OVERVIEW

After nearly three decades of development, the Group has grown into a global innovation-driven consumer group, strengthening its presence in four business segments, namely Health, Happiness, Wealth and Intelligent Manufacturing. The Group is one of the few companies in China which possesses global operation and investment capabilities, and at the same time accumulates technology and innovation capabilities. Currently, we seek to accelerate the implementation of "profound industry operations + industrial investment" strategy, driving the sustainable development of Fosun's ecosystem and providing high-quality products and services to families around the world.

Thirty years of accumulation of core competencies to build and strengthen industry barriers

The Group has shaped its global footprint through its global operations and investment capabilities. As a global enterprise rooted in China, Fosun has accelerated the development of the China market while helping its overseas members expand their business presence and further penetrate their local markets. Since 2019, the Group has continued to promote the implementation of the strategy of profound industry operations based on its global presence in approximately 30 countries and regions on five continents, promoting the synergistic development of the Group's overall ecosystems. After breaking out of pandemic, global capabilities have become increasingly valuable. As the 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, shaping unique global operations and investment capabilities. Comirnaty® (mRNA COVID-19 vaccine) jointly developed by Fosun Pharma and BioNTech, was included in the government vaccination programs in Hong Kong and Macau in March 2021 and supplied to the Taiwan region in September 2021. During the Reporting Period, FTG continued to establish its presence in China and overseas, opened the Exclusive Collection Seychelles resort, Club Med Lijiang Resort, and the Quebec Charlevoix Resort in Canada. The opening of the Quebec Charlevoix Resort in Canada marked the expansion of ski business of FTG in North America. HAL completed the acquisition of Bankhaus Lampe, a private bank established for over a century in Germany. HAL will leverage Fosun's ecosystem to promote its integration and business synergy in Chinese mainland and Hong Kong. Nanjing Iron & Steel established PT. KinRui New Energy Technologies Indonesia and PT. KinXiang New Energy Technologies Indonesia in Indonesia, and built 2.6 million tons and 3.9 million tons of coke projects respectively to build overseas raw material production bases.

The Group has always valued the power of technology and innovation to drive the optimization and upgrading of its business structure through its technological innovation capabilities, and to promote the rapid transformation of technological innovation capabilities and productivity to help achieve sustainable development. The Group has accumulated profound technological innovation capabilities through continuous industrial accumulation and investment in research and development, and has continued to invest heavily in technological innovation capabilities, and has continued to increase its investment in the field of technology and innovation in recent years. In 2021, we invested nearly RMB8.9 billion in total to deepen technology and innovation capabilities (including expensed and capitalized R&D investment). In 2021, Yi Kai Da (Aquilence Injection) of Fosun Kite, a joint venture of Fosun Pharma, became the first CAR-T cell therapy product approved for launch in China. Fosun Cosmetics Innovation Center was officially established in Shanghai, promoting R&D in the field of cosmetics. Fosun Insurance Portugal developed a variety of insurance and non-insurance business APP platforms to realize the expansion of product and service with digitalization. The project of Development and Application of Oxidation Behavior Control Technology for Steel Hot Rolling Process which Nanjing Iron & Steel participated in was awarded second class award under State Scientific and Technological Progress Award and was the fourth State Scientific and Technological Progress Award of Nanjing Iron & Steel. As at the end of the Reporting Period, the Group owned over 1,500 patents for inventions in total. These patents will be continuously transformed into the Group's productivity with the support of the Group's global layout and continuous innovation capabilities.

Deepening industry operation and accelerating ecological development

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 happiness ecosystem. Since 2019, the Group has fully embraced its twin-driver strategy of "Profound Industry Operations + Industrial Investment", and 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 ecosystem. The Group's growth has attained a solid support and a "multiplier growth" effect has been achieved through a series of strategic measures and management tools, to help the Group overcome the difficulties during the epidemic period and promote the deepening of its global industry development.

The Group has always regarded "C-end Top Priority" as the core strategy of its FC2M Ecosystem. The Group is committed to making good use of the internet platform and other digital solutions to attract and service users via both online and offline channels to create more values for both its customers and its FC2M ecosystems. As at the end of the Reporting Period, the accumulative number of operational members of the Group's FC2M Ecosystem reached 396 million, increasing by approximately 11% from that as at the end of 2020.

In the C-end sector, the Group's customer base continues to grow, and customer satisfaction continues to improve, and we are promoting in-depth insights into customer demand through a variety of initiatives. The "920 Fosun Family Season" built around the theme of Chinese cultural revival was launched in September 2021 which comprehensively connected 72 brands in the Group's ecosystem, with sales of consumer products to achieve a significant increase during the campaign period compared to the "515 Family Season". Among which, online sales performance was particularly outstanding. Fosun Alliance application, which was launched during the period, completed the connection of the ecosystem of several dozen brands from various industries in two months, and created a membership system, aggregating users and checking data, accurately realizing traffic distribution, and promoting inter-industry synergy and vitality through the integration of interests in quality eco-industries.

In the M-end sector, based on the deep insight of customers and the continuous improvement of research and innovation capabilities, the Group's blockbuster products are frequently released, driving revenue growth and corporate value creation. During the Reporting Period, the sales of "Laomiao" "Guyun Gold" (古韻金) series products exceeded expectation, reaching nearly RMB4 billion. The high quality products and services created by the Group are meeting the needs of household customers in various fields and forming the base of the Group's ecosystem.

Prudent financial strategy safeguarding long-term growth

In addition to focusing on industry operations and building the ecosystem, the Group has continued to enhance its financial position in terms of capital management so as to form a positive financial ecosystem and lay a solid foundation for its long-term and stable development. The Group continually strengthens investment management, focuses on the current four business segments and continues to strike a balance between investments and divestments to optimize both its capital allocation and portfolio of businesses. While strengthening its present position in the industry, the Group has also extended investment to high value-added industry chain (for example, Yuyuan's acquisition of Jinhui Liquor and Shede Spirits) and has been gradually disposing of its non-core assets.

In terms of cash and debt management, the Group has always adhered to the principle of proactively managing maturing debts and continually optimizing debt structure. During the Reporting Period, the Group's financing activities are healthy and active, and have achieved remarkable results in its financing activities on domestic and overseas bond capital markets as well as bank financing. The open market financing of the Company and Fosun High Technology reached RMB33.19 billion, including the issue of approximately USD1.57 billion worth of offshore bonds, RMB17.95 billion onshore bonds and approximately USD820 million worth of offshore syndicated loan. The syndicated loan also represents the Company's completion of offshore syndicated loan for the five consecutive years, fully demonstrating the continued recognition of the Group's creditworthiness by Chinese and foreign banks. While continuing to ensure smooth financing channels and optimize issuance costs, the Group also proactively managed maturing debts in advance and improved its debt maturity profile by issuing longer maturity bonds and offering to repurchase. During the Reporting Period, the Company's new bond issues all had maturities of five years and above, while the Company's syndicated loans and Fosun High Technology's Free Trade Zone USD bonds both had maturities of three years, while USD900 million worth of offshore bonds were redeemed before maturity, thereby effectively optimizing debt maturity profile. Moreover, the Group also actively explores the expansion of new financing channels. During the Reporting Period, the Group became the only Chinese private enterprise to issue more than one Euro bonds with different maturities in the Euro market, and was the first Chinese private enterprise to issue US-dollar bonds in Shanghai Free Trade Zone, further strengthening the Group's capital base.

In terms of credit ratings, in February and August 2021, the credit outlook of the Company was rated as "Stable" by Moody and S&P respectively. As at the end of the Reporting Period, the Group's total debt to total capital ratio was 53.8%, which was 0.5 percentage point lower than that as of the end of last year. Its cash and bank balances and term deposits reached RMB96.78 billion. The average cost of debt was 4.6% during the Reporting Period with stable and healthy financial position.

Fulfilling social responsibility with outstanding ESG performance

Committed to "Self-improvement, Teamwork, Performance and Contribution to Society", the Group has performed well in various environmental, social and governance (ESG) aspects. Along with the rapid growth, the Group 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, flood relief, rural revitalization, healthcare, community, educational and cultural activities, and entrepreneurship.

When the COVID-19 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 in the fastest manner.

The Group has participated in the "malaria-free world" project for more than 15 years. According to incomplete statistics, since 2005, Fosun has supplied more than 200 million vials Artesun (artesunate tor injection), an innovative drug with independent intellectual property rights to the international market, and saved the lives of more than 40 million people suffering from severe malaria, most of whom are children under five-years old in Africa. Over the years, Fosun Foundation has combined the advantages of the Group's industrial resources to carry out public welfare work in the fields of rural revitalization, culture, education, art and youth entrepreneurship and employment, actively promoting community development, helping people's livelihood and improving social well-being.

The Group has received strong external recognition for its excellence in ESG. Its MSCI ESG ratings continue to improve over three years. As at the end of the Reporting Period, the Company's MSCI ESG rating was enhanced to AA, and was the only conglomerate in Greater China with an MSCI ESG rating of AA. It received a rating of A in the Hang Seng Sustainability Index. Moreover, its FTSE ESG rating and S&P CSA Score also significantly improved, higher than the industry average, significantly ahead of the domestic market. The Group was also selected as the constituents of the Hang Seng ESG 50 Index (Top 50 Mid-Large Cap), and was included in Hang Seng Corporate Sustainability Benchmark Index for two consecutive years.

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 values. In recent years, with the evolution of social development and population aging, innovative drug research and development, innovative medical devices and medical diagnostics are opening up development opportunities, the demand for quality medical products and services has increased significantly. At the same time, with the deepening of China's medical and health system reform, new policies such as centralized drug procurement speeding up to ease out medical insurance funding deficit, bring a revolutionary challenge to the industry. The Group will continue to upgrade its innovation, integration and internationalization capabilities and build a medical-grade, one-stop, all-scenario based Fosun health ecosystem on the C-end, and as well a diverse, differential and innovative product spectrum matrix on the M-end.

Fosun Pharma is striving to become a first-class enterprise in the global mainstream pharmaceutical and healthcare market, covering the full industry chain of pharmaceutical and healthcare businesses. With pharmaceutical manufacturing and R&D as its business core, Fosun Pharma focuses on medical devices and medical diagnosis, healthcare service, pharmaceutical distribution and retail. Through independent R&D, cooperative development, license introduction, and deep incubation, Fosun Pharma has built and formed small molecule innovative drugs, antibody drugs, and cell therapy technology platforms around key disease areas such as tumor and immune modulation, metabolism and alimentary system, and central nervous system. On the other hand, it actively explores cutting-edge technology fields such as targeted protein degradation, RNA, oncolytic viruses, and gene therapy to enhance innovation capabilities. The R&D investment of Fosun Pharma is gradually ushering in the harvest period, Fosun Kite's Yi Kai Da (Ejilunsai Injection), its joint venture, had become the first CAR-T cell therapy product approved for marketing in China in June 2021. As of the end of February 2022, there are about 100 patients entered the treatment process. Yi Kai Da has been recorded in urban Huimin Insurance (civil affordable insurance scheme) and more than 40 commercial insurances across 23 provinces and cities, and the number of treatment centers on file has reached 75. By end of February 2022, Comirnaty® (mRNA COVID-19 vaccine) has accumulated over 20 million doses for injection in Hong Kong, Macau and Taiwan region.

Shanghai Henlius is a global innovative biopharmaceutical company dedicated to providing affordable, high-quality biomedicines to patients worldwide, with products covering oncology, autoimmune diseases, ophthalmic diseases and other areas. Since its establishment in 2010, Shanghai Henlius has built an integrated biopharmaceutical platform with efficient and innovative core capabilities across the entire industrial chain of R&D, manufacturing and commercial operations, and has established a comprehensive and efficient global R&D center. The production facility in Xuhui, Shanghai has also received GMP certification in China and the EU. Shanghai Henlius is accelerating innovation and transformation, and continues to establish its presence in differentiated innovative product pipelines, enhancing global product development capabilities.

Sisram Med, a global consumer wellness group, is deeply rooted in the global medical aesthetics industry for over two decades, specializing in harnessing natural energy sources for the treatment of aesthetics as well as medical clinical indications. Sisram Med's vast products and treatments portfolio is constantly expanding, ranging from hair removal, skin rejuvenation, acne and acne scars, body & face contouring, pigmentation & skin resurfacing, fat grafting, dermal facial fillers, skin tissue remodelling injectables, personal care, aesthetic dentistry and more. During the Reporting Period, the merger of the assets of Shanghai Fosun Medical Systems Co., Ltd.(上海復星醫療系統有限公司) was completed, aiming to leverage the existing global channels and resources to build a new digital dental brand; meanwhile, it entered into a sublicense agreement with a subsidiary of Fosun Pharma for the neuromodilator with long-acting duration RT002 in Chinese Mainland, Hong Kong and Macau, to further enrich its injectable filler business pipeline (the matter is pending for its extraordinary general meeting).

Gland Pharma is one of the largest and fastest growing generic injectable-focused companies in India. Its main products include: cardiac (Enoxaparin Sodium); blood system (Heparin Sodium); anti-infection (Vancomycin, Caspofungin, Daptomycin, Micafungin, Remdesivir); Central nervous system (Dexmedetomidine, Rocuronium Bromide) etc. Over the years, Gland Pharma has grown from a contract manufacturer of small molecule liquid parenteral products to one of the largest and fastest growing generic injectable-focused companies in India, with a global presence in 60 countries. With 8 manufacturing sites in India, Gland Pharma continues to strengthen its international production capacities and is continuing to invest in R&D and manufacturing capabilities and strengthen vertical integration, expand API capacity to reduce dependence on outsourced APIs and accelerate growth through M&A to make layout in new business including complex technology product platforms (e.g. long-acting/suspension products) and complex API production technologies (e.g. fermentation technologies). During the Reporting Period, Gland Pharma adhered to its international research and development strategy and continued its strategy to bring drugs to the China market.

HAPPINESS SEGMENT

The Group targets the consumption needs of family customers in the happiness aspect. Though the twin-driver strategy of "profound industry operations + industrial investment", we build a globalized, industry-wide happiness ecosystem. Centering on brand consumer and tourism and leisure, we actively create people, goods and venues that interact with customers directly. The platforms for brand consumer business include Yuyuan, Lanvin Group and Fosun Sports, which engage in such businesses as jewellery 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.

Yuyuan is one of the earliest witnesses, participants and builders of China's capital market. After completion of major asset restructuring in 2018, Yuyuan became the flagship platform of Fosun's Happiness segment. Relying on the Group's global platform and resource empowerment system, Yuyuan's strategic vision is gradually focused on family customers, and continues to develop the "1+1+1" strategy of running "family happiness consumption industry + urban commercial landmarks + online and offline member service platforms". At present, Yuyuan takes "oriental life aesthetics" as the top concept, adheres to the twin- drive of industrial operation and industrial investment, and owns 18 Chinese time-honored brands and a number of leading brands, as well as a number of global well-known brands. Under the background of the new pattern of domestic and international double circulation, Yuyuan will continue to accelerate the globalization progress layout, deliver the oriental aesthetics and the beautiful way lifestyle to consumers, and stride forward to the world's first-class group in the family entertainment and consumption industry.

As an important part of "happiness consumption", "a bottle of good liquor" is also a catalyst for the maturation of the Group's global family ecology, and an important carrier for the Group to further emphasize the concept of "culture+" in the era of cultural self-confidence and the rise of the national trend. As a liquor and spirits enterprise in which the Group holds controlling interests, Jinhui Liquor is located in the upper reaches of the Yangtze River and at the southern foot of the Qinling Mountains, and was established in 1951 by a joint venture of several old local wine breweries, including Kangqingfang (康慶坊) and Wanshengkui (萬盛魁), and gradually created the two brands for liquor and spirits, namely "Jinhui" and "Longnanchun" (隴南春). Jinhui Liquor leverages on the combination of good ecological environment, traditional processes and unique technology and other advantages to continuously improve product quality and expand sales market. Its marketing network has expanded from Gansu and Northwest China to East China, and is gradually building a nationalized brand, striving to achieve the strategic goal of "ranking among the top ten liquors in China, creating a famous liquor brand in China, and building a large liquor brewing base in China".

As an important member of the layout of the liquor and spirits segment, Shede Spirits is one of Chinese 17 most famous liquor and spirits and one of the six "golden flowers" of Sichuan liquor and spirits, and is principally engaged in the design, manufacture and sales of liquor and spirits products. In recent years, the company persists in implementing the "dual-brand strategy", "classic liquor strategy", "youthfulness strategy" and "internationalization strategy". It concentrates its resources in developing its business in major cities and implements big item strategy to enhance brand recognition. It actively expands new channels and new regions to increase market share 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". Since the Group invested in Shede Spirits, it has continued to empower in terms of strategic development and ecological resources, and the advantages of Shede Spirits' classic liquor strategy and dual-brand strategy have come to the fore. Sales in key markets across the country have continued to increase, brand popularity in the online mall has continued to rise, and new sales methods with live streaming are developing rapidly.

FTG is a global leader in family leisure and tourism and is an integral part of the Happiness segment. FTG covers three major business areas: resorts and accommodation, tourist destinations, and holiday and recreation services. 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. During the Reporting Period, with

FTG's continuous development both locally and globally, Seychelles Luxury Resorts, Lijiang Club Med Resort and Quebec-Charlevoix Resort in Canada are now open for business. The opening of the Quebec-Charlevoix Resort in Canada marked the expansion of ski business of FTG in North America. 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 re-establishment of the Thomas Cook digital platforms in China and the United Kingdom, FTG's leisure and vacation services and solutions segment are now directly connected to its customers. Together with Fanxiu's cultural and entertainment activities and an international parent-child learning and playing club Miniversity, FTG offers high-quality tourism products and services to the customers.

WEALTH SEGMENT

The Group's Wealth segment mainly consists of financial services with insurance as the core business. On the basis of achieving synergy between insurance and industrial asset allocation, it leverages the Group's profound industry operations capability and global investment capability to build an ecosystem of its global asset management businesses, to help the Group's Health, Happiness and Intelligent Manufacturing segments achieve industrial enhancement.

The Wealth segment is divided into two major business segments, namely insurance and asset management. The insurance business includes overseas and domestic insurance businesses, with major member companies including Fosun Insurance Portugal, Peak Reinsurance, and Pramerica Fosun Life Insurance. Fosun Insurance Portugal is the leading insurance company in Portugal, with its international business covering 11 countries, and is committed to building financially sound global insurance companies with a balanced business portfolio. Peak Reinsurance is headquartered in Hong Kong, and provides property & casualty and life & health reinsurance as well as tailor-made reinsurance, risk management and capital management solutions for global clients. Pramerica Fosun Life Insurance is a life insurance joint venture between Fosun and The Prudential Insurance Company of America. Fosun United Health Insurance is the sixth professional health insurance company in China, jointly initiated by the Group and five other companies. The asset management business covers asset management (investment) and asset management (property). Asset management (investment) includes Fosun Capital, Fosun RZ Capital, HAL and BCP. The asset management (property) business covers real estate projects, and creates flagship work mainly focusing on local landmark buildings.

During the Reporting Period, the revenue and profit from the insurance business grew steadily, while the overall investment income maintained growth due to stable and healthy growth of the insurance sector's core enterprises and optimization of investment portfolio. The revenue and earnings from Fosun Insurance Portugal remained strong during the COVID-19 outbreak, maintaining a leading market position through an optimized product mix and a leading commercial network, achieving total market share in Portugal of 29.1%, and non-life business combined ratio of 93.4%; In 2021, Fosun Insurance Portugal successfully issued a Tier 2 Subordinated Notes amounting to EUR0.5 billion to optimize the capital structure while significantly improve its solvency capacity. Meanwhile, Fosun Insurance Portugal received a rating of "A-" from Fitch in December 2021 (a Long-Term Issuer Default Rating (IDR) of "A-" and Insurer Financial Strength (IFS) rating of "A". The Outlooks are 'Stable'). Peak Reinsurance maintained steady growth of business during the COVID-19. During the Reporting Period, Reinsurance reported the gross written premium of USD2,144.7 million, and net profit of USD73.2 million. Domestic insurance companies continued to optimize product mix: during the Reporting Period, Fosun Pramerica Life Insurance persisted its multi-channel business model with its premium income reporting 24.87% growth year-on-year with the new issuance premium income showing healthy growth as well.

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 intergrading along the value chain with high added value the addition 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 equipment 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 enjoy benefits from the industry's rapid development.

Through years of continual investment in developing long-material special steel products and high-end medium and thick plates products, Nanjing Iron & Steel has established advantages in the fields of new energy, oil and gas equipment, ships and offshore engineering (Offshore engineering platform), auto parts, construction machinery, bridges and other fields. By investing in Wansheng, the leader in the global industry of phosphorus-based flame retardants, it fully embraces the industrial upgrade of China's manufacturing industry. At the same time, Nanjing Iron & Steel invests in carbon reduction and emission reduction to prepare the steel industry for Emission Peak and Carbon Neutrality by 2060, continuously improving ESG performance. Moreover, it will also meet the development opportunities of the countries along the “Belt and Road Initiative” through overseas layout, and drive developing countries to industrialization with advanced manufacturing technology.

