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Fosun Tourism Group
复星旅游文化集团

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

(Stock Code: 1992)

CONTINUING CONNECTED TRANSACTIONS

LEASE SERVICES FRAMEWORK AGREEMENT

**AND SUPPLEMENTAL AGREEMENT TO THE
ADMINISTRATIVE SERVICES FRAMEWORK AGREEMENT**

AND

**CLARIFICATION ANNOUNCEMENT IN RELATION
TO THE SUPPLEMENTAL CIRCULAR DATED 22 APRIL 2024**

A. CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 9 March 2023 in relation to the administrative services framework agreement (the “**Administrative Agreement**”) and the announcement dated 30 June 2023 in relation to the supplemental agreement to the Administrative Agreement (collectively referred to as the “**Administrative Announcements**”). On 26 April 2024, the Company and Fosun International entered into the second supplemental agreement to the Administrative Agreement (the “**Second Supplemental Administrative Agreement**”). On the same date, the Company entered into the Lease Services Framework Agreement (as defined below) with Fosun International.

I. SECOND SUPPLEMENTAL ADMINISTRATIVE AGREEMENT

On 26 April 2024, the Company and Fosun International entered into the Second Supplemental Administrative Agreement, the details of which are as follows:

Original Terms

The parties agreed to set the annual caps for the Administrative Services for the financial year ending 31 December of each of the next three years as follows:

The Year	Annual Caps <i>(RMB)</i>
Ending 31 December 2024	15,000,000
Ending 31 December 2025	15,100,000
Ending 31 December 2026	15,200,000

Revised Terms

The parties agreed to set the annual caps for the Administrative Services for the financial year ending 31 December of each of the next three years as follows:

The Year	Annual Caps <i>(RMB)</i>
Ending 31 December 2024	<u>30,000,000</u>
Ending 31 December 2025	<u>30,000,000</u>
Ending 31 December 2026	<u>30,000,000</u>

Save as disclosed above, all other information as disclosed in the Administrative Announcements remain unchanged.

Historical Amount

The historical amounts for similar transactions between Fosun International and its associates and the Group for the three financial years ended 31 December 2021, 2022 and 2023 are as follows:

	For the year ended 31 December		
	2021	2022	2023
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Historical amount in relation to			
Administrative Services	1.24	8.14	12.48

Reasons for and Benefits of the Transactions

Reasons for and benefits of the transactions contemplated under the Administrative Agreement are set out in the Administrative Announcements. Considering the growth in the historical transaction amounts between the Group and Fosun International and its associates, in order to better supervise connected transactions between the Group and Fosun International and its associates and to improve the overall efficacy of the internal control mechanisms of the Group, the Company and Fosun International entered into the Second Supplemental Administrative Agreement.

II. LEASE SERVICES FRAMEWORK AGREEMENT

On 26 April 2024, the Company entered into a framework agreement (the “**Lease Services Framework Agreement**”) with Fosun International, pursuant to which the Group shall lease properties owned or leased by the Group to Fosun International and its associates (the “**Lease Services**”) and/or rent properties owned or leased by Fosun International or its associates from Fosun International and its associates (the “**Rental Services**”).

The principal terms of the Lease Services Framework Agreement are set out below:

Date	:	26 April 2024
Parties	:	(i) the Company; and (ii) Fosun International.
Conditions precedent	:	(i) the Lease Services Framework Agreement and the transactions contemplated thereunder having been duly approved by the Board and the general meeting (if applicable) of the Company;

- (ii) (if applicable) the Lease Services Framework Agreement and the transactions contemplated thereunder having been duly approved by the board of directors and the general meeting of Fosun International; and
- (iii) (if applicable) clearance of relevant announcement(s) and circular(s) by the Stock Exchange in relation to the Lease Services Framework Agreement and the transactions contemplated hereunder having been obtained.

Term : 26 April 2024 to 31 December 2026

Pricing policy : The Group and Fosun International or its associates shall enter into separate implementation agreements in accordance with terms of the Lease Services Framework Agreement.

