INTERIM REPORT 2023

度假让生活更美好

BETTER HOLIDAY BETTER LIFE

FOSUN Holiday 复星旅文

复星旅游文化集团 FOSUN TOURISM GROUP

A company incorporated under the laws of the Cayman Islands with limited liability

(Stock Code: 01992)

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FINANCIAL SUMMARY

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000 (Restated)
Revenue	**8,898,817**	6,416,543
Club Med and Others	**7,500,779**	5,599,878
Atlantis Sanya	**928,456**	490,362
Vacation Asset Management Center	**387,935**	219,367
Foryou Club and Other Services	**81,647**	106,936
Gross profit	**3,076,622**	1,893,146
Operating profit	**1,352,415**	286,574
Profit/(loss) before income tax	**678,550**	(197,877)
Profit/(loss) for the period	**490,332**	(208,444)
Profit/(loss) attributable to equity holders of the Company	**471,840**	(196,644)
Adjusted EBITDA	**2,299,661**	1,195,064
Adjusted net profit/(loss)	**513,215**	(193,767)
Earnings/(loss) per share — basic (in RMB)	**0.38**	(0.16)
Earnings/(loss) per share — diluted (in RMB)	**0.38**	(0.16)
Interim dividend per share (in HKD)	**Nil**	Nil


BETTER HOLIDAY
BETTER LIFE

BUSINESS OVERVIEW

Our Group is one of the leading leisure-focused integrated tourism groups worldwide. Throughout our mission, "Better Holiday, Better Life", we endeavor to pioneer holiday lifestyle and create a world-leading family leisure and tourism ecosystem.

In the first half of 2023, with worldwide lifting of pandemic-related restrictions and the release of strong demand for vacations after the pandemic, the Group's global business achieved a full recovery. In 2023, to better focus on the core business and optimize the synergies of internal resources, the Group reclassified its former business segments, namely "Resorts and Hotels", "Tourism Destinations" and "Services and Solutions in Various Tourism and Leisure Settings", to four business segments, namely "Club Med and Others", "Atlantis Sanya", "Vacation Asset Management Center" and "Foryou Club and Other Services". Two projects including Taicang and Lijiang under the former "FOLIDAY Town" brand were consolidated into the business segment of "Vacation Asset Management Center".

In the first half of 2023, adjustments were made to some of our businesses. The Group strategically pulled out from the scenic and entrusted management business of Albion, and the Albion Apartment in Lijiang and Sanya were the only left self-owned projects. In May 2023, the Group entered into an equity transfer agreement with Goldman Sachs Group to sell the Casa Cook and Cook's Club brands and related overseas businesses, aiming to optimize its business portfolio and focus resources on the development of the Group's core business.

Our Business Volume[1] of Club Med and Others, Atlantis Sanya, Vacation Asset Management Center, Foryou Club and Other Services (collectively as "tourism operation"), at constant exchange rate, increased to RMB9,488.0 million for the six months ended 30 June 2023 from RMB7,352.3 million for the six months ended 30 June 2022, representing a year-on-year increase of 29.0%. Our revenue increased to RMB8,898.8 million for the six months ended 30 June 2023 from RMB6,416.5 million for the six months ended 30 June 2022. Gross profit increased to RMB3,076.6 million for the six months ended 30 June 2023 from RMB1,893.1 million for the six months ended 30 June 2022. Adjusted EBITDA increased to RMB2,299.7 million for the six months ended 30 June 2023 from RMB1,195.1 million for the six months ended 30 June 2022. Profit attributable to equity holders was RMB471.8 million for the six months ended 30 June 2023, compared with loss attributable to equity holders of RMB196.6 million for the six months ended 30 June 2022.

1 *Business Volume represents the aggregate sales of our Club Med and Others, Atlantis Sanya, Vacation Asset Management Center, Foryou Club and Other Services of the Group, regardless of whether the property is owned, leased or managed.*

CLUB MED AND OTHERS

Club Med Kani, Maldives

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 30 June 2023, we have sales and marketing operations in more than 40 countries and regions across six continents, and operate 66 resorts, 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 9 resorts in China). In terms of business models, 10 resorts are under ownership model, 41 resorts are under lease model, and 15 resorts are under management contract model. In the first half of 2023, direct sales proportion through the global sales network of Club Med reached 70.4%.

In the first half of 2023, Club Med business achieved a record-breaking semester, driven mainly by the significant growth in Mountain business largely attributed to customers from EMEA, particularly from France, Brazil, the United Kingdom, Belgium, and Israel. Americas and Asia Pacific recorded a strong rebound following the lifting of travel restrictions of last year. Omicron Pandemic came to an end in China in January 2023 and since, China encountered a domestic travel rebound in the first half of 2023, though still not recovering to the level of 2019.

In the first half of 2023, the Business Volume of Club Med amounted to RMB7,938.8 million, representing an increase of 32.2% compared to that of the same period of 2022, and reaching to 119.6% of that of the same period of 2019.

The recovery was uneven by regions. Compared to the same period of 2019, the Business Volume of Club Med in the Americas increased by 64.6%, and in EMEA by 12.7%. Asia Pacific decreased by 7.3%, as China has not yet recovered to the level of 2019 in the first half of 2023 due to the Pandemic resurgence after reopening this year and some air traffic capacities constraint. The Business Volume of Club Med in Mainland China recorded RMB320.5 million in the first half of 2023, 247.6% higher than that of the same period in 2022, and recovered to 83.1% of that of the same period in 2019.

In the first half of 2023, the capacity of Club Med increased by 13.4% as compared to that of the same period of 2022, and recovered to 99.2% compared over the same period of 2019. In particular, the capacity of resorts in EMEA and Asia Pacific increased by 12.5% and 42.4% respectively while in the Americas it decreased by 4.7% as compared to the same period of 2022. The capacity in EMEA, Asia Pacific and Americas recovered to 91.4%, 109.8% and 102.2% of that of the same period of 2019, respectively.

In the first half of 2023, the global average Occupancy Rate by Bed of Club Med reached about 62.4%, increasing by 3.3 percentage points compared to the same period of 2022 and showed a decrease of 2.7 percentage points compared with the same period of 2019; while the Average Daily Bed Rate was RMB1,753.3, at constant exchange rate, representing an increase of about 10.6% and 32.2% as compared with the same period of 2022 and 2019.

The adjusted EBITDA of resort operation increased to RMB1,987.2 million for the first half of 2023, compared to adjusted EBITDA of RMB1,165.3 million for the same period of 2022.

In the first half of 2023, Club Med sustained its recovery around all the three regions, following the strong rebound in 2022, even though the business was impacted by the economic uncertainties and high inflation in all regions.

In respect of operating profit, our business in EMEA and Americas significantly turned around as compared to the same period of 2022 and even exceeded that of the same period of 2019, whereas Asia Pacific was still far below the pre-Pandemic level.

Club Med Da Balaia, Portugal

*Club Med Punta Cana,
Dominican Republic*

	For the six months ended 30 June		
	2023[1]	2022[1]	2019[1]
Business Volume by customer booking locations (RMB million)			
EMEA	**4,646.1**	4,064.9	4,121.0
Of which France	**2,713.9**	2,440.6	2,483.0
Americas	**2,197.4**	1,622.5	1,334.8
Asia Pacific	**1,095.3**	315.7	1,182.0
Of which Mainland China	**320.5**	92.2	385.5
Total	**7,938.8**	6,003.1	6,637.8

The following table sets out the capacity of resorts by type of resorts and by locations for respective period:

	For the six months ended 30 June		
Type of resorts	**2023**	2022	2019
	'000	'000	'000
Capacity			
Mountain	**1,745.5**	1,449.5	1,509.0
Sun	**3,897.7**	3,635.5	4,421.9
Club Med Joyview	**525.4**	353.0	287.8
Total	**6,168.6**	5,438.0	6,218.7
4&5 Trident%[2]	**96.9%**	95.0%	85.7%
Capacities of resorts by locations			
EMEA	**2,624.0**	2,332.1	2,870.7
Americas	**1,778.2**	1,865.4	1,739.9
Asia Pacific	**1,766.4**	1,240.5	1,608.1
Total	**6,168.6**	5,438.0	6,218.7

[1] *At constant exchange rate*

[2] *4&5 Trident percentage is based on resorts beds capacity (including Villas & Chalets)*

The following table sets out the number of customer by regions and by countries for respective period:

	For the six months ended 30 June		
	2023	2022	2019
Number of customers by customer booking locations (Thousands)			
EMEA	**314**	291	349
Of which France	**191**	183	217
Americas	**207**	199	178
Asia Pacific	**245**	107	223
Of which Mainland China	**127**	47	104
Total	**766**	597	750

Certain key information with respect to our resort operations in the period of January to June 2023, 2022 and 2019 is set out as below respectively:

	For the six months ended 30 June		
	2023	2022	2019
Business Volume[1] (RMB million)	**7,938.8**	6,003.1	6,637.8
Capacity of Resorts (in thousands)	**6,168.6**	5,438.0	6,218.7
Average Occupancy Rate by Bed	**62.4%**	59.1%	65.1%
Average Daily Bed Rate[1] (RMB)	**1,753.3**	1,585.0	1,325.9
Revenue per Bed[1] (RMB)	**1,085.7**	942.4	862.8

[1] *At constant exchange rate*

Club Med Quebec Charlevoix, Canada

Club Med Quebec Charlevoix, Canada

During the first half of 2023, the Americas region had a strong business activity, and the Business Volume increased by 35.4% as compared to the same period of 2022 and increased by 64.6% compared to the same period of 2019.

The North America region benefitted from the Canada rebound as borders were closed until February 2022 due to the Pandemic. North America achieved 25.2% growth of Business Volume, as compared to the same period of 2022, despite Sandpiper village closure in 2022.

In South America, we seized the opportunities of the strong recovery of Brazilian domestic market, and the solid momentum of ski vacations in the Alps. During the first half of 2023, Brazil became the third sales market in terms of Business Volume, increasing by 54.2% and 110.4% as compared to the same period of 2022 and 2019 respectively.

Benefitting from our new resort Tignes, upgraded Exclusive Collection Val d'Isère which opened in December 2022 and our renovated resort Pragelato, the Business Volume of our EMEA region stood at RMB4,646.1 million in the first half of 2023, increasing by 14.3% and 12.7% compared to the same period of 2022 and 2019 respectively.

In Asia Pacific, although the Business Volume in the first half of 2023 was still at 92.7% of that in the same period of 2019, we saw the Business Volume gap between the first half of 2023 and 2019 significantly narrowing compared with that between the first half of 2022 and 2019. On the other hand, the Business Volume in the first half of 2023 had an increase of 247.0% compared with the same period of 2022, which also showed strong recovery from the Pandemic in Asia Pacific.

In April 2023, we accomplished the sale of the Turkish resort Kemer to the Turkish OZAK Group. This transaction brought a net cash flow of RMB240.1 million and a net gain on disposal of RMB219.4 million. During the first half of 2023, we continued to manage our costs with discipline under a high inflation environment.

In May 2023, we accomplished the sale and lease back of the French West Indies village Les Boucaniers to the French Caisse des Depôts et Consignations and Invad Group. It will allow a renovation of the resort in 2023 and the extension of the resort in 2024. This transaction brought a net cash impact of RMB148.4 million and brought a net gain on disposal of RMB63.7 million.

Club Med Marbella, Spain

During the first half of 2023, the free cash flow stood at RMB771.1 million, decreasing by 23.5% compared to the same period of 2022 due to slowdown of bookings in the second quarter of 2023 and negative move of working capital and decreasing by 24.8% compared to the same period of 2019.

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

Club Med Joyview Thousand Islands Lake resort, China

Upscale — Upscale is the core value. During the first half of 2023, we benefited from the recently opened new resorts in 2022 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) in China and Kiroro Peak in Japan. We accomplished the sale and lease back of the French West Indies resort Les Boucaniers and planned for works of renovation and extension to upgrade the facilities and increase client satisfaction in 2023 and 2024. We achieved the sale of Kemer resort in Turkey, that was no longer in alignment with the upscale strategy. We further sold properties apartments in the French Alps resort La Rosiere. As of 30 June 2023, the 4&5 Trident capacity represents 96.9% of our resorts' total capacity, showing an increase of 11.2 percentage points compared to the same period of 2019.

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 the first half of 2023, France remained the largest market worldwide, and contributed Business Volume of RMB2,713.9 million, accounting for 34.2% of global Business Volume; increased by 11.2% compared to the same period of 2022 and 9.3% compared to the same period of 2019. This increase was explained by the reopening of ski resorts and strong rebound in demand to long-haul destinations.

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, during 2023, the Happy To Care roadmap is being strengthened; existing commitments are being reviewed towards higher or more precise performance targets and complemented with some new ones, including climate related ones. In this respect, a project mode approach has been launched to accelerate the ESG dynamic, restate the ambition, and include climate policy.

Happy Digital & C2M Strategy — Direct (and semi-direct) sales proportion through the sales network of Club Med reached 70.4% in the first half of 2023, decreasing by 0.9 percentage point compared to the same period in 2022 and increasing 6.9 percentage points compared to the same period in 2019. 29.4% of our individual customers chose to book online, representing an increase of 1.7 percentage points compared to the same period in 2022.

[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 recognizes and reflects the value in higher performing assets across the built environment lifecycle, from new construction to in-use and refurbishment.*

Club Med Changbaishan, China

In the first half of 2023, we have kept improving our website to provide more functionalities and services to our clients and have rolled out a new resort application worldwide to improve customer satisfaction and in-resort ancillary revenues. Following the built of our future proof data factory in 2022, we started to deploy artificial intelligence use cases in 2023 and are about to release in the second half artificial intelligence generative content use cases including large language model. We have rolled out in March our new brand identity, based on 3 parti-pris to fully embody our most desirable holiday lifestyle brand ambition: 1) more singular with strong and unique style; 2) more contemporary with digital native "Less is More" approach; and 3) more impactful with the use of our iconic Trident. We have also released our new brand campaign "That's L'esprit Libre" in the USA, Canada, and China, showcasing the end benefit of being l'esprit libre (no mental load) by focusing on moments of happiness where the complexity that modern life adds is removed.

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 first six months ended 30 June 2023 was approximately RMB330.7 million, increasing by approximately 30.5% compared with the same period of 2022, and increasing by 7.0% compared with the same period of 2019.

As of 30 June 2023, the liquidity[1] stood at RMB1,586.8 million.

We are seeing demand for 2023 summer season and spring of 2024 continues to gain momentum. As of 5 August 2023, the cumulative bookings for the second half of 2023, expressed in Business Volume of Stays, Tours and Services at constant exchange rate, increased by 6% compared to that for the second half of 2022 as of 6 August 2022, and increased by 21% for the second half of 2019 as of 6 August 2019, which was before the Pandemic. We are also seeing strong demand for the next ski season and spring of 2024 continues to gain momentum.

Club Med Urban Oasis Nanjing Xianlin Resort, China

[1] *Liquidity refers to cash, cash equivalent, unused overdrafts and credit line.*

Club Med Urban Oasis Taicang Resort, China

The cumulative bookings (expressed in Business Volume of Stays, Tours and Services) for Club Med for the first half of 2024, at constant exchange rate, increased by approximately 27% compared to the cumulative bookings for the first half of 2023 as of 6 August 2022, and increased by approximately 54% compared to the cumulative bookings for the first half of 2022 as of 7 August 2021 which was during the Pandemic.

In the second half of 2023, we plan to open 4 new resorts, including 2 Urban Oasis Nanjing and Taicang in China, Kiroro Grand in Hokkaido Japan and La Rosière Exclusive Collection Suite in France.

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% or more compared to that of 2022.

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% of the Club Med capacity and have approximately 438,000 customers.

Another strategic product is Exclusive Collection. In the first half of 2023, Exclusive Collection accounted for 12% of Club Med capacity, and 16% of Club Med global Business Volume, having 65,000 customers. By 2025, we target to grow the capacity of Exclusive Collection by 15% compared to that of 2022, and have approximately 177,000 customers by then.

MINIVERSITY

Our international learning and playing club, Miniversity (迷你營), created summer parent-child activities and Winter/Summer Camp through collaboration with the FOSUN HOLIDAY ecosystem. In the first half of 2023, the Business Volume reached RMB6.0 million, increasing by 11.7% compared to the same period in 2022. The Winter/Summer Camp and parent-child activities were well received by consumers and grew by 125.8% in terms of the number of bookings as of 30 June 2023 compared to the same period in 2022.