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. In the fourth quarter of 2021, Hainan Mining launched the investment and construction of 20,000 tons of lithium hydroxide processing business, and started to implement the strategic layout of transforming from ferrous metals to new upstream non-ferrous metals industry. In addition, Hainan Mining successfully completed a non-public offering, which not only optimized the shareholding structure, but also brought in high-quality institutional investors and raised sufficient capital for the its main business operations.

After more than two decades of development, Wansheng has become the global leader in phosphorus-based flame retardants. Taking its products as the cornerstone, Wansheng has been building a global phosphorus phosphorus-based flame retardants leading company through continuous investment in environmental protection, engineering technology improvement and global sales network layout. The continuous investment in environmental protection is the foundation of sustainable development; the improvement of engineering technology ensures the high quality and low cost of products; the global layout enables customers worldwide to obtain products and services quickly. In terms of endogenous development, it makes vertical layout of upstream, actively expands production capacity, and strengthens leading position. In terms of external development, it makes layout of lithium additives and invests in Zhongzhou New Material. From a leading company in phosphorus-based flame retardant to functional new materials, Wansheng is based in China and serves the world.

TARGET FOR 2022

We are about to celebrate the 30th anniversary of the founding of the Group in 2022. After years of hard work and accumulation, Fosun has become one of the few enterprises in China with both global operation and investment capabilities, as well as profound science and innovation capabilities. Against the backdrop of the recurring epidemic of the new crown, the complex and volatile macroeconomic situation at home and abroad, and the volatile geopolitical landscape, the Group will adhere to the “twin-driver” of industrial operation and investment to stimulate Fosun’s ecological potential and drive faster development of the entire ecosystem.

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS REVIEW

As at the end of the Reporting Period, equity attributable to owners of the parent of the Group amounted to RMB131,069.9 million, representing an increase of 2.6% compared to the end of 2020. During the Reporting Period, as the Group's overall business benefited from the post-epidemic economic recovery, profit attributable to owners of the parent of the Group amounted to RMB10,089.9 million, representing a year-on-year increase of 26.1%.

As at the end of the Reporting Period, total assets of the Group amounted to RMB806,372.1 million, representing an increase of 5.0% compared to the end of 2020.

During the Reporting Period, the revenue of the Group amounted to RMB161,291.2 million, representing a year-on-year increase of RMB24,549.6 million, or 18.0%. From the perspective of product lines, during the Reporting Period, revenue of pharmaceutical, devices and diagnosis, and healthcare services and products of Health segment represents 66%, 13% and 21% of the total Health segment revenue of the Group, respectively; revenue of brand consumer and tourism and leisure of Happiness segment represents 86% and 14% of the total Happiness segment revenue of the Group, respectively; revenue of Insurance, Asset Management (property), Asset Management (investment) of Wealth segment represents 74%, 16% and 10% of the total Wealth segment revenue of the Group, respectively; revenue of Resources & Environment, Technology & Intelligent Manufacturing of Intelligent Manufacturing segment represents 52% and 48% of the total Intelligent Manufacturing segment revenue of the Group, respectively.

REVENUE BY SEGMENT OF THE GROUP

Unit: RMB million

Segment	**For the year ended 31 December 2021**	**Proportion**	**For the year ended 31 December 2020 (Restated)**	**Proportion**	**Change over the same period of last year**
Health	43,979.8	27.1%	34,607.1	25.1%	27.1%
Happiness	66,898.3	41.2%	56,016.6	40.5%	19.4%
Wealth	43,699.4	26.9%	42,519.8	30.8%	2.8%
Insurance	32,149.3	19.8%	29,840.1	21.6%	7.7%
Asset Management	11,550.1	7.1%	12,679.7	9.2%	(8.9%)
Intelligent Manufacturing	7,736.9	4.8%	4,950.2	3.6%	56.3%
Eliminations	(1,023.2)		(1,352.1)		
Total	161,291.2	100.0%	136,741.6	100.0%	18.0%

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

Unit: RMB million

Segment	For the year ended 31 December 2021	Proportion	For the year ended 31 December 2020 (Restated)	Proportion	Change over the same period of last year
Health	2,029.0	19.9%	1,683.6	21.0%	20.5%
Happiness	(593.9)	(5.8%)	(298.4)	(3.8%)	(99.0%)
Wealth	5,160.1	50.7%	4,547.3	56.6%	13.5%
Insurance	1,461.3	14.4%	1,158.2	14.4%	26.2%
Asset Management	3,698.8	36.4%	3,389.1	42.2%	9.1%
Intelligent Manufacturing	3,577.6	35.2%	2,102.7	26.2%	70.1%
Eliminations	(82.9)		(35.6)		
Total	10,089.9	100.0%	7,999.6	100.0%	26.1%

ASSET ALLOCATION OF THE GROUP

Unit: RMB million

Segment	As at 31 December 2021	Proportion	As at 31 December 2020 (Restated)	Proportion	Change over the end of 2020
Health	107,246.0	13.1%	100,117.6	12.9%	7.1%
Happiness	194,575.2	23.8%	178,545.9	22.9%	9.0%
Wealth	467,826.4	57.3%	457,572.4	58.8%	2.2%
Insurance	208,579.8	25.6%	214,233.4	27.5%	(2.6%)
Asset Management	259,246.6	31.7%	243,339.0	31.3%	6.5%
Intelligent Manufacturing	47,755.8	5.8%	42,055.5	5.4%	13.6%
Eliminations	(11,031.3)		(10,571.2)		
Total	806,372.1	100.0%	767,720.2	100.0%	5.0%

Corporate Structure of Main Business[1] (as of 31 December 2021)

Health[2]			Happiness[3]		Wealth			Intelligent Manufacturing[4]	
Pharmaceutical	Devices & Diagnosis	Healthcare Services & Products	Brand 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 Chancheng Hospital	Yuyuan 600655.SH 68.47%	FTG 01992.HK 80.73%	Fosun Insurance Portugal (Fidelidade) (Portugal) 84.9892%	HAL (Germany) 99.94%	28 Liberty (US) 100%	Nanjing Iron & Steel[15] 600282.SH 58.92%	Easun Technology[17] 83.70%
Shanghai Henlius 02696.HK		Luz Saúde[5] (Portugal) 99.85%	Jinhui Liquor[9] 603919.SH 38%	Club Med (France)	Peak Reinsurance 86.51%	Guide (Brazil) 73.86%	BFC[14] 50%	Besino Environment 95.06%	Gangbao 834429.OC 66.30%
Gland Pharma (India)		Shanghai Zhuli[6] (Fosun Care) 90.91%	Shede Spirits[10] 600702.SH 30.32%	Atlantis Sanya	Pramerica Fosun Life Insurance 50%	Fosun Hani Securities 100%	IDERA (Japan) 98%	Hainan Mining 601969.SH 48.86%	Wansheng 14.42%
Sinopharm 01099.HK		Sanyuan Foods[7] 600429.SH 20.45%	Fosun Sports 92.01%	Thomas Cook Lifestyle Platform	AmeriTrust (US) 100%	Fosun Capital 100%	PAREF (France) 59.87%	ROC[16] (Australia) 100%	JEVE[18] 44.38%
		BabyTree[8] 01761.HK 29.90%	Baihe Jiayuan 73.02%		Yong'an P&C Insurance 40.68%	Shanghai Zhiying[13] (Fosun RZ Capital) 100%			
		Fosun United Health Insurance 20%	Bohe Health[11] 29.85%			BCP (Portugal) 29.95%			
			Lanvin Group/FFG 72.64%			Cainiao 3.59%			
			St Hubert[12] (France)						

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 31 December 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.
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 "Fosun Care" brand. The Group through its wholly-owned and non wholly-owned subsidiaries 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 Group through its wholly-owned subsidiary and a consolidated 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. The Company and its wholly-owned subsidiary held 29.77% equity interest in BabyTree, and Fidelidade held 0.14% equity interest therein. Therefore, the effective equity interest held by the Group in BabyTree was 29.88%.
9. Yuyuan held 38% equity interest in Jinhui Liquor; therefore, the Group held 26.02% effective equity interest in Jinhui Liquor.
10. Yuyuan held 70% equity interest in its joint venture, Sichuan Tuopai Shede Group Co., Ltd., which held 30.32% equity interest in Shede Spirits.
11. The Group through its subsidiaries held 28.97% equity interest in Bohe Health, and Yuyuan through its wholly-owned subsidiary held 0.88% equity interest in Bohe Health. Therefore, the Group held 28.71% effective equity interest in Bohe Health.
12. St Hubert SAS was held 98.12% by an associate of the Group.
13. Shanghai Zhiying Equity Investment Management Co., Ltd. holds "Fosun RZ Capital" brand.
14. In March 2022, the Group acquired 50% equity interest in BFC. As at the date of this announcement, the Group held 100% equity interest in BFC.
15. The Group held 58.92% equity interest in Nanjing Iron & Steel through Nanjing Nangang, a joint venture of the Group.
16. 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 73.92% effective equity interest in ROC.
17. The Group held 59.07% equity interest in Easun Technology through its wholly-owned subsidiaries and consolidated funds under its management. Therefore, the Group held 48.42% effective equity interest in Easun Technology. In addition, the non-consolidated entities in which the Group participated in the investment held 24.63% equity interest in Easun Technology.
18. The Group through its wholly-owned subsidiary and a consolidated fund under management of the Group held 18.11% and 2.35% equity interest, respectively, in JEVE. The Group held 22.14% effective equity interest in such fund. Therefore, the Group held 18.63% effective equity interest in JEVE. In addition, a non-consolidated fund managed by the Group held 23.92% equity interest in JEVE.

HEALTH

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

Unit: RMB million

	For the year ended 31 December 2021	For the year ended 31 December 2020 (restated)	Change over the same period of last year
Revenue	43,979.8	34,607.1	27.1%
Profit attributable to owners of the parent	2,029.0	1,683.6	20.5%

During the Reporting Period, the revenue of health segment amounted to RMB43,979.8 million, representing a year-on-year increase of 27.1%. Profit attributable to owners of the parent of Health segment amounted to RMB2,029.0 million, representing a year-on-year increase of 20.5%. The increase in revenue and profit of the Health segment was mainly attributable to the continuous and steady growth of Fosun Pharma.

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 strategies of "innovation and transformation, integrated operation and steady 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 as its business core, Fosun Pharma Group focuses on medical devices and medical diagnosis, healthcare services, pharmaceutical distribution, and retail. During the Reporting Period, revenue of Fosun Pharma Group amounted to RMB 38,858 million, representing a year-on-year increase of 28.83%. Net profit attributable to shareholders of the listed company amounted to RMB4,735 million, representing a year-on-year increase of 29.28%. Net profit (after extraordinary gain or loss) attributable to shareholders of the listed company amounted to RMB3,277 million, representing a year-on-year increase of 20.60%. Net cash flow from operating activities amounted to RMB3,949 million, representing a year-on-year increase of 53.07%. The total R&D expenditure amounted to RMB4,975 million for the year, representing a year-on-year increase of 24.28%. In particular, the R&D expenses amounted to RMB3,834 million, representing a year-on-year increase of RMB1,039 million or 37.17%.

During the Reporting Period, the pharmaceutical manufacturing segment of Fosun Pharma Group generated revenue of RMB28,772 million, representing a year-on-year increase of 32.30%. The segment results amounted to RMB2,964 million, representing a year-on-year increase of 31.03%. The segment profit amounted to RMB2,630 million (excluding the gains from changes in the fair value of the shares held of BNTX). Excluding the impact of impairment of goodwill of Jinzhou Avanc Pharmaceutical Company Limited (錦州奧鴻藥業有限責任公司), segment profit increased by 22.04% on the same basis. The R&D expenditures in the pharmaceutical manufacturing segment amounted to RMB4,486 million, representing a year-on-year increase of 22.23%. During the Reporting Period, with You Li Tong (febuxostat tablets), Bang Zhi (pitavastatin calcium tablets) and other existing drugs being incorporated into centralized procurement with reduced sales prices, the pharmaceutical manufacturing segment facilitated revenue growth through new and sub-new products and continued to optimize revenue structure. The increase was mainly attributable to: (1) the inclusion of Comirnaty (mRNA COVID-19 vaccine) in the government vaccination programs in Hong Kong and Macau in March 2021, and the commencement of vaccination in Taiwan region of China in September 2021, with a sale of approximately 22.00 million doses in Hong Kong, Macau and Taiwan during the Reporting Period; Han Li Kang (rituximab injection) achieved revenue of RMB1,690 million, representing a year on-year increase of 125.33%; Han Qu You (trastuzumab injection) and Su Ke Xin (avatrombopag maleate tablets), which were launched in the second half of 2020, recorded revenue of RMB930 million and RMB426 million respectively during the Reporting Period; during the Reporting Period, revenue from new and sub-new products, including Comirnaty, Han Li Kang, Han Qu You and Su Ke Xin, accounted for more than 25% of the revenue from the pharmaceutical manufacturing segment; (2) a year-on-year increase of 29.48% in revenue of Gland Pharma during the Reporting Period (based on the financial statements of Gland Pharma using its functional currency) benefiting from the contribution from Micafungin, enoxaparin sodium injection and the launch of new products. Fosun Pharma Group continuously enhanced the construction and integration of its marketing system. As at the end of the Reporting Period, the pharmaceutical manufacturing segment of Fosun Pharma Group had a commercialization team consisting of approximately 6,000 employees, and was organized into a number of divisions based on the major product lines, covering more than 2,000 Class III hospitals, 10,000 Class I and Class II hospitals and nearly 200,000 retail pharmacies.

During the reporting period, Fosun Pharma Group continuously promoted innovation transformation and the development and launch of innovative products and technology platforms with a continuous increase in the proportion of revenue from new products and an optimized revenue structure. During the Reporting Period, Yi Kai Da (Ejilunsai injection) was approved for launch in June 2021, and had become the first CAR-T cell therapy product approved for domestic launch. As of the end of February 2022, Yi Kai Da had been included in the urban customized commercial health insurance of 23 provinces and municipalities and over 40 commercial insurances. In addition, Fosun Pharma Group's innovation pipeline continued to be launched. The new drug application for the first indication (treatment of highly microsatellite unstable type solid tumors) of PD-1 inhibitor Serplulimab was included in the priority review process, and the new drug application for the second indication (treatment of squamous non-small cell lung cancer) has also been accepted. Products including Han Bei Tai (bevacizumab biosimilar), Yi Bao (recombinant human erythropoietin for injection) (with new indication for the treatment of chemotherapy-induced anemia in patients with non-myeloid malignancies) were approved for launch. FCN-437c and other pipeline products entered phase III clinical stage. In October 2021, to further deepen Fosun Pharma Group's vaccine business, Shanghai Fosun Pharmaceutical Industrial Development Company Limited (上海復星醫藥產業發展有限公司), a subsidiary, acquired Antejin for a cash and in-kind consideration of its equity interest in Aleph. On the basis of the original virus vaccine platform, it introduced bacterial vaccines R&D and production technology, to further enrich the vaccine R&D pipeline. As of the end of the Reporting Period, Fosun Pharma Group had built a technology platform for bacterial vaccines and viral vaccines.

During the Reporting Period, Fosun Pharma Group recorded revenue of RMB5,927 million from the medical devices and medical diagnosis segment; segment results amounted to RMB826 million; segment profit amounted to RMB2,000 million. After eliminating the one-off effects from the transfer of income from distribution rights of Da Vinci surgical robotic systems to Intuitive Fosun, an associated company and gains from the transfer of the equity interest in Yaneng Biotechnology (Shenzhen) Co., Ltd. (亞能生物技術（深圳）有限公司) in 2021, the revenue from the medical devices and medical diagnosis segment increased by 21.25% on the same basis, segment results increased by 12.60% on the same basis, and segment profit increased by 15.27% on the same basis. The increase in revenue and net profit of the segment on the same basis was mainly attributable to the strong business growth of Sisram Med in the two major markets i.e. North America and Asia-Pacific, as well as the significant growth in the installation volume and surgical volume of "Da Vinci surgical robotic system" of Intuitive Fosun, an associated company. During the Reporting Period, 73 "Da Vinci surgical robotic systems" were installed, an increase of 18 as compared to last year.

During the Reporting Period, the revenue from healthcare services segment amounted to RMB4,115 million, representing a year-on-year increase of 29.81%. Affected by increased investment in digital team and online operation, the initial loss of newly opened hospitals and other factors, segment results during the Reporting Period amounted to RMB-367 million, representing a year-on-year decrease of RMB562 million. Segment profit amounted to RMB-433 million, representing a year-on-year decrease of RMB542 million. Through continuous promotion of specialties layout at medical institutions, as well as internal integration and external expansion, Fosun Pharma Group established a regional medical model and a health service industrial chain. Fosun Pharma Group completed a strategic deployment of healthcare services in specialty and general hospitals focusing on regional focus such as the Greater Bay Area and Yangtze River Delta. During the Reporting Period, Fosun Pharma Group entered into an agreement to acquire Guangzhou Xinshi Hospital Co., Ltd. (廣州新市醫院有限公司) and completed the equity transfer in January 2022. As at the end of February 2022, the medical service institutions controlled by Fosun Pharma Group that had been put into operation mainly included Foshan Chancheng Hospital, Shenzhen Hengsheng Hospital (深圳恒生醫院), Guangzhou Xinshi Hospital Co., Ltd., Suqian Zhongwu Hospital (宿遷鈡吾醫院有限責任公司)/Suqian Cancer Hospital (宿遷市腫瘤醫院), Anhui Jimin Cancer Hospital (安徽濟民腫瘤醫院), Wuhan Jihe Hospital Co., Ltd. (武漢濟和醫院有限公司), Chongqing Shinrong Plastic Surgery Hospital Co., Ltd. (重慶星榮整形外科醫院有限責任公司) and Xuzhou Xingchen Women's and Children's Hospital Co., Ltd. (徐州星晨婦兒醫院有限公司), with a total of 5,532 authorized beds available for the public. In 2021, Fosun Pharma Group's medical service operation and management main body "Fosun Healthcare" was renamed as "Fosun Health". Taking "medical-grade, full-scenario and one-stop health ecosystem" as the vision and "making families healthier and life better" as the mission, after such strategic upgrade, Fosun Health provides users with one-stop healthcare services based on medical-grade trust and closed-loop solutions throughout the treatment course, and becomes a "leader of active family health management".

Shanghai Henlius

Shanghai Henlius is committed to provide affordable and high-quality biomedicines to patients worldwide 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 to develop a complete value chain covering R&D, production, and commercialization, and increase the accessibility and affordability of biological medicines. During the Reporting Period, Shanghai Henlius has worked to promote the efficient development of the global commercialization of product pipeline and implemented production capacity deployment for the biomedicines with high economic benefit based on international standards and gained great achievements in clinical development and drug registration of pipeline products. As at the end of the Reporting Period, the Group held 57.48% equity interest in Shanghai Henlius.

Shanghai Henlius has strong global product commercialization capability. In order to achieve continuous growth in sales scale of products. Shanghai Henlius has an experienced commercialization team covering the five major segments of marketing promotion, channel management, pricing and market access, domestic sales, and strategic planning. As at the end of the Reporting Period, the total number of commercialization teams increased from approximately 400 at the end of 2020 to more than 500. Thanks to a solid new drug pipeline and a rapid clinical advancement strategy, the speed of new drug launches of Shanghai Henlius has been significantly accelerated: after the launch of HANLIKANG (漢利康®, indications: non-Hodgkin lymphoma and chronic lymphocytic leukemia), China's first monoclonal antibody approved in 2019, several core products, HANQUYOU (漢曲優®, indications: breast cancer and metastatic gastric cancer), HANDAYUAN (漢達遠®, indications: rheumatoid arthritis, ankylosing spondylitis, psopiasis and uveitis) and HANBEITAI (漢貝泰®, indications: metastatic colorectal cancer and locally advanced, recurrent or metastatic non-squamous non-small cell lung cancer), have successively obtained approval for market launch, and reached sales cooperation with international partners on HANDAYUAN and HANQUYOU in the United States, Canada, Pakistan, the Philippines, Vietnam and other regions. During the Reporting Period, Shanghai Henlius recorded increasing sales volume of its core products, and realized operating revenue of approximately RMB1,682.5 million, representing an increase of 186.3% compared to last year. In addition, serplulimab injection (PD-1) is also expected to be commercialized in the near future, and the relevant sales team is being built.

In 2022, Shanghai Henlius will continue to make use of international resources and advantages, focus on promoting the building of internal innovation capabilities, and continue to build a high-quality, affordable and differentiated innovative product pipeline. Based on clinical needs, through independent R&D and license-in and relying on its rich experience in target development and integrated R&D platforms, and seeks synergies between product pipelines. At the same time, Shanghai Henlius has comprehensively built a global product development team, and established a clinical research and drug administration registration system. As of the end of the Reporting Period, the number of the global product development teams was more than 350 in total. During the Reporting Period, Shanghai Henlius recognized R&D expenses of RMB1,763.7 million, representing an increase of approximately RMB52.8 million compared with RMB1,710.9 million in the same period in 2020.