Each of the lease and rental transactions shall be priced in accordance with the following principles:

Pricing will be made by taking into account, among other things, (i) the location, size, use, nature and condition of the property; (ii) the term of the lease; and (iii) the prevailing market rentals of comparable properties in the vicinity. The Company's business team will make price enquiries with not less than three comparable properties to ascertain the market price of comparable properties in the vicinity.

The terms of each implementation agreement shall be agreed following arm's length negotiations between the relevant parties, but in any event at terms and prices no more favourable than those offered by the Group to an independent third party or no less favourable than those offered to the Group by an independent third party in relation to the same or similar type of services.

Termination : The Lease Services Framework Agreement and the transactions contemplated thereunder may be terminated under any of the following events:

- (i) If either party to the Lease Services Framework Agreement commits material breach to the Lease Services Framework Agreement and the breaching party fails to remedy within a reasonable period specified in the written notice sent by the other party, the non-breaching party may terminate the Lease Services Framework Agreement;
- (ii) Each party to the Lease Services Framework Agreement may terminate the Lease Services Framework Agreement by sending a written notice to the other party three months in advance.

Historical Amount

The historical amounts for similar transactions between Fosun International and its associates and the Group for the three financial years ended 31 December 2021, 2022 and 2023 are as follows:

	For the year ended 31 December		
	2021	2022	2023
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Historical amount in relation to Lease Services	0	0	5.8
Historical amount in relation to Rental Services	2.9	5.1	1.2

Annual Caps and Basis for Determining the Annual Caps

The proposed annual caps for the transactions in relation to transactions contemplated under the Lease Services Framework Agreement for the three financial years ending 31 December 2024, 2025 and 2026 are set out as follows:

	For the year ending 31 December		
	2024	2025	2026
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Annual caps in relation to Lease Services	25.00	25.00	28.00
Annual caps in relation to Rental Services	17.00	18.00	20.00

In assessing the annual caps for the Lease Services Framework Agreement, the Board has considered a number of factors including the historical amount of similar transactions between the Fosun International and its associates and the Group, the existing transaction amount of the Leasing Services and Rental Services, potential cooperation opportunities between the parties and possible fluctuation in the property price in the next three years.

Reasons for and Benefits of the Transactions

Due to Fosun International's status as a leading multinational conglomerate with strong finances, the Group values the stability, reliability, and financial capacity of partnering with Fosun International and its associates. Additionally, Fosun International and its associates have investments and subsidiaries spanning various sectors, which presents the Group with diverse business opportunities and resources. The Company believes that services offered by Fosun International and its associates are of reliable quality, competitive price, and dependable after-sales service.

GENERAL

Based on the foregoing, the Directors (including the independent non-executive Directors) are of the view that the terms of the Lease Services Framework Agreement and the Second Supplemental Administrative Agreement and the respective proposed annual caps were determined after arm's length negotiation, and the transactions contemplated thereunder are conducted in the ordinary and usual course of business of the Company and are on normal commercial terms or better, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Xu Xiaoliang, Mr. Huang Zhen and Mr. Pan Donghui, being Directors also holding directorships in Fosun International, have abstained from voting on the board resolutions approving the Lease Services Framework Agreement and the Second

Supplemental Administrative Agreement and the transactions contemplated thereunder. Save as disclosed above, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as of the date of this announcement, none of the Directors has any material interests in the Lease Services Framework Agreement and the Second Supplemental Administrative Agreement and the transactions contemplated thereunder or shall abstain from voting in respect of the relevant resolutions.