No.	Name of Resort	Number of Beds	Duration[1]	Number of Rooms	Trident[2]	Location	Year of opening[3]	Type	Operating Model[4]
	EMEA								
1	Albion	611	Permanent	258	5	Mauritius	2007	Sun	Leased
2	Albion Villas	168	Permanent	30	5	Mauritius	2010	Sun	Leased
3	Arcs Extreme	566	Seasonal	283	3	France	1980	Mountain	Leased
4	Bodrum	484	Seasonal	224	4	Turkey	1995	Sun	Managed
5	Cap Skirring	413	Seasonal	204	4	Senegal	1973	Sun	Leased
6	Cefalu	637	Permanent	318	5	Italy	2018	Sun	Leased
7	Club Med 2	377	Permanent	184	5	Club Med 2	1992	Sun	Owned
8	Da Balaia	792	Seasonal	388	4	Portugal	1986	Sun	Leased
9	Djerba La Douce	1,044	Seasonal	498	3	Tunisia	1975	Sun	Leased
10	Grand Massif Chalets	92	Bi-seasonal	18	5	France	2019	Mountain	Leased
11	Grand Massif Samoens Morillon	941	Bi-seasonal	420	4	France	2017	Mountain	Leased
12	Gregolimano	958	Seasonal	457	4	Greece	1978	Sun	Leased
13	L'alpe D'huez La Sarenne	993	Bi-seasonal	441	4	France	1985	Mountain	Leased
14	La Palmyre Atlantique	1,191	Seasonal	417	4	France	2003	Sun	Leased
15	La Plagne 2100	587	Seasonal	339	4	France	1990	Mountain	Leased
16	La Pointe Aux Canonniers	873	Permanent	393	4	Mauritius	1973	Sun	Leased
17	La Rosiere	878	Bi-seasonal	398	4	France	2020	Mountain	Leased
18	Les Arcs Panorama	965	Bi-seasonal	433	4+5	France	2018	Mountain	Leased
19	Magna Marbella	1,003	Permanent	485	4	Spain	2022	Sun	Leased
20	Marrakech La Palmeraie	796	Permanent	329	4+5	Morocco	2004	Sun	Leased
21	Opio En Provence	835	Seasonal	393	4	France	1989	Sun	Leased
22	Palmiye	1,791	Seasonal	722	4	Turkey	1988	Sun	Managed
23	Peisey-Vallandry	820	Bi-seasonal	316	4	France	2005	Mountain	Leased

No.	Name of Resort	Number of Beds	Duration[1]	Number of Rooms	Trident[2]	Location	Year of opening[3]	Type	Operating Model[4]
24	Pragelato	909	Bi-seasonal	377	4	Italy	2012	Mountain	Leased
25	Saint-Moritz Roi Soleil	584	Seasonal	304	4	Switzerland	1963	Mountain	Leased
26	Serre-Chevalier	929	Bi-seasonal	329	3	France	2001	Mountain	Leased
27	Seychelles	612	Permanent	285	5	Seychelles	2021	Sun	Leased
28	Tignes	949	Bi-seasonal	430	4	France	2022	Mountain	Leased
29	Val D'isere	499	Bi-seasonal	216	5	France	1978	Mountain	Leased
30	Val Thorens	776	Seasonal	384	4	France	2014	Mountain	Leased
31	Valmorel	896	Bi-seasonal	415	4+5	France	2011	Mountain	Leased
32	Valmorel Chalets	323	Bi-seasonal	61	5	France	2011	Mountain	Leased
33	Vittel Ermitage	194	Seasonal	104	4	France	1973	Sun	Leased
34	Yasmina	808	Seasonal	343	4	Morocco	1969	Sun	Leased
	Americas								
1	Cancun Yucatan	1,285	Permanent	491	4+5	Mexico	1976	Sun	Owned
2	Columbus Isle	527	Permanent	232	4	Bahamas	1992	Sun	Owned
3	Ixtapa Pacific	817	Permanent	292	4	Mexico	1981	Sun	Owned
4	La Caravelle	812	Permanent	349	4	France (Guadeloupe)	1974	Sun	Leased
5	Lake Paradise	823	Permanent	377	4	Brazil	2016	Sun	Leased
6	Les Boucaniers	634	Permanent	285	4	France (Martinique)	1969	Sun	Leased
7	Miches	865	Permanent	329	5	Dominican Republic	2019	Sun	Leased
8	Punta Cana	1,369	Permanent	502	4+5	Dominican Republic	1981	Sun	Owned
9	Quebec Charlevoix	807	Permanent	287	4	Canada	2021	Mountain	Managed
10	Rio Das Pedras	812	Permanent	379	4+5	Brazil	1988	Sun	Owned
11	Trancoso	681	Permanent	280	4	Brazil	2002	Sun	Owned
12	Turquoise, Turcs & Caicos	562	Permanent	281	4	Turks and Caikos	1985	Sun	Leased

No.	Name of Resort	Number of Beds	Duration[1]	Number of Rooms	Trident[2]	Location	Year of opening[3]	Type	Operating Model[4]
	Asia Pacific								
1	Bali	915	Permanent	393	4	Indonesia	1986	Sun	Owned
2	Beidahu	439	Seasonal	172	4	China	2016	Mountain	Managed
3	Bintan Island	657	Permanent	308	4	Indonesia	1996	Sun	Leased
4	Changbaishan	275	Bi-seasonal	107	4	China	2022	Mountain	Managed
5	Cherating Beach	663	Permanent	297	4	Malaysia	1979	Sun	Owned
6	Club Med Joyview Anji	810	Permanent	300	4	China	2018	Joyview	Managed
7	Club Med Joyview Golden Coast	780	Permanent	298	4	China	2018	Joyview	Managed
8	Guilin	724	Permanent	296	4	China	2013	Sun	Managed
9	Kabira	487	Permanent	177	4	Japan	1999	Sun	Leased
10	Kani	621	Permanent	261	4+5	Maldive Islands	2000	Sun	Leased
11	Kani Finolhu Villas	119	Permanent	52	5	Maldive Islands	2015	Sun	Leased
12	Kiroro Peak	262	Bi-seasonal	122	4	Japan	2022	Mountain	Managed
13	Lijiang	565	Permanent	219	4	China	2021	Sun	Managed
14	Phuket	771	Permanent	335	4	Thailand	1985	Sun	Owned
15	Sahoro Hokkaido	538	Seasonal	201	4	Japan	1988	Mountain	Leased
16	Thousand Islands	566	Permanent	202	4	China	2022	Joyview	Managed
17	Tomamu Hokkaido	945	Bi-seasonal	340	4	Japan	2018	Mountain	Managed
18	Yabuli	596	Seasonal	253	4	China	2010	Mountain	Managed
19	Yanqing	754	Permanent	300	4	China	2019	Joyview	Managed
20	Yanqing Lijing Ph2	363	Permanent	140	4	China	2022	Joyview	Managed

Notes:

(1) Permanent resorts open all year long. Seasonal resorts open in either the summer season or the winter season of each year. Bi-seasonal resorts open in the summer season and the winter season of each year.

(2) "3": Three Trident Resort "4": Premium Four Trident Resort "4+5": Four Trident Resort with Five Trident Space "5": Five Trident Resort, Villas and Chalets, and Club Med 2 cruise ship, now called Exclusive Collection collectively.

(3) This includes year of re-opening.

(4) Unless otherwise stated, we wholly own the property holding companies of the resorts below under the ownership operating model.

EMEA: 34

Americas: 12

Asia Pacific: 20

Atlantis Sanya, China

ATLANTIS SANYA[1]

ATLANTIS SANYA[2]

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[3] 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.

1 *It refers to Atlantis Sanya Business Segment.*

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

3 *Meetings, Incentives, Conferencing & Exhibitions.*

As a one-stop high-end resort destination with marine as the theme, Atlantis Sanya presented a series of brand-new experiences for its guests. On 16 January 2023, it unveiled the "Aquaventure Pink Night"(「水世界粉色之夜」), which opened a new night tour experience, with an exposure of more than 2.68 billion across the network. On 28 April 2023, Atlantis Sanya began celebrations for its fifth anniversary. Featuring a full lineup of activities, the celebrations captured new trends in tourism and included a fireworks spectacular that lit up the skies around Haitang Bay. (「新潮夜遊粉耀三亞，煙花盛會綻放海棠」). In respect of social media, as of 30 June 2023, Atlantis Sanya continued its premier first ranking on Douyin's Eat, Drink and Play — Popularity List.

In the first half of 2023, the Business Volume of Atlantis Sanya operating business increased from RMB486.9 million in the first half of 2022 to RMB887.1 million in the first half of 2023, increasing by 82.2% as compared to the same period in 2022. The Average Daily Rate by Room is RMB2,408.3, with an average Occupancy Rate of 86.2%, increasing by 40.1 percentage points as compared to the same period last year. The number of visits increased to 3.178 million compared with 1.535 million in the same period in 2022. Adjusted EBITDA for the first half of 2023 was RMB461.0 million, representing an increase of 122.9% compared with RMB206.8 million in the same period of 2022.

Aquaventure Pink Night

As of 30 June 2023, there was only a small amount of units left in Tang Residence. We still have 2 villas available to be sold or delivered.

The following table illustrates certain key operating data of Atlantis Sanya for the six months ended 30 June:

	For the six months ended 30 June	
	2023	2022
Business Volume (RMB'000)	**887,054**	486,862
Occupancy Rate by Room	**86%**	46%
Average Daily Rate by Room (RMB)	**2,408**	2,479
RevPar by Room (RMB)	**2,075**	1,140

In July 2023, Atlantis Sanya upgraded its signature summer event in Aquaventure —Aqua Screen Show (粉色之夜水幕秀), to present the story of China's first mermaid virtual experience officer, Seana, and her encounter with Atlantis Sanya and launched the two-month "Super Summer 2023" programme, which includes a rich variety of activities such as "Miniversity for Independent Camping" and "Super Summer Supper" to radiate an all-age group. These innovative projects lead the new trend in Sanya's tourism market and promote the digitalisation of Hainan's cultural and tourism industry. Compared to the soared individual market consumption in Sanya in same period of 2022 due to the pandemic, outbound tourism partially recovered in the summer of 2023. Facing the popular trend of domestic tourism destinations such as Beijing, Shanghai, Xinjiang and Yunnan, Atlantis Sanya's performance remained strong. It recorded a Business Volume of RMB191.9 million in July 2023, representing a decrease of 10.8% as compared to the same period in 2022. The Average Occupancy Rate by Room reached 88.3% and the Average Daily Rate by Room was RMB3,007.2.

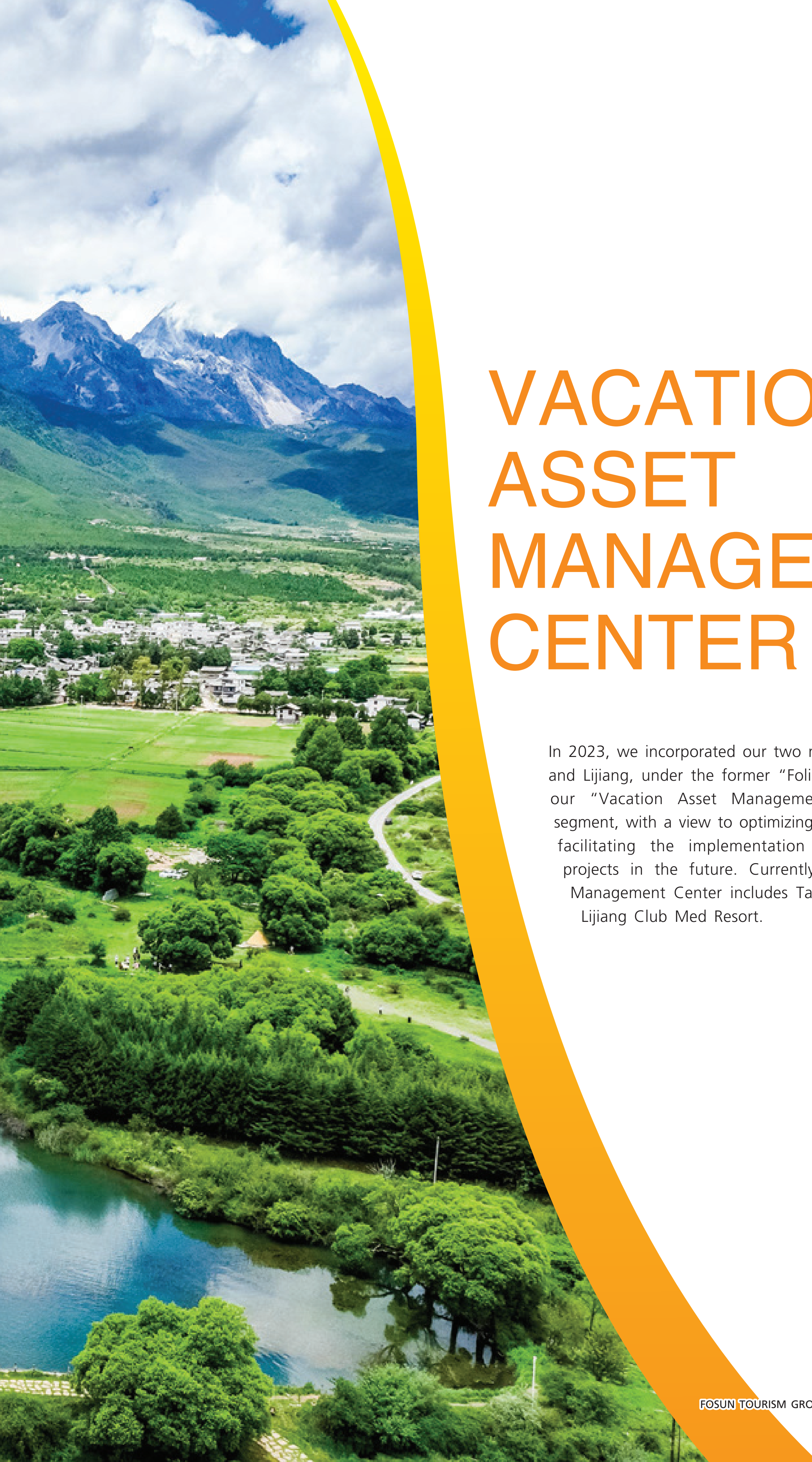
Atlantis Sanya Super Summer 2023

Atlantis Sanya, China

FANXIU

Through the development of performances in 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 stationed C Show in Atlantis Sanya in February 2019. Since Christmas in 2021, Atlantis Sanya's stationed C Show 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 2023, with the number of viewers increasing by 75.6% and ticket revenue increasing by 110.3% year-on-year. In the first half of 2023, Fanxiu Performance recorded a Business Volume of RMB34.1 million, increasing by 137.0% compared to the same period of 2022. To further enrich the supply of tourism and cultural products, in the first half of 2023, we launched "Pink Night", a year-round nighttime offering at Waterpark in Atlantis Sanya, which transformed the nighttime at the Waterpark into an ocean of fun for the sizeable parent-child customer base in China through a rich variety of performing arts. During the summer of 2023, complementing the super summer holiday new show of Atlantis Sanya, Fanxiu integrated the image of the first mermaid virtual experience officer, Seana, fireworks, water curtain, laser, water fly show and drone elements to develop a high-tech water curtain show, becoming another highlight of Atlantis Sanya parent-child products.

C Show



VACATION ASSET MANAGEMENT CENTER

In 2023, we incorporated our two major projects, Taicang and Lijiang, under the former "Foliday Town" brand into our "Vacation Asset Management Center" business segment, with a view to optimizing our IP operations and facilitating the implementation of more light-asset projects in the future. Currently, the Vacation Asset Management Center includes Taicang Alps Resort and Lijiang Club Med Resort.

Taicang Alps Resort, China

TAICANG ALPS RESORT

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

With the theme of "Alps", Taicang Alps Resort is designed to offer various themed experiences and tourism features, including but not limited to a large-scale indoor ski domain in Eastern China, a sports park, Club Med Urban Oasis Taicang Resort, a themed commercial street, and saleable vacation units. The total GFA of Taicang Alps Resort 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 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. As of June 2023, Alps Snow Live was in the commissioning phase of snowmaking.

The themed commercial street "Alps Time" and Club Med Urban Oasis 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 as of June 2023, the main structure of the "Alps Time" has passed an inspection and acceptance check and it was at the stage of decoration and renovation. Club Med Urban Oasis Taicang Resort has a GFA of approximately 50,000 square meters, and includes 308 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. In June 2023, Club Med Urban Oasis Taicang Resort was at the stage of decoration and renovation.

The construction of Taicang Alps Resort was completed in stages starting from 2021, among which the Alps Snow Live, Club Med Urban Oasis 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 30 June 2023, the total cumulative cost incurred in the Taicang Alps Resort was approximately RMB6,086.5 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 RMB1,129.6 million has already been utilized. As of 30 June 2023, Taicang Alps Resort 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 30 June 2023, the sales area developed for sale was 88,726.1 square meters and the sales value to be carried forward was RMB353.2 million.

As of 30 June 2023, the sold (including pre-sale) and delivered details of Taicang Alps Resort are as follows:

Periods	Number of sets sold (including pre-sale) (sets)	Sold value (including pre-sale) (RMB million)	Delivered sets (sets)	Delivered GFA (m^2)	Recognized revenue (RMB million)
First half of 2023	191	478.1	145	16,184.8	346.5
Starting from pre-sale up to 30 June 2023	1,273	3,316.5	1,134	125,423.8	2,712.6

In July 2023, the number of sets sold in Taicang Alps Resort was 14 and the sales value was RMB32.7 million.

Lijiang Club Med Resort, China

LIJIANG CLUB MED RESORT

Lijiang Club Med Resort covers approximately 695,000 square meters of land parcels 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 the vacation house at the foot of Jade Snow Mountain. The total GFA of Lijiang Club Med Resort is approximately 283,000 square meters and the project development costs (mainly including the cost to acquire the land use right and construction cost) are expected to be approximately RMB4.0 billion. Club Med Lijiang resort has a GFA of approximately 56,785 square meters, and includes 302 guest rooms with 770 beds. The project was also planned to include 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 pre-sale. 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 since 2020. The project has been completed in stages since late 2021. In the second half of 2021, Club Med Lijiang resort, Tang'an Residence Lijiang, and lake camp have been put into operation. Among them, Tang'an Residence Lijiang was officially opened in January 2022. The product is positioned as a serviced holiday apartment.