Shanghai Henlius further implements production capacity deployment for the biomedicines with high economic benefit based on international standards. In order to meet the demand for the gradual realization of commercial sales of drug candidates, Shanghai Henlius 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. As at the end of the Reporting Period, Xuhui Facility has been granted with Chinese and EU GMP certificates and achieved normalized supply in China and the EU markets. During the

Reporting Period, two 2,000 liters bioreactors were newly constructed in Xuhui Facility and the commercial production capacity has been increased from 20,000 liters to 24,000 liters in early 2022. Songjiang First Plant completed the production capacity construction of 24,000 liters, including the liquid fill line and lyophilized preparation line, to prepare for meeting the production demand before the Songjiang Second Plant is put into operation. The Phase I of Songjiang Second Plant expanded its capacity to 96,000 liters. The construction of the subsequent stage of Songjiang Second Plant will also be gradually implemented in accordance with the strategy of Shanghai Henlius.

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 production capabilities, received its first approval from the U.S. Food and Drug Administration (FDA). Gland Pharma has a consistent compliance record. Its manufacturing facilities are FDA-approved, and some have also received regulatory approvals from various countries around the world, including MHRA (UK), TGA (Australia), ANVISA (Brazil), AGES (Austria) and BGV (Germany).

Gland Pharma has a presence in the U.S., Canadian, European, Australian and Indian markets. In addition to these markets, Gland Pharma has also strategically increased its business presence in the "Rest of the World" (ROW) markets to further strengthen its global position.

Gland Pharma's main products include: cardiac (Enoxaparin Sodium), hematological system (Heparin Sodium), anti-infective (Vancomycin, Caspofungin, Daptomycin, Micafungin, Remdesivir), central nervous system (Dexmedetomidine, Rocuronium Bromide), and other injections.

Fosun Pharma Group acquired approximately 74% equity interest in Gland Pharma in October 2017. Fosun Pharma has business relationships in China and Africa and the acquisition provides Gland Pharma with access to these two core growth markets for injectables. In November 2020, Gland Pharma was successfully listed in India with the largest initial public offering (IPO) of INR64.795 billion in the Indian healthcare industry. As at the end of the Reporting Period, Fosun Pharma Group held 58.00% 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 in India with a global footprint across over 60 countries. Gland Pharma has track record of supporting the requirements of global pharmaceutical companies for a wide range of injectables through B2B model. Its B2B model covers Intellectual Property led, Technology Transfer and contract manufacturing models. In addition, in the Indian market, Gland Pharma mainly adopts B2C model through which it products mainly targeted at end consumers such as hospitals, nursing homes and government agencies. The unique and significant advantages of Gland Pharma in the entire pharmaceutical value chain have helped it achieve exponential growth.

Despite various challenges brought by the COVID-19 pandemic, Gland Pharma has adopted a series of measures to combat the pandemic, so as to protect the health and safety of employees and ensure normal production. For example, a multi-departmental COVID-19 working group is set up to actively promote employee health and safety management, enabling Gland Pharma to support global demand for critical medicines during this difficult time.

With its eight production facilities in India, Gland Pharma continues to strengthen its international manufacturing capabilities. During the Reporting Period, Gland Pharma adhered to the international R&D strategy, and a number of generic drugs were approved for launch and besides the strategy to introduce products into the Chinese market continued. During the Reporting Period, Gland Pharma's revenue was INR41.85 billion, representing an increase of 29.5% year-on-year. Such increase was primarily attributable to the contribution from the U.S., Rest of the World (ROW), Indian and European markets. (Note: Based on Gland Pharma's financial statements in its presentation currency)

Going forward, Gland Pharma will continue to invest in R&D and production capabilities, strengthen vertical integration and expand API production capacity to reduce dependence on APIs purchased externally. Meanwhile, Gland Pharma will accelerate its 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, a global consumer wellness group, is deeply rooted in the global medical aesthetics industry for over two decades, specializing in harnessing natural energy sources for the treatment of aesthetics as well as medical clinical indications. Sisram Med's vast products and treatments portfolio is constantly expanding, ranging from hair removal, skin rejuvenation, acne and acne scars, body & face contouring, pigmentation & skin resurfacing, fat grafting, dermal facial fillers, skin tissue remodelling injectables, personal care, aesthetic dentistry and more. As at the end of the Reporting Period, the Group held 70.95% equity interest in Sisram Med.

During the Reporting Period, Sisram Med launched new products, Alma Duo and Alma PrimeX. Alma Duo is an in-office, aesthetic treatment that uses gold standard shock wave Technology. It clinically validated to stimulate better blood flow anns restore natural sexual performance. Alma

PrimeX is a non-invasive body contouring platform, achieving unparalleled results in body contouring and skin tightening using 3 proprietary technologies platforms.

During the Reporting Period, while actively expanding its existing energy-based medical aesthetics equipment business, Sisram Med carried out business integration and deployment on strategic tracks such as aesthetic dentistry and injectables. In July 2021, Sisram Med completed the merger 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 sublicense agreement with a subsidiary of Fosun Pharma for the neuromodulator with long-acting duration RT002 in Chinese Mainland, Hong Kong and Macau, to further enrich its injectables business pipeline and to collect strategic products for future expansion into the C-end market. The final approval of sub-license agreement is pending for its extraordinary general meeting. Alma Lasers Ltd., a major operating subsidiary of Sisram Med, exercised the call option in July 2021 to acquire the remaining 40% equity interest in Nova Medical Israel Ltd. ("**Nova**"), a subsidiary primarily engaged in distribution of medical and aesthetic products in Israel. As at the date of this announcement, the purchase of the remaining 40% equity interest in Nova was completed. Nova has been a wholly-owned subsidiary of Sisram Med. In January 2022, Sisram Med agreed to contribute of RMB2.6 million for the investment in Tianjin Xingsiyi Bio-technology Co., Ltd., which will be set up to engage in the R&D, technical services and supply of silk fibroin-sodium hyaluronate composite gel- and facial implant thread- products.

Fosun Care (Shanghai Zhuli Investment Co., Ltd.)

Fosun 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. As the core healthcare platforms of the Group, Fosun Care is dedicated to providing full lifecycle healthcare services and products to retired families. Leveraging high technology and top-notch disciplinary technologies, Fosun Care takes family healthcare services as the core business model. It offers a comprehensive and continuous one-stop family healthcare services system for all age groups through the integration of intelligent systems and smart terminals, and focuses on the deep cultivation and intelligent development of FC2M capability, so as to create more value for elderly customers.

Shanghai Zhuli, established in 2014, holds the brand "Fosun Care" and carries out its primary 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 Care comprises three major brands and four core businesses. In particular, "Starcastle" focuses on vitality elderly care, "Xingjian" mainly focuses on integration of medical care, rehabilitation and nursing elderly care, while "Xingxiang", an upgrade of "Feng-Lin" business and a community platform, focuses on community health, care and membership system, empowering the health and wellness industry by intelligent means. As at the end of the Reporting Period, Fosun Care invested in and operated elderly care and nursing institutions in Beijing, Shanghai, Ningbo, Suzhou, Tianjin and other cities, with a total of over 11,000 beds held.

In early 2021, Fosun Care closed its first round of private equity financing, with financing amounting to RMB200 million, which continuous support for the expansion of Fosun Care's business. Fosun Care worked closely with insurance companies. The innovation and marketing of the "large-sum annuity insurance + senior community residency rights" insurance product helped boost large-sum insurance sales, forming a tie-up and synergy between the insurance and health and wellness industries.

In 2022, Fosun Care will vigorously promote the launch of health and wellness industry funds, and partner with insurance companies, large state-owned enterprises, other social capital and other investors in various formats and multiple fields through different routes. Fosun Care will continue to focus on expanding new projects around 3+6+N cities (3: Beijing, Shanghai, Guangzhou; 6: six key cities; N: other cities, etc.) to further accelerate its nationwide deployment. In terms of operations, Fosun Care will devote itself to promoting the operation of the entire industry chain in a comprehensive way, facilitating innovation and service upgrade in the healthcare industry, and building a healthy hive, Fosun's health scenarios and product extensions as well as the CareBox health management services. Digitalization will be taken forward alongside the creation of a business ecosystem. Taking a global perspective, Fosun Care aims at becoming the benchmark in China's elderly care industry.

<u>Fosun United Health Insurance</u>

Established in January 2017, Fosun United Health Insurance is the sixth professional health insurance company in China jointly sponsored by the Group and 5 other companies. As at the end of the Reporting Period, the Group held 20% equity interest in Fosun United Health Insurance.

Since its establishment, Fosun United Health Insurance has expanded its business areas to Guangdong Province, Beijing, Shanghai, Sichuan Province, Jiangsu Province and Chongqing. Its business areas are Chinese Mainland regions with relatively developed economy or strong demand for health insurance and with mature markets and covering a total population of over 374 million. This has laid a solid foundation for the sustainable and healthy development as well as the nationwide deployment of Fosun United Health Insurance's businesses. In October 2021, the Hubei Branch of Fosun United Health Insurance obtained approval from the regulatory authority for its preparation establishment, thus further perfecting the institutional layout of Fosun United Health Insurance.

With international vision and local thinking, Fosun United Health Insurance places emphasis on the track of health insurance, and has developed a series of special heath protection products catering to the healthcare needs of Chinese families and enterprises. Since its establishment, Fosun United Health Insurance has provided more than 140 special insurance products and health management services to Chinese families and corporate customers, including 11 products with new sales volume of more than RMB50 million during the Reporting Period.

Fosun United Health Insurance is committed to exploring the "Medical Plus Insurance" ecological health insurance model with Chinese characteristics, and actively integrating into the Group's health industry ecosystem. During the Reporting Period, Fosun United Health Insurance together with the companies under the Group in the health sector having breakthroughs in innovative payment solutions for medical and pharmaceuticals, co-creation of healthy ecological products, co-construction and sharing of health services, etc. The annual revenue from the health industry ecology-related business exceeded RMB500 million, which further consolidated the company's characteristic ecological development foundation.

During the Reporting Period, in the face of a complex socioeconomic environment and a volatile health insurance market environment, Fosun United Health Insurance adhered to the market strategy of stable operation and healthy development alongside external expansion and internal growth. Always insisting on "being 0.01 second faster than its competitors", Fosun United Health Insurance quickly responded to market demands and actively sought self-adjustment. During the Reporting Period, Fosun United Health Insurance recorded revenue of RMB3,714 million, representing an increase of 51% year-on-year.

Looking forward, Fosun United Health Insurance will continue to undertake the mission of "Fosun United, Healthy China". Centering on family users and taking industrial internet as the driving force, it will develop excellent health products with the FC2M concept through intelligent means, and take the lead in creating a China-specific industry internet O2O integrated health model that integrates "Internet +, health insurance + and healthcare services +", striving to becoming the leading health management services group in China.

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 year ended 31 December 2021	For the year ended 31 December 2020 (restated)	Change over the same period of last year
Revenue	66,898.3	56,016.6	19.4%
Loss attributable to owners of the parent	(593.9)	(298.4)	(99.0%)

During the Reporting Period, revenue of the Happiness segment amounted to RMB66,898.3 million, and recorded a year-on-year increase of 19.4% compared to the same period of last year, which was mainly attributable to the strong revenue growth of Yuyuan and FTG. The loss attributable to owners of the parent was RMB593.9 million during the Reporting Period, representing an increased loss of 99.0% as compared with the same period of last year, mainly due to the increase in loss contribution from Fosun Sports Group.

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 (上海豫園商場), which was transformed into Shanghai Yuyuan Shopping Mall Co., Ltd. (上海豫園商場股份有限公司) in June 1987. Shanghai Yuyuan Tourist Mart Co., Ltd. (上海豫園旅遊商城股份有限公司) 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. In July 2018, Yuyuan completed its asset reorganization and the Group then further increased its shareholdings in the secondary market. In July 2019, the company officially changed its name to Shanghai Yuyuan Tourist Mart (Group) Co., Ltd. (上海豫園旅遊商城（集團）股份有限公司). As at the end of the Reporting Period, the Group held approximately 68.47% equity interest in Yuyuan.

The businesses of Yuyuan mainly comprise of consumer retail and real estates with composite functions. In particular, consumer retail includes jewelry and fashion, cultural catering, food and beverage, Chinese fashion watches, and beauty and health and etc.. With the support of the global platform and resource empowerment system of its controlling shareholder, Fosun, Yuyuan has its strategic vision more targeted at family customers while continuously following the "1+1+1" development strategy of "family happiness consumption industry + urban industry landmarks + online and offline membership and service platforms". Yuyuan has a solid foundation of industrial operation and upholds the two-pronged strategy of “Industry Operations + Industrial Investment”. It owns 18 long-established Chinese brands and a number of leading brands in China, as well as many global famous brands. Advancing its worldwide deployment with the principle of “global scale + China’s speed”, Yuyuan is building itself into a global first-class family happiness consumer industry group.

During the Reporting Period, Yuyuan achieved operating revenue of RMB51.06 billion, representing an increase of 12.2% year-on-year; net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB2.80 billion, representing an increase of 13.4% year-on-year; net profit attributable to shareholders of the listed company was RMB3.86 billion, representing an increase of 6.9% year-on-year. The growth of Yuyuan was mainly due to the rapid growth of the consumer sector.

During the Reporting Period, Yuyuan’s jewelry and fashion business achieved revenue of RMB27.45 billion, representing an increase of 23.8% year-on-year, and the proportion of revenue further increased to 53.8%. The jewelry and fashion network expanded significantly, with an increase of 602 stores to 3,981 stores and store quality continued to improve. At the same time, the product structure was further optimized. The sales of “Guyun Gold” (古韻金) series products with high margins relying on ancient craftsmanship nearly RMB4.0 billion. Products including “Duorouduofu” (多肉多福) series, “Mak Ling Ling” (麥玲玲) cooperation series of Laomiao, Yayi “Qingyi Gold” (情逸金) also became best-sellers, and a new brand of lab-grown diamonds “Lusant” (露璨) was launched as well.

At the same time, Yuyuan gave full play to the resource advantages of long-established brand. The chain development strategy of Songhelou Suzhou-style noodle shops was further implemented. In 2018, Yuyuan acquired the long-established brand “Songhelou” (松鶴樓). In 2019, Yuyuan successfully built a single-store model of Songhelou Suzhou-style noodle shop. In 2020, it piloted chain development of the noodle shop and opened 18 new shops in first-tier cities across China. During the Reporting Period, 60 Songhelou noddle shops were newly set up in eight cities in China, including Shanghai, Beijing, and Shenzhen and etc. and the number of Songhelou noodle shops reached 81 as of the end of the Reporting Period.

Moreover, the beauty and health business of Yuyuan also flourished. Fosun Jinmei Shanghai Innovation Center under Yuyuan opened during the Reporting Period, and successfully launched the “WEI Lotus” series, focusing on moisturizing and repair effect. The series became the second most popular sales series under the WEI brand. Its AHAVA brand has created a number of 10 million-level single hot selling products, such as cleansing masks and other products, with rapid sales growth in China.

During the Reporting Period, the business of real estates with composite functions developed steadily. Yuyuan Phase I renovation project continued to advance and the planning and design of Yuyuan Phase

II and III were also launched. At the same time, Yuyuan newly acquired new land for premium projects in Shanghai Xuhui, Chengdu Wuhou New Town, and Shanghai Jinshan and etc..

Looking forward, since the strategic optimization and organizational upgrade in 2018, Yuyuan has increasingly positioned its strategic vision to focus on family customers and continuously anchored the "1+1+1" development strategy of "happy family consumption industry + urban industrial landmark + online and offline membership and service platform". At present, Yuyuan takes "oriental life aesthetics" as the top concept, adheres to the two wheel drive of industrial operation and industrial investment, and owns 18 Chinese long-established brands and a number of leading brands, as well as a number of global well-known brands. Under the background of the new pattern of domestic and international double circulation, accelerate the globalization layout, transfer the aesthetics of Oriental life and the beautiful way of life, and stride forward to the world's first-class family happy consumption industry group.

Jinhui Liquor

Jinhui Liquor is principally engaged in the manufacture and sales of liquor and spirits, and 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", Jinhui Liquor insists on being customer-centric, implementing the two-pronged strategy of "key client operation + deep distribution" with C-end top priority. Jinhui Liquor 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".

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 revenue of RMB1,788.4 million, representing an increase of 3.34% year-on-year, with net profit attributable to shareholders of the listed company of RMB324.84 million, representing a decrease of 1.95% year-on-year.

During the Reporting Period, Jinhui Liquor overcame the impact of the pandemic with its various indicators of production and operation demonstrating a stable and positive trend. First, the production quality of unprocessed wine reached a new high, and the production volume of premium wine increased by 18.26% compared with the previous year, further brought into play the productivity advantage of the high-quality liquor and spirits in Qin Ling production areas; second, Jinhui Liquor implemented in depth the two-pronged strategy of "key client operation + deep distribution", and continued to upgrade its product portfolio. The revenue from high-end products was RMB1.095 billion, representing an increase to 62.11% in terms of revenue proportion; third, deeply integrating into the Group's ecosystem, Jinhui Liquor made official deployment in the channel market in East China, and created a variety of FC2M good products, such as "Gang Zhi Yun" (鋼之韻), "Bang Tian Xia" (邦天下), "Fu Xing Gao Zhao" (復星高照) and "Jin Hui Lao Jiao" (金徽老窖), through industrial collaboration; fourth, it continued to promote the "second venture" reform and achieved significant breakthroughs in digital transformation and organizational talent fission.

<u>Shede Spirits</u>

Shede Spirits is Chinese famous liquor and spirits company and one of the six "golden flowers" of Sichuan liquor and spirits. With "ecology, quality and culture" as its core strengths, Shede Spirits is a key representative of strong flavor liquor. Shede Spirits' mission is to "share the wisdom of Shede Spirits with the world", and its development prospect is to "make Shede Spirits a leading aesthetic brand for life". Focusing on the "classic liquor + culture" strategy, Shede Spirits allocates resources to build key cities while expanding its market shares in the mid-to-high-end liquor and spirits market; actively expands new channels, cultivate new products, and empower the brand with cultural innovation. It is committed to achieving 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) (**"Shede Group"**), 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 held Shede Spirits. As at the end of the Reporting Period, Yuyuan held 30.32% equity interest in Shede Spirits through Shede Group.

Since the Group's investment in Shede Spirits, the strategic planning and ecological construction of Shede Spirits have been continuously empowered. The company continued to implement the classic liquor strategy, and the quality of classic liquor was further recognized. The number and quality of distributors have improved significantly, and there are more and more loyal consumers. Shede Spirits has continued to expand new channels and the whole channel sales capacity continued to improve. Shede Spirits has continued to strengthen its brand building and brand power continued to be enhanced. Due to the above factors, during the Reporting Period, the results of Shede Spirits achieved relatively significant growth compared to the same period of last year. During the Reporting Period, Shede Spirits recorded revenue of RMB4,969 million, representing a year-on-year increase of 83.8%, and net profit attributable to shareholders of the listed company of RMB1,246 million, representing a year-on-year increase of 114.35%. In particular, the sales revenue of liquor and spirits of Shede Spirits reached RMB4,577 million, representing a year-on-year increase of 94.77%. In terms of liquor and spirits category, the revenue of the mid-end and high-end products amounted to RMB3,874 million, representing a year-on-year increase of 81.94%; while the sales revenue of the low-end products amounted to RMB703 million, representing a year-on-year increase of 218.66%. The products of different grades achieved relatively substantial growth.

Looking forward to 2022, Shede Spirits will continue to strengthen brand construction, optimize the organization management system, focus on strategic products and key cities, vigorously develop high-quality.distributors, strengthen market infrastructure, strengthen consumer cultivation, and create the first brand in the category of classic liquor;it will adhere to implement the intelligent upgrading of production system, continue to improve the ecological industry chain, actively expand production capacity, strengthen the reserve and enhance the quality of classic liquor.

