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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL SUMMARY

	For the years ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
		(Restated)
Revenue	**13,777,710**	9,261,473
Resort and destination operations	**10,405,733**	6,140,192
Tourism-related property sales and construction services	**1,336,051**	2,136,920
Tourism and leisure services and solutions	**2,035,926**	984,361
Gross profit	**3,990,350**	2,566,961
Operating profit/(loss)	**593,503**	(1,444,282)
Loss before income tax	**(403,150)**	(2,406,065)
Loss for the year	**(531,791)**	(2,787,454)
Loss attributable to equity holders of the Company	**(544,900)**	(2,718,643)
Adjusted EBITDA	**2,344,855**	213,071
Adjusted net loss	**(497,281)**	(2,756,587)
Loss per share — basic (in RMB)	**(0.44)**	(2.20)
Loss per share — diluted (in RMB)	**(0.44)**	(2.20)

BUSINESS OVERVIEW

Our Group is one of the leading leisure-focused integrated tourism groups and the largest leisure tourism resorts group worldwide, in terms of revenue in 2019, according to Frost & Sullivan Report. Throughout our mission, "Vacation brings a better life", we seek to lead the leisure lifestyle and create a world's leading leisure tourism ecosystem for families.

In 2022, despite the global spread of the Omicron variant of Coronavirus (COVID-19) (the "**Pandemic**"), the Group recorded strong growth in EMEA and the Americas with the easing of pandemic-related travel restrictions in tourist source countries, and continued to achieve high growth during the Reporting Period, following the strong recovery in the second half of 2021. Our Business Volume[1] of resorts and tourism destination operation, and tourism and leisure services and solutions (collectively as "**tourism operation**"), at constant exchange rate, increased to RMB14,502.8 million for the year ended 31 December 2022 from RMB7,853.4 million for the year ended 31 December 2021, representing a year-on-year increase of 84.7%. Our revenue increased to RMB13,777.7 million for the year ended 31 December 2022 from RMB9,261.5 million for the year ended 31 December 2021. Gross profit increased to RMB3,990.4 million for the year ended 31 December 2022 from RMB2,567.0 million for the year ended 31 December 2021. Adjusted EBITDA increased to RMB2,344.9 million for the year ended 31 December 2022 from RMB213.1 million (restated) for the year ended 31 December 2021. Loss attributable to equity holders was RMB544.9 million for the year ended 31 December 2022, compared with loss attributable to equity holders of RMB2,718.6 million (restated) for the year ended 31 December 2021.

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

RESORTS AND HOTELS

Club Med

Club Med, headquartered in France and founded in 1950, is a world-renowned family centric all-inclusive leisure and vacation service provider. As of 31 December 2022, we have sales and marketing operations in more than 40 countries and regions across six continents, and operate 66 resorts[1], of which 34 resorts (including a cruise ship) are in EMEA, 12 resorts are in the Americas and 20 resorts are in the Asia Pacific region (including 10 resorts in China). In terms of business models, 11 resorts are under ownership model, 40 resorts are under lease model, and 15 resorts are under management contract model. In 2022, direct sales proportion through the global sales network of Club Med reached 73.2%.

In 2022, Club Med business sustained and accelerated its recovery in EMEA, and Americas regions, following the strong rebound in the second half of 2021, even though the business was impacted by the Omicron Pandemic in these regions in January and February (depending on the countries). Due to the remaining travel restrictions in Asia Pacific region countries and Covid-19 resurgence in China, Club Med business in Asia Pacific region was still heavily impacted in 2022.

In 2022, the Business Volume of Club Med amounted to RMB12,011.4 million, representing an increase of 108.4% compared to that of 2021, and recovered to 99.1% of that of 2019. The recovery was uneven by regions. Compared to 2019, the Business Volume of Club Med in the Americas increased by 33.1%, EMEA increased by 3.7%, whilst Asia Pacific decreased by 48.3% as most countries had their boarders closed until early June. Despite the negative impact of the resurgence of Pandemic in China, the Business Volume of Club Med in Mainland China recorded RMB405 million in 2022, still 2.3% higher than that of the same period in 2021, and recovered to 54.3% of that of the same period in 2019, and the Business Volume of Club Med resorts in China almost recovered to the level in 2019. In 2022, the capacity of Club Med increased by 62.3% as compared to that of 2021, and recovered to 91.9% of that of the same period of 2019. In particular, the capacity of resorts in EMEA, the Americas and Asia Pacific increased by 96.8%, 43.8% and 43.1% as compared to 2021, respectively, and recovered to 86.0%, 103.7% and 89.8% of that of 2019, respectively. In 2022, the global average Occupancy Rate by Bed of Club Med reached about 60.9%, increasing by 5.6 percentage points compared to 2021 and showed a decrease of 3.5 percentage points compared with the same period of 2019; while the Average Daily Bed Rate was RMB1,468.2, at constant exchange rate, representing an increase of about 15.0% and 20.4% as compared with the same period of 2021 and 2019. The adjusted EBITDA of resort operation increased to RMB2,187.6 million for 2022, compared to adjusted EBITDA of negative RMB136.0 million for 2021 (restated).

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[1] During 2022, we opened Changbaishan resort in January, Marbella resort in May, Thousand Islands Lake resort in June, Yanqing Lijing Club Med Joyview (Phrase II) in July, and New Tignes, Val d'Isère EC and Kiroro Peak (Phrase I) in December.

In 2022, the three regions recovered unevenly, resulting in varying levels of profitability across the regions. In respect of operating profit, our business in EMEA and Americas significantly turned around as compared to the same period of 2021 and even exceeded that of 2019, whereas Asia Pacific was still far below the pre-Pandemic level.

	For the year ended 31 December		
	2022[1]	2021[1]	2019[1]
Business Volume by customer booking locations *(RMB million)*			
EMEA	**7,974.7**	3,688.3	7,693.5
Of which France	**4,976.0**	2,480.6	4,786.9
Americas	**2,861.2**	1,516.5	2,149.1
Asia Pacific	**1,175.5**	558.6	2,272.5
Of which Mainland China	**405.0**	395.8	745.6
Total	**12,011.4**	5,763.4	12,115.1

The following table sets out the capacity of resorts by type of resorts and by locations for the year ended 31 December 2022, respectively:

	For the year ended 31 December		
Type of resorts	**2022**	2021	2019
	'000	*'000*	*'000*
Capacity			
Mountain	**2,382.6**	896.1	2,263.7
Sun	**8,060.3**	5,220.8	9,338.1
Club Med Joyview	**882.2**	862.1	722.4
Total	**11,325.1**	6,979.0	12,324.2
4&5 Trident%[2]	**95.0%**	93.7%	85.0%
Capacities of resorts by locations			
EMEA	**4,842.4**	2,460.2	5,627.7
Americas	**3,487.9**	2,426.3	3,363.3
Asia Pacific	**2,994.8**	2,092.5	3,333.2
Total	**11,325.1**	6,979.0	12,324.2

1 At constant exchange rate

2 4&5 Trident percentage is based on resorts beds capacity (includes Villas & Chalets)

The following table sets out the number of customer by regions and by countries for the year ended 31 December 2022, respectively:

	For the year ended 31 December		
	2022	2021	2019
Number of customers by customer booking locations *(Thousands)*			
EMEA	**598**	302	680
Of which France	**386**	208	436
Americas	**372**	237	322
Asia Pacific	**334**	256	485
Of which Mainland China	**163**	210	239
Total	**1,304**	795	1,487

Certain key information with respect to our resort operations for the year ended 31 December 2022 is set out as below respectively:

	For the year ended 31 December		
	2022	2021	2019
Business Volume *(RMB million)*	**12,011.4**	5,763.4	12,115.1
Capacity of Resorts *(in thousands)*	**11,325.1**	6,979.0	12,324.2
Average Occupancy Rate by Bed	**60.9%**	55.3%	64.4%
Average Daily Bed Rate *(RMB)*	**1,468.2**	1,276.9	1,219.3
Revenue per Bed *(RMB)*	**900.0**	722.7	790.2

During the year of 2022, the Americas region had a very strong business recovery, and the Business Volume increased by 88.7% as compared to 2021 and increased by 33.1% compared to 2019. In the North America, apart from the recovery of market demand in the USA, Canada and Mexico, the newly opened resorts, Quebec Charlevoix and Miches in Dominican Republic resorts in 2021 and 2019 respectively, also contributed their upscale capacity to the growth. They respectively had an Average Occupancy Rate by Bed of 52.8% and 70.3% in 2022. In the South America, we seized the opportunities of the strong recovery of Brazilian domestic market. During the year of 2022, Brazil became the 5th sales market in terms of Business Volume, increased by 73.9% and 47.5% as compared to 2021 and 2019 respectively.

The Business Volume of our EMEA region stood at RMB7,974.7 million in 2022, increased by 116.2% and 3.7% compared to 2021 and 2019 respectively. 15 mountain resorts were open during the ski season in 2022, compared to 1 and 17 in 2021 and 2019 respectively. In EMEA, we have our new resorts Marbella and New Tignes being opened in 2022, as well as the upgraded Exclusive Collection Val d'Isère resorts.

In Asia Pacific, although the Business Volume in 2022 still had a gap of 48.3% with that in 2019, we saw the Business Volume gap between the second half of 2022 and 2019 (22.1%) was quickly narrowing down compared with that between the 1st half of 2022 and 2019 (73.3%). On the other hand, the Business Volume in 2022 had an increase of 110.4% compared with 2021, which also showed a quick recovery from the Pandemic in Asia Pacific.

In June 2022, we accomplished the sale and lease back of a Greek resort Gregolimano to a French REITS Primonial REIM. This transaction brought a RMB459.9 million of net cash flow and RMB82.5 million of gain on disposal. In September 2022, we disposed the Sandpiper resort in USA for a net amount of RMB386.0 million[1], and since then, it is no longer operated by Club Med. The extension and renovation work is planned from 2022 onwards, which aims to upgrade the resort facilities and increase capacity, thus increasing client satisfaction and pricing capability of the resort. During 2022, we continued to manage our costs with discipline under a high inflation environment. We succeeded to achieve rental savings of RMB130.4 million due to the renegotiation of rents related to the Pandemic. During 2022, the free cash flow stood at RMB1,784.8 million, increased by 213.1% compared to 2021 and even increased by 7.8% compared to 2019, benefited from the improving business performance.

We further focused and enhanced the "five-pillar strategy" to develop our resort business:

Upscale — Upscale is the core value. During 2022, we opened new resorts such as Changbaishan resort in Northeast China, Marbella resort in Spain, Thousand Islands Lake resort in Eastern China, New Tignes and Val d'Isère EC in the French Alps, Yanqing Lijing (phase 2) and Kiroro Peak. We accomplished the sale and lease back of a Greek resort Gregolimano and planned for works of renovation and extension to upgrade the facilities and increase client satisfaction in 2023 and 2024. We also began the renovation works of Phuket resort in Thailand. We closed Kemer resort in Turkey and Kamarina in Italy, which could no longer conform with our upscale strategy in the Reporting Period. As of 31 December 2022, the 4&5 Trident and above capacity represents 95.0% of our resorts' total capacity, showing an increase of 10.0 percentage points compared to 2019.

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1 The net amount of disposal calculation is adopting the 2022 year end exchange rate: EUR: RMB 7.42290.