Lijiang Club Med Resort was opened on 25 September 2021. In the first half of 2023, with the opening up after the epidemic and the recovery of the tourism industry, Lijiang Club Med Resort welcomed the peak of visitor traffic. During the Labour holiday in May 2023, Lijiang Club Med Resort joined hands with Fosun Foundation to organize the Simple Holiday Life Festival in the form of "Music + Public Welfare", which achieved 15 million promotional exposure and attracted nearly 10,000 people to participate in the festival. In June 2023, Lijiang Club Med Resort was awarded the 2023 TRUE Cultural and Tourism Super Rating List (2023TRUE文旅超級評價榜) "2022 Excellent Cultural and Tourism Project TOP 7" (2022卓越文旅項目TOP7), becoming one of the best residential destinations in Southwest China and providing a one-stop holiday home. In the first half of 2023, Lijiang Club Med Resort recorded a Business Volume of RMB39.6 million with approximately 64,000 visits.

As of 30 June 2023, the operation of Lijiang Club Med Resort is as follows:

	For the six months ended 30 June	
	First half of 2023	First half of 2022
Lijiang Club Med Resort[1]		
Business Volume (RMB million)	**39.6**	17.8
Visits ('0,000)	**6.4**	4.6
Club Med Lijiang resort		
Business Volume (RMB million)	**34.6**	14.3
Capacity (beds)	**555**	550
Average Occupancy Rate by Bed	**35.7%**	14.0%
Average Daily Bed Rate (RMB)[2]	**959**	1,075

As of 30 June 2023, the total cost incurred in Lijiang Club Med Resort was approximately RMB1,697.1 million; the approved project development loans amounted to RMB1,300.0 million and the loan balance was RMB562.4 million as of the end of the period. As of 30 June 2023, Lijiang Club Med Resort has obtained a sales permit for GFA of approximately 28,500 square meters, with the number of saleable sets of 482. As of 30 June 2023, the area developed for sale was 22,250.9 square meters. The value sold to be carried forward was RMB34.5 million.

As of 30 June 2023, the sold and delivered details of the Lijiang Club Med Resort are as follows:

Periods	Number of sets sold (sets)	Sales value (RMB million)	Delivered sets (sets)	Delivered GFA (m^2)	Recognized revenue (RMB million)
First half of 2023	18	18.8	13	696.5	12.2
Starting from pre-sale up to 30 June 2023	106	126.8	74	4,172.5	85.0

In July 2023, Lijiang Club Med Resort launched a series of activities including meadow music, outdoor study, nature excursion and non-heritage culture experience to attract footfall. Driven by the increase in summer bookings, Lijiang Club Med Resort recorded a Business Volume of RMB23.4 million, representing an increase of 2.3% compared to the same period of 2022, with 208,000 visits. The number of sets sold in Lijiang Club Med Resort was 2 and the sales value was RMB1.8 million. Club Med Lijiang resort recorded a Business Volume of RMB21.5 million. The Average Daily Bed Rate was RMB1,117 and the average Occupancy Rate by Bed reached 84.5%.

In addition, we are exploring strategic partnerships opportunities with other companies on the development and operation models of Vacation Asset Management Center.

1 *Formerly Lijiang FOLIDAY Town.*

2 *The Average Daily Bed Rate decreased by 10.8% as compared with the same period of 2022 due to off-season marketing strategies, meetings, incentive travel as well as an increased share of the large corporate convention and event exhibition business mix.*

FORYOU CLUB AND OTHER SERVICES

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. In the first half of 2023, in the context of globalization, the Group deepened its localization strategy and repositioned Thomas Cook China to Foryou Club, which is dedicated to the mission of Fosun Tourism Group of "Better Holiday, Better Life", to build a scenic platform for high-quality holiday services. The Group strives to provide quality domestic and overseas holiday products and services to Foryou Club members and their families around the world. Thomas Cook UK continued to develop its online travel agency business.

FORYOU CLUB

In 2023, we repositioned the former "Thomas Cook Lifestyle Platform" ("TC China") to Foryou Club, as the official global membership operation platform of Fosun Tourism Group, the members of which are from Club Med, Atlantis Sanya and various business segments under Fosun Tourism Group.

Adhering to the Group's mission of "Better Holiday, Better Life", Foryou Club is committed to providing high-quality domestic and international holiday products and services to its members and their families around the world by creating a scenic platform for high-quality holiday services.

As of 30 June 2023, the platform of Foryou Club had over 6.130 million members, representing a year-on-year growth of 17.1%. In the first half of 2023, the number of new members reached 524,000, representing a year-on-year growth of 12.6%, and the number of paid users reached 56,000, representing a year-on-year growth of 13.6%.

In 2023, as the industry recovers and the demand is unleashed, Foryou Club gains a deep insight into the changes in demand for family holiday life in the post-pandemic period. By focusing on Fosun Tourism Group and Fosun Ecosystem self-operated advantageous resources, the Group launched domestic and overseas products such as the Atlantis 2+2 package (Atlantis+local premier luxurious hotels), the Club Med all-inclusive package+local fun activities, and the Hoshino Resorts TOMAMU in Japan. On the service aspect, Foryou Club upgraded the APP member experience function, providing members with the already established rights and functions including free check-in at the VIP channel, free room upgrade, and delayed check-out for members, etc. At the same time, it actively developed innovative services to meet the needs of quality users, such as airport coach picking up at destination and advanced room selection services to name a few.

Foryou Club recorded a Business Volume of RMB177.5 million in the first half of 2023, representing an increase of 11.5% over the same period of 2022, and an order volume of 413,000, representing an increase of 128.0% over the same period of 2022.

Due to the business adjustment since 2023, Foryou Club focused on improving the functions of the member platform and paid more attention to the input-output ratio. In July 2023, its core business recorded a Business Volume of RMB36.6 million, which maintained at approximately the same level as the same period of 2022. Looking forward into the second half, Foryou Club will continue to focus on family holidays by fully leveraging Fosun Tourism Group's advantageous holiday IPs and products to launch high-quality travel and holiday products both domestically and abroad. It will also focus on upgrading the all-around travelling experience of members before, during and after their trips, endeavouring to become the "Holiday Butler" for a wide range of family consumers.

THOMAS COOK UK

In the first half of 2023, benefiting from the brand's organic strength and high demand for post-covid travel, it realised a year-on-year improvement in gross profit margin during the Reporting Period.

In the first half of 2023, Thomas Cook achieved the improvement in profitability through optimising operational efficiency. Strong momentum in summer bookings continued throughout July as families in the UK booked last-minute beach and city breaks despite the economic backdrop of high inflation.

Thomas Cook's UK business, as well as its operations in Europe, have continued to invest in their digital platform with a greater focus on higher-margin hotels and long-haul holidays.

SELECTED ITEMS OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
REVENUE	**8,898,817**	6,416,543
Cost of revenue	**(5,822,195)**	(4,523,397)
Gross profit	**3,076,622**	1,893,146
Other income and gains, net	**384,472**	70,274
Selling and marketing expenses	**(1,201,982)**	(978,730)
General and administrative expenses	**(906,697)**	(698,116)
Finance costs	**(660,282)**	(483,944)
Share of profits and losses of:		
Associates	**(13,583)**	(507)
PROFIT/(LOSS) BEFORE TAX	**678,550**	(197,877)
Income tax expense	**(188,218)**	(10,567)
PROFIT/(LOSS) FOR THE PERIOD	**490,332**	(208,444)
Attributable to:		
Equity holders of the Company[1]	**471,840**	(196,644)
Non-controlling interests	**18,492**	(11,800)
	490,332	(208,444)

1 Profit attributable to equity holders of the Company for the six months ended 30 June 2023 included RMB645.8 million profit arising from tourism operation and RMB174.0 million loss arising from property development and sales. Loss attributable to equity holders of the Company for the six months ended 30 June 2022 included RMB59.7 million loss arising from tourism operation and RMB136.9 million loss arising from property development and sales.

Revenue by business segment

Revenue: Our revenue increased by 38.7% from RMB6,416.5 million for the six months ended 30 June 2022 to RMB8,898.8 million for the six months ended 30 June 2023. Both global and domestic business showed a notable improvement thanks to the continued recovery from the Pandemic and the increase in travel, as well as the Group's operation efficiency.

	For the six months ended 30 June			
	2023		2022	
	RMB'000	%	RMB'000 (Restated)[1]	%
Club Med and Others	**7,506,818**	**84.4%**	5,611,036	87.4%
Atlantis Sanya	**937,461**	**10.5%**	507,992	7.9%
Vacation Asset Management Center	**389,914**	**4.4%**	226,462	3.5%
Foryou Club and Other Services	**104,542**	**1.2%**	119,180	1.9%
Intersegment eliminations	**(39,918)**	**(0.5%)**	(48,127)	(0.7%)
Total revenue	**8,898,817**	**100.0%**	6,416,543	100.0%

1 Details of the restatement of the 2022 interim statements are set out in note 3 to the financial statements.

Club Med and others: Revenue of this segment was mainly consisted of Club Med resort operation business and other relevant business such as transportation service, resort construction service, youth play and learning service. Club Med and others revenue increased by 33.8% from RMB5,611.0 million for the six months ended 30 June 2022 to RMB7,506.8 million for the six months ended 30 June 2023, benefitting from the increase of the capacity by 13.4%, the increase of occupancy rate by 3.3 percentage points and the increase of Average Daily Bed Rate by 10.6% in Club Med. The growth was primarily contributed by the increase in travel demand, including the desire and ability to travel with the lifting of cross-border travel restrictions.

Atlantis Sanya: Atlantis Sanya segment provided hotel operation services and various supporting tourism and entertainment services in the region, such as C show and Sanya Albion. Thanks to the strong holiday demand unleashed after resuming domestic tourism in China, Atlantis Sanya posted revenue growth of 84.5% from RMB508.0 million for the six months ended 30 June 2022 to RMB937.5 million for the six months ended 30 June 2023. The growth was driven by both increase in room revenue with much higher Occupancy Rate, and the increase in other operating revenues generated from the Aquarium, the Waterpark, the C show and other services provided.

Vacation Asset Management Center: Revenue from Vacation Asset Management Center mainly came from property sales and construction services of Taicang ALPS resort and Lijiang Club Med resort, as well as operation revenue of Lijiang Club Med. Revenue of property sales and construction services increased by 66.8% to RMB358.4 million as we delivered 145 and 13 property units from Taicang ALPS resort and Lijiang Club Med resort respectively. Operation revenue of Lijiang Club Med also increased by 132.8% to RMB26.3 million.

Foryou Club and Other Services: Foryou Club and Other Services mainly provided various tourism and leisure services to support membership system for our various brands. Revenue of Foryou Club and Other Services decreased by 12.3% year-on-year, mainly because we strategically optimized the business structure of Foryou Club and reduced some business with low efficiency.

Cost of revenue by business segment

	For the six months ended 30 June			
	2023		2022	
	RMB'000	**%**	RMB'000 (Restated)	%
Club Med and Others	**5,138,494**	**88.3%**	4,037,751	89.3%
Atlantis Sanya	**441,225**	**7.6%**	308,446	6.8%
Vacation Asset Management Center	**228,951**	**3.9%**	165,487	3.7%
Foryou Club and Other Services	**45,062**	**0.8%**	49,062	1.1%
Intersegment eliminations	**(31,537)**	**(0.6%)**	(37,349)	(0.9%)
Total	**5,822,195**	**100.0%**	4,523,397	100.0%

Gross profit and gross profit margin by business segment

	For the six months ended 30 June			
	2023		2022	
	Gross Profit RMB'000	**Gross Profit Margin %**	Gross Profit RMB'000 (Restated)	Gross Profit Margin %
Club Med and Others	**2,368,324**	**31.5%**	1,573,285	28.0%
Atlantis Sanya	**496,236**	**52.9%**	199,546	39.3%
Vacation Asset Management Center	**160,963**	**41.3%**	60,975	26.9%
Foryou Club and Other Services	**59,480**	**56.9%**	70,118	58.8%
Intersegment eliminations	**(8,381)**	**N/A**	(10,778)	N/A
Total	**3,076,622**	**34.6%**	1,893,146	29.5%

Cost of revenue increased by 28.7% from RMB4,523.4 million for the six months ended 30 June 2022 to RMB5,822.2 million for the six months ended 30 June 2023 which was in line with revenue increase.

Gross profit increased by 62.5% and gross profit margin increased from 29.5% to 34.6%. Gross profit for Club Med and Others segment increased by 50.5% compared with same period of last year. The increase was mainly due to continued business recovery of Club Med whose gross profit and margin rate was RMB2,353.7 million and 31.5% respectively. Gross profit and margin rate of Club Med were better than those of the same period of 2019. Gross profit of Altantis Sanya increased by 148.7% and gross profit margin increased from 39.3% to 52.9% year-on-year benefitting from both the recovery of revenue and operation efficiency. Gross profit of Vacation Asset Management Center increased by 164.0% and gross profit margin increased from 26.9% to 41.3% year-on-year thanks to more property units delivery with higher margin rate and increase of Lijiang Club Med revenue.

Other income and gains, net

We incurred a net income of RMB384.5 million in the first six months of 2023 comparing with a net income of RMB70.3 million in the same period of last year. Net income in the first half of 2023 was mainly due to (i) gain from village disposal as well as sale and lease back of Club Med resorts amounted to RMB283.1 million, (ii) gain from disposal of Casa Cook and Cook's Club hotel business amounted to RMB49.9 million, and (iii) net exchange gain amounted to RMB70.3 million.

Selling and marketing expenses

Selling and marketing expenses increased by 22.8% year-on-year to RMB1,202.0 million for the first six months ended 30 June 2023, mainly due to (i) commission on sales mainly for resorts and tourism operation and property sales increased by 46.4% year-on-year to RMB400.5 million (the first half of 2022: RMB273.6 million), which was in line with the revenue increase, and (ii) advertising and promotion costs increased by RMB51.6 million as a result of continued business recovery.

General and administrative expenses

General and administrative expenses increased by 29.9% to RMB906.7 million in the first six months of 2023. The change was primarily due to (i) management fee payable to brand licensor increased by RMB47.1 million due to incentive fee charge for business operation of Atlantis Sanya in the first six months of 2023 in line with the revenue growth, (ii) IT services expenses and new resort development expenses for Club Med increased by RMB50.4 million in line with the continued business recovery as well as the increase of IT service procurement, and (iii) increase of sundry outsourcing expenses such as consulting expenses and professional expenses.

Operating profit by business segment

Our operating profit was RMB1,352.4 million in the first six months of 2023, comparing with the operating profit of RMB286.6 million in the same period of last year.

	For the six months ended 30 June			
	2023		2022	
	RMB'000	**%**	RMB'000 (Restated)	%
Club Med and Others	**1,177,309**	**87.1%**	400,046	139.6%
Atlantis Sanya	**346,769**	**25.6%**	118,301	41.3%
Vacation Asset Management Center	**74,898**	**5.5%**	(12,600)	(4.4%)
Foryou Club and Other Services	**(34,893)**	**(2.6%)**	(89,884)	(31.4%)
Eliminations and unallocated expenses	**(211,668)**	**(15.6%)**	(129,289)	(45.1%)
Total	**1,352,415**	**100.0%**	286,574	100.0%

Club Med and Others: Club Med and Others business incurred an operating profit of RMB1,177.3 million in the first six months of 2023 compared with an operating profit of RMB400.0 million in the same period of 2022, reflecting the continued business recovery and operation efficiency of Club Med.

Atlantis Sanya: Operation profit of Atlantis Sanya increased from RMB118.3 million in the first six months of 2022 to RMB346.8 million in the same period of 2023, mainly due to growth of gross profit.

Vacation Asset Management Center: Vacation Asset Management Center incurred an operating profit of RMB74.9 million in the first six months of 2023 compared with an operating loss of RMB12.6 million in the same period of 2022. Delivery of property units of Taicang ALPS resort contributed operating profit of RMB112.9 million for the first six months ended 30 June 2023 compared with an operating profit of RMB47.4 million in the same period of last year.

Foryou Club and Other Services: Operating loss for the first six months ended 30 June 2023 was RMB34.9 million compared with RMB89.9 million for the same period of 2022 due to cost saving of some businesses and expenses with low efficiency.

Finance costs

Finance costs net of capitalized interest increased by RMB176.4 million from RMB483.9 million for the first six months of 2022 to RMB660.3 million in the same period of 2023. Our indebtedness balance as of 30 June 2023 increased by RMB2,404.9 million compared with the balance as of 30 June 2022.

Income tax expense

Income tax expenses increased by RMB177.6 million from RMB10.6 million in the first six months of 2022 to RMB188.2 million in the same period of 2023. The income tax expense for the six months ended 30 June 2023 primarily comprised of PRC land appreciation tax ("**LAT**") amounted to RMB38.4 million in relation to the sales of tourism-related property sales and income tax expense amounted to RMB116.4 million in relation to Club Med business.

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. We have estimated, prepaid and accrued LAT according to the requirements set forth in the relevant Mainland China tax laws and regulations.

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 and equity-settled share-based payments. 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 six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
Profit/(loss) before income tax	**678,550**	(197,877)
Adjustment:		
Depreciation	**898,036**	827,026
Amortization	**78,336**	85,748
Finance costs	**660,282**	483,944
Land appreciation tax	**(38,426)**	(18,454)
EBITDA	**2,276,778**	1,180,387
Add:		
Equity-settled share-based payments	**22,883**	14,677
Adjusted EBITDA	**2,299,661**	1,195,064
Arising from tourism operation	**2,288,633**	1,186,336
Arising from property development and sales	**11,028**	8,728

Adjusted EBITDA increased from RMB1,195.1 million in the first six months of 2022 to RMB2,299.7 million in the same period of 2023.