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 80.73% 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 and hotels, including Club Med, Club Med Joyview, Casa Cook and Cook's Club, etc.; (ii) tourism destinations, including Atlantis Sanya, Taicang FOLIDAY Town, Lijiang 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 RMB9,261.5 million, representing a year-on-year increase of 31.2% and loss attributable to equity holders of FTG's parent company amounted to RMB2,712.0 million, while loss attributable to equity holders of FTG's parent company was RMB2,574.3 million for the same period of last year. The group maintains a healthy and sound financial position. In 2021, FTG's net cash flows generated from operating activities turned substantially positive, achieving a net inflow of RMB2.2 billion, an improvement of approximately RMB4.1 billion compared to the net cash outflow of RMB1.9 billion in 2020. As of 31 December 2021, the cash and bank balances were approximately RMB4,535 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 had sales and marketing operations in more than 40 countries and regions across six continents, and operated 64 resorts. In the first half of 2021, due to the continued spread of pandemic in Club Med's major customer sourcing markets and destinations, governments of various countries implemented stringent pandemic prevention measures and all mountain resorts of Club Med in the Alps (except Saint Moritz resort in Switzerland) were not in operation for the 2021 snow season and outbound travel from major customer sourcing markets were suspended. These measures had significant negative impacts on the operation of the resorts. To maintain necessary cash level under the pandemic, Club Med obtained long-term loan of EUR70 million (equivalent to RMB505 million), as guaranteed by the French Government, from a bank in January 2021.Since mid-May 2021, due to the introduction of vaccination schemes in various countries and the gradual lifting of restrictions, FTG had been striving to promote the resumption of resort operations in the affected areas, and witnessed early signs of recovery for its business across the globe. In the second half of 2021, Club Med's business volume increased by 180.1% as compared with the same period in 2020. The average occupancy rate reached approximately 62.2%, which increased by approximately 5.9 percentage points compared with 2020. The average daily bed rate was approximately RMB1,405.2, representing an increase of approximately 28.0% compared with 2020.

In 2021, the business volume of Club Med was approximately RMB5,978.3 million, representing an increase of 10.8% compared with the same period in 2020. In 2021, the capacity of Club Med was approximately 6.979 million bed nights, an increase of approximately 25.1% compared to the same period of 2020. Club Med's global average occupancy rate was approximately 55.3%, which decreased by approximately 4.1 percentage points compared with the same period in 2020. The average daily bed rate was approximately RMB1,322.9, representing a decrease of approximately 3.3% compared with the same period in 2020. As of December 2021, Club Med operated 46 resorts worldwide.

From the beginning of 2022 to the end of 2024, FTG have signed and planned to open 17 new Club Med resorts, of which seven resorts are located in China. At the same time, FTG opened the new Exclusive Collection Seychelles resort in March 2021, opened the new Club Med Lijiang resort in Lijiang FOLIDAY Town in September 2021, and opened the new Quebec Charlevoix resort in December 2021.

Atlantis Sanya, located on the Haitang Bay National Coast of Sanya in Hainan province, China, opened in April 2018. During the Reporting Period, despite the restriction to the passenger flow of Sanya due to the pandemic recurrence in multiple areas in Chinese Mainland, the number of visitors to Atlantis Sanya amounted to approximately 4.7 million for the year by virtue of its excellent product capability. The business volume of Atlantis Sanya amounted to RMB1,455.3 million, which increased by 18.6% year-on-year. In particular, room revenue increased by 18.6% and other operating income increased by 18.7%. The average daily rate by room increased by 12.3% compared with the same period in 2020, and the occupancy rate increased by four percentage points to 71.5%.

FTG also develops and operates tourism destinations in Lijiang, Yunnan and Taicang, Jiangsu under its own brand "FOLIDAY Town" (復遊城). Lijiang FOLIDAY Town covers land parcels of approximately 695,000 square meters in Baisha town in Lijiang city, Yunnan province in Southwestern China. In the second half of 2021, Club Med Lijiang resort, Albion Residence FOLIDAY Town Lijiang, and lake camp have been put into operation. Taicang FOLIDAY Town covers land parcels of approximately 483,000 square meters in Taicang city, Jiangsu province in East China. In particular, the construction of the indoor ski domain of "Alpes Snow World" (阿爾卑斯雪世界) fully commenced in January 2021; the themed commercial street and Club Med Joyview Taicang resort entered the full construction phase in June 2021. For the year ended 31 December 2021, FTG delivered 560 units of Taicang FOLIDAY Town with the aggregate sales area of approximately 62,258.7 squaremeters and recognised a revenue of RMB1,333.0 million. The indoor ski domain, Club Med Joyview Taicang resort, the themed commercial street will start their business in the second half of 2023, and the remaining construction is expected to achieve full completion in the following two to three years.

In November 2019, upon the liquidation of Thomas Cook, FTG acquired the centennial travel brand Thomas Cook, and its licensed right, title and interest across most international markets. In July the following year, FTG released its APP in China "Thomas Cook Lifestyle Platform" (**"TC China"**), an online travel agency focusing on leisure life-style. As of the end of the Reporting Period, TC China recorded 2.6 million downloads. Throughout 2021, the business volume of TC China was approximately RMB357.9 million, representing a year-on-year increase of 95.1% from 2020. In addition, Thomas Cook online travel agent (**"TC UK")** was launched in UK in September 2020. TC UK became the top selling online travel agent for UK-Portugal Travel once rules in the UK were relaxed in May 2021. In 2021, TC UK recorded a business volume of approximately RMB383.0 million, realizing multiplier growth.

Looking forward, FTG will, based on its own strengths, deeply strengthen its presence in Hainan and make in-depth business layout in the ski ecosystem. As of December 2021, FTG's business in Hainan includes not only Atlantis Sanya, Club Med resort in Sanya, but also services and solutions, including resident Show C, Foryou Ski and travel agency business. FTG is actively seeking opportunities to further develop its business in Hainan Free Trade Port. FTG intends to actively explore tourism destination business in Hainan under the brand of FOLIDAY Town, and reached cooperation with municipal government of Sanya over the development of SANYA FOLIDAY Town. In addition, FTG is committed to building a complete and rich ski ecosystem. FTG is the biggest ski resort provider in Europe in terms of number of ski resorts in 2019. As of the end of 2021, Club Med operates 20 mountain (ski) resorts worldwide, of which 15 are located in Europe and four are located in Asia-Pacific. The opening of Quebec Charlevoixn marks the expansion of FTG's ski operation in North America. FTG continues to optimize its ski resort portfolio in Europe. From 2016 to 2021, FTG opened at least one mountain resort in the Alps every year, and proactively expanded its mountain (ski) resorts in Asia-Pacific Region. The Alps Snow World in Taicang FOLIDAY Town, which is under construction, is planned to become a large-scale indoor ski resort, dedicated to bringing skiers a year-round ski experience.

WEALTH

The Group's Wealth segment includes two major sub-segments: Insurance and Asset Management.

INSURANCE

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

Unit: RMB million

	For the year ended 31 December 2021	For the year ended 31 December 2020	Change over the same period of last year
Revenue	32,149.3	29,840.1	7.7%
Profit attributable to owners of the parent	1,461.3	1,158.2	26.2%

During the Reporting Period, the revenue of Insurance segment increased by 7.7% compared to the same period of last year, mainly because of the business growth of Fosun Insurance Portugal and Peak Reinsurance. The profit attributable to owners of the parent was RMB1,461.3 million during the Reporting Period, representing an increase of 26.2% as compared with 2020, mainly attributable to the stable growth of core enterprises of the Insurance segment.

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 established subsidiaries to acquire Fidelidade, Multicare and Fidelidade Assistência, gaining a controlling stake. As of the end of the Reporting Period, the Group owns 84.9892% equity interest in Fidelidade. As a leading company in the Portuguese insurance market, the platform 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, covering the sale of products in all key lines of business and benefiting from the largest and most diversified insurance sales network in Portugal, including many exclusive and multi-brand agents, brokers, own branches, internet and telephone channels and a strong distribution system with the post office and Caixa Geral de Depósitos S.A., the leading Portuguese bank. Its international business covers eleven countries, with products distributed in the four continents of Europe, Asia, Africa and America.

In 2021, despite the partial economic shutdown in the first half of the year, Fosun Insurance Portugal's results still performed well, achieving total premium income of EUR4,912 million, representing a year-on-year increase of 38%. Net earned premium reached EUR2,218 million, representing a year-on-year increase of 5%. The increase in total premium income is mainly due to Life Financial business. Leveraging on strong sales network, total premium income of capital-light non-guaranteed income products achieved rapid growth in the domestic market in Portugal. Non-life products also grew significantly following strong market trends.

During the Reporting Period, Fosun Insurance Portugal achieved net profit attributable to owners of the parent of EUR270 million. The synthetic fund cost rate of non-life business was 93.4%, and the size of asset management was EUR17,251 million. Investment yield ratio (excluding investment-linked insurance) was 3.6%.

During the Reporting Period, the market leader position of Fosun Insurance Portugal was continually enhanced. Premium income growth rate was higher than peers in the industry, and its share of the market of Portugal was 29.1%, representing a year-on-year increase of 1.9%. Of which, the market share of life business was 29.5% and market share of non-life business was 28.5%.

In early 2019, Fosun Insurance Portugal completed the acquisition of a majority stake in La Positiva Group, one of the leading players in the insurance market of Peru. As of the end of the Reporting Period, with a market share of 13.1%, Fosun Insurance Portugal (Peru business) was ranked the 3rd position in the insurance market of Peru.

During the Reporting Period, the overall premium income of the international business of Fosun Insurance Portugal was EUR1,029 million, exceeding the milestone of EUR1 billion, accounting for 21% of the total premium income of Fosun Insurance Portugal.

In the international front, Fosun Insurance Portugal has entered into relevant agreements for the acquisition of majority stakes of The Prosperity Company. The transaction is expected to be completed in the first half of 2022. Such company is an insurance company specialized in life financial non-guaranteed products headquartered in Liechtenstein. At the same time, on 31 December 2021, Fosun Insurance Portugal completed the acquisition of Seguradora International de Moçambique, an insurance company in Mozambique. Through the acquisition, Fosun Insurance Portugal's share of the insurance market of Mozambique was enhanced to the 3rd position.

In addition, during the Reporting Period, Fosun Insurance Portugal successfully issued EUR500 million subordinated debt, improving both asset structure and solvency. At the same time, it received A- investment-grade rating from Fitch (Long-Term Issuer Default Rate rating of 'A-' and Insurer Financial Strength rating of 'A' with 'Stable' outlooks). Currently, this is the highest rating received by a Portuguese financial institution and reflects Fosun ecology's empowering support, Fidelidade's long-term good operational results and excellent investment and risk management standards.

At the same time, Fosun Insurance Portugal is also committed to sustainable development, and formulated a number of initiatives in investment and operational aspects to achieve this goal. In terms of investment, Fosun Insurance Portugal undertakes to integrate environmental, social and corporate governance factors into investment decision-making. In terms of products and projects, it has launched retirement products that integrate saving and enhancement of environmental practices PPR 40+ ESG, and has set up awards to promote social inclusion, health and prevent aging (Fidelidade Comunidade). At the same time, it launched several projects, including Vitality program (a project to encourage healthy lifestyle habits), We Care project (a project to help and support people who have suffered serious physical accidents to recover and re-integrate into society, career and family) for the purpose of reducing traffic accidents, and Fidelidade Drive (an APP to encourage and award driving behavior that enhances environmental sustainable development). In addition, Fosun Insurance Portugal plans to introduce products and services to promote sustainable living style, with a view to achieve Fosun Insurance Portugal's leading position in environmental improvement.

Meanwhile, Fosun Insurance Portugal also seeks to make innovations, successfully launching Fixo Service that caters to elderly healthcare, and developing customer service robot Maria through AI technology, to connect to customer and domestic service provider, which increases overall response rate and efficiency of call center. It was awarded innovation award in the Portuguese market for the above initiative.

Moreover, Fosun Insurance Portugal received several distinguished honor awards, e.g. "Superbrands 2021" (Preferred brand in the hearts of consumers), "2021 Market

Reputation Index" (1st Insurance brand in Portugal), " Marca de Confiança 2021"(Most Trusted Brand in 2021), and Escolha do Consumidor 2021 (Consumer's Choice in 2021) in the categories of "Excellent companies", "Insurance companies" and "Direct insurance companies".

Looking forward, in 2022 Fosun Insurance Portugal will continue to promote innovation and transformation and continue, on the basis of focusing on existing innovative solutions (including My Savings, Drive, Vitality, Fixo, Alô), to satisfy new market needs (including pet insurance, dental insurance and pension insurance products), and promote the transformation of financial life insurance products towards non-guaranteed products. It will comprehensively digitalize internal process and build more Agile organizational structure, and plans to acquire and explore emerging markets such as Columbia.

Peak Reinsurance

Peak Reinsurance Company Limited ("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 and Prudential Financial, Inc. held 86.51% and 13.49% 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 was established with the clear purpose to modernize reinsurance to support the needs of communities and emerging middle-class through meeting their reinsurance needs in Asia and around the globe. Peak Reinsurance has now grown into a global reinsurer that offers products and services encompassing both property & casualty (P&C) and life & health (L&H) reinsurance. At the same time, Peak Reinsurance strives to provide clients around the globe with innovative and tailored reinsurance, risk management and capital management solutions. Peak Reinsurance's vision remains to become the most valuable reinsurance partner in the eyes of clients and stakeholders.

In 2021, the threat of COVID-19 continued. There were also frequent climate disasters and natural disasters which affected tens of millions of people around the world. As a global reinsurer, Peak Reinsurance is committed to supporting societies, businesses and individuals so that they can return to their normal lives quickly. In the past year, Peak Reinsurance provided services to close to 600 customers in more than 60 markets. Its diverse team is composed of 120 professionals, bringing unique expertise and insights in risk management and making a positive impact to the global insurance industry.

In 2021, while preventing and controlling the impact of the COVID-19 pandemic on its business, Peak Reinsurance maintained its operations throughout the year without interruption, demonstrating strong resilience. Diversified property and casualty insurance portfolio and effective risk management strategies enabled Peak Reinsurance to maintain growth and profitability despite some high-profile natural catastrophe events. Peak Reinsurance's life and health (L&H) business continued to develop with strength.

As at the end of the Reporting Period, Peak Reinsurance reported the gross written premium of USD2,144.7 million (FY2020: USD1,966.3 million) and net profit of USD73.2 million. Due to portfolio adjustments, continued rate hardening in major markets, and a planned shift to a greater weighting towards non-proportional business, the property & casualty (P&C) business underwriting margin improved. In addition, efforts to rebalance the portfolio towards non-proportional business will ensure price stability alongside future business development. Despite financial market volatility and increased uncertainty over the outlook for the global monetary policy, Peak Reinsurance recorded a strong return on investment of 3.0% at the end of the Reporting Period. Investable assets and net assets were USD 2.8 billion and USD 1.5 billion. Peak Reinsurance's awarded credit rating and a solvency ratio of over 300% showed that Peak Reinsurance remained well-capitalized as at the end of the Reporting Period.

Peak Reinsurance continued to strengthen its business in 2021. In 2016, Peak Reinsurance completed its strategic investment of a 50% stake in Caribbean insurance group NAGICO Holdings Limited ("NAGICO"). In June 2021, Peak Reinsurance reached a definitive share purchase agreement to acquire the remaining 50% stake of NAGICO. The acquisition aligns with Peak Reinsurance's strategy to diversify its portfolio globally, and to support the (re)insurance needs and close the protection gaps of developing communities. The transaction is subject to the receipt of required regulatory approvals and other customary closing conditions being satisfied, which is not yet completed as of the end of the Reporting Period.

In addition, 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'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- excellent), reflecting Peak Reinsurance's balance sheet strength, increasingly diversified product portfolio and geographic mix, and solid capitalization relative to risk underwritten. In September 2021, Peak Reinsurance ranked the 27th among global reinsurance groups by S&P Global Ratings in terms of net reinsurance premiums written[4].

[4] Source: S&P Global Reinsurance Group Top 40 in 2021 (by net reinsurance premiums written)

With its outstanding performance, Peak Reinsurance won the "Asian Reinsurance of the Year Award" at the Insurance Asia Awards (IAA) organized by the Asia Insurance Group for the sixth consecutive year. Peak Reinsurance was also awarded Insurance Asia News's (IAN) "Property and Casualty Reinsurer of the Year Award".

Peak Reinsurance is driving the modernization of reinsurance to support emerging middle-class communities by meeting reinsurance needs in Asia and beyond. Over the years, Peak Reinsurance has endeavoured to integrate sustainable practices and strategies into its business and operations, while maintaining a customer-centric culture. Looking ahead to the next decade, Peak Reinsurance is committed to further accelerate progress on sustainability with its business partners, the wider industry and other stakeholders to build a more resilient future.

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 hold 50% of the joint venture shares. The establishment of Pramerica Fosun Life Insurance marked the Group's first entry into the domestic life insurance market.

Based on the business philosophy of both shareholders, 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 RMB3,229.5 million, representing a year-on-year increase of 24.87%, and the major premium income channels from new policy showed good growth. Net loss of Pramerica Fosun Life Insurance was RMB115.4 million, representing a year-on-year decrease of loss of RMB126.3 million. The total investment yield was 6.34%, and the comprehensive investment yield was 7.03%.

In order to better meet the insurance protection needs of middle- and high-net-worth family customers, Pramerica Fosun Life Insurance insists on building a team of professional life insurance agents, vigorously invests in ecological and technological construction to empower the team to acquire customers and operate and build a comparative advantage. In terms of agent team building, Pramerica

Fosun Life Insurance adheres to basic principles with “golden direct administration” as the core, and strives to build an elite agent team with high income, high productivity and high retention. During the Reporting Period, the average monthly active manpower and the team’s productivity indicators were in the forefront of the industry. In terms of technology construction, it focused on providing customers with comprehensive services that were convenient, efficient and with excellent experience. The policy organization system iterated the policy custody function. The smart “double recording” system shortened the double recording time to 8 minutes, leading the industry level. In terms of ecological empowerment, the four major ecosystems of “Health, Retirement, Wealth, Happiness” continued to mature. In terms of the construction of the elderly care ecosystem, it deepened strategic cooperation with Fosun’s health care sector, and jointly created the “Star Elder Care” (星養老) elderly care ecological brand, achieving 477 orders for Starcastle senior community throughout the year and received total premium of RMB781.15 million.

In 2022, Pramerica Fosun Life Insurance will continue to adhere to the business philosophy of long-term value increase, implement the strategic path of the four development paths, and will unswervingly strengthen outstanding teams by the triple measures of “Product Matrix + Health Care Ecosystem + Technology Empowerment”. With the goal of meeting the life-cycle security needs of middle and high-net-worth family customers, it will continuously iterate the product system that is “systematic, service-oriented, family-oriented, and brand-oriented”, create a brand image of “Understand your need, Make for your need” and implement C-end Top Priority with high-quality “smart operation and high-quality customer service”. It will continue to iterate the digital training system based on the “Zhixing”（知行） platform and the sales empowerment system centered on policy arrangement to promote the quality of the agent team; explore “scenario-based production and customer acquisition + online joint operation + offline transformation” innovative business model, and create new growth poles through traffic conversion. With the help of the resource endowment of Fosun Health Care Ecosystem, the rapid growth of the business scale and the high-quality development of the team will be boosted by community orders, and the business value will be continuously enhanced.

ASSET MANAGEMENT

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

Unit: RMB million

	For the year ended 31 December 2021	For the year ended 31 December 2020	Change over the same period of last year
Revenue	11,550.1	12,679.7	(8.9%)
Profit attributable to owners of the parent	3,698.8	3,389.1	9.1%

During the Reporting Period, the revenue of the Asset Management segment decreased by 8.9% year-on-year, which was mainly due to the influence of business cycle of Asset Management (Property) business. The 9.1% increase in profit attributable to owners of the parent compared to the same period of last year was mainly attributable to the increase in investment gains during the Reporting Period.

Fosun Capital

Established in 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 well-known family funds, pensions, 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 15 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. Fosun Capital focuses on four major areas: new materials and smart manufacturing, digital economy and new consumption, healthcare, and next-generation information technology. As at the end of the Reporting Period, Fosun Capital had invested in over 100 companies, and successfully exited from investments in nearly 50 companies through domestic or overseas listings, equity transfer and other ways. As at the end of the Reporting Period, the assets under management were nearly RMB20 billion.

During the Reporting Period, three of Fosun Capital's investment companies passed the IPO review of the China Securities Regulatory Commission. Fosun Capital was listed among the "Top 11 Best Chinese Private Equity Investment Institutions of 2021", "Best performance private equity fund in China of 2021", "Best Innovative Investment Institutions in China of 2020-2021", "Chinese Advanced Manufacturing Companies of 2020-2021", "Investment Institution for Big Consumption with the Most Growth in China of 2020-2021" selected by Financing China and has been rated as a Class A private equity investment fund manager by Insurance Asset Management Association of China for two consecutive years. At the same time, it won the "Top 11 Private Equity Fund of 2021" by China-fof, "Top 100 China 2020 Best Private Equity Investment Institutions" by Touzhong.com, "Top 30 of the 2021 China's Most LP Recognized Private Equity Investment Institutions", "Top 50 Popular Private Equity Investment Institutions Among Investors in China of 2021", "Top 20 Investment Institutions in China's Chip/Semiconductor Field in 2021" by 36Kr and "Best Hard Technology Investment Institution in 2021" by Jazzyear.