Hospitality employer of choice — As the tourism industry is facing workforce & talents shortage, recruitment, retention, and development of talents become more important than ever and require us to adapt to new expectations. Club Med's ambition is to offer a talent plan with "life-changing experience", through personalized management, trainings and fast-track career paths. This is the objective of our global HR project "Match with us" organized in 4 streams: **Recruitment and mobility** to make the most of Club Med international footprint through international mobility to ensure that we can fill all our positions and to develop new sourcing countries, as well as G.E and G.O skills; **Foster loyalty** to make Club Med one of the greatest places to work in the hospitality industry and retain talents by addressing key priorities such as work life balance, benefits, working conditions and career; **Learning and development** to become the best place to grow in the hospitality industry and real learning facilitators, transforming the learning experience by offering omnichannel, tailormade, certified trainings and by reinforcing managers engagement in talent development. **Management** is recognized as the reference in the hospitality industry with 2 main topics: (a) define Club Med behaviors for all and for managers from our 5 values (kindness, freedom, multiculturality, pioneer spirit and responsibility); (b) deploy managerial rituals to increase and align managers' skills in resorts and offices.

Glocalization — Balancing markets and destinations to achieve sustainable growth and to diversify regional operational risks, at the same time, further exploring the short-haul markets to support the resilience of our business in an uncertain global sanitary environment. In 2022, France remained the largest market worldwide, and contributed Business Volume of RMB4,976.0 million, representing 41.4% of global Business Volume and increased by 4.0% compared to 2019. This increase was explained by the reopening of ski resorts and strong rebound in demand to long-haul destinations.

We also recorded stronger-than-industry Occupancy Rate in EMEA mountain resorts and offered our unique products, such as sending French customers to the Seychelles resort, and the Dominican Republic resorts, and sending Belgium customers to the Dominican Republic resorts.

Happy to Care — Since 2021, "Happy to Care" is a strategical pillar around our corporate social responsibility approach. For instance, we strived to make sure that 100% of our current resorts are certified Green Globe[1] and we target BREEAM[2] or other equivalent eco-certification for all our new constructions or significant renovations, to respect environment during the building and the operation phases. We aim to end single-use plastic by deploying the project "Bye-bye Plastic" and continue to deploy agro-ecology with our historical partner Agrisud in the framework of "Green Farmer" program. In addition, in 2022, the Happy To Care roadmap was strengthened; new commitments were introduced and existing ones were complemented with performance targets. At the end of 2022, a project mode approach was launched that will be conferenced in 2023 to accelerate the ESG dynamic, restate the ambition, and include climate policy.

Happy Digital & C2M Strategy — Direct sales proportion through the sales network of Club Med reached 73.2% in 2022, increasing 8.2 percentage points compared to 2019. 27.8% of our individual customers chose to book online, representing an increase of 7.9 percentage points compared to 2019. In 2022, we continued to improve our website in order to provide more functionalities and services to our clients, such as booking for several households, ability to save and replay later a price quotation, reservation of services including SPA and excursions etc. The goal is to provide more digital self-care services, improve client experiences in booking and increase more scenarios of offerings. We deployed a contact center empowered and served by cloud technology in the Asia Pacific markets, offering our sales agents a seamless omni-channel experience, and an easy-to-launch solution for home-based agents. We also created additional point of contacts by WhatsApp[3] to manage our prospects and clients in Brazil, Belgium and Israel. As a continuity of "Amazing Family Program" dedicated to family clients, in 2022, we deployed worldwide a 2.0 version of Mini Club Med, incorporating the leisure activities and positive education pedagogical approach, emphasising on creativity, courage, confidence, cooperation, connection and cheerfulness. More than 200 G.O were trained on this new product.

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1 The Green Globe certification has indicators covering the entire corporate social responsibility process of sustainable tourism. This demanding certification certifies an establishment's commitment to an active approach to sustainable tourism and ensures that it achieves a high level of performance and instills good practices concerning environmental, social and societal issues.

2 It is the world's leading sustainability assessment method for master planning projects, infrastructure and buildings. It recognises and reflects the value in higher performing assets across the built environment lifecycle, from new construction to in-use and refurbishment.

3 WhatsApp: a universal international communication application

While dealing with the business rebound, we also re-adjusted our investments to secure key projects including the future opening, and the maintenance and renovation of our existing resorts. Our capital expenditure of resort operation for the twelve months ended 31 December 2022 was approximately RMB600.1 million, increased by approximately 111.0% compared with the same period of 2021 (restated), representing a 13.0% decrease compared with the same period of 2019. As of 31 December 2022, the liquidity[1] stood at RMB1,994.1 million.

In the first two months ended 28 February 2023, we recorded an increase of Business Volume by 55.4% compared to that for the same period of 2022, and increased by 26.4% compared with that of 2019. Business Volume in EMEA, Americas and Asia Pacific grew by 25.2%, 85.5% and 285.2% respectively compared to that for the same period of 2022, and increased by 22.2%, 82.0% and decreased by 17.4% compared with that of 2019. In China, despite massive COVID-19 cases, in the first two months ended 28 February 2023, Business Volume derived from Club Med China increased by 88.5% compared to the same period of 2022 but was 36.5% lower than that of 2019. In the first two months ended 28 February 2023, the Average Occupancy Rate by Bed of worldwide resorts achieved 71.7%, and the global capacity has increased by 21.1% compared to the same period of 2022, with the capacity in EMEA, Americas and Asia Pacific increased by 25.7%, decreased by 3.2% and increased by 47.0%, respectively. Compared to the same period of 2019, the capacity has restored to 99.8%, with the capacity in EMEA, Americas and Asia Pacific restored to 96.1%, 98.0% and 107.2% respectively.

We are seeing demand for 2022/23 ski season and spring of 2023 continues to gain momentum. As of 11 March 2023, the cumulative bookings for the six months ended 30 June 2023, expressed in Business Volume of Stays, Tours and Services at constant exchange rate, increased by 35.6% compared to that for the first half of 2022 as of 11 March 2022, and increased by approximately 25.2% for the first half of 2019 as of 11 March 2019 which was before the Pandemic. The cumulative bookings (expressed in Business Volume of Stays, Tours and Services) for Club Med for the six months ended 31 December 2023, at constant exchange rate, increased by approximately 23.4% compared to the cumulative bookings for the second half of 2022 as of 11 March 2022, and increased by approximately 20.4% compared to the cumulative bookings for the second half of 2019 as of 11 March 2019 which was before the Pandemic.

During the second half of 2022, we opened another four new resorts to reach a total of seven new resorts in 2022. From the beginning of 2023 to the end of 2025, we plan to open 17 new resorts or spaces. By 2025, together with new opening and renovation, partially offset by closure of obsolete resorts, we anticipate an increase of annual capacity of 20.0% or more compared to that of 2022.

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1 Liquidity refers to cash, cash equivalent, unused overdrafts and credit lines.

We have two strategic products: Mountain business and Exclusive Collection.

Mountain business provides unique value proposition. By 2025, we target to have mountain business account for 21.0% of the Club Med capacity and have approximately 438,000 customers.

Another strategic product is Exclusive Collection. In 2022, Exclusive Collection accounted for 13.0% of Club Med capacity, and 15.0% of Club Med global Business Volume, having 118,000 customers. By 2025, we target to grow the capacity of Exclusive Collection by 15.0% compared to that of 2022, and have approximately 177,000 customers by then.

TOURISM DESTINATIONS

ATLANTIS SANYA[1]

Our tourism destination, Atlantis Sanya, is located on the Haitang Bay National Coast of Sanya in Hainan Province, China. Atlantis Sanya (the "**Tourism Complex**") includes 1,314 guest rooms offering full ocean views, one of China's largest natural seawater aquariums, a themed waterpark with a total area of approximately 200,000 square meters, high quality food and beverage services, over 5,000 square meters of space for MICE[2] activities, and other recreational activities such as a shopping centre. The Group commenced construction of Atlantis Sanya in 2014, which was officially opened in April 2018.

In 2022, due to the negative impact of several outbreaks of COVID-19 (Omicron) in the PRC, the Business Volume of its operating business decreased from RMB1,455.3 million in 2021 to RMB877.2 million in 2022, decreased by 39.7% compared with that of 2021. Of which, room revenue and other operating revenue decreased by 39.4% and 40.1%, respectively compared with that of 2021. The average daily rate by room increased by 0.9% compared with that of 2021, and the average Occupancy Rate was 43.0%, down by 28.5 percentage points.

In 2022, its business showed strong resilience when the Pandemic was under control despite the impact of domestic Pandemic. During the two-month period ended 28 February 2022, with the Pandemic in Mainland China generally under control, benefiting from its outstanding product competitiveness, and the release of suppressed demand for leisure vacations, the operation of Atlantis Sanya maintained a dynamic growth momentum. Atlantis Sanya recorded a Business Volume of RMB362.1 million, increased by approximately 44.3% year-on-year. In July 2022, while the Pandemic was still spreading in Mainland China, with the explosive rebound in demand for summer family vacations, Atlantis Sanya recorded a Business Volume of approximately RMB215.1 million, only 7.6% less than its highest single-month Business Volume, July 2021, since its opening. In 2022, the number of visits decreased to 2.9 million compared with 4.7 million in the same period of 2021. The adjusted EBITDA for 2022 decreased to RMB289.1 million, representing a decrease of 55.6% compared with RMB651.7 million in 2021.

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1 Atlantis Sanya is owned by the Group and managed by Kerzner, except for Tang Residence.

2 Meetings, Incentives, Conferencing & Exhibitions.

The following table illustrates certain key operating data of Atlantis Sanya:

	For the six months ended 30 June		**For the six months ended 31 December**		**For the twelve months ended 31 December**	
	2022	2021	**2022**	2021	**2022**	2021
Business Volume *(RMB'000)*	**486,863**	835,151	**390,350**	620,171	**877,212**	1455,322
Room Revenue *(RMB'000)*	**271,173**	471,026	**231,489**	358,684	**502,662**	829,710
Other Operating Revenue *(RMB'000)*[1]	**215,690**	364,125	**158,861**	261,487	**374,550**	625,612
Occupancy Rate by Room	**46.0%**	79.9%	**40.0%**	63.3%	**43.0%**	71.5%
Average Daily Rate by Room *(RMB)*	**2,479**	2,478	**2,396**	2,345	**2,440**	2,419
RevPar by Room *(RMB)*	**1,140**	1,980	**957**	1,484	**1,048**	1,730

As a one-stop entertainment, leisure and integrated resort destination, Atlantis Sanya presents a range of new experience for guests. In January, Atlantis Sanya joined hands with French luxury fashion house LANVIN for the first time to create a limited-time boutique and a limited-time café — LANVIN Café. It was grandly launched to the Spring Festival market of the Year of The Tiger, offering guests ways of celebrating the Spring Festival, namely the "16-hours Non-stop Celebrations for Happy Chinese New Year at Atlantis". In May, it fulfilled its commitment to sea turtle conservation by holding a "Thanksgiving to the Sea, Turtle-Back to Nature" rescue and rewilding event. Since July, Atlantis Sanya fully upgraded its signature summer project, the Aquaventure Waterpark Night Carnival, and launched the "2022 Atlantis Super Summer Vacation" campaign. The Super Summer Vacation lasted throughout July and August, and covered five themed events, with the Aquaventure Waterpark Night Carnival as the core. It has also introduced an upgraded C-Show, Mermaid Diving Experience, Parent-Child Art Festival and Atlantis Summer Camp. In respect of social media, as of 30 June 2022, "Atlantis Sanya" was ranked No. 1 on Sanya's luxury hotel seeding list by Douyin. In October, the Lost Chambers Aquarium under the theme of "Scream Night under Deep Sea II" to experience the different aquarium feeling during the day and night was resumed. In December, the pink-themed activities under the theme of "Perfect Holiday for Christmas and New Year's Day" during Christmas and New Year's Day were held. At the end of December, the General Administration of Sport of China and Fosun Tourism Atlantis Sanya jointly held the 2022 China Mermaid Open (Atlantis Sanya Event). As the closing event for the year, it once again made the brand Atlantis Sanya a new hot spot in the field of professional water events. The official topic "China Mermaid Open (Sanya Event)" on Xiaohongshu (小紅書) earned 15 million exposures, nearly double the platform exposures last year.