Adjusted EBITDA of Club Med was RMB1,987.2 million in the first six months of 2023, compared with RMB1,165.3 million in the same period of last year, and even increased by 48.2% compared with that of the same period of 2019. Adjusted EBITDA of Atlantis Sanya segment in the first six months of 2023 increased to RMB452.5 million from RMB228.6 million in the same period of 2022, primarily due to the strong tourism demand recovery in China. Adjusted EBITDA of Vacation Asset Management Center in the first six months of 2023 increased to RMB67.2 million from negative RMB0.7 million in the same period of 2022. Of which, Taicang ALPS resort contributed adjusted EBITDA of RMB90.5 million for the first six months ended 30 June 2023 compared with an adjusted EBITDA of RMB45.0 million in the same period of last year.

Adjusted Net Profit/(Loss)

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
Net Profit/(Loss)	**490,332**	(208,444)
Add:		
Equity-settled share-based payments	**22,883**	14,677
Adjusted Net Profit/(Loss)	**513,215**	(193,767)

Capital expenditures

Our 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 first six months ended 30 June 2022 and 2023 were RMB587.5 million and RMB746.1 million, respectively. The capital expenditure incurred in the first half of 2023 mainly related to capital expenditures in Taicang ALPS resort, upgrade or renovation of existing resorts, development of new resorts, and investments in digital technology. For the six months ended 30 June 2023, our capital expenditure for Club Med was RMB330.7 million, and increased by approximately RMB77.3 million compared with same period of last year due to continued investment in development of new resorts and upgrade or renovation of existing resorts in line with our pipeline. Meanwhile, the capital expenditure for Vacation Asset Management Center increased by RMB107.5 million, mainly due to increase in construction investment of Taicang ALPS resort.

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.

Our indebtedness included interest-bearing bank and other borrowings and lease liabilities. As of 30 June 2023, the total debt of the Group was RMB24,214.2 million. The total debt excluding lease liabilities was RMB12,240.5 million, representing an increase from RMB11,961.9 million as at 31 December 2022.

As of 30 June 2023, excluding lease liabilities, the indebtedness of the Group over one year accounted for 80.2% of the total indebtedness as opposed to 79.3% as at 31 December 2022. As of 30 June 2023, cash and bank balances increased by 10.7% to RMB3,302.4 million as compared with RMB2,984.2 million as at 31 December 2022. Our undrawn banking facilities as of 30 June 2023 amounted to RMB2,929.7 million in total.

The original denomination of the Group's total debt excluding lease liabilities as well as cash and bank balances by currencies, equivalent in RMB, as of 30 June 2023, is summarized as follows:

THE TOTAL DEBT EXCLUDING LEASE LIABILITIES

	For the six months ended 30 June 2023	
	RMB'000	**%**
RMB	**7,893,250**	**64.5%**
EUR	**3,866,284**	**31.6%**
JPY	**224,421**	**1.8%**
USD	**133,677**	**1.1%**
GBP	**122,867**	**1.0%**

CASH AND BANK BALANCES

	For the six months ended 30 June 2023	
	RMB'000	%
RMB	**1,568,428**	**47.5%**
EUR	**539,903**	**16.3%**
USD	**336,457**	**10.2%**
BRL	**293,436**	**8.9%**
GBP	**203,530**	**6.2%**
CAD	**153,232**	**4.6%**
Others	**207,453**	**6.3%**

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 the first half year of 2023. Our Directors confirmed that we complied with all material covenants under our loan agreements and amendments during the Reporting Period and up to the date of this report.

The maturity profile of outstanding interest-bearing bank and other borrowings

The Group sought to manage and extend the maturity of outstanding borrowings, so as to ensure that the outstanding borrowings of the Group due to mature every year would not exceed the expected cash flow of that year and the Group has the re-financing ability for the relevant liabilities in that year.

As at 30 June 2023, the total amount of interest-bearing bank and other borrowings was RMB12,240.5 million, within which RMB2,422.5 million was repayable within one year. Our undrawn banking facilities as of 30 June 2023 amounted to RMB2,929.7 million in total.

Outstanding interest-bearing bank and other borrowings classified by year of maturity as at 30 June 2023 were as follows: 19.8% of the outstanding borrowings was within one year, 22.8% of that was in the second year, 9.5% of that was in the third to fifth year, and 47.9% of that was over five years.

Capital structure

The Group continued to maintain a healthy and sound financial position. Our total assets increased from RMB37,930.0 million as of 31 December 2022 to RMB39,146.9 million as of 30 June 2023, and our total liabilities increased from RMB35,298.9 million as of 31 December 2022 to RMB36,236.9 million as of 30 June 2023. We changed the net current liabilities position of RMB5,163.2 million as of 31 December 2022 to net current liabilities position of RMB4,999.1 million as of 30 June 2023.

Our current ratio slightly increased from 0.65 as of 31 December 2022 to 0.66 as of 30 June 2023, reflecting a healthy and sound financial position.

Our gearing ratio slightly decreased from 53.6% as of 31 December 2022 to 53.4% as of 30 June 2023 which remained stable and healthy.

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.

Pledged assets

As at 30 June 2023, the Group had pledged assets of RMB5,944.0 million (31 December 2022: RMB5,711.1 million) for bank and other borrowings. Details of pledged assets are set out in note 13 to financial statements.

Cash flow

As of 30 June 2023, we had cash and bank balances of approximately RMB3,302.4 million. The following table sets out our cash flows for the periods indicated:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
Net cash flows generated from operating activities[1]	**1,651,519**	1,030,378
Net cash flows used in investing activities[1]	**(251,349)**	(130,552)
Net cash flows used in financing activities[1]	**(1,103,058)**	(1,983,546)
Cash and bank balances at end of the period	**3,302,439**	3,449,212
Analysis of cash and bank balances		
Cash and cash equivalents at end of the period	**2,621,375**	3,019,661
Add: Pledged bank balances and restricted cash for the use of construction	**604,199**	150,073
Time deposits with original maturity of more than three months	**60,466**	67,147
Restricted pre-sale proceeds	**16,399**	212,331
Cash and bank balances at end of the period	**3,302,439**	3,449,212

CASH FLOWS GENERATED FROM OPERATING ACTIVITIES

Our net cash flows generated from operating activities of RMB1,651.5 million for the six months ended 30 June 2023, reflected our profit before income tax of RMB678.6 million, as adjusted by (A) adjustments including certain non-cash or non-operating items such as depreciation and amortization of RMB976.4 million, interest expenses of RMB660.3 million, and gain of RMB331.7 million on disposal of property, plant, equipment and subsidiaries; (B) changes in working capital including (i) a decrease of advances received from customers of Club Med amounted to RMB479.9 million and an decrease of trade receivables from customers of Club Med amounted to RMB173.4 million mainly due to seasonality fluctuation; (ii) a decrease in completed properties for sale of RMB187.0 million, mainly due to property units delivery of Taicang Alps Resort; and (C) income tax paid of RMB98.4 million.

CASH FLOWS USED IN INVESTING ACTIVITIES

For the six months ended 30 June 2023, our net cash flows used in investing activities of RMB251.3 million, primarily reflected (i) RMB674.1 million in purchases of property, plant, and equipment items, mainly for capital expenditures in Taicang Alps Resort, upgrade or renovation of existing resorts and development of new resorts;; and (ii) proceeds from the sale of Turkish resort Kemer, the sale and lease back of the French West Indies village Les Boucaniers, and sale of the Casa Cook and Cook's Club brands and related overseas businesses, totally amounted to RMB429.4 million.

CASH FLOWS USED IN FINANCING ACTIVITIES

For the six months ended 30 June 2023, our net cash flows used in financing activities of RMB1,103.1 million, primarily reflected (i) payment of lease liabilities of RMB741.4 million; (ii) interest payment of RMB399.1 million; and (iii) cash inflows from net increase of bank loan and other borrowings of RMB60.2 million.

1 Excluding flow of restricted cash.

NET CURRENT ASSETS/(LIABILITIES)

Our current assets consist principally of cash and bank balances, prepayments, deposits and other receivables, amounts due from related companies, properties under development, and completed properties for sale. The key components of our current liabilities are accrued liabilities and other payables, interest-bearing bank and other borrowings, trade payables, contract liabilities, amounts due to related companies, and lease liabilities.

As of 30 June 2023, the total current assets was RMB9,632.8 million and the total current liabilities was RMB14,631.9 million. We changed the net current liabilities position of RMB5,163.2 million as of 31 December 2022 to net current liabilities position of RMB4,999.1 million as of 30 June 2023. Our current ratio slightly increased from 0.65 as of 31 December 2022 to 0.66 as of 30 June 2023, reflecting a healthy and sound financial position. We had cash and bank balances of RMB3,302.4 million, undrawn bank facilities of RMB2,929.7 million, and interest-bearing bank and other borrowings within one year of RMB2,422.5 million. We believe we have sufficient resources such as cash and bank balances, positive free cash flow generated from operations, and available banking facilities to fund our future business.

Contingent Liabilities

During the Reporting Period, we provided guarantees mainly in favor of certain customers in respect of mortgage loans provided by banks to these customers for their purchases of developed properties where the underlying real estate certificates can only be provided to the banks in a time delayed manner due to PRC administrative procedures. These guarantees provided will be released when the customers pledge their real estate certificates as security to the banks for the mortgage loans granted by the banks. In case of a default in payments, the net realizable value of the relevant properties can cover the outstanding mortgage principal together with the accrued interest and penalties and therefore we made no provision for such guarantees.

The Group's contingent liabilities were RMB160.4 million as at 30 June 2023 comparing with RMB823.7 million as at 31 December 2022. Details of contingent liabilities are set out in note 17 to financial statements.

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 risks arising from various currency exposures. Major currencies for our commercial transaction included 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. During the first half of 2023, Euro appreciated against some currencies such as Renminbi yuan and U.S. Dollar, leading to foreign currency exchange gain. For the six months ended 30 June 2022 and 2023, we recorded a net foreign exchange loss of RMB54.0 million and a net foreign exchange gain of RMB70.3 million in other income and gains, net, respectively.

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 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 RMB441.8 million and a gain of RMB62.4 million for the six months ended 30 June 2022 and 2023, respectively, which mainly came from the translation of foreign operations of Club Med.

FINANCE POLICIES AND RISK MANAGEMENT

We are exposed to various types of financial risks, including market risk (covering currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. Our overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Below is a summary of our approach to managing various types of financial risks.

Market risk

CURRENCY RISK

We operate resorts all over the world and are exposed to the risk of fluctuations in foreign exchange rates. We have transactional currency exposures arising from the sales or purchases by operating entities and investing and financing activities by investment holding entities in currencies other than such entities' functional currencies. The major subsidiaries exposed to such currency risks use EUR or CNY as their functional currencies. We use forward currency contracts and currency swaps to hedge against the transaction currency risk arising from the future sales cash flows denominated in a currency other than the functional currency of the selling entities within our Group. The balances of the forward currency contracts and currency swaps vary with the levels of expected foreign currency transactions and changes in foreign exchange forward rates. We also use currency swaps to hedge against the currency risk on the fair value of intercompany financing denominated in a currency other than the functional currency of the borrowing entities within our Group. The hedge of the forward currency contracts and the currency swaps was assessed to be effective as of 30 June 2023.

INTEREST RATE RISK

Our exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates. Our policy is to manage interest cost using a mix of fixed and variable rate debts. At 30 June 2023 and 31 December 2022, approximately 54.5% and 54.8% of the Group's interest-bearing borrowings bore interest at fixed rates after hedging, respectively.

In order to exercise prudent management against interest rate risks, we continue to review market trends against its business operations and financial position in order to arrange the most interest rate risk management tools.

Credit risk

We have no significant concentration of credit risk due to the large number of our customers. The carrying amounts of cash and cash equivalents, restricted cash, trade receivables, contract assets, deposits and other receivables, and amounts due from related parties included in our statements of financial position represent our maximum exposure to credit risk in relation to our financial assets.

As at 30 June 2023 and 31 December 2022, all restricted cash and cash and cash equivalents were deposited in high quality financial institutions without significant credit risk.

Liquidity risk

The liquidity of our Group is primarily dependent on our ability to maintain adequate cash inflows from operations to meet debt obligations as they fall due and our ability to obtain external financing to meet committed future capital expenditures. Our objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing loans and other borrowings, amounts due to related companies, and convertible bonds. Our policy is to regularly monitor current and expected liquidity requirements by preparing and reviewing monthly cash flow forecasts and our compliance with lending covenants to ensure that we maintain sufficient reserves of cash on demand and adequate committed lines of funding from major financial institutions to meet our liquidity requirements in the short and longer terms.

The primary objectives of our Group's capital management are to safeguard our ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value. We manage our capital structure and makes adjustment to it in light of changes in economic conditions. To maintain or adjust the capital structure, we may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Reporting Period.

Hedging measures

We operate business all over the world and are exposed to the risk of fluctuations in foreign exchange rates. To manage exposure to foreign exchange rate fluctuations, we engage in forward currency contracts and currency swaps with third parties to mitigate the transaction currency risk arising from future cash flows denominated in currencies other than functional currencies. The balances of the forward currency contracts and currency swaps vary with the levels of expected foreign currency transactions and changes in foreign exchange forward rates. The terms of the above hedging instruments seek to match the expected highly probable forecast transactions. We also engage in currency swaps which are designated as hedging instruments in respect of the currency risk on intercompany financings denominated in a currency other than the functional currency of the lending entities within the Group.

To manage our exposure to the risk of changes in the market interest rates from primarily long-term debt obligations with floating interest rates, we carry out hedging activities by entering into interest rate swaps on certain variable rate debts. Our management believes the risk of default under these hedging contracts is remote and, in any event, would not be material to the consolidated financial results. We do not utilize derivative financial instruments for speculative purposes.

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To the shareholders of Fosun Tourism Group
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 52 to 85, which comprises the condensed consolidated statement of financial position of Fosun Tourism Group (the "Company") and its subsidiaries (the "Group") as at 30 June 2023 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
28 August 2023

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
REVENUE	4	**8,898,817**	6,416,543
Cost of revenue		**(5,822,195)**	(4,523,397)
Gross profit		**3,076,622**	1,893,146
Other income and gains, net	5	**384,472**	70,274
Selling and marketing expenses		**(1,201,982)**	(978,730)
General and administrative expenses		**(906,697)**	(698,116)
Operating income		**1,352,415**	286,574
Finance costs	6	**(660,282)**	(483,944)
Share of profits and losses of:			
Associates		**(13,583)**	(507)
PROFIT/(LOSS) BEFORE INCOME TAX	7	**678,550**	(197,877)
Income tax expense	8	**(188,218)**	(10,567)
PROFIT/(LOSS) FOR THE PERIOD		**490,332**	(208,444)
Attributable to:			
Equity holders of the Company		**471,840**	(196,644)
Non-controlling interests		**18,492**	(11,800)
		490,332	(208,444)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic			
— For profit/(loss) for the period (RMB)	10	**0.38**	(0.16)
Diluted			
— For profit/(loss) for the period (RMB)	10	**0.38**	(0.16)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2023

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PROFIT/(LOSS) FOR THE PERIOD	**490,332**	(208,444)
OTHER COMPREHENSIVE INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the period	**(14,328)**	11,246
Reclassification adjustments for (losses)/gains included in the consolidated statement of profit or loss	**(22,878)**	25,612
	(37,206)	36,858
Exchange differences on translation of foreign operations	**62,424**	441,806
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**25,218**	478,664
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Actuarial reserve relating to employee benefits	**(2,321)**	31,758
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**5,636**	4,837
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**3,315**	36,595
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**28,533**	515,259
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**518,865**	306,815
Attributable to:		
Equity holders of the Company	**486,004**	299,299
Non-controlling interests	**32,861**	7,516
	518,865	306,815

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2023

	Notes	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	11	**10,201,980**	9,786,743
Right-of-use assets		**13,002,928**	12,508,667
Intangible assets		**2,554,432**	2,508,279
Goodwill		**1,814,457**	1,714,004
Investments in associates		**255,964**	249,421
Financial assets at fair value through profit or loss		**334,216**	327,336
Properties under development		**574,611**	568,563
Due from related companies		**86,948**	81,872
Prepayments, other receivables and other assets		**387,547**	362,955
Deferred tax assets		**289,716**	289,568
Cash and bank balances		**11,380**	75,000
Total non-current assets		**29,514,179**	28,472,408
CURRENT ASSETS			
Inventories		**271,252**	269,367
Completed properties for sale		**1,568,627**	1,755,626
Properties under development		**776,279**	743,361
Trade receivables	12	**747,607**	899,069
Contract assets and other assets		**8,658**	15,478
Prepayments, other receivables and other assets		**2,004,555**	1,825,974
Due from related companies		**857,197**	879,231
Derivative financial instruments		**104,158**	158,157
Financial assets at fair value through profit or loss		**3,360**	2,177
Cash and bank balances		**3,291,059**	2,909,166
Total current assets		**9,632,752**	9,457,606
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	13	**2,422,477**	2,474,450
Contract liabilities		**1,058,938**	808,606
Trade payables	14	**2,545,179**	2,643,415
Accrued liabilities and other payables		**6,344,893**	6,553,675
Tax payable		**400,196**	321,962
Lease liabilities		**930,861**	866,218
Due to related companies		**863,373**	900,336
Derivative financial instruments		**65,945**	52,187
Total current liabilities		**14,631,862**	14,620,849
NET CURRENT LIABILITIES		**(4,999,110)**	(5,163,243)
TOTAL ASSETS LESS CURRENT LIABILITIES		**24,515,069**	23,309,165

continued/…

	Notes	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	13	9,818,022	9,487,485
Lease liabilities		11,042,869	10,411,331
Contract liabilities		4,073	4,073
Deferred income		53,708	106,234
Other long-term payables		278,472	274,071
Deferred tax liabilities		407,873	394,874
Total non-current liabilities		21,605,017	20,678,068
Net assets		2,910,052	2,631,097
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		188	188
Shares held for the share-based payment schemes		(1)	(1)
Reserves		2,822,376	2,458,110
		2,822,563	2,458,297
Non-controlling interests		87,489	172,800
Total equity		2,910,052	2,631,097