Fosun RZ Capital

Fosun RZ Capital is a 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. During the Reporting Period, it exited successfully from over 20 projects with cash proceeds and provided added value to approximately 30 companies, rendering outstanding performance. During the Reporting Period, Fosun RZ Capital completed the raising and establishment of the third phase of the RMB fund for science and technology innovation. The size of the newly raised fund was RMB2,000 million, and the total management size of Fosun RZ Capital was nearly RMB10,000 million. During the Reporting Period, Fosun RZ Capital was ranked on the "Top 100 China 2020 Best Venture Capital Institutions" by Touzhong.com, and "Top 100 Chinese Venture

Capital Institutions in 2021" 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 Lampe Privatbankiers AG (HAL)</u>

Founded in 1796, HAL is headquartered in Frankfurt with offices in several key German cities such as Munich, Düsseldorf, Hamburg and Berlin. It also has branches in Luxembourg and London, a subsidiary in Zurich and a representative office in Paris. As of the end of the Reporting Period, the Group owns 99.94% equity interest of HAL.

HAL aims to rank among the top 3 private banks in Germany with a focus on managing, preserving, serving and trading client assets. The bank follows a clear growth strategy with a diversified and capital-light business model covering four core business areas, i.e. asset servicing, asset management, private banking and investment banking.

HAL intends to internationalize its product series, and secure new customer groups and thus further strengthen its own market position. An essential element of the bank'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 past two years, HAL has established subsidiaries in Shanghai and Nanjing respectively, focusing on the asset management and cross-border mergers and acquisitions ("M&A") business.

Against the backdrop of the rampant outbreak of COVID-19 and the global economic downturn, HAL experienced another year of significant growth in spite of difficulties As at the end of the Reporting Period, the assets under HAL's service and management reached EUR230 billion, representing an increase of 37% compared to the same period of 2020. At the same time, HAL's gross income increased by 32% year-on-year to EUR302 million during the Reporting Period. HAL's profit before tax increased from EUR56.4 million in 2020 to EUR60.7 million in 2021, with its total assets growing to EUR12 billion.

HAL announced its planned acquisition of Bankhaus Lampe in 2020. The transaction closed in September 2021 after the ownership control process was completed. Bankhaus Lampe has a 170-year history in private banking, providing wealth management, asset management and personalized banking solutions to private, institutional and corporate clients, with offices in 13 cities in Germany, Austria, the UK and the US. Through this acquisition, HAL's services and assets under management exceeds EUR200 billion, with total assets in excess of EUR10 billion, and the Group's business segments and regional capabilities are expanded, particularly in the areas of private banking and asset management. Hauck & Aufhäuser Privatbank AG ("H&A") was officially renamed Hauck Aufhäuser Lampe Privatbank AG ("HAL") on 1 January 2022.

HAL's growth story gained recognition from the public. As a result, the bank received several awards including "Best Private Bank in Germany 2021", "Germany's Most Popular Bank", "Leading Employers in Germany 2021".

At the same time, HAL is proactively responding to ESG developments and continuously optimizing its corporate governance to fully meet regulatory requirements. The newly established ESG function department and ESG Committee ensure consistency with the ESG strategy across all business lines, focusing on current market developments, regulatory requirements and organizational structure. HAL's extensive activities to put the ESG strategy into practice have also received external attention and an award for outstanding sustainable engagement.

BCP

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 has 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 29.95% 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 "ActivoBank".

During the Reporting Period, the consolidated core operating profit (net interest income plus net fees and commissions income deducted from operating costs, excluding one-time personnel restructuring costs in Portugal of EUR90.7 million) of BCP amounted to EUR1,291.4 million, 10.9% higher than EUR1,164.3 million of the same period of last year. In particular, the core operating profit in Portugal reached EUR743.45 million, which increased by 11.3% as compared to EUR668.2 million of the same period of last year. The good performance of the core operating profit was mainly due to the increase of the net interest income and recovery of the commission fee income after the pandemic.

Net profit attributable to shareholders of BCP was EUR138.1 million, representing a decrease of 24.6% compared with the same period of last year, mainly due to the impact of legal risks on Swiss Franc mortgage loans, which continued to accumulate special provisions.

As at the end of the Reporting Period, the consolidated total assets of BCP amounted to EUR92,905 million, representing an increase of 8.4% year-on-year. BCP's consolidated loans to customers (gross) amounted to EUR58,231 million, representing an increase of 4.6% year-on-year, which was boosted by the favourable performance in Portugal and Poland. The good performance of loans to both individual and corporate customers in Portugal led to a 3.6% year-on-year increase, reaching EUR39,866 million, which largely reflects the credit granted under the credit lines launched by the government to face the impacts caused by the COVID-19 pandemic and under the lines covered by the European Investment Fund, reflecting the reinforcement of the presence of the Bank with the Portuguese companies.

It should also be noted that the non-performing exposure (NPE) reduced EUR543 million at the BCP up level resulting from the success of the divestment strategy, leading the NPE ratio as a percentage of the total loan portfolio declined from 5.9% as at the end of 2020 to 4.7% as at the end of the Reporting Period. At the same time, the reinforcement in the coverage of NPE at the group level increased 5.1 percentage points year-on-year to 68% as at the end of the Reporting Period.

Another remarkable performance of BCP was customer growth during the Reporting Period. The number of active customers at BCP's group level increased to 6.14 million from 5.90 million at the end of 2020, of which the number of mobile active customers increased from 2.89 million at the end of 2020 to 3.46 million, among which the number of newly acquired customers through mobile terminal was 571,000. During the Reporting Period, BCP was awarded "Best Investment Bank 2021 in Portugal" by Global Finance, as well as "Best Consumption Digital Bank 2021" in Portugal, "Consumer Choice in Portugal 2021 and 2022" in the "Large Banks" category. ActivoBank was awarded "Customer Choice 2022" under the "Digital banks" category.

Looking forward, the strategic plan of BCP aims to improve the environmental adaptability and risk response capabilities of the bank after the pandemic, continue to promote the five overarching strategic priorities defined for the future, namely talent enhancement, mobile-centric digitization, growth and leadership in Portugal, growth in international footprint, and business model sustainability, to enable BCP to recover quickly to accomplish the strategic objectives after the pandemic. BCP presented a new strategic plan accordingly to the market designated "Excelling 2024," setting the priorities and objectives for the new strategic cycle for 2021-2024. The design of the Excelling 2024 plan was based on BCP's aspiration for this cycle: to successfully overcome the impact of the pandemic and achieve robust levels of profitability and balance sheet improvement based on superior personalized services and new mobile/digital solutions, accelerating the bank's competitive differentiation in terms of efficiency and customer engagement, and at the same time responds to the challenges in sustainable development, especially the risks and opportunities posed by climate change, social impacts, and good social governance.

<u>The Bund Finance Center ("BFC")</u>

Located at 600 Zhongshan No. 2 Road (E), Shanghai, China, The Bund Finance Center ("BFC") is a benchmark project of Fosun's "Hive City". With the Huangpu River to the east and Yuyuan Old Street on the west, BFC is a large ecological commercial complex located in the heart of the Bund. The project officially started in November 2011 and embraced its grand opening on 12 December 2019. The gross floor area ("GFA") of BFC is over 420,000 square meters. Taking fashion, art and design as the three core elements, it integrates ecology with office, retail, catering, entertainment, health, art and tourism, creating a brand-new landmark in Shanghai.

The Group has in-depth layout of the four major businesses of Health, Happiness, Wealth, and Intelligent Manufacturing. After the pandemic, BFC has strengthened its "1+N" model focusing on household consumption, that is, family ecosystem and vertical ecosystem. BFC is the exemplary model of "1+N Happiness 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 a super-grade-A office building integrated with multiple smart building technologies and comfortable workspace experience with attentive concierge service. As of the end of December 2021, the occupancy rate exceeded 99%; (ii) retail business that houses over 200 stores and brands, of which approximately 30 stores are the first of its kind, including the world-famous French designer jewelry brand DJULA, Lanvin Asia flagship store, etc.; (iii) catering business that offers an array of high-quality international restaurants, including the legendary Italian restaurant DA VITTORIO SHANGHAI, which has won two Michelin stars consecutively in 2021, and the Fujian cuisine Meet the Bund, which has won one Michelin star; (iv) health business with a fitness club, BFC FITNESS, that presents an exquisite sports space with swimming pool, gym equipment, aerobic classes, boxing training and a new Pilates training room. Fosun's high-end medical clinic Zallhui (卓爾薈) provides 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 , to provide one-stop health management and exclusive services for elites and their families; (v) art business conducted through Fosun Foundation Art Center, which has the world's first-ever three-layer "moving" veil system, creating an unique and dynamic aesthetic appeal for the building. The fourth stop of the global tour of "Tadao Ando:

Endeavors" opened in March 2021, attracting more than 150 thousand people. The exhibition, opened in November 2021 is "Freeway", the first museum-level exhibition in China, by American artist Alex Israel; and (vi) family-oriented services that feature the Miniversity club jointly created by FTG, Mattel (a children's entertainment brand), and Club Med, which has founded Mini Club Med, and SNOW51, a professional indoor skiing brand, providing a great experience for ski lovers.

As of the end of Reporting Period, benefiting from continued improvement in occupancy rate and unit prices of office and commercial buildings, BFC recorded total operating revenue of RMB787.73 million, representing a year-on-year increase of 25% from RMB628.87 million in 2020; operating EBITDA was RMB476.89 million, representing a year-on-year increase of 36% from RMB351.08 million in 2020. In 2021, in the face of recurrent pandemics, BFC's pandemic prevention had never been slacking to ensure zero infection cases. It also maintained a stable occupancy rate, and secured transactions with key corporates and their entry into BFC office buildings. After the pandemic stabilized at the beginning of 2021, BFC heightened its efforts both online and offline which added about 200,000 members during the Reporting Period, and the number of members exceeded 560,000 by the end of the Reporting Period. BFC also launched an online shopping platform "iShopping", integrating functions including online purchase, membership rights, interactive live streaming and store display. In respect of offline operation, BFC launched "BFC Art Festival (外灘BFC藝術季)", "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)", "BFC Fashion Gathering Festival (BFC時尚聚力季)", "BFC Warm Winter Music Festival (BFC暖冬音樂季)", and "BFC Christmas Carnival (BFC聖誕嘉年華)" and other highlighted activities in succession. By creating its own IP festivals, BFC effectively promoted the vertical passenger flow and brand power, and more accurately reached the trendy young people. During the BFC Music Festival, the turnover increased by 50% year-on-year from 2020, and the passenger flow increased by more than 120% year-on-year, rapidly gathering customers together and achieving agreeable results. Since its launch in June 2020 up to the end of the Reporting Period, BFC's popular IP "BFC Fengjing" had attracted more than 7 million visitors. Partnered with more than 475 brands, it had brought together highlights such as street culture, pet communities, organic flowers, fashion bars, performing arts activities and aerial terrace party. It had hosted rich themed seasonal and festive activities including "Dessert Festival (外灘甜品節)" and "Star Chef Food Festival (星廚美食節)", bringing fresh experiences to the community.

Looking forward, BFC will deepen its implementation of FC2M strategy and introduce its excellent industry resources of "Health, Happiness, and Wealth" 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 Tourist Mart, 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 year ended 31 December 2021	For the year ended 31 December 2020	Change over the same period of last year
Revenue	7,736.9	4,950.2	56.3%
Profit attributable to owners of the parent	3,577.6	2,102.7	70.1%

During the Reporting Period, the revenue of the Intelligent Manufacturing segment amounted to RMB7,736.9 million, and increased by 56.3% compared to the same period of last year, and profit attributable to owners of the parent amounted to RMB3,577.6 million, representing a year-on-year increase of 70.1%. The main reason for the increase in revenue was due to recovery of operations of Hainan Mining and consolidation of Easun Technology since July 2020. The main reason for the increase in profit was due to the recovery of core enterprises' operations such as Nanjing Iron & Steel and Hainan Mining in an upward industry cycle.

<u>Nanjing Iron & Steel</u>

Nanjing Iron & Steel, a leading whole-process steel conglomerate with high efficiency, was established in 1999 and was listed on the SSE in 2000. For many years, Nanjing Iron & Steel has increased product competitiveness and production efficiency through industry-leading intelligent manufacturing and high-quality steel research and development system. Nanjing Iron & Steel has formed a unique competitive advantage of "high-efficiency production, low-cost intelligent manufacturing", with integrated 10-million-tonne-level production capability of steel. As at the end of the Reporting Period, the Group held 58.92 % 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 China's manufacturing upgrade and important substitution, it leverages on special steel and long materials as major products, and focus on two series of specialized plate-material products and long-material special steel products, concentrate on the R&D and promotion of high-strength, high-toughness, high-fatigue, high-wear resistance, corrosion-resistant, easy-to-weld and other special steel products, which are widely used in new energy, oil and gas equipment, ship and offshore engineering platform, automotive bearing springs, engineering machinery and rail, bridge high construction structure and other industries (fields), and provides new materials for national key projects, high-end manufacturing industry upgrading, and increases R&D and investment in scientific and technological innovation, ultra-low carbon emission, and specialize in manufacturing special steels meticulously. Nanjing Iron & Steel focuses on new materials, industrial internet, low-carbon development and the extension of the industrial chain in the new industry era, to cultivate a group of leading and champion enterprises, and to develop it as a leader and hidden champion in this industry.

During the Reporting Period, Nanjing Iron & Steel achieved total revenue of RMB75,674 million, a year-on-year increase of 42.45%; profit attributable to shareholders of the listed company was RMB4,091 million, a year-on-year increase of 43.75%; gross profit margin on steel sales was 15%, a year-on-year increase of 1.55 percentage points; total profit was RMB4,978 million, a year-on-year increase of 28.34%. During the Reporting Period, the company actively responded to the impact of the epidemic, flood situation, rising raw material prices and other challenges, actively responded to the domestic requirements on "carbon peaking and carbon neutrality goal" and "dual control on total energy consumption and energy intensity" etc., adhere to the refining and strengthening of special steel. The core high-end products sales volume increased, the profit contribution continued to improve, and steady growth in business performance was achieved. At the same time, Nanjing Iron and Steel continued to increase the proportion of high-end products. The sales volume of advanced steel materials reached 1.8111 million tons, accounting for 17.41% of the total sales volume, a year-on-year increase of 16.15%.

During the Reporting Period, the sales volume of steel of Nanjing Iron & Steel was 10.40 million tons, representing an increase of 2.11% year-on-year respectively. Nanjing Iron & Steel's standard bearing steel, ship crack arresting steel, special oil and gas pipelines, non-quenchable steel, construction machinery steel, high-speed railway steel, ultra-high strength spring steel and other products have a leading position. Nanjing Iron & Steel maintained its leading position. The certification process of new products was smooth. Nanjing Iron & Steel completed 21 third-party product steel certification during the year, and accepted 62 times of second-party certification from well-known enterprises at mainland China and abroad.

In terms of green environmental protection, Nanjing Iron & Steel continues to invest in environmental protection and emission reduction and energy conservation to upgrade the technology, striving to maintain the position as the industry forerunner in the context of "peaking carbon dioxide emissions" and "carbon neutrality". The exhaust gas and waste heat were used to generate 2.823 billion kilowatt hours of self-generated electricity throughout the year, accounting for 51.9% of the total electricity consumption, the annual emissions of major pollutants year on year deceased 259.70 tons of sulfur dioxide, 722.99 tons of nitrogen oxide and 192.59 tons of particulate matter, respectively.

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. At present, Nanjing Iron & Steel have completed key node tasks such as no.2 coke oven building and chimney top sealing, and entered the equipment installation and debugging stage. In addition, in June 2021, Nanjing Iron & Steel announced the proposed new investment in Indonesia with annual output of 3.9 million-ton coke, and will further strengthen overseas presence to meet the development opportunities brought by the "Belt and Road Initiative" industry. On 4 January 2022, the 3.9 million-ton coke project has received the "Notice of Overseas Investment Project Filing" issued by the National Development and Reform Commission of China and "Certificate of Enterprise Overseas Investment" issued by the Department of Commerce of Hainan Province, and the construction of the project has commenced, with an estimated construction period of 18 months.

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. Upon completion of the non-public shares offering of Wansheng, Nanjing Iron & Steel will hold no more than 174,305,939 shares of Wansheng, representing 29.56% of the total share capital (ordinary shares) of Wansheng after the non-public offering. On 17 March 2022, Wansheng announced that the non-public share offering was approved by the China Securities Regulatory Commission. It is expected to complete the registration of new shares in April 2022.

Nanjing Iron & Steel positively responses the nation's requirements of the 14th Five-Year Plan for high-quality development, adheres to the enterprise vision of "creating a first-class international respected business wisdom life entity", focuses on "green, wisdom, humanity, technology", aims at the development opportunities of manufacturing upgrading, import substitution, the industrial Internet, low carbon, grasps the core technology of intelligent manufacturing. Nanjing Iron & Steel will build an industrial chain ecosystem with mutual enabling and compound growth centred on new steel materials, and make it an intelligent manufacturer of advanced materials with global competitiveness.

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, mainly including (i) iron ore mining, processing and sales business; (ii) the full range of upstream business activities in the oil and gas industry from exploration and appraisal to development and production through ROC, its controlling subsidiary; (iii) iron ore international trading and mixed ore business. As at the end of the Reporting Period, the Group held 48.86% equity interest in Hainan Mining.

During the Reporting Period, the revenue of Hainan Mining amounted to RMB4,119.02 million, representing an increase of 49.04% year-on-year, and net profit attributable to shareholders of the listed company amounted to RMB874.44 million, representing an increase of 513.55% year-on-year. Repeated outbreaks of COVID-19, volatile international situation, loose global monetary policy and other factors continue to affect the supply and demand pattern and price trend of bulk commodities. Iron ore prices fluctuated at high levels throughout the year, while crude oil prices rebounded from the bottom and gradually recovered.

During the Reporting Period, Hainan Mining captured the favorable timing of the industry upward cycle, the application of Hainan Mining for non-public offering of shares has been approved by China Securities Regulatory Commission, and it has completed the issue quickly and efficiently, raising a total capital of RMB757 million, optimizing the company's equity structure and providing financial guarantee for the development of the main business.

In respect of the iron ore mining and processing business, Hainan Mining by means of, among others, underground mining and dual-well production and the increase of purchased ores secured sufficient ore supply for finished ore production, and maintained the output of finished core at a relatively high level through strengthening refined management and others. At the same time, Hainan Mining continuously optimized its pricing mechanism and marketing strategy to take full advantage of the price increase in the iron ore market this year. During the Reporting Period, raw ore production reached 6.0185 million tons and finished ore production reached 2.9671 million tons. Moreover, technical modification (magnetization roasting project) of the existing 2 million-ton ore processing plant of Shilu iron ore also officially commenced construction on 27 November 2021.

In respect of the oil and gas business, ROC produced a total of 4.3704 million barrels of oil and gas equivalents for the year. The total output of Bajiaochang natural gas field in 2021 was 1.5125 million valent weight. During the Reporting Period, the Company continued to increase reserves in its existing oil and gas projects through technical means to reduce production costs. In May 2021, ROC acquired 100% of the operating rights of Bajiaochang compact natural gas field in Sichuan Province, and commenced efficient integration quickly, two high-yield wells were developed.

During the Reporting Period, Hainan Mining further strengthened the closed-loop management of safety production, attached great importance to environmental protection and ecological restoration, and did not record any work-related fatalities, serious work-related injuries, major equipment accidents or environmental pollution accidents. It attached importance to the prevention of major floods and had a safe flood season by taking measures including improving the flood control system, cleaning sedimentation ponds, optimizing emergency planning exercises, etc.; Hainan Mining's flood control capacity increased from a 20-year return period to a 50-year return period. Meanwhile, Hainan Mining actively responded to national "emission peaking and carbon neutrality goal" and "dual control" policy, and set up an "emission peaking and carbon neutrality" work command to coordinate the company's relevant work in an orderly manner.

During the Reporting Period, Hainan Mining formulated its "14th Five-Year" strategic development plan. In the future, Hainan Mining will on one hand continue to strength existing business and endeavor to finish iron ore production reaching 3 million tons and oil-gas valent weight reaching 5.42 million in 2022, and on other hand, promote the implementation of the lithium hydroxide project, Hainan Province, while at same time focusing on and actively promote new energy upstream resources and natural gas projects that can achieve long-term growth, and strive to achieve the implementation of the project. Hainan Mining will conduct in-depth studies on the new policies for Hainan Free Trade Port, focus on the future customs closure operation mechanism of Hainan, and plan development projects in advance.

JEVE

Established in 2009, JEVE is one of the earliest domestic enterprises to enter into the new energy passenger vehicle power lithium battery industry, with products covering NCM lithium and lithium iron phosphate systems which serve to meet demands in pure electric vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles and energy storage fields. Amidst the dual pressures of tough situation of the upstream raw material supply security and fierce market competition, JEVE still maintained a relatively high growth rate relying on technological advancement and continuing R&D investment. During the Reporting Period, JEVE ushered in the boom of production and sales. Its revenue increased by 91.43% year-on-year, and its installed capacity increased by 155% year-on-year. In terms of the number of vehicles installed by domestic power battery companies, JEVE ranked the 11th place in China. As at the end of the Reporting Period, the Group and the funds under its management jointly held 44.38% equity interest in JEVE.