Since 2023, thanks to the lifting of COVID-19 related travel restrictions, Atlantis Sanya recorded a Business Volume of RMB398.6 million in the two months ended 28 February 2023, representing an increase of 10.1% compared to the same period of 2022. The Average Occupancy Rate by Room reached 96.0% and the Average Daily Rate by Room was RMB2,893.0.

[1] This mainly includes (i) the revenue from the Aquarium and the Waterpark and (ii) the revenue from the food and beverage and other services provided.

As of 31 December 2022, there was only a small amount of units left in Tang Residence. We still have 2 villas available to be sold or delivered.

FOLIDAY TOWN[1] (復遊城)

We launched the "FOLIDAY Town" (復遊城) brand in November 2019. "FOLIDAY Town" is the key self-developed brand for our tourism destination business. As a new tourism and leisure product in response to consumption upgrade, the vision of FOLIDAY Town is to connect various leading global tourism and leisure brands to lead a new vacation lifestyle by leveraging our global FOLIDAY ecosystem and the successful operation experience in Club Med and Atlantis Sanya.

LIJIANG FOLIDAY TOWN (麗江復遊城)

Lijiang FOLIDAY Town covers land parcels of approximately 695,000 square meters in Baisha town in Lijiang city, Yunnan Province in Southwestern China, which is defined as an international tourism destination targeting mid-to high-end customers, and plans to combine comprehensive tourism and leisure features, including Club Med Lijiang resort, themed commercial street, theme park and lake camp ("**Operational Section**"), and about 3,000 vacation houses. The total GFA of Lijiang FOLIDAY Town is approximately 283,000 square meters and the project development costs (mainly including the cost to acquire the land use right and construction cost) is expected to be approximately RMB4.0 billion. Club Med Lijiang resort has a GFA of 56,785 square meters, and includes 302 vacation guest rooms with 770 beds. The project plan also includes saleable vacation houses with a total GFA of over 208,000 square meters, certain portions of which have been approved by regulatory authorities for construction and presale. The saleable vacation houses will be designed as detached houses with low density and low-rise courtyard houses, and the product is defined as "the vacation house at the foot of Jade Snow Mountain".

We have started construction of saleable vacation houses in 2020. The project has been completed in stages since late 2021. In the second half of 2021, Club Med Lijiang resort, Albion Holiday Apartment of Lijiang FOLIDAY Town, and lake camp have been put into operation. Among them, Albion Holiday Apartment of Lijiang FOLIDAY Town was officially opened in January 2022. The product is positioned as a serviced holiday apartment.

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1 FOLIDAY Town is designated to offer FOLIDAY lifestyle experience with integrated settings of international brands, intelligent operations and various innovation solutions in FOLIDAY ecosystem for global families.

Lijiang FOLIDAY Town commenced operation on 25 September 2021. In 2022, despite the negative impact of the Pandemic resurgence in China, the performance of Lijiang FOLIDAY Town in the third quarter was particularly robust. With the turnaround of the Pandemic situation in major customer source cities and the summer peak season, Lijiang FOLIDAY Town recorded the Business Volume of RMB53.7 million with approximately 105,000 visits. In 2022, FOLIDAY Snow Mountain Camp ranked the third in the "Jintianmu List — Top 10 Most Beautiful Camping Sites in Yunnan of 2022 (金天幕風雲榜2022雲南十佳最美露營地)" initiated by www.btiii.com (勁旅網). It provides consumers with high-end wild luxury catering, in-depth tourism customization, high-end outdoor sports experience and other rich content, gradually becoming one of the high-end tourism experience places in Lijiang.

As of 31 December 2022, the operation of Lijiang FOLIDAY Town is as follows:

	2022	2021	2022 (on comparable basis[1])	2021 (on comparable basis[1])
Lijiang FOLIDAY Town				
Business Volume *(RMB million)*	**88.9**	8.8	17.3	8.8
Visits *('0,000)*	**17.4**	1.7	2.2	1.7
Club Med Lijiang resort				
Business Volume *(RMB million)*	**78.8**	7.7	15.9	7.7
Capacity *(beds)*	**619**	396	709	396
Average Occupancy Rate by Bed	**29.7%**	23.1%	20.3%	23.1%
Average Daily Bed Rate *(RMB)*	**1,186**	857	1,176	857

As of 31 December 2022, the total cost incurred in the Lijiang FOLIDAY Town was approximately RMB1,695.8 million; the approved project development loans amounted to RMB1,300.0 million and the loan balance was RMB613.5 million as of the end of the period. As of 31 December 2022, Lijiang FOLIDAY Town has obtained sales permit for GFA of approximately 28,500 square meters, with the number of saleable sets of 482. As of 31 December 2022, the area developed for sale was 23,211.6 square meters. The value sold to be carried forward was RMB28.6 million.

1 The business period was from 25 September 2022 to 31 December 2022 and the business period was from 25 September 2021 to 31 December 2021

As of 31 December 2022, the sold and delivered details of Lijiang FOLIDAY Town are as follows:

Periods	**Number of sets sold** *(sets)*	**Sales value** *(RMB million)*	**Delivered sets** *(sets)*	**Delivered GFA** *(m^2)*	**Recognised revenue** *(RMB million)*
2022	26	25.2	19	1,079.2	21.9
Starting from pre-sale up to 31 December 2022	88	108.0	61	3,476.0	72.8

For the two months ended 28 February 2023, with the relaxation of the epidemic prevention policy and the recovery of the number of guests, and driven by the New Year's Day holiday and the Spring Festival holiday, Lijiang FOLIDAY Town recorded the Business Volume of RMB17.7 million, representing an increase of 148.9% compared to the same period of 2022, with 27,000 visits. The number of sets sold in Lijiang FOLIDAY Town was 12 and the sales value was RMB16.3 million. Club Med Lijiang resort recorded a Business Volume of RMB16.2 million. The Average Daily Bed Rate was RMB1,080 and average Occupancy Rate by Bed reached 45.7%.

TAICANG FOLIDAY TOWN (太倉復遊城)

Taicang FOLIDAY Town covers land parcels of approximately 483,000 square meters in Taicang city, Jiangsu Province in East China. The project is adjacent to Shanghai, located near Taicang South Station. It takes less than 30 minutes to reach Taicang FOLIDAY Town from Shanghai Hongqiao Transportation Hub by high-speed train.

With the theme of "Alps", Taicang FOLIDAY Town is designed to offer various themed experiences and tourism features, including but not limited to a large scale indoor ski domain in East China, a sports park, Club Med Joyview Taicang resort, a themed commercial street, and saleable vacation units. The total GFA of Taicang FOLIDAY Town is approximately 1,286,000 square meters and the project development costs (mainly including the cost to acquire the land use right and construction cost) is expected to be approximately RMB13.2 billion. The project was planned to include saleable vacation units with a total GFA of over 554,000 square meters. The saleable property units are mainly designed as high-rise residential buildings targeting mid-to-high-end customers.

Our indoor ski domain of "Alps Snow Live" (阿爾卑斯雪世界) was designed by Compagnie des Alps ("**CDA**"), one of the world's leading ski domain operators based in France, to offer facilities and services with international standards. The construction of the Alps Snow Live has started in January 2021, with a GFA of approximately 90,000 square meters, which includes five ski slopes with a total length of approximately 500 meters. The indoor ski domain adopts WYSS snow-making machines from France with the latest EU technical standards, combined with seven "Magic Carpets" serving as conveyor belts and more than 20 sports items, aiming to create a customer experience close to real snow. As for the ski practices and training courses, we will establish a ski school for all ages with professional ski lessons of the European system offered by Ecole du Ski Francais ("**ESF**"), a long-time cooperation partner of Club Med. In January 2022, the indoor ski domain completed the capping of the main structure and the installation of snow-making equipment was completed in June 2022.

The themed commercial street "Alps Time" and Club Med Joyview Taicang resort have entered the full construction phase in June 2021. The "Alps Time" is designed and created by GENSLER, a world-renowned architectural design company, incorporating Alps traditions and special elements into themed cultural activities to meet customers' diversified needs. The "Alps Time" has a GFA of approximately 67,600 square meters and completed the capping of the main structure in July 2022. Club Med Joyview Taicang resort has a GFA of approximately 50,000 square meters, and includes 308 vacation guest rooms with 770 beds, creating a special resort with ice and snow sports as the theme to meet the family leisure and MICE needs, etc. The podium of Club Med Joyview Taicang resort completed the capping of the structure in March 2022 and the main building completed the capping of the main structure in September 2022.

The construction of Taicang FOLIDAY Town was completed in stages starting from 2021, among which the Alps Snow Live, Club Med Joyview Taicang resort and Alps Time Phase I will commence 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.

As of 31 December 2022, the total cumulative cost incurred in the Taicang FOLIDAY Town was approximately RMB5,722.1 million, which was mainly used for land acquisitions and construction costs. A project development loan amounting to RMB2,280.0 million was granted, of which RMB950.5 million has already been utilised. As of 31 December 2022, Taicang FOLIDAY Town has obtained sales (pre-sale) permit for GFA of approximately 229,274.9 square meters and all of which were used for sales (pre-sale) with saleable property units of 2,020 sets. As of 31 December 2022, the area developed for sale was 109,641.4 square meters and the sales value to be carried forward was RMB253.4 million.

As of 31 December 2022, the sold (including pre-sale) and delivered details of Taicang FOLIDAY Town are as follows:

Periods	Number of sets sold (including pre-sale) *(sets)*	Sold (including pre-sale) value *(RMB million)*	Delivered sets *(sets)*	Delivered GFA *(m^2)*	Recognised revenue *(RMB million)*
2022	133	353.1	429	46,980.3	1,033.0
Starting from pre-sale up to 31 December 2022	1,082	2,838.3	989	109,239	2,366.0

For the two months ended 28 February 2023, the number of sets sold in Taicang FOLIDAY Town was 54 and the sales value was RMB148.9 million.

In addition, we are exploring various cooperation and strategic partnerships opportunities with other companies on the development and operation models of tourism destination.

ALBION

Albion focuses on the "transformation and upgrading of China's scenic resorts" and "core first- and second-tier cities tour", aiming to become a leading one-stop professional operator of scenic resort in China.

In 2022, Albion managed and operated four tourism destinations[1], three vacation and accommodation projects[2] and two AHAVA SPA in China, across regions such as Zhejiang, Hainan, Chongqing and Yunnan. In 2022, the Business Volume of Albion was approximately RMB85.1 million, increased by 3.4% compared with the same period in 2021.

In September 2022, the first wild fun art toy and unpowered park built by Albion — Changshu Joelux Park officially commenced its operation. Located in Changshu Shanghu Scenic Area (5A), the park becomes a popular parent-child art toy as well as leisure and staycation destination in Jiangsu, Zhejiang and Shanghai by virtue of its four characteristics of art toy fun, immersive interpretation, natural exploration and natural oxygen bar, so as to further enhance the comprehensive competitiveness of Albion's "hotel +" model in the scenic vacation market.