INFORMATION OF THE PARTIES

The Group

In terms of revenue in 2019 and according to the Frost & Sullivan's report, the Group is one of the world's leading leisure-focused integrated tourism groups, and the largest leisure tourism resorts group worldwide. As a core component of the "Happiness" segment, one of Fosun's four business segments of "Health, Happiness, Wealth and Intelligent Manufacturing", Fosun Tourism is committed to leading the resort lifestyle and creating the world's leading family resort ecosystem with the mission of "Better Holiday Better Life". Fosun Tourism Group owns brands and products including Club Med, the global leader operating more than 60 resorts that offers premium "all-inclusive" holidays; Atlantis Sanya, a one-stop ocean-themed integrated high-end tourism destination; Taicang Alps Resort and Lijiang Club Med Resort, two one-stop global leisure and tourism destinations; Foryou Club that serves members of Fosun Tourism Group worldwide, etc.

Fosun International

Fosun International is incorporated under the laws of Hong Kong and its shares are listed and traded on the Main Board of the Stock Exchange (stock code: 00656). Fosun International is a global innovation-driven family consumption group with a mission to provide high-quality products and services for families around the world in four major business segments, including Health, Happiness, Wealth and Intelligent Manufacturing.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, as of the date of this announcement, Fosun International is directly and indirectly held by Mr. Guo Guangchang as to 73.51% of the equity interests.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Fosun International is the controlling shareholder of the Company holding 78.17% equity interests. Therefore, the transactions contemplated under the Second Supplemental Administrative Agreement and the Lease Services Framework Agreement constitute connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

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

B. CLARIFICATION TO THE SUPPLEMENTAL CIRCULAR

Reference is made to the supplemental circular of the Company dated 22 April 2024 (the "**Supplemental Circular**"). Unless otherwise defined, capitalised terms used in this section shall have the same meanings as those defined in the Supplemental Circular.

The Company would like to clarify that, due to inadvertent clerical errors, (a) the wordings of "...it being provided that the total of vesting period plus Holding Period must be of two years at least" on page 24 of the Supplemental Circular shall be replaced by "...it being provided that the total of vesting period plus Holding Period must be of two years at least **if the grantee is a French resident or a Participant of a French subsidiary of the Company.**"; (b) the wordings of "As at the Latest Practicable Date, (i) the Company had 40,331,454 outstanding options granted under the 2019 Share Option Scheme...; (ii) the maximum number of options that can be granted by the Company under the 2019 Share Option Scheme was 46,907,269" on page 5 of the Supplemental Circular shall be replaced by "As at the Latest Practicable Date, (i) the Company had **14,926,000** outstanding options granted under the 2019 Share Option Scheme...; (ii) the maximum number of options that can be granted by the Company under the 2019 Share Option Scheme was **46,149,269**"; (c) the wordings of "As at the Latest Practicable Date, (i) the Company had 7,487,901 outstanding share units granted under the 2019 Share Award Plan..." on page 7 of the Supplemental Circular shall be replaced by "As at the Latest Practicable Date, (i) the Company had **6,106,221** outstanding share units granted under the 2019 Share Award Plan..." and (d) the wordings of "The Company shall (i) issue and allot Shares to the trustee under the Scheme Mandate Limit..." on page 22 of the Supplemental Circular shall be replaced by "The Company **may** (i) issue and allot Shares to the trustee under the Scheme Mandate Limit...".

This clarification is supplemental to and should be read in conjunction with the Supplemental Circular. Save and except for those stated in this announcement, all other information contained in the Supplemental Circular remains unchanged.

DEFINITIONS

“Administrative Services”	1) information technology-related products, technical support and consulting services; 2) comprehensive management services, including recruitment services, human resources services, change of industrial and commercial information services and training services; 3) insurance services;
“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors of the Company;
“Company”	Fosun Tourism Group, a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1992);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of our Company;
“Fosun International”	Fosun International Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00656);
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“independent third party(ies)”	has the meaning ascribed to it under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified 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;
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules;

“PRC” or “China”	The People’s Republic of China, and for the purposes of this announcement only, excluding Hong Kong, Macau and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of EUR0.0001 each;
“Shareholder(s)”	holder(s) of our Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“%”	per cent.

By order of the Board
Fosun Tourism Group
Xu Xiaoliang
Chairman

26 April 2024

As at the date of this announcement, the executive Directors of the Company are Mr. Xu Xiaoliang, 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.