During the Reporting Period, on the basis of maintaining the profound cooperation with existing customers such as Great Wall (長城), Chery (奇瑞), Hozon (合眾) and Dongfeng (東風), JEVE actively explored new customers. As at the end of the Reporting Period, it had already obtained the orders of a number of car companies, and was connected with several international leading customers. In 2021, JEVE received official nomination notification from Geely Commercial Vehicle (吉利商用車), SAIC (上汽), WM Motor (威馬) and Dongfeng Yueda Kia (東風悅達起亞), which was a sign that JEVE had been recognized by most of the vehicle customers in the new energy vehicle market of China. In addition, in the international market, JEVE successfully passed the ASES review of Dongfeng Nissan (東風日產) and Quality System Audit of Volkswagen (大眾). At the same time, it received two new product development requests from a European car brand, which fully demonstrated the leading customers' recognition of JEVE's technical capabilities. On 26 February 2022, JEVE and Chery New Energy signed a strategic cooperation agreement, pursuant to which Chery New Energy intends to purchase a total of about RMB5 billion of power batteries from JEVE in the next three years.

With the support of the Group 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 had established two technical centers and one research institute in China and had built cooperation with Tsinghua University, Nankai University, National Power Battery Innovation Center and Institute of Physics/Chemistry/Suzhou Nano Institute of Chinese Academy of Sciences as well as other well-known institutions. JEVE had applied for 777 patents and 285 invention patents, and undertook 15 national projects and 10 local projects. In terms of R&D, 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 addition, in order to further improve and enrich the product line, JEVE has also simultaneously completed the development of square aluminum shell products and has started the construction of the square aluminum shell production line.

In terms of production capacity construction, JEVE currently has four production bases in Tianjin, Yancheng, Jiaxing and Changxing, and the production capacity of battery reached 3.5GWh. In order to further meet the demand of downstream customers, JEVE has been actively planning to increase new production capacity. Yancheng phase II officially commenced construction in July 2021, and mass production is expected to take place in 2022 with designed capacity of 4GWh; Changxing new energy lithium battery factory officially started construction in October 2021, with planned capacity of 18GWh, and it is expected to be in operation by early 2023. Changxing project will add 6GWh energy storage battery construction on top of JEVE's existing power battery, entering the energy storage market and realizing 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, JEVE will conduct in-depth analysis 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 leading position in the domestic soft package battery field, and finally become an outstanding green energy system solution provider.

Easun Technology

Easun Technology was established in July 2018. Established in 1974, FFT is one of the world's largest providers of intelligent manufacturing solutions. In May 2019, Shanghai FFT Automation Technology Co., Ltd., the predecessor company of Easun Technology, acquired 100% interest in FFT and became an integrated solutions provider for the automobile industry. Easun Technology completed introduction of strategic investor in early 2021. As at the end of the Reporting Period, the Group and the non-consolidated entities in which the Group participated in the investment held 83.70% equity interest in Easun Technology.

In 2021, Easun Technology focused on the development of two core businesses in the global market: (i) the design and assembly of automated and digital production lines and (ii) the design and upgrading of manufacturing software for the automotive industry, and will continue to develop smart equipment through internal research and development and external merger and acquisition, and accelerate the development of industrial digitalization business to provide customers with a full-dimensional coverage of intelligent factory solutions. During the Reporting Period, in the face of the complex external environment, Easun Technology overcame the impact of the epidemic and flood season, strengthened its business foundation and continued to adhere to its corporate strategy. Leveraging on its strong competitive advantages, it explored expansion into wider industrial fields such as construction machinery.

While continuing to invest in R&D and global supply chain construction to reduce costs, Easun Technology will enhance the profitability and competitiveness of its main business in the automotive industry, expand its performance scale and market share, fully utilize its own automation technology accumulation, continuously digest and absorb different industry processes. Moreover, Easun Technology will continue to expand its existing proprietary technologies and standard product sequences in laser, vision, lightweight fixture, etc., build superior intelligent equipment through endogenous R&D and outbound mergers and acquisitions, accelerate the development of industrial digitization business, and provide customers with complete smart factory solutions.

Wansheng

Wansheng was established in 1995 and listed on the SSE on 10 October 2014. Since its establishment, Wansheng has been focusing on the production, development and sales of functional fine chemicals, and has become a world-leading producer of phosphorus-based flame retardant after years of development. The products of Wansheng can be divided into five major series, namely flame retardant, amine booster, catalyst, coating booster, lithium battery additives, which are all new field functional fine chemicals. Its products are mainly used in the "immediate needs" industry (for example: automotive, electronic appliances, network communication equipment, construction, furniture, personal care materials, etc.), which is closely related to daily life and is less affected by the macroeconomic situation. As at the end of the Reporting Period, Nanjing Iron & Steel held 14.42% of the shares of Wansheng. After the completion of subscription for the non-public offering of shares of Wansheng. Nanjing Iron & Steel will hold 174,305,939 shares, accounting for 29.56% of the total share capital (ordinary shares) of Wansheng after the non-public offering. On 17 March 2022, Wansheng announced that the non-public share offering was approved by the China Securities Regulatory Commission.

Wansheng has disclosed the "Announcement on Expected Growth of the Annual Results for the Year of 2021" on 15 January 2022, which anticipated the net profit attributable to shareholders of the listed company in 2021 amounted to a range of RMB800 million to RMB850 million, representing a year-on-year increase of 103% to 116%. The main products were affected by market development and supply and demand, and the sales volume and prices of the products increased. At the same time, Wansheng insisted on reducing costs and increasing efficiency, improving the efficiency of environmental protection treatment, and enhancing the efficiency of organization and management, thus achieving growth in revenue and product gross margin.

Wansheng has established long-term cooperative relationships with well-known domestic and foreign enterprises such as Bayer (拜耳), Dow Chemical (陶氏化學), Covestro AG (科思創), BASF (巴斯夫), Huntsman (亨斯曼), Lotte (樂天), etc. It has also signed long-term contracts with many international large customers and set up regional sales centers in Shanghai, Zhejiang, Guangzhou and Jiangsu. Since 2010, in order to further strengthen the market development and improve the global marketing network, Wansheng has established Wansheng US, Wansheng Europe, Wansheng UK, and Wansheng Hong Kong, and established warehousing and logistics service systems to provide localized sales services and logistics support to customers in a timely and efficient manner through the establishment of local entities to enhance market response speed and strengthen customer viscosity, and has gained good reputation from customers in Europe and the U.S..

In 2021, Wansheng further defined its future development strategy, i.e. to build a new material segment ecosystem, which is divided into four segments: the first segment: to consolidate the global leading position of phosphorus flame retardant; the second segment: to enter the domestic first tier in the household and personal care segment; the third segment: to enter the new energy automotive materials segment; and the fourth segment: to enter the electronic chemicals segment. Wansheng will implement its development strategy in phases and steps by means of internal new construction + external mergers and acquisitions. Internally, (1) build a new integrated project in Shandong to vertically build a northern base for flame retardant integration; (2) continue to expand, in Taixing, Jiangsu, the production capacity of fatty tertiary amines, which are mainly used in personal care products. It has established stable business relationships with major Stepan factories around the world, Kao (花王), P&G (寶潔), Thor (托爾) and other daily chemical major international customers. In the future, with the completion of the Shandong Integration Project, Wansheng will add 30,000 tons of new degradable, bio-based amino acid functional surface active agent, enriching the categories of functional daily chemical raw materials, and home and personal care segment by then will enter the first tier in China. Externally, during the Reporting Period, Wansheng invested in Fujian Zhongzhou New Materials Technology Co. Ltd. (福建中州新材料科技有限公司) with the support of the Group and Nanjing Iron & Steel. Wansheng and the equity incentive shareholding platform controlled by Wansheng hold 66.56% equity interest in industry-leading Fujian Zhongzhou New Materials Technology Co. Ltd. in total, and formally entering into the new energy battery material industry. Wansheng started construction of new production lines in Sanming, Fujian, with total production capacity of 95,500 tons, of which the first phase has production capacity of 20,500 tons of electrolyte additives, and is expected to commence production by the fourth quarter of 2023. Phase II project of 75,000 tons is under planning. In the future, with the empowerment of the Group and Nanjing Iron & Steel, Wansheng will continue to broaden the category of electronic chemicals through mergers and acquisitions.

In terms of production capacity building, Wangsheng's existing operations have four production bases: (1) Zhejiang Linhai Duqiao Medical and Chemical Industrial Park production base, covering an area of 230 acres, producing flame retardants and coating auxiliaries, with total production capacity of 165,000 tons, and will increase 5,000-ton flame retardant production capacity in 2022; (2) Jiangsu Taixing Economic Development Zone production base, covering an area of 133 acres, producing amine auxiliaries and catalysts with total production capacity of 35,000 tons, and will increase 27,000-ton amine booster and catalyst production capacity in 2022; (3) Shandong Weifang Binhai Chemical Industrial Park Base, covering an area of 600 acres, producing flame retardant raw materials, flame retardants, epoxy resin and auxiliary agents, surface active agents, etc. Construction is still underway and will increase 550,000-ton production capacity upon completion; and (4) Fujian Sanming Jikou Economic Industrial Park production base, covering an area of 200 acres, producing lithium additive, which is still under construction. Upon completion, it will increase 95,500-ton production capacity.

Looking forward, Wansheng will create more value for customers through continuous innovation, become a trusted partner for global customers, and develop into a leading global supplier of new functional materials.

FINANCIAL REVIEW

Net Interest Expenditures

Net interest expenditures, net of capitalized amounts of the Group, increased to RMB9,537.9 million in 2021 from RMB9,518.3 million in 2020. The increase in net interest expenditures in 2021 was mainly attributable to the increase in borrowings. The interest rates of borrowings in 2021 were approximately between 0.0% and 12.2%, as compared with approximately between 0.0% and 9.8% for the same period of last year.

Tax

Tax of the Group increased to RMB7,567.1 million in 2021 from RMB5,875.8 million in 2020. The increase in tax mainly resulted from the increase in taxable profit of the Group.

Indebtedness and Liquidity of the Group

As of 31 December 2021, the total debt of the Group was RMB237,119.5 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 31 December 2021, mid-to-long-term debt of the Group accounted for 55.6% of total debt, while 61.1% as of 31 December 2020. As of 31 December 2021, cash and bank balance and term deposits decreased by RMB10,067.7 million to RMB96,779.5 million as compared with RMB106,847.2 million as of 31 December 2020.

Total Debt to Total Capital Ratio

As of 31 December 2021, the ratio of total debt to total capital decreased to 53.8% 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 31 December 2021, save for cash and bank and term deposits of RMB96,779.5 million, the Group had unutilized banking facilities of RMB171,226.5 million. The Group has signed strategic cooperation agreements with various foreign and 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 & Intelligent Manufacturing" businesses. Prior approval from banks in accordance with bank regulations of China must be obtained before the use of these banking facilities. As at 31 December 2021, available banking facilities under these arrangements totaled RMB327,383.1 million, of which RMB156,156.6 million was utilized.

Interest Coverage

In 2021, the interest coverage was 4.4 times as compared with 3.6 times for 2020. The increase was mainly due to EBITDA of the Group increased to RMB42,107.6 million in 2021 from RMB33,979.9 million in 2020.

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Year ended 31 December 2021

	Notes	2021 RMB'000	2020 RMB'000 (Restated)
REVENUE	3	161,291,184	136,741,567
Cost of sales		(105,639,791)	(86,148,813)
Gross profit		55,651,393	50,592,754
Other income and gains	3	27,397,190	22,422,876
Selling and distribution expenses		(23,155,878)	(20,615,916)
Administrative expenses		(27,319,917)	(22,582,046)
Other expenses		(6,912,265)	(7,852,669)
Finance costs	4	(9,889,745)	(9,984,613)
Amount reported in profit or loss applying the overlay approach		121,262	(294,869)
Share of profits of:			
Joint ventures		3,241,598	1,387,339
Associates		5,519,242	3,885,176
PROFIT BEFORE TAX	5	24,652,880	16,958,032
Tax	6	(7,567,067)	(5,875,846)
PROFIT FOR THE YEAR		17,085,813	11,082,186
Attributable to:			
Owners of the parent		10,089,922	7,999,648
Non-controlling interests		6,995,891	3,082,538
		17,085,813	11,082,186
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic			
- For profit for the year (RMB)	8	1.21	0.94
Diluted			
- For profit for the year (RMB)	8	1.21	0.94

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2021

	2021 RMB'000	2020 RMB'000 (Restated)
PROFIT FOR THE YEAR	**17,085,813**	**11,082,186**
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 (loss)/income applying the overlay approach	(121,262)	294,869
Income tax effect	(23,675)	(45,293)
	(144,937)	249,576
Debt investments at fair value through other comprehensive income:		
Changes in fair value	(2,244,430)	432,093
Changes in allowance for expected credit losses	(122,488)	94,198
Reclassification adjustments for gains on disposal included in the consolidated statement of profit or loss	(8,859)	(53,234)
Income tax effect	298,586	(77,835)
	(2,077,191)	395,222
Change in other life insurance contract liabilities due to potential losses/(gains) on financial assets	151,039	(214)
Income tax effect	19,207	(140)
	170,246	(354)
Fair value adjustments of hedging instruments in cash flow hedges	147,958	36,797
Income tax effect	(47,600)	(12,963)
	100,358	23,834
Fair value adjustments of hedging of a net investment in a foreign operation	(425,599)	194,813
Income tax effect	97,428	(44,631)
	(328,171)	150,182
Share of other comprehensive income/(loss) of joint ventures	49,620	(47,357)
Share of other comprehensive income/(loss) of associates	230,286	(4,882)

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)
Year ended 31 December 2021

	2021 RMB'000	2020 RMB'000
OTHER COMPREHENSIVE INCOME (continued)		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods: (continued)		
Exchange differences on translation of foreign operations	(3,673,313)	(1,780,784)
Reclassification adjustment for a foreign operation disposed of during the year	-	(84,573)
	(3,673,313)	(1,865,357)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	**(5,673,102)**	**(1,099,136)**
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	5,305	4,858
Income tax effect	(1,313)	(1,046)
	3,992	3,812
Actuarial reserve relating to employee benefits	41,168	(50,942)
Income tax effect	2,207	1,879
	43,375	(49,063)
Equity investments designated at fair value through other comprehensive income:		
Change in fair value	(58,158)	(246,103)
Income tax effect	7,166	7,461
	(50,992)	(238,642)
Share of other comprehensive (loss)/gain of associates	(16,371)	118,710
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(19,996)	(165,183)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	(5,693,098)	(1,264,319)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**11,392,715**	**9,817,867**
Attributable to:		
Owners of the parent	6,166,270	7,514,529
Non-controlling interests	5,226,445	2,303,338
	11,392,715	**9,817,867**

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2021

	2021 RMB'000	2020 RMB'000 (Restated)
NON-CURRENT ASSETS		
Property, plant and equipment	42,387,533	42,460,156
Investment properties	67,229,732	65,688,473
Right-of-use assets	18,608,758	18,434,077
Exploration and evaluation assets	411,330	555,489
Mining rights	496,997	512,824
Oil and gas assets	1,959,612	1,387,545
Intangible assets	27,243,823	26,223,404
Goodwill	24,804,818	24,479,151
Investments in joint ventures	33,395,605	25,621,386
Investments in associates	92,808,915	92,254,373
Financial assets at fair value through profit or loss	27,599,749	25,193,993
Equity investments designated at fair value through other comprehensive income	535,491	746,295
Debt investments at fair value through other comprehensive income	61,654,863	66,371,132
Debt investments at amortised cost	19,664,789	23,741,297
Properties under development	13,201,244	18,233,525
Due from related companies	1,470,128	1,075,137
Prepayments, other receivables and other assets	4,541,722	4,176,404
Deferred tax assets	6,939,879	6,323,426
Policyholder account assets in respect of unit-linked contracts	10,658,853	3,732,640
Insurance and reinsurance debtors	79,879	76,264
Reinsurers' share of insurance contract provisions	4,286,097	4,769,326
Term deposits	501,471	1,121,996
Placements with and loans to banks and other financial institutions	36,099	40,125
Loans and advances to customers	1,324,555	361,491
Derivative financial instruments	1,544,894	407,526
Finance lease receivables	226,315	244,537
Contract assets and other assets	-	12,566
Total non-current assets	463,613,151	454,244,558

	Note	2021 RMB'000	2020 RMB'000 (Restated)
CURRENT ASSETS			
Cash and bank balances		96,278,048	105,725,216
Financial assets at fair value through profit or loss		42,528,438	33,969,450
Debt investments at fair value through other comprehensive income		19,253,551	22,771,181
Debt investments at amortised cost		6,319,685	11,071,593
Derivative financial instruments		1,512,688	1,604,363
Trade and notes receivables	9	10,618,340	9,020,547
Contract assets and other assets		36,125	97,410
Prepayments, other receivables and other assets		30,819,560	21,215,726
Inventories		22,263,338	17,664,600
Completed properties for sale		14,781,146	11,762,976
Properties under development		38,007,620	36,961,448
Due from related companies		16,739,960	11,851,404
Policyholder account assets in respect of unit-linked contracts		2,049,768	468,689
Insurance and reinsurance debtors		17,118,624	17,285,390
Reinsurers' share of insurance contract provisions		7,404,807	5,825,518
Placements with and loans to banks and other financial institutions		389,384	37
Loans and advances to customers		15,469,317	4,035,666
Finance lease receivables		612,374	1,351,935
		342,202,773	312,683,149
Assets of a disposal group classified as held for sale		556,217	792,496
Total current assets		342,758,990	313,475,645

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2021

	Note	2021 RMB'000	2020 RMB'000 (Restated)
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		105,227,290	89,339,137
Contract liabilities		20,315,595	25,165,866
Trade and notes payables	10	21,406,410	18,300,932
Accrued liabilities and other payables		37,872,829	37,940,452
Tax payable		11,896,130	9,599,948
Deposits from customers		71,742,751	47,788,958
Due to the holding company		-	659,378
Due to related companies		3,836,309	2,233,789
Assets sold under agreements to repurchase		1,467,606	3,120,034
Derivative financial instruments		3,027,559	2,021,960
Accounts payable to brokerage clients		421,560	1,184,878
Unearned premium provisions		9,859,032	9,650,294
Provision for outstanding claims		24,577,492	21,137,373
Provision for unexpired risks		513,322	371,607
Financial liabilities for unit-linked contracts		109,911	129,720
Investment contract liabilities		9,571,295	11,989,305
Other life insurance contract liabilities		1,088,504	387,828
Insurance and reinsurance creditors		9,070,251	10,259,769
Financial liabilities at fair value through profit or loss		4,078,714	2,134,246
Due to banks and other financial institutions		1,541,056	1,992,004
Placements from banks and other financial institutions		122,735	212,595
		337,746,351	295,620,073
Liabilities directly associated with the assets classified as held for sale		27,151	4,614
Total current liabilities		337,773,502	295,624,687
NET CURRENT ASSETS		4,985,488	17,850,958
TOTAL ASSETS LESS CURRENT LIABILITIES		468,598,639	472,095,516

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2021

	2021 RMB'000	2020 RMB'000 (Restated)
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	131,892,195	140,463,287
Deposits from customers	108,641	69,570
Derivative financial instruments	2,713,232	671,197
Deferred income	971,999	1,184,499
Other long term payables	18,967,634	16,035,233
Deferred tax liabilities	16,771,734	16,654,453
Provision for outstanding claims	18,842,918	19,265,658
Financial liabilities for unit-linked contracts	12,598,710	4,071,609
Investment contract liabilities	36,319,428	50,856,395
Other life insurance contract liabilities	19,805,347	24,037,018
Insurance and reinsurance creditors	160,993	132,202
Contract liabilities	626,871	700,277
Due to banks and other financial institutions	2,834,815	944,141
Due to the holding company	2,770,224	3,000,000
Due to related companies	-	923,453
Financial liabilities at fair value through profit or loss	-	2,000
Total non-current liabilities	265,384,741	279,010,992
Net assets	203,213,898	193,084,524

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2021

	2021 RMB'000	2020 RMB'000 (Restated)
EQUITY		
Equity attributable to owners of the parent		
Share capital	36,919,889	36,785,936
Treasury shares	(254,519)	(163,600)
Other reserves	94,404,536	91,187,676
	131,069,906	127,810,012
Non-controlling interests	72,143,992	65,274,512
Total equity	203,213,898	193,084,524

1. BASIS OF PRESENTATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

1.1 BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain financial assets and liabilities (including derivative instruments) which have been measured at fair value, and insurance contract liabilities, which have been measured primarily based on actuarial methods. Assets of a disposal group classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the years ended 31 December 2021 and 2020 included in this announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years but, is derived from those financial statements. Further information relating to these 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 Companies Ordinance and will deliver the financial statements for the year ended 31 December 2021 in due course.