Xu Xiaoliang
Director

Choi Yin On
Director

For the six months ended 30 June 2023

		Attributable to equity holders of the Company										
	Notes	Issued share capital RMB'000	Shares held for the share-based payment schemes RMB'000	Share premium* RMB'000	Fair value reserve* RMB'000	Capital and other reserve* RMB'000	Merger reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Accumulated losses* RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2023 (audited)		188	(1)	11,224,256	(1,300,363)	(721,969)	(159,274)	(354,347)	(6,230,193)	2,458,297	172,800	2,631,097
Profit for the period		—	—	—	—	—	—	—	471,840	471,840	18,492	490,332
Exchange differences on translation of foreign operations		—	—	—	—	—	—	47,392	—	47,392	15,032	62,424
Cash flow hedges, net of tax		—	—	—	—	(36,478)	—	—	—	(36,478)	(728)	(37,206)
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		—	—	—	5,525	—	—	—	—	5,525	111	5,636
Actuarial reserve relating to employee benefits, net of tax		—	—	—	—	(2,275)	—	—	—	(2,275)	(46)	(2,321)
Total comprehensive income for the period		—	—	—	5,525	(38,753)	—	47,392	471,840	486,004	32,861	518,865
Equity-settled share-based payments	(i)	—	—	11,137	—	14,955	—	—	—	26,092	—	26,092
Acquisition of additional interests in subsidiaries		—	—	—	—	2,122	—	—	—	2,122	(2,229)	(107)
Disposal of subsidiaries	15	—	—	—	—	—	—	—	—	—	(102,825)	(102,825)
Reclassification of non-controlling interests to liabilities as if the acquisition had taken place due to put options granted to non-controlling shareholders of a subsidiary		—	—	—	—	(149,952)	—	—	—	(149,952)	(13,118)	(163,070)
At 30 June 2023 (unaudited)		188	(1)	11,235,393	(1,294,838)	(893,597)	(159,274)	(306,955)	(5,758,353)	2,822,563	87,489	2,910,052

* These reserve accounts comprise the consolidate reserves of RMB2,822,376,000 in the interim condensed consolidated statement of financial position.

Note:

(i) During the six months ended 30 June 2023, according to the share option scheme of the Company, 257,200 shares,116,000 shares and 37,500 shares were issued at the exercise prices of HKD8.43, HKD8.37 and HKD9.37 respectively due to the exercise of the share options. An amount of RMB324 was credited as share capital, an amount of RMB11,137,000 was credited to share premium and an amount of RMB7,928,000 was transferred out from capital and other reserve.

The expenses recognised for the share-based payments amounted to RMB22,883,000 and were credited to capital and other reserve during the six months ended 30 June 2023.

For the six months ended 30 June 2022

	Note	Attributable to equity holders of the Company								Non controlling interests RMB'000	Total RMB'000
		Issued share capital RMB'000	Share premium* RMB'000	Fair value reserve* RMB'000	Capital and other reserve* RMB'000	Merger reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Accumulated losses* RMB'000	Subtotal RMB'000		
At 1 January 2022		186	11,191,253	(1,305,184)	(705,001)	(159,274)	(619,302)	(5,583,277)	2,819,401	172,552	2,991,953
Effect of changes in accounting policies	(i)	—	—	—	—	—	9,329	(102,016)	(92,687)	(1,855)	(94,542)
At 1 January 2022 (restated)		186	11,191,253	(1,305,184)	(705,001)	(159,274)	(609,973)	(5,685,293)	2,726,714	170,697	2,897,411
Loss for the period		—	—	—	—	—	—	(196,644)	(196,644)	(11,800)	(208,444)
Exchange differences on translation of foreign operations		—	—	—	—	—	423,931	—	423,931	17,875	441,806
Cash flow hedges, net of tax		—	—	—	36,135	—	—	—	36,135	723	36,858
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		—	—	4,742	—	—	—	—	4,742	95	4,837
Actuarial reserve relating to employee benefits, net of tax		—	—	—	31,135	—	—	—	31,135	623	31,758
Total comprehensive income for the period		—	—	4,742	67,270	—	423,931	(196,644)	299,299	7,516	306,815
Dividends paid to non-controlling shareholders of subsidiaries		—	—	—	—	—	—	—	—	(9,194)	(9,194)
Equity-settled share-based payments	(ii)	1	12,884	—	4,416	—	—	—	17,301	—	17,301
Reclassification of non-controlling interests to liabilities as if the acquisition had taken place due to put options granted to non-controlling shareholders of a subsidiary		—	—	—	12,454	—	—	—	12,454	(12,454)	—
At 30 June 2022 (unaudited) (restated)		187	11,204,137	(1,300,442)	(620,861)	(159,274)	(186,042)	(5,881,937)	3,055,768	156,565	3,212,333

* These reserve accounts comprise the consolidate reserves of RMB3,055,581,000 in the interim condensed consolidated statement of financial position.

Note:

(i) In IFRIC Update March 2021, the IFRS Interpretations Committee published its agenda decision on Configuration or Customisation Costs under a Software as a Service ("SaaS") contract ("IFRIC Agenda Decision"). The Group applied the IFRIC Agenda Decision in the year of 2022 and the configuration or customisation costs for SaaS contract which were previously capitalised were charged to expenses. The change in accounting policy has been accounted for retrospectively and the comparative figures for the corresponding comparative prior periods have been restated.

(ii) During the period ended 30 June 2022, the Company issued and allotted 503,927 shares pursuant to the 2018 free share ownership plan. An amount of RMB355 was credited as share capital, an amount of RMB7,347,000 was credited to share premium and an amount of RMB7,347,000 was transferred out from capital and other reserve.

During the six months ended 30 June 2022, according to the share option scheme of the Company, 681,148 shares and 47,500 shares were issued at the exercise prices of HKD8.43 and HKD8.37 respectively due to the exercise of the share options. An amount of RMB522 was credited as share capital, an amount of RMB5,537,000 was credited to share premium and an amount of RMB2,879,000 was transferred out from capital and other reserve.

The expenses recognised for the share-based payments amounted to RMB14,642,000 and were credited to capital and other reserve during the six months ended 30 June 2022.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before income tax		**678,550**	(197,877)
Adjustments for:			
Depreciation of items of property, plant and equipment	7	**324,991**	316,845
Depreciation of right-of-use assets	7	**573,045**	510,181
Amortisation of intangible assets	7	**78,336**	85,748
Provision for impairment of items of property, plant and equipment	7	**—**	3,737
Provision for impairment of intangible assets	5	**87,891**	—
Provision for impairment of right-of-use assets	7	**—**	2,167
Provision for impairment of trade receivables	7	**6,193**	3,316
Provision/(reversal of the provision) for impairment of prepayments, other receivables and other assets	5	**11,876**	(12,699)
Write-down of inventories to net realisable value	7	**1,014**	751
Deferred income		**(2,993)**	(4,216)
Gain on the fair value change of financial assets at fair value through profit or loss	5	**(1,602)**	(25,148)
Loss on the fair value change of derivative financial liabilities	5	**34,018**	—
Interest income	5	**(57,993)**	(16,874)
Interest expenses	6	**660,282**	483,944
Gain on disposal of items of property, plant and equipment	5	**(217,747)**	(1,577)
Gain on disposal of subsidiaries	5	**(113,921)**	(86,203)
Equity-settled share-based payments		**22,883**	14,642
COVID-19-related rent concessions from lessors		**—**	(98,084)
Share of profits and losses of associates		**13,583**	507
CASH INFLOWS BEFORE WORKING CAPITAL CHANGES		**2,098,406**	979,160

continued/···

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES (continued)		
Decrease in completed properties for sale	**186,999**	153,891
Increase in properties under development	**(38,966)**	(212,211)
Increase in inventories	**(3,008)**	(5,597)
(Decrease)/Increase in deferred income	**(566)**	2,837
Decrease in contract assets	**6,820**	—
Decrease in trade receivables	**131,236**	20,217
Increase in prepayments, other receivables and other assets	**(216,049)**	(1,391)
Decrease in restricted cash	**115,389**	291,256
Decrease in amounts due from related companies	**12,343**	1,873
(Decrease)/Increase in trade payables	**(96,633)**	5,541
Decrease in amounts due to related companies	**(36,963)**	(4,457)
Increase/(Decrease) in other long-term payables	**10,053**	(573)
Increase in contract liabilities	**251,971**	320,579
(Decrease)/Increase in other payables and accruals	**(555,751)**	118,614
CASH GENERATED FROM OPERATIONS	**1,865,281**	1,669,739
Income tax paid	**(98,374)**	(348,106)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	**1,766,907**	1,321,633

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	Notes	For the six months ended 30 June 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of items of property, plant and equipment		**(674,129)**	(495,501)
Purchase of intangible assets		**(71,949)**	(92,005)
Purchase of financial assets at fair value through profit or loss		**—**	(34,856)
Decrease in time deposits with original maturity of more than three months and restricted cash		**23,297**	133,004
Disposal of subsidiaries	15	**199,930**	463,661
Proceeds from disposal of intangible assets		**152**	—
Loan collected from a related party		**9,264**	—
Proceeds from disposal of items of property, plant and equipment		**229,465**	11,276
Interest received		**55,918**	16,874
NET CASH FLOWS (USED IN)/GENERATED FROM INVESTING ACTIVITIES		**(228,052)**	2,453

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	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares of the Company due to the exercise of the share options	**8,281**	2,659
Increase in restricted cash	**(230,243)**	(75,000)
New bank and other borrowings	**1,758,863**	751,563
Repayment of interest-bearing bank borrowings and other borrowings	**(1,698,649)**	(1,891,277)
Prepayment for the addition of right-of-use assets	**(43,441)**	(46,789)
Principal portion of lease payments	**(741,357)**	(500,873)
Acquisition of additional interests in subsidiaries	**(107)**	—
Funding received from/(provided to) related companies	**2,444**	(856)
Dividends paid to non-controlling shareholders of subsidiaries	**9,977**	(9,194)
Interest paid	**(399,069)**	(288,779)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	**(1,333,301)**	(2,058,546)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**205,554**	(734,460)
Net foreign exchange differences	**21,161**	(2,430)
Cash and cash equivalents at beginning of the period	**2,394,660**	3,756,551
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**2,621,375**	3,019,661
CASH AND BANK BALANCES AT END OF THE PERIOD	**3,302,439**	3,449,212
Less: Pledged bank balances and restricted cash for the use of construction	**604,199**	150,073
Time deposits with original maturity of more than three months	**60,466**	67,147
Restricted pre-sale proceeds	**16,399**	212,331
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**2,621,375**	3,019,661

1. CORPORATE AND GROUP INFORMATION

Fosun Tourism Group (the "Company", formerly known as Fosun Tourism and Culture Group (Cayman) Company Limited) is a limited liability company incorporated in the Cayman Islands on 30 September 2016. The registered company name was changed to Fosun Tourism Group on 2 August 2018. The registered address of the Company is Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P. O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. During the period, the Group was primarily engaged in the provision of pioneering and family-focused tourism and leisure solutions. The principal business activities cover:

- Club Med and others,
- Atlantis Sanya,
- Vacation asset management center, and
- Foryou Club and other services.

In the opinion of the directors, the holding company and the controlling shareholder is Fosun International Limited (the "Controlling Shareholder"), which is incorporated in Hong Kong. The ultimate holding company of the Company is Fosun International Holdings Limited. The ultimate controlling shareholder of the Company is Mr. Guo Guangchang.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2023 has been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2022.

The Group had net current liabilities of RMB4,999,110,000 as at 30 June 2023. Having taken into account the available 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.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of the following new and revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

IFRS 17	*Insurance Contracts*
Amendments to IFRS 17	*Insurance Contracts*
Amendment to IFRS 17	*Initial Application of IFRS 17 and IFRS 9 — Comparative Information*
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to IAS 12	*International Tax Reform — Pillar Two Model Rules*

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

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

(a) Amendments to IAS 1 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. The Group has applied the amendments since 1 January 2023. The amendments did not have any impact on the Group's interim condensed consolidated financial information but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

(b) 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 Group has applied the amendments to changes in accounting policies and changes in accounting estimates that occur on or after 1 January 2023. Since the Group's policy of determining accounting estimates aligns with the amendments, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* 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 Group has applied the amendments on temporary differences related to leases as at 1 January 2022, with any cumulative effect recognised as an adjustment to the balance of retained profits or other component of equity as appropriate at that date. In addition, the Group has applied the amendments prospectively to transactions other than leases that occurred on or after 1 January 2022, if any. The amendments did not have any impact on the financial position or performance of the Group.

(d) Amendments to IAS 12 *International Tax Reform — Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. Entities are required to disclose the information relating to their exposure to Pillar Two income taxes in annual periods beginning on or after 1 January 2023, but are not required to disclose such information for any interim periods ending on or before 31 December 2023. The Group has applied the amendments and the mandatory temporary exception retrospectively. The Group is currently assessing its exposure to Pillar Two income taxes.

3. OPERATING SEGMENT INFORMATION

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

(a) Club Med and others segment which comprises principally the Club Med resort operation business and other relevant business such as transportation service, resort construction service, youth play and learning service;

(b) Atlantis Sanya segment which comprises principally the hotel operation services and various supporting tourism and entertainment services in the region;

(c) Vacation asset management center segment which comprises principally the property sales and construction services; and

(d) Foryou Club and other services segment which comprises principally the various tourism and leisure services to support membership system.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. During the period, as management changed the structure of the Group's internal organisation to match its business development strategy in a manner that caused to change the Group's composition of its reportable segments, some entities in the Group were re-allocated to reflect such change. Segment performance is evaluated based on reportable segment operating profit which is 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.

Six months ended 30 June 2023

	Club Med and others RMB'000 (Unaudited)	Atlantis Sanya RMB'000 (Unaudited)	Vacation asset management center RMB'000 (Unaudited)	Foryou Club and other services RMB'000 (Unaudited)	Elimination RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue						
External customers	7,500,779	928,456	387,935	81,647	—	8,898,817
Intersegment sales	6,039	9,005	1,979	22,895	(39,918)	—
Total revenue	7,506,818	937,461	389,914	104,542	(39,918)	8,898,817
Segment operating profit/(loss)	1,177,309	346,769	74,898	(34,893)	(30,892)	1,533,191
Unallocated expenses*						(180,776)
Total operating profit						1,352,415
Finance costs						(660,282)
Share of profits and losses of associates						(13,583)
Profit before income tax						678,550

* The unallocated expenses mainly represented the impairment loss of intangible assets, loss on fair value change of derivative financial instruments, equity-settled share-based payment expenses, other employee benefit expenses and other administrative expenses.