1 Tourism destinations include Nanxijiang Scenic Area (楠溪江景區), Luzhai Scenic Area(Dongyang) (東陽盧宅景區), Yushe National Forest Park in Liupanshui (六盤水玉舍國家森林公園) and Changshu Joelux Park (常熟尚湖角樂士樂園)

2 Accommodation projects include Tang'an Residence by Albion, Sanya (三亞愛必儂棠岸度假公寓), Albion Holiday Apartment of Lijiang FOLIDAY Town (麗江復遊城愛必儂度假公寓) and Chongqing Albion Golden Buddha Mountain Resort (重慶金佛山愛必儂度假村)

SERVICES AND SOLUTIONS IN VARIOUS TOURISM AND LEISURE SETTINGS

Entertainment, other tourism and culture related services

Through the development of performances in tourism destinations, resorts and hotels by Fanxiu Performance (泛秀演藝), we meet the needs of customers for more enriched and joyous vacation experiences and diversified lifestyles. Fanxiu Performance launched the resident Show C in Atlantis Sanya in February 2019. Since the Christmas in 2021, Atlantis Sanya's resident Show C has been completely revamped with the introduction of the first immersive marine fantasy acrobatics show in China. The performance received sound feedback during the Spring Festival in 2022, with the number of viewers increased by 137.0% year-on-year. Tourism still maintained a strong growth despite the significant impact of the Pandemic during the summer season, with ticket revenue increased by 25.2% year-on-year. In 2022, Fanxiu Performance recorded a Business Volume of RMB27.9 million, down by 26.3% compared with that of 2021. To further enrich the supply of tourism and cultural products, we enriched the parent-child experience at Atlantis Sanya with the launch of our first destination-based, kid-friendly arts festival in July 2022 for the sizeable parent-child customer base in the PRC. In October 2022, we launched the second season of Atlantis' Scream Night under Deep Sea, transforming the aquarium into a 3,000-square meters soaking and frightening deep sea experience space where 50 professional actors and NPC[1] gave performances to bring tourists an exclusive experience for the festival.

Our international learning and playing club, Miniversity (迷你營) created a series of study tour courses through collaboration with the FOLIDAY ecosystem. Although the business was affected by the Pandemic in 2022, the Business Volume reached RMB17.0 million, down by 7.3% compared with that of 2021. This was mainly attributable to the decrease in the number of students of the indoor Miniversity business as a result of the Pandemic, which was offset by the increase in the Business Volume contributed by the increase in sales of the outdoor product series. Winter/Summer Camp was well received by consumers and grew by 16.8% to RMB13.2 million in 2022 compared with RMB11.3 million in 2021. Our indoor ski simulator brand, Foryou Ski, enrolled more than 12,000 students in 2022, representing a multiple times growth compared with that of 2021.

Thomas Cook China and Thomas Cook UK

In November 2019, we acquired the right, title and interest of Thomas Cook brand, a centennial travel brand, as well as its trademarks across most international markets upon its liquidation.

1 Non-player Character, is any character in a game that is not controlled by a player

Thomas Cook China

In July 2020, we launched the "Thomas Cook Lifestyle Platform" ("**TC China**"), a lifestyle platform focusing on quality vacation and leisure. In 2022, the average number of monthly active application users was 558,000, and the number of paying users reached 75,000. Currently, the platform is in a rapid growth stage.

In 2022, although affected by the sporadic outbreak of the Pandemic in China, and thanks to the in-depth insight on the changes of C-end consumers' needs transformation during the Pandemic period, TC China held a variety of marketing activities, such as issuance of universal voucher for ATLANTIS/Club Med, celebration of 181st anniversary of Thomas Cook and October 18 Prime Members' Day; schemed out several special tourism products, such as core destinations, tours to neighbouring regions and ice and snow tourism. TC China achieved a business volume of approximately RMB325.3 million, representing a year-on-year decrease of 9.1% as compared with that of 2021, which was mainly due to the impact of the Pandemic in China. In 2022, TC China recorded 367,000 orders, representing a year-on-year increase of 20.3% as compared with that of 2021. In 2022, TC China, together with the Group's self-operated tourism and leisure settings, pushed its business into the core destinations, Hainan and Yunnan, to launch the "hotel +" portfolio products, with a order volume of 25,000.

Thomas Cook UK

Travel restrictions were removed across Europe in 2022 which meant significant growth for the Thomas Cook UK business. There was particularly strong demand for luxury beach holidays with nearly 80.0% of the Company's holidays in four- and five-star hotels and around half in all-inclusive properties.

The expansion into Europe with the launch of Netherlands and Belgium has enabled the business to better benefit from the strong demand. The business delivered 85,000 bookings for the year of 2022, 286.4% higher than in 2021. The business of Thomas Cook UK has seen significant growth with its business volume rising 236.5%, compared to 2021, to RMB1,199.8 million.

In 2022, the business continues to invest in its digital platform, focusing on higher quality accommodation and long haul holidays to help further increase margin and differentiate itself from other online travel agents across Europe.

Member Loyalty Programs

Our loyalty programs include global Club Med Great Member loyalty program and Foryou Club, which has integrated members from our various brands in the FOLIDAY ecosystem, including members of Atlantis Sanya, Club Med members from Mainland China, Thomas Cook mobile application and other members from various activities and services we provide.

MANAGEMENT DISCUSSION AND ANALYSIS

Selected Items of Consolidated Statement of Profit or Loss

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
		(Restated)[1]
REVENUE	**13,777,710**	9,261,473
Cost of revenue	**(9,787,360)**	(6,694,512)
Gross profit	**3,990,350**	2,566,961
Other income and gains/(expenses), net	**103,659**	(952,968)
Selling and marketing expenses	**(2,005,914)**	(1,454,853)
General and administrative expenses	**(1,494,592)**	(1,603,422)
Operating income/(loss)	**593,503**	(1,444,282)
Finance costs	**(995,591)**	(960,442)
Share of losses of:		
associates	**(1,062)**	(1,341)
LOSS BEFORE INCOME TAX	**(403,150)**	(2,406,065)
Income tax expense	**(128,641)**	(381,389)
LOSS FOR THE YEAR	**(531,791)**	(2,787,454)
Attributable to:		
Equity holders of the Company	**(544,900)**	(2,718,643)
Non-controlling interests	**13,109**	(68,811)
	(531,791)	(2,787,454)

[1] Details of the restatement of the 2021 statements are set out in note 1.2 to the financial statements.

Revenue: Our revenue increased by 48.8%, from RMB9,261.5 million for the year ended 31 December 2021 to RMB13,777.7 million for the year ended 31 December 2022. Due to the lifting of travel restrictions in major sourcing markets and destinations, our global tourism operation experienced a strong recovery during 2022. However, the Pandemic resurgence especially in Shanghai, Beijing and Sanya, had a significant negative impact on our business in China.

Revenue by business function and business segment

	For the year ended 31 December			
	2022		2021	
	RMB'000	*%*	*RMB'000*	*%*
Resorts and destination operations	**10,457,426**	**75.9%**	6,205,928	67.0%
— Resorts and hotels	**9,430,652**	**68.4%**	4,668,606	50.4%
— Tourism destinations	**1,026,774**	**7.5%**	1,537,322	16.6%
Tourism-related property sales and construction services	**1,336,051**	**9.7%**	2,136,920	23.1%
— Resorts and hotels	**280,912**	**2.0%**	124,922	1.3%
— Tourism destinations	**1,055,139**	**7.7%**	2,011,998	21.8%
Tourism and leisure services and solutions	**2,064,507**	**15.0%**	1,008,983	10.9%
— Resorts and hotels	**1,809,609**	**13.1%**	802,863	8.7%
— Services and solutions in various tourism and leisure settings	**254,898**	**1.9%**	206,120	2.2%
Eliminations	**(80,274)**	**(0.6%)**	(90,358)	(1.0%)
Total revenue from contracts with customers	**13,777,710**	**100.0%**	9,261,473	100.0%

Resorts and Destination Operations: Resort and destination operation revenue increased by 68.5% from RMB6,205.9 million for the year ended 31 December 2021 to RMB10,457.4 million for the year ended 31 December 2022.

Resorts and hotels revenue increased by 102.0% year-over-year, benefiting from the increase of capacity by 62.3%, the increase of Average Daily Bed Rate by 15.0% and the increase of Occupancy Rate by Bed by 5.6 percentage points in Club Med. Club Med have experienced strong signs of recovery since early 2022.

Tourism destination operation revenue mainly includes operation revenue of Atlantis Sanya, Lijiang Club Med and Albion. The operating revenue of Atlantis Sanya decreased by 39.7% from RMB1,455.3 million for the year ended 31 December 2021 to RMB877.2 million for the year ended 31 December 2022, caused by the negative impact of several outbreaks of COVID-19 (Omicron) in the PRC since March 2022. The Pandemic resurgence also had negative impact on business of Albion and Lijiang Club Med. The operating revenue of Albion only increased by 3.4% to RMB85.1 million year-over-year. Lijiang Club Med recorded an operating revenue of RMB61.1 million for the year ended 31 December 2022.

Tourism-related property sales and construction services: Revenue decreased by 37.5% from RMB2,136.9 million for the year ended 31 December 2021 to RMB1,336.1 million for the year ended 31 December 2022. Revenue of tourism-related property sales mainly contributed from the delivery of property units in Taicang and Liliang Foliday Towns. During the Reporting Period, 429 Taicang Foliday Town units and 19 Lijiang Foliday Town units were delivered to customers.

Tourism and leisure services and solutions: Revenue of tourism and leisure services and solutions increased by 104.6% year-over-year, mainly due to increase in transportation services, as well as increase in revenue of tourism services, entertainment services, youth play and learning, and other services and solutions.

Cost of revenue by business function

	For the year ended 31 December			
	2022		2021	
	RMB'000	*%*	*RMB'000*	*%*
Resorts and destination operations	**7,310,892**	**74.7%**	4,750,341	71.0%
Tourism-related property sales and construction services	**825,708**	**8.4%**	1,140,858	17.0%
Tourism and leisure services and solutions	**1,723,555**	**17.6%**	879,456	13.1%
Eliminations	**(72,795)**	**(0.7%)**	(76,143)	(1.1%)
Total	**9,787,360**	**100.0%**	6,694,512	100.0%

Gross Profit and Gross Profit Margin (GP Margin) by business function

	For the year ended 31 December			
	2022		2021	
	Gross Profit	**GP Margin**	Gross Profit	GP Margin
	RMB'000	***%***	*RMB'000*	*%*
Resorts and destination operations	**3,146,534**	**30.1%**	1,455,587	23.5%
Tourism-related property sales and construction services	**510,343**	**38.2%**	996,062	46.6%
Tourism and leisure services and solutions	**340,952**	**16.5%**	129,527	12.8%
Eliminations	**(7,479)**	**N/A**	(14,215)	N/A
Total	**3,990,350**	**29.0%**	2,566,961	27.7%

Cost of revenue, gross profit and GP Margin by business function: Cost of revenue increased by 46.2% from RMB6,694.5 million in 2021 to RMB9,787.4 million in 2022 year-on-year, which was in line with revenue increase.

Gross profit in 2022 increased by 55.5% and gross profit margin increased from 27.7% to 29.0% year-over-year. Gross profit of resorts and destination operations sharply increased by 116.2% and gross profit margin increased from 23.5% to 30.1% compared with that of last year. The increase was mainly due to business recovery of Club Med whose gross profit and margin rate recovered to the vast majority level of 2019. Gross profit of tourism related property sales and construction services decreased by 48.8% and gross profit margin decreased from 46.6% to 38.2% year-on-year, because delivered vacation units in 2021 contained 6 villas with relatively higher unit price and margin rate. Gross profit of tourism and leisure services and solutions increased by 163.2% and gross profit margin increased from 12.8% to 16.5% year-on-year. The increase of gross profit margin was mainly due to increase of tourism services business which brought higher margin rate.