The Company's auditor has reported on these financial statements for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2021. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee)

1.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

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)*

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 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 borrowings denominated in foreign currencies and interest rate related derivatives based on various interbank offered rates as at 31 December 2021. Since the interest rates of these instruments were not replaced by RFRs during the year, the amendments did not have any impact on the financial position and performance of the Group. If the interest rates of these instruments are replaced by RFRs in a future period, the Group will apply the above-mentioned practical expedient upon the modification of these instruments provided that the “economically equivalent” criterion is met.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (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 year ended 31 December 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 RMB268,733,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2021. There was no impact on the opening balance of equity as at 1 January 2021.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	*Reference to the Conceptual Framework*[1]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
HKFRS 17	*Insurance Contracts*[2]
Amendments to HKFRS 17	*Insurance Contracts*[2, 5]
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-Current*[2,4]
Amendments to HKAS 1 and HKFRS Practice Statement 2	*Disclosure of Accounting Policies*[2]
Amendments to HKAS 8	*Definition of Accounting Estimates*[2]
Amendments to HKAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*[2]
Amendments to HKAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*[1]
Amendments to HKAS 37	*Onerous Contracts - Cost of Fulfilling a Contract*[1]
Annual Improvements to HKFRSs 2018-2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41[1]

[1] Effective for annual periods beginning on or after 1 January 2022
[2] Effective for annual periods beginning on or after 1 January 2023
[3] No mandatory effective date yet determined but available for adoption
[4] As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
[5] As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits qualified insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 3 are intended to replace a reference to the previous Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or IFRIC-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or IFRIC-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor’s profit or loss only to the extent of the unrelated investor’s interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

HKFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, HKFRS 17 will replace the existing HKFRS 4 Insurance Contracts. The standard applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of the standard is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in HKFRS 4, which are largely based on grandfathering previous local accounting policies, the standard provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of the standard is the general model, supplemented by:

- a specific adaptation for contracts with direct participation features (the variable fee approach); and

- a simplified approach (the premium allocation approach) mainly for short-duration contracts.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKFRS 17 is effective for reporting periods beginning on or after 1 January 2023. Early application is permitted, provided the entity also applies HKFRS 9 and HKFRS 15 on or before the date it first applies HKFRS 17. The Group is currently assessing the impact of the standards upon adoption.

Amendments to HKFRS 17 include changes to simplify certain requirements in the standard and make financial performance easier to explain. The amendments also provide additional reliefs to reduce the effort required for the transition to HKFRS 17. In addition, the amendments defer the effective date of HKFRS 17 to annual reporting periods beginning on or after 1 January 2023 with earlier application permitted. As a result of the deferral, the HKICPA issued the amendments to HKFRS 4 to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023. The Group is currently assessing the impact of the standards upon adoption.

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 1 *Disclosure of Accounting Policies* require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to HKAS 1 are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. Since the guidance provided in the amendments to HKFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments on the Group's accounting policy disclosures.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 12 narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset and a deferred tax liability for temporary differences arising from these transactions. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied to transactions related to leases and decommissioning obligations at the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to the opening balance of retained profits or other component of equity as appropriate at that date. In addition, the amendments shall be applied prospectively to transactions other than leases and decommissioning obligations. Earlier application is permitted. The Group is currently assessing the impact of the amendments on the Group's consolidated financial statements.

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.

- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

1.4 PRIOR YEAR RESTATEMENT

1.4.1 RESTATEMENT OF PRIOR YEARS' FINANCIAL STATEMENTS AS A RESULT OF BUSINESS COMBINATIONS FOR ENTITIES UNDER COMMON CONTROL

In September 2021， Shanghai Fuyu Culture and Development Co., Ltd.（renamed as Shanghai Fosun Sports Group Co., Ltd）,an indirectly owned subsidiary of the Company acquired the domestic target assets held by Shanghai Foyo Culture and Entertainment Co., Ltd. and 100% equity interest in Shanghai Mengmeng Information Technology Co., Ltd.("Shanghai Mengmeng"), Shanghai Yichuan Information Technology Co., Ltd.("Shanghai Yichuan"), Shanghai Quanzhudong Information Technology Co., Ltd.("Shanghai Quanzhudong"), Shanghai Fuqinglan Information Technology Co., Ltd.("Shanghai Fuqinglan"), Shanghai Maibu Information Technology Co., Ltd.("Shanghai Maibu") at a purchase consideration of RMB 80,000,000. The Domestic Target Companies (namely, Shanghai Mengmeng, Shanghai Yichuan, Shanghai Quanzhudong, Shanghai Fuqinglan and Shanghai Maibu) are principally engaged in the businesses of e-sports, sports, information services and games.

In September 2021, Fosun Sports Group S.à r.l., an indirectly owned subsidiary of the Company, acquired 80.00% equity interest in Restart Limited ("Restar") held by HD Games Limited and 100% equity interest in EZ Games Digital Technology Co., Ltd.("EZ Games") at a purchase consideration of RMB 180,000,000. The HK Target Companies (namely, EZ Games and Restar) are principally engaged in businesses of game publishing in Hong Kong, Macau, Taiwan region, and Japan.

After the completion of the acquisition, these acquired companies were accounted for as subsidiaries of the Group. Since the Company and these acquired companies were under common control of Mr. Guo Guangchang ("Mr. Guo", the ultimate controlling shareholder of the Company) before and after the completion of the aforesaid acquisition, the business combination of these acquired companies have been accounted for by applying pooling of interest method.

Business combinations arising from transfers of interests in entities that are under the control of the ultimate shareholder that controls the Group are accounted for as if the acquisitions had occurred at the beginning of the earliest date presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the acquired entities' financial statements.

1.4 PRIOR YEAR RESTATEMENT (continued)

1.4.1 RESTATEMENT OF PRIOR YEARS' FINANCIAL STATEMENTS AS A RESULT OF BUSINESS COMBINATIONS FOR ENTITIES UNDER COMMON CONTROL (continued)

Upon transfer of interest in an entity to another entity that is under the control of the ultimate shareholder that controls the Group, any difference between the Group's interest in the carrying value of the assets and liabilities and the cost of transfer of interest in the entity is recognised directly in equity.

The consolidated statement of comprehensive income includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

The opening balances as at 1 January 2020 and comparative information as at 31 December 2020 and for the year ended 31 December 2020 have been restated in the consolidated financial statements.

1.4 PRIOR YEAR RESTATEMENT (continued)

1.4.2 QUANTITATIVE IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS

i. Restated consolidated statement of comprehensive income for the year ended 31 December 2020:

	As previously reported RMB'000	Effect of prior year adjustments RMB'000 (note 1.4.1)	As restated RMB'000
Profit for the year	11,100,478	(18,292)	11,082,186
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	(1,099,136)	-	(1,099,136)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(165,183)	-	(165,183)
Total comprehensive income for the year	9,836,159	(18,292)	9,817,867
Attributable to:			
Owners of the parent	7,532,821	(18,292)	7,514,529
Non-controlling interests	2,303,338	-	2,303,338

Details of the restated consolidated statement of comprehensive income for the year ended 31 December 2020 includes the followings:

	As previously reported RMB'000	Effect of prior year adjustments RMB'000 (note 1.4.1)	As restated RMB'000
Revenue	136,629,482	112,085	136,741,567
Cost of sales	(86,058,947)	(89,866)	(86,148,813)
Other income and gains	22,422,645	231	22,422,876
Selling and distribution expenses	(20,600,768)	(15,148)	(20,615,916)
Administrative expenses	(22,572,515)	(9,531)	(22,582,046)
Other expenses	(7,841,919)	(10,750)	(7,852,669)
Finance costs	(9,981,696)	(2,917)	(9,984,613)
Tax	(5,873,450)	(2,396)	(5,875,846)

1.4 PRIOR YEAR RESTATEMENT (continued)

1.4.2 QUANTITATIVE IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

ii. Restated consolidated statement of financial position as at 31 December 2020:

	As previously reported RMB'000	Effect of prior year adjustments RMB'000 (note 1.4.1)	As restated RMB'000
Total non-current assets	454,243,455	1,103	454,244,558
Total current assets	313,437,146	38,499	313,475,645
Total current liabilities	295,582,982	41,705	295,624,687
Total non-current liabilities	279,010,992	-	279,010,992
Equity attributable to owners of the parent	127,812,026	(2,014)	127,810,012
Non-controlling interests	65,274,601	(89)	65,274,512
Total equity	193,086,627	(2,103)	193,084,524

1.4 PRIOR YEAR RESTATEMENT (continued)

1.4.2 QUANTITATIVE IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Details of the restated consolidated statement of financial position as at 31 December 2020 includes the followings:

	As previously reported RMB'000	Effect of prior year adjustments RMB'000 (note 1.4.1)	As restated RMB'000
Non-current assets			
Property, plant and equipment	42,459,864	292	42,460,156
Prepayments, deposits and other assets	4,175,895	509	4,176,404
Deferred tax assets	6,323,124	302	6,323,426
Current assets			
Cash and bank	105,717,947	7,269	105,725,216
Trade and notes receivables	9,016,852	3,695	9,020,547
Prepayments, deposits and other assets	21,208,160	7,566	21,215,726
Due from related companies	11,831,435	19,969	11,851,404
Current liabilities			
Trade and notes payables	18,296,504	4,428	18,300,932
Accrued liabilities and other payables	37,940,450	2	37,940,452
Tax payable	9,599,619	329	9,599,948
Due to related companies	2,196,843	36,946	2,233,789

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 management, 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.

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 utilization 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 utilization 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)

Year ended 31 December 2021

	Health	Happiness	Wealth		Intelligent manufacturing		
			Insurance	Asset Management		Eliminations	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:							
Sales to external customers	43,242,573	66,741,794	32,149,316	11,420,607	7,736,894	-	161,291,184
Inter-segment sales	737,180	156,528	-	129,459	-	(1,023,167)	-
Total revenue	43,979,753	66,898,322	32,149,316	11,550,066	7,736,894	(1,023,167)	161,291,184
Segment results							
Profit before tax	6,244,861	2,713,140	3,059,709	8,694,168	4,043,535	(102,533)	24,652,880
Tax	(1,049,856)	(3,142,294)	(914,801)	(2,178,586)	(281,530)	-	(7,567,067)
Profit/(loss) for the year	5,195,005	(429,154)	2,144,908	6,515,582	3,762,005	(102,533)	17,085,813
Segment and total assets	107,245,951	194,575,279	208,579,832	259,246,571	47,755,786	(11,031,278)	806,372,141
Segment and total liabilities	51,848,370	138,408,998	185,589,288	220,157,048	16,346,353	(9,191,814)	603,158,243

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2021 (continued)

	Health	Happiness	Wealth		Intelligent manufacturing		
			Insurance	Asset Management		Eliminations	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Other segment information:							
Interest and dividend income	371,285	255,611	3,260,145	1,103,239	28,793	(148,904)	4,870,169
Other income and gains (excluding interest and dividend income)	3,754,634	2,018,122	4,951,338	11,301,325	510,663	(9,061)	22,527,021
Amount reported in profit or loss applying the overlay approach	-	-	121,262	-	-	-	121,262
Impairment losses recognised in the statement of profit or loss, net	(937,147)	(272,771)	96,481	(30,375)	(1,235,730)	-	(2,379,542)
Finance costs	(1,046,990)	(2,557,464)	(1,643,130)	(4,489,578)	(301,406)	148,823	(9,889,745)
Share of profits and losses of							
- Joint ventures	(244,806)	788,086	(77,133)	816,549	1,966,134	(7,232)	3,241,598
- Associates	2,097,223	(340,174)	835,559	830,595	2,165,929	(69,890)	5,519,242
Depreciation and amortisation	(1,888,341)	(4,069,829)	(653,541)	(646,125)	(658,916)	-	(7,916,752)
Research and development costs	(3,841,046)	(155,393)	-	(14,165)	(182,468)	-	(4,193,072)
Fair value gains on fair value adjustments of investment properties	38,453	164,133	430,720	347,401	-	-	980,707
Fair value gains on financial assets at fair value through profit or loss	421,865	254,973	514,745	7,467,958	304,896	816	8,965,253
Investments in joint ventures	292,030	6,037,024	1,378,107	11,743,636	14,352,514	(407,706)	33,395,605
Investments in associates	25,129,547	10,927,410	11,107,012	37,971,494	9,944,504	(2,271,052)	92,808,915
Capital expenditure*	4,457,699	4,906,307	3,068,378	830,116	605,999	-	13,868,499

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2020 (Restated)

	Health	Happiness	Wealth		Intelligent manufacturing		
			Insurance	Asset Management		Eliminations	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:							
Sales to external customers	33,833,815	55,839,115	29,840,096	12,278,296	4,950,245	-	136,741,567
Inter-segment sales	773,298	177,447	-	401,354	-	(1,352,099)	-
Total revenue	34,607,113	56,016,562	29,840,096	12,679,650	4,950,245	(1,352,099)	136,741,567
Segment results							
Profit before tax	5,354,993	1,973,640	2,440,834	5,000,435	2,272,152	(84,022)	16,958,032
Tax	(685,162)	(2,588,219)	(844,327)	(1,670,665)	(87,473)	-	(5,875,846)
Profit/(loss) for the year	4,669,831	(614,579)	1,596,507	3,329,770	2,184,679	(84,022)	11,082,186
Segment and total assets	100,117,588	178,545,852	214,233,433	243,338,968	42,055,524	(10,571,162)	767,720,203
Segment and total liabilities	45,006,099	123,514,424	193,525,754	207,315,956	15,041,512	(9,768,066)	574,635,679

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2020 (Restated) (continued)

	Health	Happiness	Wealth		Intelligent manufacturing	Eliminations	Total
			Insurance	Asset Management			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Other segment information:							
Interest and dividend income	231,771	341,839	3,558,028	718,125	51,599	(184,876)	4,716,486
Other income and gains (excluding interest and dividend income)	3,185,115	2,167,395	3,551,065	8,578,992	225,300	(1,477)	17,706,390
Amount reported in profit or loss applying the overlay approach	-	-	(294,869)	-	-	-	(294,869)
Impairment losses recognised in the statement of profit or loss, net	(283,601)	(376,370)	(322,264)	(1,700,471)	(207,157)	8,575	(2,881,288)
Finance costs	(1,127,255)	(2,278,384)	(1,774,037)	(4,715,597)	(271,148)	181,808	(9,984,613)
Share of profits and losses of							
- Joint ventures	(128,299)	11,873	(104,340)	543,745	1,069,596	(5,236)	1,387,339
- Associates	1,742,512	(47,616)	536,542	597,419	1,187,359	(131,040)	3,885,176
Depreciation and amortisation	(1,721,124)	(3,785,955)	(691,477)	(701,121)	(603,886)	-	(7,503,563)
Research and development costs	(2,800,802)	(109,012)	-	(22,234)	(72,447)	-	(3,004,495)
Fair value (loss)/gain on fair value adjustments of investment properties	-	(108,685)	328,803	1,527,111	-	-	1,747,229
Fair value gain/(loss) on financial assets at fair value through profit or loss	1,422,996	34,026	160,671	1,531,389	1,971	(7,922)	3,143,131
Investments in joint ventures	391,531	678,734	1,411,336	11,155,045	12,386,380	(401,640)	25,621,386
Investments in associates	25,534,198	10,300,345	10,484,791	38,231,665	9,733,136	(2,029,762)	92,254,373
Capital expenditure*	4,651,792	2,996,840	2,635,634	1,393,849	633,266	-	12,311,381

2. OPERATING SEGMENT INFORMATION (continued)

* Capital expenditure consists of additions to property, plant and equipment, exploration and evaluation assets, mining rights, intangible assets, investment properties and oil and gas assets.

Geographical information

(a) REVENUE FROM EXTERNAL CUSTOMERS

	2021 RMB'000	2020 RMB'000 (Restated)
Chinese Mainland	93,586,513	80,721,641
Portugal	17,014,614	16,882,535
Other countries and regions	50,690,057	39,137,391
	161,291,184	136,741,567

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

(b) NON-CURRENT ASSETS

	2021 RMB'000	2020 RMB'000 (Restated)
Chinese Mainland	221,784,082	233,195,232
Portugal	24,741,786	26,465,939
Other countries and regions	80,564,221	60,378,202
	327,090,089	320,039,373

The non-current asset information above is based on the locations of the assets and excludes financial instruments, deferred tax assets and rights arising under insurance contracts.

Information about a major customer

No revenue amounting to 10% or more of the Group's revenue was derived from sales to a single customer for the years ended 31 December 2021 and 2020.

3. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods or properties sold after allowances for returns, trade discounts and various types of government surcharges, where applicable during the year. In addition, it includes the net earned premiums from the insurance business, the value of services rendered and rental income from investment properties during the year.

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

	notes	2021 RMB'000	2020 RMB'000 **(Restated)**
Revenue			
Revenue from contracts with customers			
- Sale of goods	(1)	100,247,012	81,673,247
- Rendering of services	(2)	27,478,023	23,657,196
		127,725,035	105,330,443
Revenue from other sources			
- Insurance revenue	(3)	31,762,618	29,508,505
- Rental income		1,831,460	1,875,296
- Interest income		786,511	555,104
		34,380,589	31,938,905
Others			
- Less: Government surcharges		(814,440)	(527,781)
		161,291,184	136,741,567

(1) Sale of goods:

	2021	2020
Pharmaceuticals and medical products	34,385,885	25,334,154
Properties	21,843,006	23,249,943
Gold and jewelleries	27,443,246	22,167,937
Ore products	2,826,494	1,996,100
Oil and gas	1,137,246	646,226
Others	12,611,135	8,278,887
	100,247,012	81,673,247

(2) Rendering of services:

	2021	2020
Tourism	7,280,970	7,029,804
Healthcare	8,224,878	7,129,663
Property agency	389,308	462,410
Property management	1,549,251	1,522,074
Asset management	881,971	870,373
Fee and commission income	2,077,363	1,628,845
Others	7,074,282	5,014,027
	27,478,023	23,657,196

3. REVENUE, OTHER INCOME AND GAINS (continued)

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

	2021 RMB'000	2020 RMB'000
(3) Insurance revenue:		
Gross premiums written	39,566,145	38,041,100
Less: Premiums ceded to reinsurers and retrocessionaires	(7,055,028)	(7,397,160)
Net premiums written	32,511,117	30,643,940
Change in unearned premium provisions, net of reinsurance	(748,499)	(1,135,435)
Net earned premiums	31,762,618	29,508,505

Performance obligations

Information about the Group's performance obligations is summarised below:

SALE OF GOODS
The performance obligation is satisfied upon delivery of the products and payment is generally due within 30 to 180 days from delivery, or payment in advance is required in some cases.

SALE OF COMPLETED PROPERTIES
If control of the asset is transferred over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. Otherwise, revenue is recognised at the point in time when the customer obtains the physical possession or the legal title of the completed property and the Group has the present right to payment and the collection of the consideration is probable.

SERVICE INCOME
The performance obligation is satisfied over time as services are rendered and the customer simultaneously receives and consumes the benefits. Short-term advances are normally required before rendering the services.

