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Fosun Tourism Group
复星旅游文化集团

(a company incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1992)

**SUPPLEMENTAL AGREEMENT TO CONTINUING CONNECTED
TRANSACTIONS
REVISION OF PRICING POLICIES AND ANNUAL CAPS**

Reference is made to the announcement of the Company dated 31 July 2020 (the “**Original Announcement**”) in respect of the sales and marketing services provided by Shanghai Resource to Taicang Tourism Subsidiaries in accordance with the Sales Agency Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Original Announcement.

BACKGROUND

Affected by the Novel Coronavirus (COVID-19) pandemic (the “**Pandemic**”), the overall annual sales plan of Taicang FOLIDAY Town Project has been adjusted. Both parties to the Sales Agency Agreement intend to adjust the target of annual Sales Amount set by the sales agency in order to motivate sales staff and promote transactions.

The Board announces that, on 22 November 2022, Taicang Tourism Subsidiaries (being subsidiaries of the Company) and Shanghai Resource entered into a supplemental agreement (“**Supplemental Agreement**”) to the Sales Agency Agreement, pursuant to which both parties agreed (1) to revise the terms of the pricing policies of the Sales Agency Agreement; and (2) to revise the annual cap for the transactions contemplated under the Sales Agency Agreement for the financial year ending 31 December 2022.

SUPPLEMENTAL AGREEMENT

Principal terms of the Supplemental Agreement are set out below:

Parties

(a) Taicang Tourism Subsidiaries; and (b) Shanghai Resource

Date

22 November 2022

Term

1 January 2022 to 31 December 2022

Revised Pricing Policy

During the term of the Supplemental Agreement, the pricing policy of the Sales Agency Agreement shall be revised as to below:

If the annual Sales Amount achieved by Shanghai Resource is less than RMB300,000,000, the Total Sales Agency Commission shall be 0.4% of the total Sales Amount for the year;

If the annual Sales Amount achieved by Shanghai Resource is not less than RMB300,000,000 while less than RMB600,000,000, the Total Sales Agency Commission shall be 0.8% of the total Sales Amount for the year;

If the annual Sales Amount achieved by Shanghai Resource is not less than RMB600,000,000 while less than RMB800,000,000, the Total Sales Agency Commission shall be 1.0% of the total Sales Amount for the year;

If the annual Sales Amount achieved by Shanghai Resource is not less than RMB800,000,000, the Total Sales Agency Commission to Shanghai Resource shall be 1.2% of the total Sales Amount for the year.

Revised Annual Cap and Basis

Pursuant to the Sales Agency Agreement, the existing annual cap for the year ending 31 December 2022 is RMB26,500,000 (the “**Existing Annual Cap**”). As a result of the impact of the Pandemic, the transaction amounts contemplated under the Supplemental Agreement are expected to be lower than the Existing Annual Cap. Considering the historical Sales Amount achieved by Shanghai Resource as of the date of this announcement and the trend of the Pandemic, the Company proposes to revise the Existing Annual Cap to RMB14,880,000 (the “**Revised Annual Cap**”).

Save as disclosed above, all other terms and conditions under the Sales Agency Agreement remain unchanged.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL AGREEMENT

Impacted by the outbreak of Pandemic in China since March 2022 across the country, Taicang FOLIDAY Town Project has adjusted the overall annual sales plan. Both parties to the Sales Agency Agreement intend to adjust the target of annual Sales Amount set by the sales agency in order to motivate sales staff and promote transactions.

The Directors (including independent non-executive Directors) consider that the Supplemental Agreement and the transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better after arm's length negotiations between the parties, and the terms of these transactions together with the Revised Annual Cap are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Xu Xiaoliang, being a Director also holding directorship in Fosun International, has abstained from voting on the Board resolution approving the Supplemental Agreement. Save as disclosed above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries as of the date of this announcement, none of the Directors has any material interests in the Supplemental Agreement and the transactions contemplated thereunder or shall abstain from voting in respect of the relevant resolutions.

LISTING RULES IMPLICATIONS

Pursuant to 14A.54 of the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions or effect a material change to the terms, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the relevant connected transactions.

Fosun International is the controlling shareholder of the Company, holding approximately 78.06% equity interest of the Company. As Shanghai Resource is an associate of Fosun International, Shanghai Resource is a connected person of the Company and thus the transactions contemplated under the Supplemental Agreement constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios in respect of the transaction contemplated under the Supplemental Agreement exceed 0.1% but all are less than 5%, the Supplemental Agreement is therefore subject to the reporting, annual review and announcement requirements but are exempt from the requirement of independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION ON THE PARTIES

The Group is one of the world's leading leisure-focused integrated tourism groups, and the largest leisure tourism resorts group worldwide, in terms of revenue in 2019 according to Frost & Sullivan's report. The Group provides a wide range of tourism and leisure services which comprise its three main business sectors: (i) resorts, including brands like Club Med, Club Med Joyview, as well as Casa Cook and Cook's Club acquired in 2019; (ii) tourism destinations, which the Company develops, operates and manages, including Atlantis Sanya, and Lijiang FOLIDAY Town, Taicang FOLIDAY Town, which are developed and operated under self-owned brand "FOLIDAY Town"; and (iii) services and solutions in various tourism and leisure settings.

Shanghai Resource is a limited liability company incorporated in the PRC and is non-wholly owned by Shanghai Yuyuan Tourist Mart (Group) Co., Ltd. (上海豫園旅遊商城(集團)股份有限公司) ("Yuyuan") as to 99.91% equity interests and 0.09% by seven independent third party individuals. Its business focuses on providing real estate transaction services for property developers in the first and second tier major cities such as Shanghai. Shanghai Resource focuses on the construction of industrial ecology, superimposes the support of real estate services, and proactively creates a digital-driven integrated service platform for happy life scenarios. Yuyuan is listed on the Shanghai Stock Exchange with stock code 600655 and is a non-wholly owned subsidiary of Fosun International. Yuyuan is indirectly owned by Fosun International as to approximately 61.94% equity interests. Fosun International is a global innovation-driven consumer group with mission to provide high quality products and services for families around the world in health, happiness, wealth and intelligent manufacturing business segments.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, Fosun International is indirectly held by Mr. Guo Guangchang as to 73.57% equity interests as at the date of this announcement.

By Order of the Board
Fosun Tourism Group
Xu Xiaoliang
Chairman

23 November 2022

As at the date of this announcement, the executive Directors of the Company are Mr. Xu Xiaoliang, Mr. Henri Giscard d'Estaing, Mr. Xu Bingbin and Mr. Choi Yin On; the non-executive Directors are Mr. Qian Jiannong and Mr. Pan Donghui; and the independent non-executive Directors are Dr. Allan Zeman, Mr. Guo Yongqing and Ms. Katherine Rong Xin.