Other income and gains/(expenses), net

We incurred a net income of RMB103.7 million in 2022 comparing with a net expenses of RMB953.0 million in the same period of last year. Net income in 2022 was mainly due to gain of the sale and lease back of a Greek Club Med resort Gregolimano amounted to RMB82.5 million and rent concessions of Club Med amounted to RMB78.6 million in relation to the Pandemic.

Selling and marketing expenses

Selling and marketing expenses increased by 37.9% year-over-year to RMB2,005.9 million for the year ended 31 December 2022, mainly due to (i) commission on sales mainly generated from resorts and destination operation and property sales increased by 94.7% to RMB578.8 million (2021: RMB297.3 million), which was in line with the revenue increase of tourism operation sales, and (ii) advertising and promotion expenses increased by 26.2% to RMB447.3 million (2021: RMB354.4 million) as a result of business recovery.

General and administrative expenses

General and administrative expenses decreased by 6.8% year-over-year to RMB1,494.6 million in 2022. The change was primarily due to (i) management fee payable to brand licensor decreased by RMB80.3 million due to no incentive management fee charge for business operation of Atlantis Sanya in 2022, and (ii) employee costs decreased by RMB33.9 million, as a result of operation efficiency improvement.

Operating profit/(loss) by segment

Our operating profit was RMB593.5 million in 2022, comparing with the operating loss of RMB1,444.3 million year-over-year.

	For the year ended 31 December			
	2022		2021	
	RMB'000	*%*	*RMB'000* (Restated)	*%*
Resorts and hotels	**675,070**	**113.7%**	(1,747,635)	121.0%
Tourism destinations	**385,004**	**64.9%**	1,087,885	(75.3%)
Services and solutions in various tourism and leisure settings	**(301,247)**	**(50.8%)**	(267,630)	18.5%
Eliminations and unallocated expenses	**(165,324)**	**(27.8%)**	(516,902)	35.8%
Total	**593,503**	**100.0%**	(1,444,282)	100.0%

Resorts and hotels business generated an operating profit of RMB675.1 million in 2022 compared with an operating loss of RMB1,747.6 million in 2021, reflecting the business recovery of Club Med.

Tourism destinations: Operating profit decreased by RMB702.9 million to RMB385.0 million in 2022. Operation profit of Atlantis Sanya decreased from RMB422.2 million in 2021 to RMB71.2 million in 2022 year-on-year, caused by the Pandemic resurgence in

China. Delivery of Taicang Foliday Town units contributed an operating profit of RMB373.1 million in 2022, compared with an operating profit of RMB422.5 million in 2021.

Services and solutions in various tourism and leisure settings: Operating loss in 2022 was RMB301.2 million compared with RMB267.6 million in 2021, mainly due to increased development and promotion costs of Thomas Cook China and Thomas Cook UK during the period of business growth.

Finance costs

Finance costs net of capitalized interest increased from RMB960.4 million in 2021 to RMB995.6 million in 2022. The increase of RMB35.2 million is primarily due to less capitalized interest in 2022 which was in line with Foliday Towns' construction cycle.

Income tax expense

Income tax expenses decreased by RMB252.8 million from RMB381.4 million in 2021 to RMB128.6 million in 2022. The income tax expense for the year ended 31 December 2022 primarily comprises of PRC land appreciation tax ("**LAT**") amounted to RMB121.2 million recorded with sales of tourism-related property sales.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant Mainland China tax laws and regulations. Details of income tax expenses are set out in note 7 to the financial statements.

Non-IFRS Measures

We supplemented the presentation of our historical financial information with certain non- IFRS accounting measures including EBITDA, adjusted EBITDA, and adjusted net profit/(loss). We adjusted EBITDA and net profit/(loss) to eliminate the effect of certain non-cash items and one-time events including the interest owed to related companies for reorganization, equity-settled share-based payments and listing expenses. These non-IFRS financial measures are used by our management to evaluate our financial performance by eliminating the impact of certain non-cash items and one-time events and help investors understand and evaluate the consolidated performance results of our underlying business across accounting periods. The specific definition and calculation of EBITDA and the other Non-IFRS accounting measures can differ from other companies, so such measures presented herein may not be comparable to similarly named measures presented by other companies. From time to time in the future, there may be other items that the Company may exclude in reviewing its financial results.

ADJUSTED EBITDA

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
		(Restated)
Loss before income tax	**(403,150)**	(2,406,065)
Adjustment:		
Depreciation	**1,697,264**	1,774,359
Amortization	**141,863**	134,544
Finance costs	**995,591**	960,442
Land appreciation tax	**(121,223)**	(281,076)
EBITDA (unaudited)	**2,310,345**	182,204
Add:		
Equity-settled share-based payments	**34,510**	30,867
Adjusted EBITDA (unaudited)	**2,344,855**	213,071
Arising from tourism operation[1]	**2,137,250**	134,733
Arising from property development and sales[1]	**207,605**	78,338

Adjusted EBITDA

Adjusted EBITDA increased from RMB213.1 million in 2021 to RMB2,344,9 million in 2022.

Adjusted EBITDA arising from tourism operation increased to RMB2,137.3 million in 2022 from RMB134.7 million in 2021. The adjusted EBITDA of Club Med was RMB2,187.6 million in 2022, comparing with adjusted EBITDA of negative RMB136.0 million in 2021, and recovered to 96.2% of that of 2019. Adjusted EBITDA of Atlantis Sanya in 2022 decreased to RMB289.1 million, compared to RMB651.7 million in 2021, mainly due to the Pandemic resurgence in China. Delivery of Taicang Foliday Town units contributed adjusted EBITDA amounting to RMB285.1 million, compared with adjusted EBITDA of RMB346.7 million in 2021.

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(1) Unallocated expenses are allocated to adjusted EBITDA arising from tourism operation and tourism-related property budget sales by ratio.

Adjusted Net Loss

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
		(Restated)
Net Loss	**(531,791)**	(2,787,454)
Add:		
Equity-settled share-based payments	**34,510**	30,867
Adjusted Net Loss	**(497,281)**	(2,756,587)

Capital expenditures

Our major capital expenditures primarily consisted of expenditures to land use rights and property, plant and equipment. We funded our capital expenditures from our internal resources, bank borrowings and leases. The amount of capital expenditures of the Group for the year ended 31 December 2021 and 2022 was RMB914.3 million and RMB1,217.6 million, respectively. The capital expenditure incurred in 2022 mainly related to capital expenditures in tourism destination projects, development of new resorts, upgrade or renovation of existing resorts, and investments in digital technology. For the year ended 31 December 2022, our capital expenditure for resorts increased by approximately RMB315.7 million compared with same period of last year as we pushed on our resorts development pipeline in line with the business recovery. Meanwhile, the capital expenditure for tourism destination decreased by RMB63.5 million to RMB534.8 million mainly due to the construction progress of Taicang and Lijiang FOLIDAY Town projects. We will maintain a balance between short term saving and long term efficiency and flexibility, to enable our business operating effectively going forward.

Indebtedness, liquidity and financial resources of the Group

Our Group funds our investments and operations principally with cash generated from our operations, bank and other borrowings, funds raised from the capital market, and capital investments by our Controlling Shareholders. As of 31 December 2022, we had cash and bank balances of approximately RMB3.0 billion. The following table set outs our cash flows for the periods indicated:

	For the year ended 31 December	
	2022	2021
	RMB Million	*RMB Million*
		(Restated)
Net cash flows generated from operating activities	**2,244**	2,143
Net cash flows used in investing activities	**(541)**	(984)
Net cash flows from/(used to) financing activities	**(3,267)**	(1,166)
Cash and bank balances at end of the year	**2,984**	4,535
Analysis of balances of cash and cash equivalents		
Cash and bank balances at the end of the year	**2,984**	4,535
Less: Pledged bank balances	**265**	47
Time deposits with original maturity of more than three months	**67**	200
Restricted pre-sale proceeds	**258**	532
Cash and cash equivalents at end of the year	**2,394**	3,756

Our indebtedness included interest-bearing bank borrowings and other borrowings and lease liabilities. As of 31 December 2022, the total amount of interest-bearing bank and other borrowings was RMB11,961.9 million, within which RMB2,474.5 million was repayable within one year. Our available banking facilities in 2022 amounted to RMB8,943.1 million in total, of which RMB3,372.1 million has not been utilized.

Our loan agreements may also include material financial covenants. Furthermore, we may be required to provide additional guarantees upon the lending banks' request if any changes in our guarantor adversely affect the guarantee granted by the guarantor to the lending banks. We also entered into some amendments to existing loan or facility agreements to get the covenant holiday in 2022. Our Directors confirmed that we complied with all material covenants under our loan agreements and covenant relaxation amendments during the Reporting Period and up to the date of this report.

Capital Structure

The Company continued to maintain a healthy and sound financial position. Our total assets increased from RMB37,190.2 million as of 31 December 2021 to RMB37,930.0 million as of 31 December 2022, and our total liabilities increased from RMB34,292.8 million as of 31 December 2021 to RMB35,298.9 million as of 31 December 2022. We changed the net current liabilities position of RMB3,311.7 million as of 31 December 2021 to net current liabilities position of RMB5,163.2 million as of 31 December 2022.

Our current ratio decreased from 0.75 as of 31 December 2021 to 0.65 as of 31 December 2022, primarily due to (i) increased advances received from customers of Club Med and increased payables related to Club Med operation suppliers, and (ii) net decrease of bank borrowings and other borrowings amounted to RMB1,301.6 million which had impact on cash and bank balances.

Our gearing ratio increased from 48.8% as of 31 December 2021 to 53.6% as of 31 December 2022.

The Group monitors capital using a gearing ratio, which is net debt divided by the total assets. Net debt includes interest-bearing bank and other borrowings and lease liabilities, less current cash and bank balances.

Exchange Rate Fluctuation

Currency fluctuation effects on transactions

The Group has resorts and commercial operations in over 40 countries and regions which are exposed to foreign exchange risk arising from various currency exposures. Major currencies for our commercial transaction included the Euro, U.S. dollar, British Pound and Hong Kong dollar. We were engaged in hedging transactions to limit the impact of changes in interest rates, indebtedness and the effects of changes in foreign exchange rates on commercial operation and to reduce our exposure to market volatility. In 2022, our hedging transactions worked effectively. For the year ended 31 December 2021 and 2022, we recorded foreign exchange loss of RMB92.4 million and loss of RMB37.1 million, respectively in other income and gains, net.