3. OPERATING SEGMENT INFORMATION *(Continued)*

Six months ended 30 June 2022 (Restated)

	Club Med and others RMB'000 (Unaudited)	Atlantis Sanya RMB'000 (Unaudited)	Vacation asset management center RMB'000 (Unaudited)	Foryou Club and other services RMB'000 (Unaudited)	Elimination RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue						
External customers	5,599,878	490,362	219,367	106,936	—	6,416,543
Intersegment sales	11,158	17,630	7,095	12,244	(48,127)	—
Total revenue	5,611,036	507,992	226,462	119,180	(48,127)	6,416,543
Segment operating profit/(loss)	400,046	118,301	(12,600)	(89,884)	(28,801)	387,062
Unallocated expenses*						(100,488)
Total operating profit						286,574
Finance costs						(483,944)
Share of profits and losses of associates						(507)
Loss before income tax						(197,877)

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

Geographical information

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from external customers		
Europe, Middle East and Africa	**4,631,679**	3,869,295
America	**2,079,227**	1,491,455
Asia Pacific	**2,187,911**	1,055,793
	8,898,817	6,416,543

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

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Tourism operation and other services	**8,486,668**	6,143,437
Property sales and construction service	**412,149**	273,106
	8,898,817	6,416,543

(i) Disaggregated revenue information from contracts with customers

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

For the period ended 30 June 2023

Segments	Club Med and others RMB'000 (Unaudited)	Atlantis Sanya RMB'000 (Unaudited)	Vacation asset management center RMB'000 (Unaudited)	Foryou Club and other services RMB'000 (Unaudited)	Elimination RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Types of goods or services						
Tourism operation and other services	7,453,024	937,461	31,559	104,542	(39,918)	8,486,668
Property sales and construction services	53,794	—	358,355	—	—	412,149
	7,506,818	937,461	389,914	104,542	(39,918)	8,898,817
Intersegment sales	(6,039)	(9,005)	(1,979)	(22,895)	39,918	—
Total revenue from contracts with customers	7,500,779	928,456	387,935	81,647	—	8,898,817
Timing of revenue recognition						
Goods transferred at a point in time	52	—	358,352	15,253	(11,711)	361,946
Services transferred over time	7,506,766	937,461	31,562	89,289	(28,207)	8,536,871
	7,506,818	937,461	389,914	104,542	(39,918)	8,898,817
Intersegment sales	(6,039)	(9,005)	(1,979)	(22,895)	39,918	—
Total revenue from contracts with customers	7,500,779	928,456	387,935	81,647	—	8,898,817

4. REVENUE *(Continued)*

(i) Disaggregated revenue information from contracts with customers *(Continued)*

For the period ended 30 June 2022 (Restated)

Segments	Club Med and others RMB'000 (Unaudited)	Atlantis Sanya RMB'000 (Unaudited)	Vacation asset management center RMB'000 (Unaudited)	Foryou Club and other services RMB'000 (Unaudited)	Elimination RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Types of goods or services						
Tourism operation and other services	5,552,739	507,992	11,653	119,180	(48,127)	6,143,437
Property sales and construction services	58,297	—	214,809	—	—	273,106
	5,611,036	507,992	226,462	119,180	(48,127)	6,416,543
Intersegment sales	(11,158)	(17,630)	(7,095)	(12,244)	48,127	—
Total revenue from contracts with customers	5,599,878	490,362	219,367	106,936	—	6,416,543
Timing of revenue recognition						
Goods transferred at a point in time	146	834	214,773	14,488	(1,319)	228,922
Services transferred over time	5,610,890	507,158	11,689	104,692	(46,808)	6,187,621
	5,611,036	507,992	226,462	119,180	(48,127)	6,416,543
Intersegment sales	(11,158)	(17,630)	(7,095)	(12,244)	48,127	—
Total revenue from contracts with customers	5,599,878	490,362	219,367	106,936	—	6,416,543

5. OTHER INCOME AND GAINS, NET

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

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	**57,993**	16,874
Government grants	**89,805**	15,878
Others	**47,648**	21,473
	195,446	54,225
Gains		
Gain on disposal of subsidiaries	**113,921**	86,203
Gain on disposal of items of property, plant and equipment	**217,747**	1,577
Reversal of impairment of prepayments	**—**	12,699
Rent concessions as a result of COVID-19 pandemic	**—**	46,259
Gain on the fair value change of financial assets at fair value through profit or loss	**1,602**	25,148
Exchange gain, net	**70,322**	—
Others	**18,292**	2,506
	421,884	174,392
Other income and gains	**617,330**	228,617
Other expenses		
Exceptional costs due to COVID-19 pandemic*	**—**	(39,352)
Compensation costs relating to employees	**(20,493)**	(9,540)
Provision for resort closure costs	**(49,315)**	(30,034)
Provision for litigation, including tax related	**(14,639)**	(10,282)
Loss on the fair value change of derivative financial liabilities	**(34,018)**	—
Impairment losses on		
— *Property, plant and equipment*	**—**	*(3,737)*
— *Right-of-use assets*	**—**	*(2,167)*
— *Intangible assets*	***(87,891)***	—
— *Other receivable*	***(11,876)***	—
Exchange loss, net	**—**	(53,999)
Others	**(14,626)**	(9,232)
Other expenses	**(232,858)**	(158,343)
Other income and gains, net	**384,472**	70,274

* Exceptional costs due to COVID-19 pandemic primarily comprised operating costs of resorts and other facilities during their closure when they should have been 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 incurred during the epidemic outbreak.

6. FINANCE COSTS

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	**388,107**	278,236
Interest on lease liabilities	**269,451**	212,256
Bank charges and other financial costs	**18,120**	5,763
	675,678	496,255
Less: Interest capitalised	**15,396**	12,311
Total finance costs	**660,282**	483,944

7. PROFIT/(LOSS) BEFORE INCOME TAX

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

		For the six months ended 30 June	
		2023	2022
	Notes	**RMB'000**	RMB'000
		(Unaudited)	(Unaudited)
Cost of revenue		**5,822,195**	4,523,397
Depreciation of property, plant and equipment	11	**324,991**	316,845
Amortisation of intangible assets		**78,336**	85,748
Depreciation of right-of-use assets		**573,045**	510,181
Impairment of financial and contract assets and other assets:			
Provision for impairment of trade receivables		***6,193***	*3,316*
Provision/(Reversal of provision) for impairment of financial assets included in prepayments, other receivables and other assets	*5*	***11,876***	*(12,699)*
Write-down of inventories to net realisable value		**1,014**	751
Provision for impairment of items of property, plant and equipment	5	**—**	3,737
Provision for impairment of intangible assets	5	**87,891**	—
Provision for impairment of items of right-of-use assets	5	**—**	2,167
Fair value gain on financial assets at fair value through profit or loss	5	**(1,602)**	(25,148)
Loss on the fair value change of derivative financial liabilities	5	**34,018**	—
Exchange (gain)/loss, net	5	**(70,322)**	53,999
Rent concessions as a result of COVID-19 pandemic in other gains	5	**—**	(46,259)
Gain on disposal of items of property, plant and equipment	5	**(217,747)**	(1,577)
Gain on disposal of a subsidiary	5	**(113,921)**	(86,203)

8. 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.

	Notes	For the six months ended 30 June 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Current — France and others	(1)	**119,355**	39,579
Current — Mainland China			
Income tax in Mainland China for the period	(2)	**24,934**	3,285
Land appreciation tax ("LAT") in Mainland China for the period	(3)	**38,426**	18,454
Deferred		**5,503**	(50,751)
Income tax expense for the period		**188,218**	10,567

Notes:

(1) The provision for income tax of Club Med Holding ("CMH") and its subsidiaries incorporated in France for the six months ended 30 June 2023 was based on a rate of 25.83% (six months ended 30 June 2022: 25.83%).

(2) The provision for Mainland China current income tax is based on the statutory rate of 25% (six months ended 30 June 2022: 25%) of the assessable profits for the six months ended 30 June 2023 of the Group as determined in accordance with the PRC Corporate Income Tax Law, which was approved and became effective on 1 January 2008. For Hainan Atlantis Commerce and Tourism Development Co., Ltd. ("Hainan Atlantis"), the provision for current income tax 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.

(3) 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. The LAT provision is subject to the final review and approval by the local tax bureau.

9. DIVIDENDS

No dividend has been paid or declared by the Company for the six months ended 30 June 2023 (Six months ended 30 June 2022: Nil).

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,241,763,222 (six months ended 30 June 2022: 1,238,914,279) in issue during the period.

The calculation of the diluted earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares in issue during the period, as used in the basic earnings/(loss) per share calculation, plus 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 earnings/(loss) per share are based on:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic and diluted earnings/(loss) per share calculations	**471,840**	(196,644)

	Number of shares For the six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings/(loss) per share calculation	**1,241,763,222**	1,238,914,279
Effect of dilution — weighted average number of ordinary shares:		
— Share award scheme	**3,715,220**	—
— Share option scheme	**2,845,247**	—
Weighted average number of ordinary shares used in the calculation of diluted earnings/(loss) per share	**1,248,323,689**	1,238,914,279
Basic earnings/(loss) per share (RMB)	**0.38**	(0.16)
Diluted earnings/(loss) per share (RMB)	**0.38**	(0.16)

During the six months ended 30 June 2022, since the diluted loss per share amount decreased when taking the share award scheme and share option scheme into account, the share award scheme and share option scheme had an anti-dilutive effect and were ignored in the calculation of diluted loss per share for the period.

11. PROPERTY, PLANT AND EQUIPMENT

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Carrying value at beginning of the period (audited)	**9,786,743**	9,677,294
Additions	**672,232**	360,711
Disposals	**(11,718)**	(9,699)
Disposals of a subsidiary (note 15)	**(239,890)**	(254,179)
Reclassification as held for sale	**—**	(351,962)
Depreciation charge for the period (note 7)	**(324,991)**	(316,845)
Impairment charge for the period (note 5)	**—**	(3,737)
Exchange alignment	**319,604**	156,293
Carrying value at end of the period (unaudited)	**10,201,980**	9,257,876

As at 30 June 2023, the Group's property, plant and equipment with a net carrying value of RMB3,708,170,000 (31 December 2022: RMB3,688,219,000) were pledged as security for interest-bearing bank and other borrowings as set out in note 13 to the interim condensed consolidated financial information.

12. TRADE RECEIVABLES

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

	30 June	31 December
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Outstanding balances with ages:		
Within 90 days	**628,955**	860,840
91 to 180 days	**83,193**	28,196
181 to 365 days	**26,835**	6,643
1 to 2 years	**5,435**	3,351
2 to 3 years	**3,189**	39
	747,607	899,069

13. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Notes	**30 June 2023 RMB'000 (Unaudited)**	31 December 2022 RMB'000 (Audited)
Bank loans:			
Secured	(i)	**3,812,254**	3,005,711
Unsecured		**2,714,376**	2,900,436
		6,526,630	5,906,147
Other borrowings:			
Commercial mortgage-backed security	(ii)	**5,713,869**	6,055,788
Total		**12,240,499**	11,961,935
Repayable:			
Within one year		**2,422,477**	2,474,450
In the second year		**2,792,169**	2,224,379
In the third to fifth years, inclusive		**1,163,573**	1,652,994
Over five years		**5,862,280**	5,610,112
		12,240,499	11,961,935
Portion classified as current liabilities		**2,422,477**	2,474,450
Non-current portion		**9,818,022**	9,487,485

Notes:

(i) Certain of the Group's bank loans are secured by the pledge of assets with carrying values at the end of the reporting period as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Pledge of assets:		
Right-of-use assets — land	**275,823**	278,290
Property, plant and equipment	**583,210**	596,038
Properties under development	**526,257**	520,208
Completed properties for sales	**339,820**	349,625
Pledged deposits	**360,960**	130,717
Total	**2,086,070**	1,874,878

Apart from the above, certain interest-bearing bank borrowings were secured by investments in subsidiaries as at 30 June 2023.

13. INTEREST-BEARING BANK AND OTHER BORROWINGS *(Continued)*

Notes: *(Continued)*

(ii) In March 2020, the Group issued asset-backed securities which were backed by the Atlantis Sanya hotel and water park as mortgages with a coupon rate of 5%, and the 100% equity interest in Hainan Atlantis and operating revenue of Atlantis Sanya as a pledge. The principal and interest of the prioritised level shall be repaid semi-annually in 48 instalments in 24 years. The coupon rates of the securities of the prioritised level are subject to adjustments by the Group and the holders have the rights, at their option, to require the Group to redeem at an interval of every three years within the terms of the securities. The fund raised by the Group from the third-party investors was recorded as other borrowings as at 30 June 2023.

The pledged assets with carrying values at the end of the reporting period are as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Pledge of assets:		
Right-of-use assets — land	**732,959**	744,070
Property, plant and equipment	**3,124,960**	3,092,181
Total	**3,857,919**	3,836,251

(iii) Certain of the Group's bank loans bear interest at rates ranging from 0.75% to 11.90% per annum (31 December 2022: from 0.75% to 7.13%).

14. TRADE PAYABLES

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

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Outstanding balances with ages:		
Within 90 days	**1,871,283**	1,814,086
91 to 180 days	**150,601**	115,084
181 to 365 days	**211,811**	422,156
1 to 2 years	**173,173**	148,051
2 to 3 years	**9,319**	79,962
Over 3 years	**128,992**	64,076
	2,545,179	2,643,415

15. DISPOSAL OF SUBSIDIARIES

In May 2023, the Group entered into an equity transfer agreement with Goldman Sachs Group to sell the Casa Cook and Cook's Club brands and related overseas businesses at a consideration of EUR8,000,000.

In May 2023, the Group completed the disposal of its 54% equity interests in a subsidiary, Société Villages Hôtel des Caraïbes ("SVHC"), at a consideration of EUR22,072,000 (equivalent to RMB164,055,000). SVHC owned the Les Boucaniers Resort in France. The Group then entered into a lease contract with the buyer for the leaseback of the assets of Les Boucaniers on a 15-year term and continued to operate the resort. The Group measured the right-of-use assets arising from the leaseback for the proportion that related to the right of use retained by the Group and recognized the amount of the gain that relates to the rights transferred to the buyer.

15. DISPOSAL OF SUBSIDIARIES *(Continued)*

In May 2023, the Group completed the disposal of its 100% equity interests in a subsidiary, Shanghai Aibinong Property Management Co., Ltd., at a consideration of RMB1.00 with Shanghai Golte Property Management Co., Ltd., a fellow subsidiary of the Group.

The total net assets disposed of in respect of the disposal of the subsidiaries during the reporting period were as follows:

	RMB'000
Property, plant and equipment (note 11)	239,890
Intangible assets	859
Cash and bank balances	538
Prepayments, other receivables and other assets	6,179
Due from related companies	27,916
Inventories	14
Trade receivables	16,383
Trade payables	(1,603)
Deferred tax liabilities	(25,123)
Accrued liabilities and other payables	(49,088)
Due to related companies	(3,525)
Contract liabilities	(1,639)
Deferred income	(49,554)
Non-controlling interests	(102,825)
	58,422
Portion relating to the right of use retained in the leaseback	37,959
Provision for disposal costs	11,357
Gain on disposal of a subsidiary (note 5)	113,921
	221,659
Satisfied by:	
Cash	221,659

An analysis of the cash flows in respect of the disposal of subsidiaries is as follows:

	RMB'000
Cash consideration	221,659
Cash consideration unreceived as at 30 June 2023	(21,191)
Cash and bank balances disposed of	(538)
Net inflow of cash and cash equivalents included in cash flows from investing activities	199,930

16. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Contracted, but not provided	1,733,615	2,359,895

17. CONTINGENT LIABILITIES

The Group had the following contingent liabilities:

	Note	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Guarantees given related to			
— qualified buyers' mortgage loans	(i)	146,937	811,122
— interest-bearing loans of a related company		13,435	12,585
		160,372	823,707

Note:

(i) The Group provided guarantees in favour of their customers in respect of mortgage loans provided by banks to these customers for their purchases of the Group's developed properties where the underlying real estate certificates can only be provided to the banks in a time-delayed manner due to administrative procedures in the People's Republic of China. These guarantees provided by the Group will be released when the customers pledge their real estate certificates as security to the banks for the mortgage loans granted by the banks.

The directors consider that in case of default in payments, the net realisable value of the related properties can cover the outstanding principal together with the accrued interest and penalties and therefore no provision has been made in the financial information for the guarantees.

18. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances detailed elsewhere in these financial information, the Group had the following material transactions with related parties during the period:

	Notes	For the six months ended 30 June 2023 RMB'000 (Unaudited)	2022 RMB'000 (Unaudited)
Associates:			
Bank loan guarantees provided	(ii)	**13,435**	11,746
Other related parties:			
Service income	(iii)	**65,924**	19,989
Service expense	(i)	**15,626**	2,925
Purchases of products	(iv)	**743**	1,251
Loans collected from a related company	(v)	**9,264**	—
Interest income	(vi)	**2,335**	—

Notes:

(i) The directors consider that the service charges for the service provided by the related parties were determined based on prices available to third party customers.

(ii) The guarantee with related companies were free of charge.

(iii) The directors consider that the income for services provided to the related parties was determined based on prices available to third party customers.

(iv) The directors consider that the purchases were undertaken on commercial terms similar to those offered by unrelated suppliers in the ordinary course of business of the relevant companies.

(v) The loans collected from the related company are unsecured. The directors consider that the applicable interest rates were determined in accordance with the prevailing market borrowing rates.

(vi) The interest rate for loans was calculated according to the agreement terms.

18. RELATED PARTY TRANSACTIONS *(Continued)*

(b) Outstanding balances with related parties:

	Notes	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Due from related companies:			
The holding company	(i)	**840,641**	840,641
Associates	(ii)	**6,372**	27,537
Other related companies	(iii)	**97,133**	92,925
Total		**944,146**	961,103
Due to related companies:			
The holding company	(iv)	**2,675**	3,318
Other related companies	(v)	**860,698**	897,018
Total		**863,373**	900,336
Lease liabilities:			
Associates	(vi)	**73,414**	71,546

Notes:

(i) As at 30 June 2023, the Group had an outstanding balance due from its ultimate holding company of RMB840,641,000 (31 December 2022: RMB840,641,000). The balance due from the holding company was non-trade in nature, unsecured, interest-free and repayable on demand. The balance mainly arose from the unpaid subscription price for the shares of the Company issued to the Controlling Shareholder.

(ii) As at 30 June 2023, the Group had a balance due from its associate companies of RMB820,000 (31 December 2022: RMB13,073,000). The balance was trade in nature, unsecured, interest-free and repayable on demand.

The remaining balances due from associates as at 30 June 2023 with an amount of RMB5,552,000 (31 December 2022: RMB5,200,000) was non-trade in nature, unsecured, with the interest rates of 1.5% and repayable in 2025. As at 31 December 2022, the balance amounted to RMB9,264,000 was non-trade in nature, unsecured, with the interest rates of 5.0%. The amount was collected during this period.

(iii) As at 30 June 2023, the balances due from other related companies of RMB8,886,000 (31 December 2022: RMB8,976,000) were trade in nature, unsecured, interest-free and repayable on demand.

