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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)

GRANT OF OPTIONS AND GRANT OF SHARE UNITS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

GRANT OF OPTIONS

The board (the “**Board**”) of directors (“**Directors**”) of Fosun Tourism Group (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that on 18 January 2023 (the “**Grant Date**”), it has granted 7,246,000 share options (the “**Options**”) to certain eligible participants of the Option Scheme (as defined below) (the “**Option Grantees**” and each an “**Option Grantee**”) who are non-executive Directors or employees (including executive Directors) of the Group, subject to acceptance by the Option Grantees, to subscribe for a total of 7,246,000 ordinary shares of the Company (the “**Shares**” and each a “**Share**”) pursuant to the 2019 share option scheme of the Company adopted on 19 August 2019 and approved by shareholders of the Company on 27 November 2019 (the “**Option Scheme**”).

A summary of the terms of the Options granted is set out below:

| | |
|--|--|
| Grant Date: | 18 January 2023 |
| Type of the Option Grantees: | Directors and employees |
| Exercise price of the Options granted: | HK\$11.70 per Share, which is the highest among: (i) the closing price of HK\$11.70 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Grant Date; |

- (ii) the average closing price of HK\$11.45 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the Grant Date; and
- (iii) the nominal value of each Share.

| | |
|---|--|
| Number of Options granted: | 7,246,000 |
| Closing price of the Shares on the Grant Date: | HK\$11.70 per Share |
| Average closing price of the Shares for the five trading days immediately preceding the Grant Date: | HK\$11.45 per Share |
| Vesting period of the Options granted: | <p>The Options will be vested in four tranches to each Option Grantee: (i) 25% on 1 February 2024; (ii) 25% on 1 February 2025; (iii) 25% on 1 February 2026; and (iv) 25% on 1 February 2027.</p> <p>The vesting period is subject to cancellation, reduction and/or postponement (if any) as set out in “Performance targets of the Options granted” and “Clawback mechanism for the Options granted” below.</p> |
| Period of the Options granted: | Subject to vesting condition and early termination, the Options shall be exercisable by the Option Grantees up to 17 January 2033. |
| Performance targets of the Options granted: | The performance targets, as set out in individual offer letters, including financial targets and management targets, are determined in accordance with (i) the performance of individual, (ii) the performance of the Group, and (iii) the performance of the business group, business units, business lines, functional departments and projects managed by the Option Grantees. According to the requirements of the Company’s performance management, the Options can be vested only if the performance of the Option Grantees achieved “meeting the expectation” and above in the assessment of the previous year of the vesting period. |

Clawback mechanism for the Options granted: If the assessment result as set out in performance targets is “failing to meet the expectation” and below, the Company will cancel or withhold the Options to be vested in the corresponding year under assessment according to the assessment of the current year.

For more details, please refer to section “(W) LAPSE OF OPTION” of Appendix I in the circular of the Company dated 7 November 2019.

Number of Shares available for future grant under the Option Scheme: 48,420,519

Among the above Options granted, 2,000,000 Options were granted to 5 Directors as follows:

| Name | Number of Options granted |
|--------------|----------------------------------|
| Xu Xiaoliang | 1,000,000 |
| Xu Bingbin | 500,000 |
| Choi Yin On | 200,000 |
| Pan Donghui | 150,000 |
| Huang Zhen | <u>150,000</u> |
| | <u><u>2,000,000</u></u> |

Pursuant to Rule 17.04(1) of the Listing Rules, the above grant of Options to Mr. Xu Xiaoliang, Mr. Xu Bingbin, Mr. Choi Yin On, Mr. Pan Donghui and Mr. Huang Zhen was approved by the independent non-executive Directors on 18 January 2023.

Such grant of Option will not result in the total number of options and awards granted and to be granted to a participant for a 12-month period up to and including the Grant Date exceeding 1% of the Shares in issue. No grant of Options is subject to the approval of the shareholders of the Company. Save as disclosed above, none of the Option Grantee is a Director, chief executive or substantial shareholder of the Company or an associate of any of them.

Grant of Share Units

The Board has granted 4,850,000 Share Units (“**Share Unit(s)**”) to certain eligible participants (the “**Unit Grantees**” and each a “**Unit Grantee**”) of the Plan (as defined below) who are non-executive Directors or employees (including executive Directors) of the Group, subject to acceptance by the Unit Grantees, to subscribe for a total of 4,850,000 Shares pursuant to the 2019 share award plan of the Company adopted on 19 August 2019 (as amended) (the “**Plan**”).