Currency fluctuation effects on translations

Our consolidated financial statements are prepared in RMB, our Group's reporting currency. In preparing the consolidated financial statements, the results of operations of our subsidiaries outside the PRC are translated from their functional currencies into the RMB. The assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of each reporting period and their statements of profit or loss are translated into RMB at the average exchange rates for the period. Fluctuations in the value of the exchange rates of our subsidiaries from one year to the next affect our consolidated results of operations. Exchange differences on translation of foreign operations are recognized in our exchange fluctuation reserve, the movement of which is recorded in other comprehensive income. We recorded a gain of RMB286.7 million and a gain of RMB277.3 million for the year ended 31 December 2021 and 2022, respectively, which mainly comes from the translation of foreign operations of Club Med.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2022

	Notes	**2022** **RMB'000**	2021 *RMB'000* (Restated)
REVENUE	3	**13,777,710**	9,261,473
Cost of revenue		**(9,787,360)**	(6,694,512)
Gross profit		**3,990,350**	2,566,961
Other income and gains/(expenses), net	4	**103,659**	(952,968)
Selling and marketing expenses		**(2,005,914)**	(1,454,853)
General and administrative expenses		**(1,494,592)**	(1,603,422)
Operating income/(loss)		**593,503**	(1,444,282)
Finance costs	6	**(995,591)**	(960,442)
Share of losses of associates		**(1,062)**	(1,341)
LOSS BEFORE INCOME TAX	5	**(403,150)**	(2,406,065)
Income tax expense	7	**(128,641)**	(381,389)
LOSS FOR THE YEAR		**(531,791)**	(2,787,454)
Attributable to:			
Equity holders of the Company		**(544,900)**	(2,718,643)
Non-controlling interests		**13,109**	(68,811)
		(531,791)	(2,787,454)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:	9		
Basic			
— For loss for the year *(RMB)*		**(0.44)**	(2.20)
Diluted			
— For loss for the year *(RMB)*		**(0.44)**	(2.20)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2022

	2022 *RMB'000*	2021 *RMB'000* (Restated)
LOSS FOR THE YEAR	**(531,791)**	(2,787,454)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Effective portion of changes in fair value of hedging instruments arising during the year	**95,917**	15,753
Reclassification adjustments for losses included in the consolidated statement of profit or loss	**12,554**	4,143
Exchange differences on translation of foreign operations	**277,290**	286,653
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**385,761**	306,549
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Actuarial reserve relating to employee benefits	**49,466**	724
Equity investments designated at fair value through other comprehensive income/(loss):		
Changes in fair value	**4,917**	(8,874)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	**54,383**	(8,150)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**440,144**	298,399
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(91,647)**	(2,489,055)
Attributable to:		
Equity holders of the Company	**(129,614)**	(2,406,422)
Non-controlling interests	**37,967**	(82,633)
	(91,647)	(2,489,055)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2022

	Notes	**31 December 2022** **RMB'000**	31 December 2021 *RMB'000* (Restated)
NON-CURRENT ASSETS			
Property, plant and equipment		**9,786,743**	9,677,294
Right-of-use assets		**12,508,667**	10,820,996
Intangible assets		**2,508,279**	2,442,890
Goodwill		**1,714,004**	1,669,017
Investments in associates		**249,421**	235,559
Financial assets at fair value through profit or loss		**327,336**	175,295
Properties under development		**568,563**	1,199,877
Due from related companies		**81,872**	3,537
Prepayments, other receivables and other assets		**362,955**	802,473
Deferred tax assets		**289,568**	205,510
Cash and bank balances		**75,000**	—
Total non-current assets		**28,472,408**	27,232,448
CURRENT ASSETS			
Inventories		**269,367**	207,622
Completed properties for sale		**1,755,626**	1,015,457
Properties under development		**743,361**	775,815
Trade receivables	10	**899,069**	562,933
Contract assets and other assets		**15,478**	781
Prepayments, other receivables and other assets		**1,825,974**	1,975,069
Due from related companies		**879,231**	849,243
Derivative financial instruments		**158,157**	32,896
Financial assets at fair value through profit or loss		**2,177**	2,578
Cash and bank balances		**2,909,166**	4,535,362
Total current assets		**9,457,606**	9,957,756

	Notes	**31 December 2022** *RMB'000*	31 December 2021 *RMB'000* (Restated)
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**2,474,450**	2,179,351
Contract liabilities		**808,606**	1,029,417
Trade payables	11	**2,643,415**	2,348,620
Accrued liabilities and other payables		**6,553,675**	5,618,677
Lease liabilities		**866,218**	770,781
Tax payable		**321,962**	415,554
Due to related companies		**900,336**	858,514
Derivative financial instruments		**52,187**	48,509
Total current liabilities		**14,620,849**	13,269,423
NET CURRENT LIABILITIES		**(5,163,243)**	(3,311,667)
TOTAL ASSETS LESS CURRENT LIABILITIES		**23,309,165**	23,920,781
NON-CURRENT LIABILITIES			
Lease liabilities		**10,411,331**	8,640,306
Interest-bearing bank and other borrowings		**9,487,485**	11,084,191
Contract liabilities		**4,073**	4,073
Deferred income		**106,234**	119,683
Other long term payables		**274,071**	728,384
Deferred tax liabilities		**394,874**	446,733
Total non-current liabilities		**20,678,068**	21,023,370
Net assets		**2,631,097**	2,897,411
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**188**	186
Shares held for the share-based payment schemes		**(1)**	—
Reserves		**2,458,110**	2,726,528
		2,458,297	2,726,714
Non-controlling interests		**172,800**	170,697
Total equity		**2,631,097**	2,897,411

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") (which include all International Financial Reporting Standards, International Accounting Standards and Interpretations ("**IASs**")) approved by the International Accounting Standards Board (the "**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and a defined benefit plan. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

The Group had net current liabilities of RMB5,163,243,000 as at 31 December 2022. Having taken into account the unused banking facilities and the expected cash flows from operating, investing and financing activities, the Directors consider that it is appropriate to prepare the financial statements on a going concern basis.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

The nature and impact of the revised IFRSs that are applicable to the Group are described below：

Amendments to IFRS 3 *Reference to the Conceptual Framework*

Amendments to IFRS 3 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* (the "**Conceptual Framework**") issued in March 2018 without significantly changing its requirements. The amendments also add to IFRS 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 IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 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 has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there were no contingent assets, liabilities and contingent liabilities within the scope of the amendments arising in the business combination that occurred during the period, the amendments did not have any impact on the financial position and performance of the Group.

Amendments to IAS 16 *Property, Plant and Equipment: Proceeds before Intended Use*

Amendments to IAS 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 as determined by IAS 2 *Inventories*, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021. Since there was no sale of items produced prior to the property, plant and equipment being available for use, the amendments did not have any impact on the financial position or performance of the Group.

Amendments to IAS 37 *Onerous Contracts — Cost of Fulfilling a Contract*

Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 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 Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.

***Annual Improvements to IFRS Standards 2018–2020* Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41**

Annual Improvements to IFRS Standards 2018–2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are applicable to the Group are as follows:

- IFRS 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. The Group has applied the amendment prospectively from 1 January 2022. As there was no modification or exchange of the Group's financial liabilities during the year, the amendment did not have any impact on the financial position or performance of the Group.

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

IFRIC Decision on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 *Intangible Assets*)

In April 2021, the IFRS Interpretations Committee ("**IFRIC**") published its agenda decision on Configuration or Customisation Costs under a Software as a Service ("**SaaS**") contract ("**IFRIC Agenda Decision**"). The IFRIC Agenda Decision states that in most cases, in application of IAS 38, configuration or customisation costs in a cloud computing arrangement should be treated as expenses, not intangible assets, since the entity does not control the software and the configuration/customisation activities do not generate a resource that is controlled by the customer independently of the software.

In application of this IFRIC Agenda Decision, configuration or customisation costs for SaaS which were previously capitalised were charged to expenses. The changes in accounting policy has been accounted for retrospectively and the comparative figures for the corresponding comparative prior periods have been restated.

The table below illustrates the application of the IFRIC Agenda Decision as at 31 December 2021 and 1 January 2021.

	Before restated 31 December 2021 *RMB'000*	**Impact of restatements** *RMB'000*	**After restated 31 December 2021** *RMB'000*
Assets			
Intangible assets	2,570,354	(127,464)	2,442,890
Deferred tax assets	172,588	32,922	205,510
Total non-current assets	27,326,990	(94,542)	27,232,448
Total assets less current liabilities	24,015,323	(94,542)	23,920,781
Net assets	2,991,953	(94,542)	2,897,411
Equity			
Reserves	2,819,215	(92,687)	2,726,528
Non-controlling interests	172,552	(1,855)	170,697
Total equity	2,991,953	(94,542)	2,897,411

	Before restated 1 January 2021 *RMB'000*	**Impact of restatements** *RMB'000*	**After restated 1 January 2021** *RMB'000*
Assets			
Intangible assets	2,836,417	(131,591)	2,704,826
Deferred tax assets	106,423	33,994	140,417
Total non-current assets	28,089,309	(97,597)	27,991,712
Total assets less current liabilities	28,314,943	(97,597)	28,217,346
Net assets	5,433,792	(97,597)	5,336,195
Equity			
Reserves	5,216,239	(95,411)	5,120,828
Non-controlling interests	220,374	(2,186)	218,188
Total equity	5,433,792	(97,597)	5,336,195

	Before restated 2021 *RMB'000*	Impact of restatements *RMB'000*	After restated 2021 *RMB'000*
General and administrative expenses	(1,594,346)	(9,076)	(1,603,422)
Operating loss	(1,435,206)	(9,076)	(1,444,282)
LOSS BEFORE INCOME TAX	(2,396,989)	(9,076)	(2,406,065)
Income tax expense	(383,728)	2,339	(381,389)
LOSS FOR THE YEAR	(2,780,717)	(6,737)	(2,787,454)
Attributable to:			
Equity holders of the Company	(2,712,038)	(6,605)	(2,718,643)
Non-controlling interests	(68,679)	(132)	(68,811)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic			
— For loss for the year *(RMB)*	(2.19)	(0.01)	(2.20)
Diluted			
— For loss for the year *(RMB)*	(2.19)	(0.01)	(2.20)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	276,861	9,792	286,653
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods:	296,757	9,792	306,549
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	288,607	9,792	298,399
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	(2,492,110)	3,055	(2,489,055)
Attributable to:			
Equity holders of the Company	(2,409,146)	2,724	(2,406,422)
Non-controlling interests	(82,964)	331	(82,633)

1.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*[2]
IFRS 17	*Insurance Contract*[1]
Amendments to IFRS 17	*Insurance Contracts*[1, 5]
Amendment to IFRS 17	*Initial Application of IFRS 17 and IFRS 9 — Comparative Information*[6]
Amendments to IAS 1	*Classification of Liabilities as Current or Non-Current (the "2020 Amendments")*[2, 4]
Amendments to IAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")*[2]
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*[1]
Amendments to IAS 8	*Definition of Accounting Estimates*[1]
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*[1]

1 Effective for annual periods beginning on or after 1 January 2023
2 Effective for annual periods beginning on or after 1 January 2024
3 No mandatory effective date yet determined but available for adoption
4 As a consequence of the 2022 Amendments, the effective date of the 2020 Amendments was deferred to annual periods beginning on or after January 1, 2024
5 As a consequence of the amendments to IFRS 17 issued in June 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023
6 An entity that chooses to apply the transition option relating to the classification overlay set out in this amendment shall apply it on initial application of IFRS 17

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

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 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 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 IFRS 10 and IAS 28 was removed by the IASB in December 2015 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.

Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual periods beginning on or after 1 January 2024 and shall be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current, in particular the determination over whether an entity has a right to defer settlement of the liabilities for at least 12 months after the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. In 2022, the HKICPA issued the 2022 Amendments to further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. In addition, the 2022 Amendments require additional disclosures by an entity that classifies liabilities arising from loan arrangements as non-current when it has a right to defer settlement of those liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period. 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 2024 and shall be applied retrospectively. Earlier application is permitted. An entity that applies the 2020 Amendments early is required to apply simultaneously the 2022 Amendments, and vice versa. The Group is currently assessing the impact of the amendments and whether existing loan agreements may require revision. Based on a preliminary assessment, the amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 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 IFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to IAS 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 IFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently revisiting the accounting policy disclosures to ensure consistency with the amendments.

Amendments to IAS 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 IAS 12 narrow the scope of the initial recognition exception in IAS 12 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 (provided that sufficient taxable profit is available) 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 amendments are not expected to have any significant impact on the Group's financial statements.