The remaining balances due from other related companies as at 30 June 2023 were RMB88,247,000 (31 December 2022: RMB83,949,000), of which RMB81,232,000 (31 December 2022: RMB74,490,000) was a loan to New KRH Co., Ltd. ("KRH"), a fellow subsidiary of the Controlling Shareholder. On 18 December 2022, a subsidiary of the Group provided a loan to KRH with the principal amount of EUR10 million to support the operation of Club Med Kiroro Peak resort. The interest rate was 5.59% and was repayable on 9 June 2025 and the loan was guaranteed by the Controlling Shareholder. And the remaining balance of RMB7,015,000 (31 December 2022: RMB9,459,000) was non-trade in nature, unsecured, interest-free and repayable on demand.

18. RELATED PARTY TRANSACTIONS *(Continued)*

(b) Outstanding balances with related parties: *(Continued)*

Notes: *(Continued)*

(iv) As at 30 June 2023, the balance due to its ultimate holding company with the amount of RMB2,675,000 (31 December 2022: RMB3,318,000) was trade in nature, unsecured, interest-free and repayable on demand.

(v) As at 30 June 2023, the balances due to other related companies include an amount of RMB20,057,000 (31 December 2022: RMB56,377,000) which was trade in nature, unsecured, interest-free and repayable on demand.

The remaining balances amounting to RMB840,641,000 (31 December 2022: RMB840,641,000) due to other related companies were non-trade in nature, unsecured, interest-free and repayable on demand.

(vi) Certain subsidiaries of the Group entered into rental agreements with related parties. The amounts of lease liabilities by the Group to the related parties under the leases were determined with reference to the amounts charged by the third parties.

(c) Compensation of key management personnel of the Company:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Short-term employee benefits	**22,775**	20,214
Post-employment benefits	**1,498**	1,160
Equity-settled share option expense	**12,274**	6,694
Total compensation paid to key management personnel	**36,547**	28,068

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	As at 30 June 2023		As at 31 December 2022	
	Carrying amounts RMB'000 (Unaudited)	Fair values RMB'000 (Unaudited)	Carrying amounts RMB'000 (Audited)	Fair values RMB'000 (Audited)
Financial assets				
Financial assets at fair value through profit or loss	337,576	337,576	329,513	329,513
Financial assets included in prepayments, other receivables and other assets (non-current portion)	351,697	329,701	333,850	305,682
Due from related companies (non-current portion)	86,948	86,948	81,872	81,872
Derivative financial instruments	104,158	104,158	158,157	158,157
	880,379	858,383	903,392	875,224
Financial liabilities				
Interest-bearing bank and other borrowings (non-current portion)	9,818,022	11,251,026	9,487,485	10,299,718
Put options granted to non-controlling shareholders of a subsidiary included in accrued liabilities and other payables	336,239	336,239	173,169	173,169
Derivative financial instruments	65,945	65,945	52,187	52,187
	10,220,206	11,653,210	9,712,841	10,525,074

Management has assessed that the fair values of cash and cash equivalents, restricted cash, trade receivables, the current portion of financial assets included in prepayments, other receivables and other assets, the current portion of amounts due from related companies, trade payables, financial liabilities included in accrued liabilities and other payables other than put options granted to non-controlling shareholders of a subsidiary, amounts due to related companies, and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's corporate finance team is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank and other borrowings, and financial liabilities included in other long-term payables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the non-current portion of interest-bearing bank and other borrowings as at 30 June 2023 was assessed to be insignificant.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with high credit ratings. Derivative financial instruments include forward currency contracts, foreign currency swaps, interest rate swaps and swaptions. As at 30 June 2023, the fair values of the forward currency contracts, foreign currency swaps, interest rate swaps and swaptions were measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties and interest rate curves. The carrying amounts of the forward currency contracts, foreign currency swaps, interest rate swaps and swaptions are the same as their fair values.

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted equity investments and unlisted wealth management products issued by asset management companies that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instruments are included in Level 2. If one or more of the significant inputs are not based on observable market data, the instruments are included in Level 3.

The fair values of investment funds classified in Level 3 are based on net asset value reports provided by the management of such funds. For certain unlisted equity securities, the Group adopts the valuation techniques to determine the fair value. Valuation techniques include the market comparison approach, etc. For other investments, valuation techniques include a discounted cash flow analysis, etc. The fair value measurement of these financial instruments may involve unobservable inputs such as liquidity discount, discount rate, etc. An increase (decrease) in liquidity discount or discount rate would result in a lower (higher) fair value. The Group periodically reviews all significant unobservable inputs and valuation adjustments used to measure the fair values of financial instruments in Level 3.

The significant unobservable valuation input for the put options granted to non-controlling shareholders of a subsidiary included in accrued liabilities and other payables of RMB336,239,000 (31 December 2022: RMB173,169,000) is EBITDA of CMH. The increase in EBITDA of CMH will lead to an increase in the liability of put options granted to non-controlling shareholders of a subsidiary included in accrued liabilities and other payables.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	**Significant observable inputs (Level 2) RMB'000 (Unaudited)**	**Significant unobservable inputs (Level 3) RMB'000 (Unaudited)**	**Total RMB'000 (Unaudited)**
Financial assets at fair value through profit or loss	**3,350**	**10**	**334,216**	**337,576**
Derivative financial instruments	**—**	**104,158**	**—**	**104,158**
	3,350	**104,168**	**334,216**	**441,734**

As at 31 December 2022

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	Total RMB'000 (Audited)
Financial assets at fair value through profit or loss	2,167	50,055	277,291	329,513
Derivative financial instruments	—	158,157	—	158,157
	2,167	208,212	277,291	487,670

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

Liabilities measured at fair value:

As at 30 June 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Put options granted to non-controlling shareholders of a subsidiary included in accrued liabilities and other payables	—	—	336,239	336,239
Derivative financial instruments	—	65,945	—	65,945
	—	65,945	336,239	402,184

As at 31 December 2022

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	Total RMB'000 (Audited)
Put options granted to non-controlling shareholders of a subsidiary included in accrued liabilities and other payables	—	—	173,169	173,169
Derivative financial instruments	—	52,187	—	52,187
	—	52,187	173,169	225,356

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

The movements in fair value measurements within Level 3 during the reporting period are as follows:

Assets measured at fair value:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At 1 January	**277,291**	26,020
Transferred in	**50,045**	—
Change in fair value	**603**	25,380
Exchange alignment	**6,277**	(1,719)
At 30 June	**334,216**	49,681

During the period, the financial assets with a fair value of RMB50,045,000 in level 2 as at 31 December 2022 were transferred in. The transfer was based on the significant input used in the fair value measurement as a whole.

Liabilities measured at fair value:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At 1 January	**173,169**	—
Addition	**163,070**	—
At 30 June	**336,239**	—

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial liabilities.

20. EVENTS AFTER THE REPORTING PERIOD

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

21. COMPARATIVE AMOUNTS

As stated in note 3 to the interim condensed consolidated financial information, the comparative segment information has been restated to reflect the change of the reporting segments of the Group and as stated in the note to the interim condensed consolidated statement of changes in equity, due to the adoption of the IFRIC Agenda Decision, certain comparative amounts have been restated to conform with the current period's accounting treatment.

22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the Board on 28 August 2023.

RECENT DEVELOPMENT OF THE COMPANY

The recent development of the Company is set out in note 20 to financial statements and the "Business Overview" in this interim report.

FORWARD-LOOKING STATEMENTS

This report 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 for 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.

INTERIM DIVIDEND

The Board has not recommended the payment of an interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: nil).

PRE-IPO SHARE OPTION SCHEME

The Company adopted the Pre-IPO Share Option Scheme on 29 December 2017 and the shareholders of Fosun International approved the said scheme on 23 February 2018. The following detailed information in relation to the Pre-IPO Share Option Scheme is set out in the circular of Fosun International dated 1 February 2018 (the "2018 Circular"). Unless otherwise defined, the capitalized terms set out herein shall have the same meanings as set out in the 2018 Circular. The major terms of the Pre-IPO Share Option Scheme are as follows:

1) The purpose of the Pre-IPO Share Option Scheme is to provide the participants with the opportunity to acquire proprietary interests in the Company and to encourage the participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and the Shareholder(s) as a whole.

2) The participants of the Pre-IPO Share Option Scheme include (i) any full-time employee(s) of the Company or of any of its subsidiaries; (ii) directors of the Company or of any of its subsidiaries; and (iii) any person(s) whether or not an employee(s) or officer(s) of the Company or of any of its subsidiaries who the Board, or the duly authorized committee thereof, considers to be able to enhance the operations or value of the Group.

3) The total number of the Shares which may be issued upon exercise of all share options (the "Pre-IPO Option(s)") granted under the Pre-IPO Share Option Scheme shall not exceed 100,000,000 Shares, representing approximately 8.05% of the issued Shares as at 12 September 2023[Note]. 30,738,997 and 13,816,520 Pre-IPO Share Options were granted on 23 February 2018 and 19 November 2018, respectively. No further Pre-IPO Options will be granted under the Pre-IPO Share Option Scheme subsequent to the above grant dates. As at 30 June 2023, the number of underlying Shares pursuant to the outstanding Pre-IPO Options (excluding those lapsed/cancelled/expired) amounts to 28,001,454 Shares, representing approximately 2.25% of the issued Shares as at 30 June 2023 and approximately 2.25% of the issued Shares as at 12 September 2023[Note].

Note: Given the Company cannot ensure that the total number of issued shares of the Company between 12 September 2023 (being the Latest Practicable Date ("LPD")) and the publication date of this report remains unchanged, the Group has decided to disclose the information required by Rule 17.09(3) of the Listing Rules based on the LPD instead of the publication date of interim report.

4) The total number of the Shares which may be issued and to be issued upon exercise of the Pre-IPO Options granted and to be granted to each participant or grantee (as the case may be) (including both redeemed and outstanding Pre-IPO Options) in any 12-month period shall not exceed 1.0% of the number of the relevant class of the Shares in issue of the Company as of the proposed date of grant; unless any further grant of Pre-IPO Options (including redeemed, cancelled and outstanding Pre-IPO Options) to the participant or the grantee exceeding the 1.0% limit is made in compliance with the requirements under the Listing Rules (including the prior approval by the shareholders of Fosun International).

5) The exercise period of any Pre-IPO Options granted under the Pre-IPO Share Option Scheme must not be more than ten years commencing on the date of grant.

6) The exercise price for the grant of Pre-IPO Options shall be determined by the Board or the duly authorized committee thereof from time to time. The offer of a grant of Pre-IPO Options may be accepted within 5 business days from the date of offer, upon payment of a nominal consideration of RMB1.00 (or any other amount as determined by the Board) in total by the grantee.

7) The exercise prices of the 30,738,997 and 13,816,520 Pre-IPO Options granted respectively on 23 February 2018 and 19 November 2018 under the Pre-IPO Share Option Scheme are HK$8.43 per Share and the offer price of the global offering of HK$15.60 per Share, respectively. The exercise price of Pre-IPO Options shall be determined solely by the Board, or the duly authorized committee thereof, with reference to factors which may include business performance and value of the Company and individual performance of the relevant grantee. No option may be granted at an exercise price lower than the new issue price (if any) either after the Company resolves to seek a listing or during the period commencing six months before the lodgment of an application with the relevant stock exchange for the listing up to the date of listing. In such event, the Board, or the duly authorized committee thereof, shall have the discretion to adjust the exercise price of options granted during such period to not lower than the new issue price (if any). For the avoidance of doubt, no further Pre-IPO Options have or will be granted under the Pre-IPO Share Option Scheme subsequent to the above grant dates.

8) The Board, or the duly authorized committee thereof, shall determine and inform the grantee of the option period, during which a grantee may exercise the Pre-IPO Options in accordance with the terms of the Pre-IPO Share Option Scheme, provided that in no event shall such period be more than ten (10) years from the date of grant. A Pre-IPO Option shall be vested after meeting the vesting period and vesting conditions. The Board, or the duly authorized committee thereof, shall determine and inform the grantee of the option period, and determine other terms and conditions relating to the grant of Pre-IPO Options including (i) any minimum periods for which a Pre-IPO Option must be held; and/or (ii) minimum performance targets or other criteria (including a vesting period) that must be reached before the Pre-IPO Options can be vested/exercised in whole or in part; and/or (iii) such other terms as may be imposed at the discretion of the Board, or the duly authorized committee thereof, either on a case-by-case basis or generally which in the opinion thereof are fair and reasonable and not being inconsistent with the rules and procedures applicable to the Pre-IPO Share Option Scheme or the relevant requirements under applicable laws or the Listing Rules.

9) Subject to the termination provisions under the Pre-IPO Share Option Scheme, under no circumstance shall the life of the Pre-IPO Share Option Scheme be more than 10 years from its adoption date. No further Pre-IPO Options shall be granted after the date immediately preceding the date of listing of the Shares of the Company on the Stock Exchange, but the provision of the Pre-IPO Share Option Scheme shall remain in full force and effect in all other respects. As of 12 September 2023[Note], the remaining term of the Pre-IPO Share Option Scheme is 4 years and 5 months.

10) Pursuant to the Pre-IPO Share Option Scheme, an offer of the grant of an option made in accordance with the Pre-IPO Share Option Scheme shall be deemed to have been accepted and the option to which the offer relates shall be deemed to have been granted when the duplicate offer letter comprising acceptance of the offer duly signed by the grantee together with a remittance to the Company of RMB1.00 (or any other amount as determined by the Board, or the duly authorized committees thereof) per grant as a consideration for the grant thereof is received by the Company within five (5) Business Days from the date on which the offer letter is delivered to the participant (or such other period as determined by the Board, or the duly authorized committees thereof). Such remittance shall in no circumstances be refundable.

On 14 December 2018, the Shares were listed and traded on the Main Board of the Stock Exchange, since then, no further Pre-IPO Option has been or will be granted under the Pre-IPO Share Option Scheme.

The following table discloses movements in the Pre-IPO Options under the Pre-IPO Share Option Scheme of the Company during the Reporting Period.

	Number of the Pre-IPO Options								
Type of grantees/ Name of grantee	Date of grant of the Pre-IPO Options	As of 1 January 2023	Granted during the Reporting Period	Exercised during the Reporting Period[4]	Expired/ lapsed/ cancelled during the Reporting Period[7]	As of 30 June 2023	Vesting period of the Pre-IPO Options	Exercise period of the Pre-IPO Options	Exercise price of the Pre-IPO Options per Share (HKD)
Xu Bingbin	23 February 2018	775,125	—	0	0	775,125	23 February 2018 to 27 December 2021[2]	28 December 2018 to 22 February 2028	8.43
	19 November 2018	742,500	—	0	0	742,500	19 November 2018 to 17 November 2022[3]	18 November 2019 to 18 November 2028	15.60
Qian Jiannong	23 February 2018	20,000,000	—	0	0	20,000,000	23 February 2018 to 21 February 2026[1]	22 February 2019 to 22 February 2028	8.43
Other grantees (being other employees of the Group)	23 February 2018	3,175,889	—	257,200	232,240	2,686,449	23 February 2018 to 27 December 2021[2]	28 December 2018 to 22 February 2028	8.43
	19 November 2018	5,163,380	—	0	1,366,000	3,797,380	19 November 2018 to 17 November 2022[3]	18 November 2019 to 18 November 2028	15.60
Total		**29,856,894**	**—**	**257,200**	**1,598,240**	**28,001,454**			

Notes:

1. The Pre-IPO Options, being granted to Mr. Qian Jiannong on 23 February 2018 shall be vested according to the following schedule:

Percentage of Pre-IPO Options to be vested	Vesting Date
20%	22 February 2019
20%	22 February 2020
20%	22 February 2021
20%	22 February 2022
5%	22 February 2023
5%	22 February 2024
5%	22 February 2025
5%	22 February 2026

2. The Pre-IPO Options, being granted to Mr. Xu Bingbin and other grantees on 23 February 2018 shall be vested according to the following schedule:

Percentage of Pre-IPO Options to be vested	Vesting Date
25%	28 December 2018
25%	28 December 2019
25%	28 December 2020
25%	28 December 2021

3. The Pre-IPO Options, being granted to Mr. Xu Bingbin and other Grantees on 19 November 2018 shall be vested according to the following schedule:

Percentage of Pre-IPO Options to be vested	Vesting Date
25%	18 November 2019
25%	18 November 2020
25%	18 November 2021
25%	18 November 2022

4. The weighted average closing price of the shares immediately before the dates on which options were exercised during the Reporting Period was HK$10.83.

5. No share option was granted to the suppliers of goods or services of the Company under the Pre-IPO Share Option Scheme. Save as disclosed above, there is no any other information required to be disclosed pursuant to Rule 17.07 of Listing Rules.

6. Except for the vesting period, there is no minimum holding period before the exercise of the Pre-IPO Options.

7. During the Reporting Period, no Pre-IPO Option was canceled/expired.

The exercise of the Pre-IPO Options by the grantees shall be subject to and conditional upon the fulfillment of certain performance targets as the Board, or the duly authorized committee thereof, may determine at its sole discretion in accordance with the Pre-IPO Share Option Scheme.

PRE-IPO SHARE OWNERSHIP PLAN AND PRE-IPO FREE SHARE AWARD PLAN

Details of the Pre-IPO Share Ownership Plan and the Pre-IPO Free Share Award Plan are as follows.

PRE-IPO SHARE OWNERSHIP PLAN

On 29 December 2017, the Board adopted the Pre-IPO Share Ownership Plan with effect on the same date. The following is a summary of the principal terms of the Pre-IPO Share Ownership Plan:

1) The purpose of the Pre-IPO Share Ownership Plan is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives in the form of share ownership in our Company to selected employees of the Group, Directors, and consultants and to promote the success of our Company's business by offering these individuals an opportunity to acquire a proprietary interest in the success of our Company or to increase this interest, by permitting them to acquire shares of our Company. The Pre-IPO Share Ownership Plan provides for the direct issue and sale of shares.