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 with the amounts disclosed in the segment information:

For the year ended 31 December 2021

Segments:

	Health	Happiness	Wealth		Intelligent manufacturing	Total
			Issurance	Asset Management		
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Type of goods or services						
Sale of goods	33,977,485	54,759,726	2	3,810,189	7,699,610	100,247,012
Rendering of services	9,351,186	11,951,165	387,918	5,643,345	144,409	27,478,023
	43,328,671	66,710,891	387,920	9,453,534	7,844,019	127,725,035
Timing of revenue recognition						
Goods transferred at a point in time	33,977,485	54,759,726	2	3,810,189	7,699,610	100,247,012
Services transferred over time	9,351,186	11,951,165	387,918	5,643,345	144,409	27,478,023
	43,328,671	66,710,891	387,920	9,453,534	7,844,019	127,725,035

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 with the amounts disclosed in the segment information:

For the year ended 31 December 2020(Restated)

	Health	Happiness	Wealth		Intelligent Manufacturing	Total
			Insurance	Asset Management		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods or services						
Sale of goods	25,741,624	45,219,431	-	5,762,514	4,949,678	81,673,247
Rendering of services	8,190,163	10,466,898	332,380	4,603,044	64,711	23,657,196
	33,931,787	55,686,329	332,380	10,365,558	5,014,389	105,330,443
Timing of revenue recognition						
Goods transferred at a point in time	25,741,624	45,219,431	-	5,762,514	4,949,678	81,673,247
Services transferred over time	8,190,163	10,466,898	332,380	4,603,044	64,711	23,657,196
	33,931,787	55,686,329	332,380	10,365,558	5,014,389	105,330,443

3. REVENUE, OTHER INCOME AND GAINS (continued)

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

	2021 RMB'000	2020 RMB'000 (Restated)
Other income		
Interest income	1,244,839	1,100,648
Dividends and interest from financial assets at fair value through profit or loss	1,617,384	1,280,682
Dividends from equity investments at fair value through other comprehensive income	5,400	49,473
Interest income from debt investments at fair value through other comprehensive income	2,002,546	2,285,683
Rental income	549,206	615,402
Government grants	987,136	792,352
Consultancy and other service income	-	539,007
Fee income relating to investment contracts and reinsurance profit sharing	712,209	718,387
Others	1,181,481	1,015,943
	8,300,201	8,397,577

3. REVENUE, OTHER INCOME AND GAINS (continued)

	2021 RMB'000	2020 RMB'000 (Restated)
Gains		
Gain on disposal of subsidiaries	2,903,575	5,072
Gain on bargain purchase of subsidiaries	1,207,500	-
Gain on remeasurement of previously held interests in step acquisitions of subsidiaries	-	832,742
Gain on disposal/partial disposal of associates	2,029,335	1,889,842
Gain on deemed disposal of associates	431,459	531,101
Gain on bargain purchase of associates	-	3,471,769
Gain on disposal of debt investments at fair value through other comprehensive income	295,788	314,899
Gain on disposal of items of property, plant and equipment	68,130	-
Gain on disposal of items of intangible assets	119,309	598,513
Gain on disposal of investment properties	71,491	-
Gain on fair value adjustment of financial assets at fair value through profit or loss	8,965,253	3,143,131
Gain on derivative financial instruments	-	1,311,498
Gain on fair value adjustment of investment properties	980,707	1,747,229
Gain on reversal of impairment of loans and advances to customers	137,720	-
Gain on reversal of impairment of debt investments measured at fair value through other comprehensive income	122,488	-
Gain on rent concessions as a result of the COVID-19 pandemic	149,734	179,503
Exchange gain, net	1,614,500	-
	19,096,989	14,025,299
Other income and gains	27,397,190	22,422,876
Total revenue, other income and gains	188,688,374	159,164,443

4. FINANCE COSTS

An analysis of finance costs is as follows:

	2021 RMB'000	2020 RMB'000 (Restated)
Interest on bank and other borrowings (including convertible bonds)	10,602,746	10,519,867
Incremental interest on other long term payables	6,199	16,881
Interest on lease liabilities	617,347	654,878
	11,226,292	11,191,626
Less: Interest capitalised, in respect of bank and other borrowings	(1,704,945)	(1,687,512)
Interest expenses, net	9,521,347	9,504,114
Interest on discounted notes	16,577	14,155
Bank charges and other financial costs	351,821	466,344
Total finance costs	9,889,745	9,984,613

5. PROFIT BEFORE TAX

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

	2021 RMB'000	2020 RMB'000 (Restated)
Cost of sales:		
Cost of inventories sold	65,256,752	51,379,549
Cost of services provided	40,383,039	34,769,264
	105,639,791	86,148,813
Staff costs:		
Wages and salaries	19,903,903	16,430,868
Accommodation benefits:		
Defined contribution fund	793,455	673,949
Retirement costs:		
Defined contribution fund	936,048	333,484
Defined benefit fund	195,381	169,381
Equity-settled share-based payments	513,818	326,175
Total staff costs	22,342,605	17,933,857

5. PROFIT BEFORE TAX (continued)

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

	2021 RMB'000	2020 RMB'000 (Restated)
Research and development costs	4,193,072	3,004,495
Auditor's remuneration	10,800	10,350
Depreciation of items of property, plant and equipment	3,257,330	3,193,570
Depreciation of right-of-use assets	2,438,440	2,328,672
Amortisation of mining rights	15,827	23,199
Amortisation of oil and gas assets	368,548	305,905
Amortisation of intangible assets	1,836,607	1,652,217
Impairment of financial assets, net:		
- Impairment of receivables	184,544	587,195
- (Reversal of)/provision for impairment of debt investments measured at fair value through other comprehensive income	(122,488)	94,198
- (Reversal of)/provision for loans and advances to customers	(137,720)	31,198
- Provision for impairment of insurance and reinsurance debtors	-	203,186
- Provision for impairment of debt investments at amortised cost	14,299	3,395
- Impairment of finance lease receivables	32,881	20,377
Provision for inventories	421,411	93,027
Provision for impairment of oil and gas	-	194,623
Provision for impairment of completed properties for sale	4,976	41,973
Provision for impairment of items of property, plant and equipment	155,181	70,154
Provision for impairment of investments in associates	1,393,451	908,904
Provision for impairment of intangible assets	240,449	296,750
Provision for impairment of right of use assets	20,002	-
Provision for impairment of goodwill	172,556	336,308
Lease payment not included in the measurement of lease liabilities	269,647	396,468
Exchange (gain)/ loss, net	(1,614,500)	2,131,963
Loss/(gain) on derivative financial instruments	1,651,132	(1,311,498)

*There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions. (2020: Nil).

6. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

The provision for income tax of Peak Reinsurance Company Limited ("Peak Re") incorporated in Hong Kong acquired by the Group, is based on a preferential rate of 8.25% (2020: 8.25%).

The provision for income tax of Alma Lasers Ltd. ("Alma Lasers"), a subsidiary of the Group incorporated in Israel, is based on a preferential effective rate of 6.0% (2020: 6.0%).

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% (2020: 31.5%).

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

The provision for income tax of Club Med Holding and its subsidiaries incorporated in France is based on a rate of 28.41% (2020: 32.02%).

The provision for income tax of Hauck Aufhäuser Lampe Privatbank AG ("HAL") and its subsidiaries which was incorporated in Germany is based on a rate of 31.77% (2020: 32.10%).

The provision for income tax of Gland Pharma Limited ("Gland"), which was incorporated in India, is based on a statutory rate of 25.17% in 2021 (2020: 25.17%).

6. TAX (continued)

The provision for income tax of entities incorporated in the Chinese Mainland was based on a statutory rate of 25% (2020: 25%) as determined in accordance with the Enterprise Income Tax Law of the People's Republic of China which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in the Chinese Mainland, which were taxed at preferential rates ranging from 0% to 20%.

The major components of tax expenses for the years ended 31 December 2021 and 2020 are as follows:

	2021 RMB'000	2020 RMB'000 (Restated)
Current - Portugal, Hong Kong and others	2,519,116	1,270,901
Current - Chinese Mainland		
- Income tax in the Chinese Mainland for the year	2,846,846	2,596,633
- LAT in the Chinese Mainland for the year	2,828,797	2,197,932
Deferred	(627,692)	(189,620)
Tax expenses for the year	7,567,067	5,875,846

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 year, the prepaid LAT of the Group amounted to RMB 924,386,000 (2020: RMB1,079,006,000).

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 1,904,410,000 (2020:RMB1,455,926,000) in respect of the sales of properties in the year in accordance with the requirements set forth in the relevant PRC tax laws and regulations. During the year, there was no unpaid LAT provision (2020: RMB337,000,000) 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. DIVIDENDS

	2021 RMB'000	2020 RMB'000
2020 final dividend declared in 2021 – HKD0.22 per ordinary share (2019 final dividend declared in 2020 – HKD0.27 per ordinary share)	1,530,429	2,042,524

A final dividend of HKD0.22 per ordinary share for the year ended 31 December 2020 was declared and approved by the shareholders at the annual general meeting of the Company on 3 June 2021, amounting to a total of approximately HKD1,843,313,000.

The directors did not recommend the payment of an interim dividend in respect of the year.

On 23 March 2022, the board of directors of the Company resolved to propose a final dividend for the year ended 31 December 2021 of HKD0.30 per ordinary share, amounting to a total of approximately HKD2,495,635,000, subject to the approval by the shareholders at the forthcoming annual general meeting of the Company.

8. 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 year 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 8,345,347,770 (2020: 8,483,146,200) in issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year 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 year, 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.

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

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

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
		(Restated)
Earnings		
Profit attributable to ordinary equity holders of the parent	10,089,922	7,999,648
Less: Cash dividends distributed to the share award scheme	(3,941)	(1,708)
Adjusted profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	10,085,981	7,997,940
Cash dividends distributed to the share award scheme	3,941	1,708
Profit attributable to ordinary equity holders of the parent, used in the diluted earnings per share calculation	10,089,922	7,999,648

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

	Number of shares	
	2021	2020 (Restated)
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	8,345,347,770	8,483,146,200
Effect of dilution – weighted average number of ordinary shares:		
- Share award scheme	9,114,780	6,759,770
- Share option scheme	1,477,959	13,510
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	8,355,940,509	8,489,919,480
Basic earnings per share (RMB)	1.21	0.94
Diluted earnings per share (RMB)	1.21	0.94

9. TRADE AND NOTES RECEIVABLES

	2021 RMB'000	2020 RMB'000 (Restated)
Trade receivables	9,898,180	8,668,940
Notes receivable	720,160	351,607
	10,618,340	9,020,547

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

	2021 RMB'000	2020 RMB'000 (Restated)
Outstanding balances with ages:		
Within 90 days	6,932,049	5,901,306
91 to 180 days	1,542,199	1,718,135
181 to 365 days	1,072,648	627,514
1 to 2 years	458,445	371,935
2 to 3 years	239,691	193,354
Over 3 years	269,834	241,327
	10,514,866	9,053,571
Less: Loss allowance for trade receivables	616,686	384,631
	9,898,180	8,668,940

Trade and notes receivables of the Group mainly arose from the Health segment and 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

10. TRADE AND NOTES PAYABLES

	2021 RMB'000	2020 RMB'000 (Restated)
Trade payables	19,597,969	15,890,261
Notes payables	1,808,441	2,410,671
	21,406,410	18,300,932

An ageing analysis of the trade payables as at the end of the reporting period is as follows:

	2021 RMB'000	2020 RMB'000 (Restated)
Outstanding balances with ages:		
Within 90 days	11,403,912	8,917,441
91 to 180 days	2,090,052	1,632,474
181 to 365 days	3,385,232	3,017,718
1 to 2 years	1,631,731	1,600,842
2 to 3 years	679,312	504,710
Over 3 years	407,730	217,076
	19,597,969	15,890,261

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.

11. EVENTS AFTER THE REPORTING PERIOD

(i) On 21 March 2022, the Company, through its subsidiary, entered into a share transfer agreement with Zhongrong International Trust Co., Ltd.to acquire 50% equity interests in Shanghai Fosun Bund Real Estate Company Limited ("Fosun Bund Real Estate") at a consideration of RMB 6,342,187,500. Upon this acquisition, the Group will hold 100% equity interests in Fosun Bund Real Estate and Fosun Bund Real Estate will be accounted for as a subsidiary of the Company. The financial impact of the acquisition will be disclosed in the consolidated financial statements of the Group during the year of 2022.

(ii) On 23 March 2022, Fosun Fashion Group (Cayman) Limited ("FFG", accounted for as an investment in an associate in the consolidated financial statements of the Group as at 31 December 2021), Lanvin Group Holdings Limited ("Lanvin Holdings"), Lanvin Group Heritage I Limited, Lanvin Group Heritage II Limited (each a subsidiary of the Company) and Primavera Capital Acquisition Corporation (the "SPAC") entered a business combination agreement (the "Business Combination Agreement"). The transactions contemplated under the Business Combination Agreement involve, among other things, the acquisition of FFG by Lanvin Holdings from FFG's existing shareholders (the "Business Combination") pursuant to which new shares of Lanvin Holdings will be allotted and issued to, among others, the respective existing shareholders of FFG and of the SPAC. It is intended that Lanvin Holdings will become the new registrant of the U.S. Securities and Exchange Commission (the "SEC") and a listed company on the New York Stock Exchange subject to, among other things, the regulatory approval of the SEC.

Immediately after the transactions, FFG may become an indirect non-wholly owned subsidiary of the Company and the financial results of FFG may be consolidated into the accounts of the Company. The impacts on the consolidated financial statements will be assessed based on the results of the Business Combination following its Completion.

12. COMPARATIVE AMOUNTS

As stated in note 1.4 to the consolidated financial statements, the comparative amounts have been restated to reflect the prior year adjustments relating to the business combination under common control.

CORPORATE GOVERNANCE

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.

AUDIT COMMITTEE

As at the end of the Reporting Period, the audit committee of the Company (the "**Audit Committee**") 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 works of the Audit Committee, during the Reporting Period included reviewing the relationship with the external auditors, reviewing the Company's financial information and overseeing the financial reporting system, risk management and internal control systems of the Company, and to provide recommendations and advice to the Board. The Company's annual results for the year ended 31 December 2021 have been reviewed by the Audit Committee.

AUDITORS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2021 as set out in the preliminary announcement have been agreed by the Company's auditors to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by the Company's auditors in this respect did not constitute an assurance engagement according to the Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by the Company's auditors on this preliminary announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "**AGM**") will be held on Thursday, 2 June 2022. The notice of the AGM will be published on the websites of the Company (www.fosun.com) and the Hong Kong Stock Exchange (www.hkexnews.hk) and dispatched to the shareholders of the Company.

DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has recommended the payment of a final dividend of HKD0.30 per Share for the year ended 31 December 2021 to the shareholders of the Company whose names appear on the register of members of the Company on 14 June 2022. Subject to approval by the shareholders of the Company at the AGM, the proposed final dividend will be paid on 15 July 2022 to the shareholders of the Company.

The register of members of the Company will be closed from Monday, 30 May 2022 to Thursday, 2 June 2022, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "**Share Registrar**"), for registration no later than 4:30 p.m. on Friday, 27 May 2022.

The register of members of the Company will also be closed from Friday, 10 June 2022 to Tuesday, 14 June 2022, both days inclusive, during which period no transfer of shares will be effected. The ex-dividend date will be Wednesday, 8 June 2022. In order to qualify for the final dividend to be proposed at the AGM, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with the Share Registrar for registration no later than 4:30 p.m. on Thursday, 9 June 2022.

REPURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Board considered repurchases of Shares will lead to an enhancement of the net asset value per Share and/or earnings per Share, thus the Company repurchased a total of 119,925,500 Shares on the Hong Kong Stock Exchange at an aggregate consideration of HKD1,255,473,760.00. All the repurchased Shares were cancelled as at the date of this announcement.

Details of the repurchase are summarized as follows:

Month of repurchase	Total number of Shares repurchased	Highest price paid per Share HKD	Lowest price paid per Share HKD	Total purchase price paid HKD
January 2021	14,283,500	12.00	11.72	169,947,760.00
February 2021	27,500,000	12.40	11.46	328,481,730.00
April 2021	11,600,000	11.46	10.82	130,333,960.00

July 2021	9,580,000	11.50	10.76	107,496,270.00
August 2021	4,914,500	9.95	9.52	48,145,890.00
September 2021	19,200,000	10.38	9.04	182,601,025.00
October 2021	10,000,000	9.49	9.01	92,707,075.00
November 2021	8,000,000	9.08	8.75	71,626,855.00
December 2021	14,847,500	8.96	7.93	124,133,195.00
Total	**119,925,500**	**-**	**-**	**1,255,473,760.00**

Save as disclosed above, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2021.

2015 SHARE AWARD SCHEME

The share award scheme was adopted by the Company on 25 March 2015 (the "**2015 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 2015 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 First Award Shares**") to 88 Selected Participants under the 2015 Share Award Scheme. 2021 First Award Shares have 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 2015 Share Award Scheme, the 2021 First 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 First Award Shares have been fully issued to the Trustee.

On 25 August 2021, the Board resolved to award an aggregate of 265,000 Award Shares to five Selected Participants under the 2015 Share Award Scheme. Such Award Shares were settled by way of 265,000 Award Shares which had lapsed before vesting.

2021 SHARE AWARD SCHEME

The share award scheme was adopted by the Company on 30 August 2021 (the "**2021 Share Award Scheme**").

The 2021 Share Award Scheme is intended to encourage the employees of the Group to contribute and promote the long-term growth of FTG and the Group. The eligible participants to the 2021 Share Award Scheme (the "**Participants**") are any core personnel of the Group which contribute to the development and ecological empowerment of FTG.

On 30 August 2021, the Board resolved to award no more than 3,860,000 shares of FTG under the 2021 Share Award Scheme (the "**2021 Share Award Shares**") to 33 Participants under the 2021 Share Award Scheme. Subject to the satisfaction of the vesting criteria and conditions of the 2021 Share Award Scheme, the 2021 Share Award Scheme Shares shall be transferred from the Trustee to the Participants upon expiry of the respective vesting period. In January 2022, 2021 Share Award Scheme Shares have been transferred to the Trustee.

SHARE OPTION SCHEME

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 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 interests 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.

The Board announced that on 25 August 2021, subject to the acceptance of relevant grantees, the Company has decided to grant 780,000 share options to subscribe for an aggregate of 780,000 Shares under the New Share Option Scheme.

FORWARD-LOOKING STATEMENTS

This results 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 on 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.

ANNUAL REPORT

This results announcement is published on the websites of the Company (www.fosun.com) and the Hong Kong Stock Exchange (www.hkexnews.hk). The annual report will be dispatched to the shareholders of the Company and published on both websites on or before 30 April 2022.

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
Total debt	=	current and non-current interest-bearing bank and other borrowings
Total debt to total capital ratio	=	total debt/(shareholder's equity + total debt)

ABBREVIATIONS

Aleph	Dalian Aleph Biomedical Co., Ltd. (大連雅立峰生物製藥有限公司)
AmeriTrust	AmeriTrust Group, Inc.（formerly known as Meadowbrook Insurance Group, Inc.）
Antejin	Fosun Chengdu Antejin Biotech Co., Ltd. （復星安特金（成都）生物製藥有限公司）(formerly known as 成都安特金生物技術有限公司)
BabyTree	BabyTree Group, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01761
Baihe Jiayuan	Baihe Jiayuan Network Group Co., Ltd （百合佳緣網絡集團股份有限公司）
Bankhaus Lampe	Bankhaus Lampe KG
BCP	Banco Comercial Português, S.A., a company whose shares are listed on the Euronext Lisbon with stock code BCP

Besino Environment	Besino Environment Co., Ltd.（柏中環境科技（上海）股份有限公司）（formerly known as 柏中環境科技（上海）有限公司）
BioNTech or BNTX	BioNTech SE, a company registered in Germany, which is listed on the NASDAQ with stock code BNTX
Board	the board of Directors
Bohe Health	Bohe Health Technology Co., Ltd. （上海薄荷健康科技股份有限公司）
Cainiao	Cainiao Network Technology Co., Ltd. （菜鳥網絡科技有限公司）
CG Code	Corporate Governance Code contained in Appendix 14 of the Listing Rules
Club Med	Club Med SAS
Company	Fosun International Limited
Director(s)	the director(s) of the Company
Easun Technology	Shanghai Easun Technology Co., Ltd. (上海翌耀科技股份有限公司) (formerly known as 上海翌耀科技有限公司 and 上海愛夫迪自動化科技有限公司)
ESG	Environmental, Social and Governance
EUR	Euro, the lawful currency of the Eurozone
FC2M	Fosun/Family Client-to-Maker
FES	Fosun Entrepreneurship/Ecosystem System
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 Chancheng Hospital	Foshan Fosun Chancheng Hospital Company Limited (佛山復星禪誠醫院有限公司) (formerly known as 佛山市禪城區中心醫院有限公司)
Fosun Alliance	Fosun Alliance application
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 Foundation	Shanghai Fosun Foundation
Fosun Hani Securities	Fosun Hani Securities Limited
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 and its subsidiaries
Fosun Kite	Fosun Kite Biotechnology Co., Ltd. (復星凱特生物科技有限公司)
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 Sports	Fosun Sports Group S.à r.l.
Fosun Sports Group	Fosun Sports Group S.à r.l. and its subsidiaries
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
Gangbao	JM Digital Steel Inc. (江蘇金貿鋼寶電子商務股份有限公司), a company whose shares are listed on the NEEQ with stock code 834429
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
Group or Fosun	the Company and its subsidiaries
Guide	Guide Investimentos S.A. Corretora de Valores
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
HAL or H&A	Hauck Aufhäuser Lampe Privatbank AG (formerly known as Hauck & Aufhäuser Privatbankiers AG and Hauck & Aufhäuser Privatbankiers KGaA)
HKD	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
IDERA	IDERA Capital Management Ltd.
INR	Indian Rupee, the lawful currency of India
Intuitive Fosun	Intuitive Surgical-Fosun Medical Technology (Shanghai) Co., Ltd. （直觀復星醫療器械技術（上海）有限公司）
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
Lanvin Group/FFG	Fosun Fashion Group (Cayman) Limited
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 the PRC
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)
NEEQ	National Equities Exchange and Quotations
PAREF	Paris Realty Fund SA, a company whose shares are listed on the Euronext Paris with stock code PAR
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 year ended 31 December 2021
RMB	Renminbi, the lawful 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 lawful 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
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

23 March 2022

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, Mr. Gong Ping and Mr. Huang Zhen; 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.