2. OPERATING SEGMENT INFORMATION

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

(a) The resorts and hotels segment which comprises principally the operation and management of the resorts which offer vacation resort services at a package rate and other hotel services;

(b) The tourism destinations segment which comprises principally the development, management and operation of tourism resources and tourism vacation facilities and facilities directly and indirectly supporting tourism; and

(c) The services and solutions in various tourism and leisure settings segment which comprises principally the development and promotion of the cultural events, performing arts, live entertainment and culture-related services and the operation of online and offline tourism and leisure products and solution platforms.

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 operating profits which are calculated based on gross profit less other income and gains, other expenses, selling and marketing expenses and general and administrative expenses. No analysis of the Group's assets and liabilities by operating segment is disclosed as it is not regularly provided to the chief operating decision-maker for review.

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

Year ended 31 December 2022

	Resorts and hotels *RMB'000*	Tourism destinations *RMB'000*	Services and solutions in various tourism and leisure settings *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
Segment revenue ***(note 3)***					
External customers	**11,512,746**	**2,038,647**	**226,317**	**—**	**13,777,710**
Inter-segment sales	**8,427**	**43,266**	**28,581**	**(80,274)**	**—**
Total revenue	**11,521,173**	**2,081,913**	**254,898**	**(80,274)**	**13,777,710**
Segment operating profit/(loss)	**675,070**	**385,004**	**(301,247)**	**(61,082)**	**697,745**
Unallocated expenses*					**(104,242)**
Total operating profit					**593,503**
Finance costs					**(995,591)**
Share of losses of associates					**(1,062)**
Loss before income tax					**(403,150)**

* The unallocated expenses mainly represented the equity-settled share-based payment expenses and other employee benefit expenses.

Year ended 31 December 2021(Restated)

	Resorts and hotels *RMB'000*	Tourism destinations *RMB'000*	Services and solutions in various tourism and leisure settings *RMB'000*	Eliminations *RMB'000*	Total *RMB'000* (Restated)
Segment revenue *(note 3)*					
External customers	5,586,036	3,493,939	181,498	—	9,261,473
Inter-segment sales	10,355	55,381	24,622	(90,358)	—
Total revenue	5,596,391	3,549,320	206,120	(90,358)	9,261,473
Segment operating (loss)/profit	(1,747,635)	1,087,885	(267,630)	(50,714)	(978,094)
Unallocated expenses*					(466,188)
Total operating loss					(1,444,282)
Finance costs					(960,442)
Share of losses of associates					(1,341)
Loss before income tax					(2,406,065)

* The unallocated expenses mainly represented the fair value loss on financial assets at fair value through profit or loss, equity-settled share-based payment expenses and other employee benefit expenses.

Geographical information

	2022 ***RMB'000***	2021 *RMB'000*
Revenue from external customers		
Europe, Middle East and Africa	**8,012,374**	3,950,870
America	**2,715,631**	1,432,440
Asia Pacific	**3,049,705**	3,878,163
	13,777,710	9,261,473

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

	2022	2021
	RMB'000	*RMB'000*
		(Restated)
Non-current assets		
Europe, Middle East and Africa	**13,645,951**	11,749,235
America	**3,517,607**	3,567,495
Asia Pacific	**10,201,224**	11,131,663
	27,364,782	26,448,393

The non-current asset information above is based on the locations of the assets and excludes financial instruments, deferred tax assets and amounts due from related companies.

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 year ended 31 December 2022 (2021: Nil).

3. REVENUE

An analysis of revenue is as follows:

	2022	2021
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Resorts and destination operation	**10,405,733**	6,140,192
Tourism-related property sales and construction services	**1,336,051**	2,136,920
Tourism and leisure services and solutions	**2,035,926**	984,361
	13,777,710	9,261,473

(i) Disaggregated revenue information

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

For the year ended 31 December 2022

Segments	Resorts and hotels	Tourism destinations	Services and solutions in various tourism and leisure settings	Eliminations	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Types of goods or services					
Resorts and destination operation	**9,430,652**	**1,026,774**	—	**(51,693)**	**10,405,733**
Tourism-related property sales and construction services	**280,912**	**1,055,139**	—	—	**1,336,051**
Tourism and leisure services and solutions	**1,809,609**	—	**254,898**	**(28,581)**	**2,035,926**
	11,521,173	**2,081,913**	**254,898**	**(80,274)**	**13,777,710**
Inter-segment sales	**(8,427)**	**(43,266)**	**(28,581)**	**80,274**	—
Total revenue from contracts with customers	**11,512,746**	**2,038,647**	**226,317**	—	**13,777,710**
Timing of revenue recognition					
Goods transferred at a point in time	—	**1,057,494**	**122,779**	**(2,600)**	**1,177,673**
Services rendered over time	**11,521,173**	**1,024,419**	**132,119**	**(77,674)**	**12,600,037**
	11,521,173	**2,081,913**	**254,898**	**(80,274)**	**13,777,710**
Inter-segment sales	**(8,427)**	**(43,266)**	**(28,581)**	**80,274**	—
Total revenue from contracts with customers	**11,512,746**	**2,038,647**	**226,317**	—	**13,777,710**

For the year ended 31 December 2021

Segments	Resorts and hotels *RMB'000*	Tourism destinations *RMB'000*	Services and solutions in various tourism and leisure settings *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
Types of goods or services					
Resorts and destination operation	4,668,606	1,537,322	—	(65,736)	6,140,192
Tourism-related property sales and construction services	124,922	2,011,998	—	—	2,136,920
Tourism and leisure services and solutions	802,863	—	206,120	(24,622)	984,361
	5,596,391	3,549,320	206,120	(90,358)	9,261,473
Inter-segment sales	(10,355)	(55,381)	(24,622)	90,358	—
Total revenue from contracts with customers	5,586,036	3,493,939	181,498	—	9,261,473
Timing of revenue recognition					
Goods transferred at a point in time	—	2,010,899	6,282	(360)	2,016,821
Services rendered over time	5,596,391	1,538,421	199,838	(89,998)	7,244,652
	5,596,391	3,549,320	206,120	(90,358)	9,261,473
Inter-segment sales	(10,355)	(55,381)	(24,622)	90,358	—
Total revenue from contracts with customers	5,586,036	3,493,939	181,498	—	9,261,473

4. **OTHER INCOME AND GAINS/(EXPENSES), NET**

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

	2022	2021
	RMB'000	*RMB'000*
Other income		
Interest income	**44,679**	45,452
Government grants	**48,833**	312,139
Others	**35,182**	12,908
	128,694	370,499
Gains		
Gain on disposal of a subsidiary	**82,488**	—
Gain on disposal of items of property, plant and equipment	**3,858**	2,321
Gain on disposal of right-of-use assets	**5,324**	—
Gain on rent concessions as a result of the COVID-19 pandemic	**78,648**	149,734
Gain on the fair value change of financial assets at fair value through profit or loss	**24,605**	—
Dividends from financial assets at fair value through profit or loss	**3,603**	—
Gain on reversal of provisions relating to		
— *Litigation claims*	**—**	13,709
— *Prepayments, other receivables and other assets*	**11,379**	—
	209,905	165,764
Other income and gains	**338,599**	536,263
Other expenses		
Exceptional costs due to the COVID-19 pandemic*	**(72,235)**	(754,283)
Compensation costs relating to employees	**1,363**	(123,648)
Provision for litigation, including tax related	**(19,419)**	(28,267)
Provision for resort closure costs	**(79,615)**	(71,719)
Loss on the fair value change of financial assets at fair value through profit or loss	**—**	(326,620)
Loss on disposal of intangible assets	**(803)**	—
Impairment losses on:		
— *Property, plant and equipment*	**455**	(46,137)
— *Right-of-use assets*	**(3,882)**	(20,002)
Exchange loss, net	**(37,051)**	(92,356)
Others	**(23,753)**	(26,199)
Other expenses	**(234,940)**	(1,489,231)
Other income gains/(expense), net	**103,659**	(952,968)

* Exceptional costs due to the COVID-19 pandemic primarily comprised operating costs of resorts and other facilities during their closure when they should be open in normal time, such as depreciation of property, plant and equipment, amortisation of intangible assets, depreciation of right-of-use assets and employee benefit expenses, and additional operating costs.

5. LOSS BEFORE INCOME TAX

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

	Note	2022 *RMB'000*	2021 *RMB'000* (Restated)
Cost of revenue		**9,787,360**	6,694,512
Employee benefit expense (including directors' and chief executive's remuneration):			
Wages and salaries		**2,564,262**	2,082,815
Accommodation benefits and others:			
— *Defined contribution fund*		**432,905**	364,028
Pension scheme costs:			
— *Defined benefit fund*		**26,405**	28,762
— *Defined contribution fund*		**162,963**	118,555
Equity-settled share-based payment expenses		**34,510**	30,867
		3,221,045	2,625,027
Auditor's remuneration		**4,200**	4,200
Depreciation of property, plant and equipment		**646,252**	662,137
Depreciation of right-of-use assets		**1,051,012**	1,112,222
Amortisation of intangible assets		**141,863**	134,544
Impairment of financial and contract assets and other assets:			
Provision for impairment of trade receivables		**6,799**	19,163
(Reversal)/provision for impairment of financial assets included in prepayments, other receivables and other assets		**(12,600)**	1,731
Write-down of inventories to net realisable value		**1,233**	2,579
Impairment of right-of-use assets		**3,882**	20,002
(Reversal)/provision for impairment of items of property, plant and equipment	4	**(455)**	46,137
Fair value (gain)/loss on financial assets at fair value through profit or loss	4	**(24,605)**	326,620
Lease payments not included in the measurement of lease liabilities		**100,734**	57,897
Exchange loss, net	4	**37,051**	92,356
Rent concessions as a result of COVID-19 pandemic in other gains	4	**(78,648)**	(149,734)
Gain on disposal of items of property, plant and equipment	4	**(3,858)**	(2,321)
Gain on disposal of right-of-use assets	4	**(5,324)**	—
Gain on deemed disposal of interest in an associate		**—**	(2,893)
Gain on disposal of a subsidiary	4	**(82,488)**	—
Loss on disposal of intangible assets	4	**803**	—
Dividends from financial assets at fair value through profit or loss	4	**(3,603)**	—

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2022	2021
	RMB'000	*RMB'000*
Interest on bank and other borrowings	**557,343**	546,510
Interest on convertible bonds	**—**	768
Interest on lease liabilities	**453,116**	462,120
Bank charges and other financial costs	**13,809**	7,647
	1,024,268	1,017,045
Less: Interest capitalised	**28,677**	56,603
Total finance costs	**995,591**	960,442

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Income tax in the consolidated statement of profit or loss represents:

	2022	2021
	RMB'000	*RMB'000*
		(Restated)
Current — France and others	**76,488**	10,070
Current — Chinese Mainland		
Income tax in Chinese Mainland for the year	**81,386**	183,244
LAT in Chinese Mainland for the year	**121,223**	281,076
Deferred	**(150,456)**	(93,001)
Income tax expense for the year	**128,641**	381,389

The provision for income tax of CMH and its subsidiaries incorporated in France in the year of 2022 was based on a rate of 25.83% (2021: 28.41%).

The provision for Chinese Mainland current income tax is based on the statutory rate of 25% (2021: 25%) of the assessable profits of the Group for the reporting period as determined in accordance with the PRC Corporate Income Tax Law, which was approved and became effective on 1 January 2008. For Hainan Atlantis, the provision for current income tax in the year of 2022 and 2021 is based on a reduced tax rate of 15% as a qualified encouraged industrial enterprise in accordance with the Notice on the Preferential Policies for Corporate Income Tax at Hainan Free Trade Port that has come into effect on 1 January 2020.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant Chinese Mainland tax laws and regulations. The LAT provision is subject to the final review and approval by the local tax bureau.