A summary of the terms of the Share Units granted is set out below:

| | |
|--|--|
| Grant Date: | 18 January 2023 |
| Category of the units grantees: | Directors and employees |
| Consideration of Share Units granted: | Nil |
| Number of Share Units granted: | 4,850,000 |
| Closing price of the shares on the grant date: | HK\$11.70 per Share |
| Vesting period of Share Units granted: | For all the Directors, one Club Med employee and all non-Club Med employees, the Share Units will be vested in three tranches to each Unit Grantee: (i) 33% on 1 February 2024; (ii) 33% on 1 February 2025; and (iii) 34% on 1 February 2026. |

In addition to the above, the following special arrangements are made for employees near their retirement age (including Director Giscard d’Estaing Henri) (“**Special Grantee(s)**”):

- (a) If a Special Grantee retired during the period between 1 February 2024 and 1 February 2025, the remaining unvested Share Units granted to the retired Special Grantee will be vested on 1 February 2025.
- (b) if a Special Grantee retired during the period between 2 February 2025 and 1 February 2026, the remaining unvested Share Units granted to the retired Special Grantee will be vested on 1 February 2026.

For other Club Med employees, the Share Units will be vested in four tranches to each Unit Grantee: (i) 25% on 1 February 2024; (ii) 25% on 1 February 2025; (iii) 25% on 1 February 2026; and (iv) 25% on 1 February 2027.

The vesting period is subject to cancellation, reduction and/or postponement (if any) as set out in “Performance targets of Share Units granted” and “Clawback mechanism for Share Units granted” below.

Performance targets of Share Units granted:

The performance targets, as set out in individual offer letters, including financial targets and management targets, are determined in accordance with (i) the performance of individual, (ii) the performance of the Group, and (iii) the performance of the business group, business units, business lines, functional departments and projects managed by the Unit Grantees. According to the requirements of the Company’s performance management, the Share Units can be vested only if the performance of the Unit Grantees achieved “meeting the expectation” and above in the assessment of the previous year of the vesting period.

Clawback mechanism for Share Units granted:

If the assessment result as set out in performance targets is “failing to meet the expectation” and below, the Company will cancel or withhold the Share Units to be vested in the corresponding year under assessment according to the assessment of the current year.

In addition, in the event that a Unit Grantee commits or engages in any “Prohibited Actions” (defined as below), all of his unvested Share Units will lapse immediately, unless the Share Units are absolute unconditional shares, as defined in the offer letter, in which case they will continue to vest according to the terms of grant thereof. The Unit Grantees shall be liable to the Company or any of its Subsidiaries for any losses that the Company or such Subsidiary may suffer or incur as a result of the Unit Grantee’s committing or engaging in such Prohibited Actions.

“Prohibited Actions”

means, with respect to a Unit Grantee,

- (a) gross negligence or material misconduct with respect to the Company or any of its subsidiaries;
- (b) negligence with respect to any significant business, investment or other decisions of the Company or any of its subsidiaries which results in material loss or harm to the Company or any of its subsidiaries;
- (c) assignment, pledging, sale or otherwise transferring or encumbering any Share Units granted under the Plan in breach of the terms of grant thereof;
- (d) undertaking an employment with or providing similar services for (whether on a full-time or part-time basis) any company or entity that is a competitor of the Company or any of its subsidiaries; without the prior consent of the Company or any of its subsidiaries (as the case may be), engaging in any for-profit commercial or business activities outside of the scope of his employment with or services for the Company or any of its subsidiaries; or engaging in any work or job during his working hours which are not authorized or assigned by the Company or any of its subsidiaries (as the case may be);
- (e) unilateral termination of his employment with or services for the Company or any of its subsidiaries (as the case may be) without the consent of the Company or such subsidiary (as the case may be); or failure to complete the required notification or other procedures in respect of his termination of employment with or departure from the Company or any of its subsidiaries in accordance with the relevant rules and requirements of the Company or such subsidiary (as the case may be);
- (f) participating in activities that compete with the businesses of the Company or any of its subsidiaries, or seeking or obtaining benefits for any company or entity that competes with the Company or any of its subsidiaries; or engaging in any activities which results in or will result in harm to the reputation, image, or economic or business interests of the Company or any of its subsidiaries;

- (g) disclosure, divulging, delivery or dissemination of confidential commercial information to any third-party or taking actions resulting in the publication or public dissemination of such information (including but not limited to publication of the relevant information on any media or through the Internet or by making a patent application) in each case, without the authorization of the Company or any of its subsidiaries (as the case may be); for purpose of this clause, “Confidential Commercial Information” means all information not generally known to the public relating directly or indirectly to technologies, know-how, trade secrets, business or operations of the Company or any of its Subsidiaries that could result in economic or commercial benefits to the Company or any of its Subsidiaries, provide them with any advantage over other companies or entities and be of practical utility to the Company or any of its Subsidiaries and which is subject to confidentiality pursuant to the relevant policies, rule and procedures of the Company or any of its Subsidiaries (as the case may be); or
- (h) committing or conviction of any criminal offense.