8. DIVIDENDS

No dividend has been paid or declared by the Company for the year ended 31 December 2022 (2021:Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 1,239,691,674 (2021: 1,236,900,320) in issue during the year.

The calculation of the diluted loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company. 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 loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed vesting of all dilutive potential ordinary shares into ordinary shares.

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

	2022	2021
	RMB'000	*RMB'000*
		(Restated)
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculations	**(544,900)**	(2,718,643)

	Number of shares	
	2022	2021
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	**1,239,691,674**	1,236,900,320
Effect of dilution — weighted average number of ordinary shares:		
— Share ownership plan*	**—**	—
— Share option scheme*	**—**	—
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**1,239,691,674**	1,236,900,320
Basic loss per share *(RMB)*	**(0.44)**	(2.20)
Diluted loss per share *(RMB)*	**(0.44)**	(2.20)

* Because the diluted loss per share amount is decreased when taking the share ownership plan and the share option scheme into account, the share ownership plan and share option scheme had an anti-dilutive effect on the basic loss per share amount for the year ended 31 December 2022 and were ignored in the calculation of diluted loss per share.

10. TRADE RECEIVABLES

	2022	2021
	RMB'000	*RMB'000*
Trade receivables	**939,667**	618,030
Impairment	**(40,598)**	(55,097)
	899,069	562,933

The Group seeks to maintain strict control over its outstanding receivables to minimise the credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

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

	2022	2021
	RMB'000	*RMB'000*
Outstanding balances with ages:		
Within 90 days	**860,840**	525,975
91 to 180 days	**28,196**	10,396
181 to 365 days	**6,643**	11,505
1 to 2 years	**3,351**	14,942
2 to 3 years	**39**	115
	899,069	562,933

11. TRADE PAYABLES

	2022	2021
	RMB'000	*RMB'000*
Trade payables	**2,643,415**	2,348,620

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

	2022	2021
	RMB'000	*RMB'000*
Within 90 days	**1,814,086**	1,854,083
91 to 180 days	**115,084**	56,882
181 to 365 days	**422,156**	128,366
1 to 2 years	**148,051**	166,205
2 to 3 years	**79,962**	39,828
Over 3 years	**64,076**	103,256
	2,643,415	2,348,620

Trade payables are non-interest-bearing.

12. EVENTS AFTER THE REPORTING PERIOD

There have been no significant events since the end of the reporting period.

13. COMPARATIVE AMOUNTS

As further explained in note 1.2 to the financial statements, due to the adoption of the revised IFRSs during the current year, the accounting treatment of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made, and certain comparative amounts have been restated to conform with the current year's accounting treatment.

CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance to safeguard the interests of Shareholders and to enhance its corporate value and accountability. The Board shall set the purpose, value and strategy of the Company and ensure their consistency with the culture of the Company. All Directors shall act with integrity as role models with commitment to promoting the corporate culture. Such culture should be instilled throughout the organisation and should reinforce the philosophy of "acting legally, ethically and responsibly" continually.

During the Reporting Period, the Company applied the principles of and fully complied with the provisions as set out in the CG Code except for the following deviation from provision C.2.1 of the CG Code. The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

Mr. Qian Jiannong being the Chairman of the Board and the Chief Executive Officer of the Company

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. From the beginning of the Reporting Period to 6 November 2022, Mr. Qian Jiannong served as both the chairman and the chief executive officer of the Group to provide the Company with strong and continuous leadership. Since 7 November 2022, Mr. Qian Jiannong resigned as the chairman of the Board and was appointed as the honorary chairman of the Board for life and re-designated as a non-executive Director. Mr. Xu Xiaoliang was appointed as the chairman of the Board and re-designated as an executive Director. In addition, Mr. Henri Giscard d'Estaing was appointed as the co-chief executive officer of the Group. Accordingly, the Company has complied with the provision C.2.1.

MODEL CODE

The Company has adopted the Model Code. Specific enquiry has been made to all Directors and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period. The Company has also established written guidelines on no less exacting standards than the Model Code for securities transactions by the relevant employees who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance of the above-mentioned written guidelines by the relevant employees of the Company during the Reporting Period was noted by the Company.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee comprised four independent non-executive Directors, namely Mr. Guo Yongqing (chairman), Dr. Allan Zeman, Ms. Katherine Rong Xin and Mr. He Jianmin. The main duties of the Audit Committee are to review the financial statements and reports, to review the relationship with the external auditors and to review the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control system. The Company's annual results for the year ended 31 December 2022 have been reviewed by the Audit Committee.

AUDITOR

The Company appointed Ernst & Young as its auditor for the year ended 31 December 2022. The Company will propose a resolution in the coming AGM (as defined below) to re-appoint Ernst & Young as the auditor of the Company.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

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 2022 as set out in this announcement have been agreed by the Company's auditor to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company's auditor on this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "AGM") will be held on Friday, 26 May 2023. The notice of AGM will be published on the websites of the Company (www.fosunholiday.com) and the Hong Kong Stock Exchange (www.hkexnews.hk) and dispatched to the Shareholders.

DIVIDEND

The Board has resolved not to declare any final dividend for the year ended 31 December 2022.

CLOSURE OF REGISTER

The register of members of the Company will be closed from Tuesday, 23 May 2023 to Friday, 26 May 2023, 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 transfer documents accompanied by the relevant share certificates and transfer forms, if any, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 22 May 2023.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company or any of its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities.

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.fosunholiday.com) and the Hong Kong Stock Exchange (www.hkexnews.hk). The annual report will be published on both websites and despatched to the Shareholders of the Company on or before 30 April 2023.

APPRECIATION

The Group would like to express its appreciation to all the staff for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, which are key factors for the Group to continue its success in future. Also, the Group wishes to extend its gratitude for the continued support from its Shareholders, customers, and business partners. The Group will continue to deliver sustainable business development, so as to create more values for all Shareholders.

GLOSSARY

Aquarium	the Lost Chambers Aquarium in Atlantis Sanya
Atlantis Sanya	our tourism destination on the Haitang Bay National Coast of Sanya, Hainan province, PRC
Audit Committee	the audit committee of the Board
Average Daily Bed Rate	the business volume divided by the total number of beds sold
Average Occupancy Rate by Bed	the total number of beds sold divided by the total number of beds available for sale
Board	the board of Directors of the Company
C2M	customer-to-maker
Capacity of Resorts	the total number of beds available for sale over a period or year, i.e. the number of beds, multiplied by the number of days on which resorts are open
Casa Cook	an award-winning boutique hotel brand under Thomas Cook, with a focus on design, high-quality food and wellbeing for guests
CG Code	the Corporate Governance Code set out in Appendix 14 of the Listing Rules
Club Med	Club Med SAS (formerly known as Club Méditerranée SA), a simplified joint-stock company (société par actions simplifiée) incorporated in France on 12 November 1957 and a non-wholly owned subsidiary of our Company
Club Med Joyview	one of the Club Med resort brands catering to the Chinese market for vacations during weekends and MICE services, to fulfill the increasing leisure and holiday needs of Chinese tourists
Company	Fosun Tourism Group (formerly known as Fosun Tourism and Culture Group (Cayman) Company Limited), an exempted company with limited liability incorporated in the Cayman Islands on 30 September 2016

Controlling Shareholder(s)	has the meaning ascribed thereto under the Listing Rules and, unless the context otherwise requires, refers to Fosun International, FHL, FIHL, and Mr. Guo Guangchang
Cook's Club	a hotel brand under Thomas Cook, designed for a new generation of travellers who want fun, lively holidays in hotels that have modern and stylish design
Director(s)	the director(s) of the Company
EBITDA	earnings before interest, taxes, depreciation and amortization
ESG	Environmental, social and corporate governance
EMEA	Europe, Middle East, and Africa, which, for the Group's purposes, also includes Turkey
FHL	Fosun Holdings Limited, a company incorporated in Hong Kong with limited liability, which is wholly owned by FIHL, and one of the Controlling Shareholders
FIHL	Fosun International Holdings Ltd., a company incorporated in the British Virgin Islands with limited liability, and one of the Controlling Shareholders
FOLIDAY	our global ecosystem consisting of our commercially interconnected businesses that offers a wide spectrum of tourism- and leisure-related services
FOLIDAY Town	the Group's brand name for major comprehensive tourism destinations
Foryou Club	the Group's membership system in China that manages and operates services and activities for members and customers under the FOLIDAY ecosystem
Fosun International	Fosun International Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board (stock code: 0656), and one of the Controlling Shareholders
Frost & Sullivan Report	an independent market research report prepared by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, which is an independent third party

GFA	gross floor area
G.E	G.Es (gentils employe) are local employees who perform the traditional duties of resort and logistics employees, mainly responsible for accommodation, catering and technical services
G.O	G.Os (gentils organisateur) can be activities leaders or customer service receptionists, as well as managerial and administrative staff at Club Med resorts, who also bear responsibility to engage with guests and make the guests feel at home
Great Member(s)	members of Club Med's Great Member loyalty program
Group, our Group, we or us	our Company and our subsidiaries at the relevant time or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
Hainan Atlantis	Hainan Atlantis Business and Tourism Development Co. Ltd, a company established in the PRC with limited liability on 15 May 2013 and a wholly-owned subsidiary of the Company
Happy Digital	Club Med's digitalization initiatives, through which we use digital solutions to improve our guests' and employees' experience while making the technology user-friendly and seamless
HK$ or HKD	the lawful currency of Hong Kong
Hong Kong or HK	the Hong Kong Special Administrative Region of the PRC
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
Independent third party(ies)	an individual or a company which, to the best of our Directors' knowledge, information, and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules

Kerzner	Kerzner International Limited, a company incorporated in The Commonwealth of the Bahamas, and its subsidiaries
Listing	the listing of the Shares on the Main Board
Listing Date	14 December 2018, on which the Shares are listed on the Stock Exchange and from which dealings in the Shares are permitted to commence on the Stock Exchange
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
Main Board	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
Miniversity	the brand for learning and playing club for children of the Group
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules
Occupancy Rate	the percentage ratio expressed as a percentage between the total number of beds sold and the total number of beds available for sale over a period or year
Occupancy Rate by Room	the total number of rooms sold divided by the total number of rooms available for sale
Reporting Period	1 January 2022 to 31 December 2022
Resort Revenue	the aggregate income of all resorts, including sales of all inclusive packages and revenue generated onsite out of the all-inclusive packages
Revenue per Bed	the Resort Revenue divided by the Capacity of Resorts
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
Share(s)	ordinary share(s) in the share capital of our Company
Shareholder(s)	holder(s) of the Shares
Show C	the resident Show C launched by the Atlantis Sanya

Stock Exchange or Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Subsidiary(ies)	has the meaning ascribed thereto under section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
Tang Residence	the saleable residential vacation units in Atlantis Sanya
Thomas Cook	Thomas Cook Group plc, a company incorporated in England and Wales, the shares of which are listed on the London Stock Exchange (stock code: TCG). The company applied for liquidation on 23 September 2019. The Group acquired the main brand name, Thomas Cook, and hotel and resort brands such as Casa Cook and Cook's Club from Thomas Cook Group plc in November 2019
Trident	the measurement unit used by Club Med to indicate the level of each Club Med resort, which is similar to "star" used for traditional hotel ratings
Waterpark	the Aquaventure Waterpark in Atlantis Sanya

By Order of the Board
Fosun Tourism Group
Xu Xiaoliang
Chairman

Hong Kong, 26 March 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.