Number of Shares 22,947,860
 available for future
 grant under the Plan:

Among the above Share Units granted, 1,400,000 Share Units were granted to certain Directors. Details of the Share Units granted to the Directors are as follows:

| Name | Number of Share Units granted |
|-------------------------|--|
| Xu Xiaoliang | 500,000 |
| Giscard d’Estaing Henri | 330,000 |
| Xu Bingbin | 250,000 |
| Choi Yin On | 120,000 |
| Pan Donghui | 100,000 |
| Huang Zhen | <u>100,000</u> |
| | <u><u>1,400,000</u></u> |

Pursuant to Rule 17.04(1) of the Listing Rules, the above grant of Share Units to Mr. Xu Xiaoliang, Mr. Giscard d'Estaing Henri, Mr. Xu Bingbin, Mr. Choi Yin On, Mr. Pan Donghui and Mr. Huang Zhen was approved by the independent non-executive Directors on 18 January 2023.

The grant of Share Units will not result in the options and awards granted and to be granted to a participant during the 12-month period up to and including the date of grant exceeding 1% of the Shares in issue in aggregate. No grant of Share Units is subject to the approval of the Company's shareholders. Save as disclosed above, none of the Unit Grantees is a Director, chief executive or substantial shareholder of the Company or an associate of any of them.

Related Entity Participants

Mr. Xu Xiaoliang and Mr. Huang Zhen are directors of Fosun International Limited, the Company's holding company. The Company granted them the relevant Options and Share Units as Directors of the Company. In order to attract and retain talents and to align the interests of employees, shareholders as well as the long-term development plan of the Company, the Board determined the grant scheme in light of the strategic planning of the Group by taking into account the responsibilities undertaken by Mr. Xu Xiaoliang and Mr. Huang Zhen, the Company's remuneration policy and the market environment. The Board considers that the abovementioned grant is in line with the purpose of the Option Scheme and the Plan, which is appropriate and consistent with the strategic planning and objectives of the Group.

Connected Persons

Among such grant of Share Units, 2,560,000 Share Units were granted to Directors and the directors of significant subsidiaries of the Company (the "**Connected Grantees**"). Such Share Units will be satisfied by the Company through transferring necessary funds to the independent trustee appointed by the Company for the purpose of the Plan (the "**Trustee**") and instructing the Trustee to acquire Shares through on-market transactions at the prevailing market price. The Company will not issue any new Share in respect of the Share Units granted to the Connected Grantees. Save as disclosed above, no other Share Units were granted to the connected persons of the Company as at the date of this announcement.

As a result, the Board has resolved to allot and issue a total of not more than 2,290,000 new Shares to satisfy the rest of grant of Share Units, which shall be made pursuant to the general mandate ("**General Mandate**") granted by the shareholders of the Company to the Directors to allot, issue and otherwise deal with new Shares at the annual general meeting of the Company held on 31 May 2022 (the "**AGM**").

Assuming that a total of not more than 2,290,000 new Shares are to be allotted and issued by the Company, such new Shares shall represent (i) approximately 0.18% of the total number of Shares in issue as at the date of this announcement; and (ii) approximately 0.18% of the total number of Shares as enlarged by the proposed issue (assuming there is no change in the total number of Shares in issue from the date of this announcement up to the date of such issue). No funds will be raised as a result of the aforesaid proposed issue of new Shares.

Pursuant to the General Mandate, the Company is authorised to allot and issue up to 247,798,147 Shares, representing approximately but not more than 20% of the total number of Shares in issue as at the date of the AGM. As at the date of this announcement, 0 Share has been allotted and issued under the General Mandate. Accordingly, the maximum number of new Shares which may be issued by the Company under the General Mandate is 247,798,147 Shares, representing approximately but not more than 20% of the total number of Shares in issue as at the date of the AGM.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, a total of not more than 2,290,000 new Shares. The Company has not conducted any equity fundraising activities in the past 12 months immediately preceding the date of this announcement. The new Shares, when issued and fully paid, shall rank *pari passu* among themselves and with the other Shares in issue, with rights to receive all dividends and other distributions declared, made or paid on or after the date of allotment or issue.

By Order of the Board
Fosun Tourism Group
Xu Xiaoliang
Chairman

19 January 2023

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, Mr. Pan Donghui and Mr. Huang Zhen; and the independent non-executive Directors are Dr. Allan Zeman, Mr. Guo Yongqing, Ms. Katherine Rong Xin and Mr. He Jianmin.