2) The participants of the Pre-IPO Share Ownership Plan include employees of the Group, Director, or consultant, or trusts or companies established in connection with any employee incentive plan of our Company (including the Pre-IPO Share Ownership Plan) for the benefit of a participant, or, with approval of the Board or a committee appointed by the Board, any special-purpose entity that is set up to hold the shares on behalf of a group of employees.

3) The maximum aggregate number of shares that may be issued under the Pre-IPO Share Ownership Plan shall not exceed 15,000,000 Shares, representing approximately 1.21% of the issued Shares as at 12 September 2023[Note]. The shares may be authorized but unissued or repurchased shares. Our Company, during the term of the Pre-IPO Share Ownership Plan, shall at all time reserve and keep available sufficient shares to satisfy the requirements of share issuance under the Pre-IPO Share Ownership Plan.

Note: Given the Company cannot ensure that the total number of issued shares of the Company between 12 September 2023 (being the Latest Practicable Date ("LPD")) and the publication date of this report remains unchanged, the Group has decided to disclose the information required by Rule 17.09(3) of the Listing Rules based on the LPD instead of the publication date of interim report.

4) Subject to the termination provisions under the Plan, the Pre-IPO Share Ownership Plan will be valid and effective for a period of 10 years from the date of its adoption by the Board, being 29 December 2017, unless it is sooner terminated in accordance with certain terms therein. As of 12 September 2023[Note], the remaining term of the Plan is approximately 4 years and 3 months. No amendment, alteration, suspension, or termination of the Pre-IPO Share Ownership Plan shall materially and adversely impair the rights of any participant with respect to an outstanding shares acquired by such participant under the Pre-IPO Share Ownership Plan, unless mutually agreed otherwise between the participant and the administrator, which agreement must be in writing and signed by the participant and our Company.

5) The subscription price under the Pre-IPO Share Ownership Plan is HK$8.05 per share. The participant shall pay such aggregate subscription price in full in cash by wire transfer (or other means agreed to by our Company) to the accounts designated by our Company within two months after the date of the Restricted Share Subscription Agreement. The entire subscription price for shares issued under the Pre-IPO Share Ownership Plan shall be payable in cash or cash equivalents at the time when the shares are subscribed, except as otherwise decided by the administrator and/or specified in the relevant Restricted Share Subscription Agreement.

6) The Pre-IPO Share Ownership Plan shall be administered by the Board or a committee appointed by the Board. Any committee of the Board shall be constituted to comply with relevant applicable law. Pacific Jovial is a platform established for holding the Shares in trust for the plan participants under the Pre-IPO Share Ownership Plan.

7) The vesting of any shares which may be granted pursuant to the Pre-IPO Share Ownership Plan will be in compliance with Rule 10.08 of the Listing Rules. Any shares granted under the Pre-IPO Share Ownership Plan may be owned by the Participants upon completion of the subscription by the Participants without vesting period.

8) 9,098,501 shares were granted to eligible participating employees on 1 January 2018 at the grant price of HK$8.05, including 1,500,000 share units granted to Qian Jiannong, a Director, and 300,000 share units granted to Xu Bingbin, a Director. 645,000 shares were granted to eligible participating employees on 4 July 2018 at the grant price of EUR2.00, including 105,000 share units granted to Henri Giscard d'Estaing, a Director. The subscription price of HK$8.05 is based on the cost per share calculated by the total investment cost and interest of the Group. Some employees entitled to the subscription price of HK$8.05 were granted options with an exercise price of HK$8.43 on 23 February 2018; and employees entitled to the subscription price of EUR2.00 participated in the Pre-IPO Free Share Award Plan on 29 June 2018 prior to participating in the Pre-IPO Share Ownership Plan. In considering the subscription price of the shares granted on 4 July 2018, the Group has determined the subscription price at EUR2.00 by taking into account the rank of the participating employees, the subscription price of the schemes in which they have participated and the number of subscriptions to ensure that their cost is consistent with those of employees enjoying the share scheme with a subscription price of HK$8.05.

Note: Given the Company cannot ensure that the total number of issued shares of the Company between 12 September 2023 (being the Latest Practicable Date ("LPD")) and the publication date of this report remains unchanged, the Group has decided to disclose the information required by Rule 17.09(3) of the Listing Rules based on the LPD instead of the publication date of interim report.

PRE-IPO FREE SHARE AWARD PLAN

The Board adopted the Pre-IPO Free Share Award Plan with effect on 29 June 2018. The summary of its principal terms is as follows:

1) The purpose of the Pre-IPO Free Share Award Plan is to provide the participants with the opportunity to purchase proprietary interests in the Shares of the Company and to encourage the participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole.

2) The participants of the Pre-IPO Free Share Award Plan include: (i) any full-time employee(s) of the Company or of any of its subsidiaries; and (ii) Directors or directors of any of its subsidiaries; and (iii) any person(s) whether or not an employee(s) or officer(s) of the Company or any of its subsidiaries who the Board, or the duly authorized committee thereof, considers to be able to enhance the operations or value of the Group.

   Subject to the termination provisions under the Pre-IPO Free Share Award Plan and provided that under no circumstance shall the life of the Pre-IPO Free Share Award Plan be more than 10 years from the 29 June 2018, the date on which the Pre-IPO Free Share Award Plan was adopted, the Pre-IPO Free Share Award Plan shall be valid and effective for a period commencing on 29 June 2018 and ending on, whichever is earlier, the date immediately preceding the date of Listing or the date being 76 months after 29 June 2018, after which period no further share units shall be granted but the provisions of the Pre-IPO Free Share Award Plan shall remain in full force and effect in all other respects. As of 12 September 2023[Note], the remaining term of the Pre-IPO Free Share Award Plan is approximately 4 years and 9 months.

3) Subject to the above, in all other respects, in particular, in respect of share units remaining outstanding on the expiration of the period referred to in this paragraph, the provisions of the Pre-IPO Free Share Award Plan shall remain in full force and effect.

4) Subject to the provisions of Pre-IPO Free Share Award Plan, the Shares which may be issued upon vesting of all share units to be granted under the Pre-IPO Free Share Award Plan shall not exceed 5% of the number of the relevant class of Shares in issue on 29 June 2018 (the "Plan Mandate Limit", namely 50,451,925 Shares, representing approximately 4.06% of the issued Shares as at 12 September 2023[Note]). Such maximum number shall include the number of Shares which would be issued upon the vesting of all outstanding share units by the grantees (to the extent not already vested) together with the number of Shares which have already been issued in respect of the Shares vested under the Pre-IPO Free Share Award Plan. Share units lapsed in accordance with the terms of the Pre-IPO Free Share Award Plan shall not be counted for the purpose of calculating the Plan Mandate Limit. Any refreshment or increase of such Plan Mandate Limit shall be made in compliance with the Articles of Association of the Company, the Listing Rules and applicable laws.

5) The share units shall be effectively vested after meeting the vesting period (which shall be of one year at least) and vesting conditions. There are two vesting schedules under the Pre-IPO Free Share Award Plan: (1) share units in respect of an aggregate of 837,757 Shares was automatically vested on 29 June 2019; and (2) share units in respect of an aggregate of 2,667,780 Shares was automatically vested as to 25%, 25%, 25% and 25% on 29 June 2019, 29 June 2020, 29 June 2021 and 29 June 2022, respectively.

   All the share units granted pursuant to the Pre-IPO Free Share Award Plan were vested by 2022.

Note: Given the Company cannot ensure that the total number of issued shares of the Company between 12 September 2023 (being the Latest Practicable Date ("LPD")) and the publication date of this report remains unchanged, the Group has decided to disclose the information required by Rule 17.09(3) of the Listing Rules based on the LPD instead of the publication date of interim report.

2019 SHARE OPTION SCHEME

The Company adopted the 2019 Share Option Scheme on 19 August 2019 and the shareholders of Fosun International and the Company approved the said scheme on 30 October 2019 and 27 November 2019, respectively. The following detailed information in relation to the 2019 Share Option Scheme is set out in the circular of the Company dated 7 November 2019 (the "2019 Circular"). Unless otherwise defined, the capitalized terms set out herein shall have the same meanings as set out in the 2019 Circular. The major terms of the 2019 Share Option Scheme are as follows:

1) The purpose of the 2019 Share Option Scheme is to enable the Group to grant Post-IPO Options to the eligible participants as incentives or rewards for their contribution to the Group. The Directors believe the 2019 Share Option Scheme will enable the Group to reward the employees, the Directors and other eligible participants for their contributions to the Group.

2) The participants of the 2019 Share Option Scheme include (i) any directors (including executive Directors, non-executive Directors and independent non-executive Directors, where applicable) and employees of any member of the Group; and (ii) any advisors, consultants, distributors, contractors, customers, suppliers, agents, business partners, joint venture business partners and service providers of any member of the Group.

3) The maximum number of the Shares which may be issued in respect of which options (the "Post-IPO Option(s)") may be granted under the 2019 Share Option Scheme shall not exceed 5.0% of the Shares in issue on the adoption date of the 2019 Share Option Scheme (representing 61,752,269 Shares), representing approximately 4.97% of the issued Shares as of 12 September 2023[note] and, when aggregated with the maximum number of Shares which may be issued in respect of any options to be granted under any other share option scheme of the Company shall not exceed 10.0% of the Shares in issue on the adoption date of the 2019 Share Option Scheme. As of 30 June 2023, the number of underlying Shares pursuant to the outstanding Post-IPO Options (excluding those lapsed/cancelled/expired) amounts to 16,873,250 Shares, representing approximately 1.36% of the issued Shares as of 30 June 2023 approximately 1.36% of the issued Shares as of 12 September 2023[note].

Note: Given the Company cannot ensure that the total number of issued shares of the Company between 12 September 2023 (being the Latest Practicable Date ("LPD")) and the publication date of this report remains unchanged, the Group has decided to disclose the information required by Rule 17.09(3) of the Listing Rules based on the LPD instead of the publication date of interim report.

4) The total number of Shares issued and to be issued upon exercise of the Post-IPO Options granted and to be granted under the 2019 Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1.0% of the issued share capital of the Company for the time being (the "Individual Limit"). Any further grant of options to a participant in aggregate in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular containing the requisite information in accordance with the note to Rule 17.03(4) of the Listing Rules to be sent to the shareholders of Fosun International and the Company prior to respective general meetings with such participant and his close associates abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before approvals of the shareholders of Fosun International and the Company and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

5) The 2019 Share Option Scheme will remain in force for a period of 10 years commencing on its adoption date. A Post-IPO Option may be exercised in accordance with the terms of the 2019 Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than ten (10) years from the date of grant of the option subject to the provisions for early termination under the 2019 Share Option Scheme. As of 12 September 2023[Note], the remaining term of the 2019 Share Option Scheme is approximately 6 years and 2 months.

6) The exercise price per Share under the 2019 Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant in respect of such Post-IPO Option, which must be a Business Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the date of grant in respect of such Post-IPO Option; and (iii) the nominal value of a Share. The offer of a grant of Post-IPO Options may be accepted within 5 Business Days from the date of offer, upon payment of a nominal consideration of RMB1.00 (or any other amount as determined by the Board) in total by the grantee.

7) The Company by ordinary resolution in a general meeting or the Board may at any time terminate the 2019 Share Option Scheme and in such event no further Post-IPO Options shall be offered or granted in accordance with the 2019 Share Option Scheme but the provisions of the 2019 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Post-IPO Options (to the extent not already exercised) granted prior to the termination of the 2019 Share Option Scheme or otherwise as may be required in accordance with the provisions of the 2019 Share Option Scheme. Post-IPO Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the 2019 Share Option Scheme.

8) An offer shall be deemed to have been accepted and the option to which the offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the offer duly signed by the grantee with the number of Shares in respect of which the offer is accepted clearly stated therein, which must be received by the Company within five (5) Business Days from the date on which the offer letter is delivered to the grantee. There is no additional amount payable on application or acceptance of the Share Option.

9) For the following details, the conditions that must be met before the Company issues any shares, the conditions that must be met before a third party may require the Company to issue any shares, and any monetary or other consideration that the Company has received or will receive under the agreement, please refer to the 2019 Circular.

The following table discloses movements in the Post-IPO Options under the 2019 Share Option Scheme of the Company during the Reporting Period.

		Number of the Post-IPO Options									
Type of grantees/ Name of grantee	Date of grant of the Post-IPO Options	As of 1 January 2023	Granted during the Reporting Period[12]	Closing price of the securities immediately before the date on which the Post-IPO Options were granted (HKD)	Value of the Post-IPO Options granted[6] (RMB)	Exercised during the Reporting Period	Expired/ lapsed/ cancelled during the Reporting Period[11]	As of 30 June 2023	Vesting period of the Post-IPO Options	Exercise period of the Pre-IPO Options	Exercise price of the Post-IPO Options per Share (HKD)
Xu Xiaoliang	20 August 2021	150,000	—	9.71	—	0	0	150,000	20 August 2021 to 30 June 2025[8]	1 July 2022 to 19 August 2031	9.37
	28 April 2022	180,000	—	10.70	—	0	0	180,000	28 April 2022 to 27 April 2026[9]	28 April 2023 to 27 April 2032	10.69
	18 January 2023	—	1,000,000	11.76	3,651,102	0	0	1,000,000	18 January 2023 to 31 January 2027[10]	31 January 2024 to 17 January 2033	11.70
Xu Bingbin	28 August 2020	200,000	—	8.25	—	0	0	200,000	28 August 2020 to 30 June 2024[7]	1 July 2021 to 27 August 2030	8.37
	20 August 2021	320,000	—	9.71	—	0	0	320,000	20 August 2021 to 30 June 2025[8]	1 July 2022 to 19 August 2031	9.37
	28 April 2022	260,000	—	10.70	—	0	0	260,000	28 April 2022 to 27 April 2026[9]	28 April 2023 to 27 April 2032	10.69
	18 January 2023	—	500,000	11.76	1,825,551	0	0	500,000	18 January 2023 to 31 January 2027[10]	31 January 2024 to 17 January 2033	11.70
Choi Yin On	20 August 2021	300,000	—	9.71	—	0	0	300,000	20 August 2021 to 30 June 2025[8]	1 July 2022 to 19 August 2031	9.37
	28 April 2022	210,000	—	10.70	—	0	0	210,000	28 April 2022 to 27 April 2026[9]	28 April 2023 to 27 April 2032	10.69
	18 January 2023	—	200,000	11.76	730,220	—	0	200,000	18 January 2023 to 31 January 2027[10]	31 January 2024 to 17 January 2033	11.70
Qian Jiannong	28 August 2020	500,000	—	8.25	—	0	0	500,000	28 August 2020 to 30 June 2024[7]	1 July 2021 to 27 August 2030	8.37
	20 August 2021	500,000	—	9.71	—	0	0	500,000	20 August 2021 to 30 June 2025[8]	1 July 2022 to 19 August 2031	9.37
	28 April 2022	500,000	—	10.70	—	0	0	500,000	28 April 2022 to 27 April 2026[9]	28 April 2023 to 27 April 2032	10.69
Pan Donghui	20 August 2021	70,000	—	9.71	—	0	0	70,000	20 August 2021 to 30 June 2025[8]	1 July 2022 to 19 August 2031	9.37
	28 April 2022	70,000	—	10.70	—	0	0	70,000	28 April 2022 to 27 April 2026[9]	28 April 2023 to 27 April 2032	10.69
	18 January 2023	—	150,000	11.76	547,665	0	0	150,000	18 January 2023 to 31 January 2027[10]	31 January 2024 to 17 January 2033	11.70
Huang Zhen	18 January 2023	—	150,000	11.76	547,665	—	0	150,000	18 January 2023 to 31 January 2027[10]	31 January 2024 to 17 January 2033	11.70
Other grantees (being other employees of the Group)	28 August 2020	1,920,500	—	8.25	—	116,000	432,500	1,372,000	28 August 2020 to 30 June 2024[7]	1 July 2021 to 27 August 2030	8.37
	20 August 2021	3,715,750	—	9.71	—	37,500	976,750	2,701,500	20 August 2021 to 30 June 2025[8]	1 July 2022 to 19 August 2031	9.37
	28 April 2022	3,912,000	—	10.70	—	0	1,058,250	2,853,750	28 April 2022 to 27 April 2026[9]	28 April 2023 to 27 April 2032	10.69
	18 January 2023	—	5,246,000	11.76	19,153,680	—	560,000	4,686,000	18 January 2023 to 31 January 2027[10]	31 January 2024 to 17 January 2033	11.70
Total		**12,808,250**	**7,246,000**			**153,500**	**3,027,500**	**16,873,250**			

Notes:

1. For details of the cancellation of certain options and share units granted on 25 August 2020, please see the Company's announcement dated 28 August 2020.

2. On 18 January 2023, the Board granted 7,246,000 share options to certain eligible participants of the 2019 Share Option Scheme who are non-executive Directors or employees of the Group. For details, please see the Company's announcement dated 19 January 2023.

3. No share option was granted to the suppliers of goods or services of the Company under the 2019 Share Option Scheme. Save as disclosed above, there is no any other information required to be disclosed pursuant to Rule 17.07 of Listing Rules.

4. Except for the vesting period, there is no minimum holding period before exercise of the Post-IPO Option.

5. The weighted average closing price of the shares immediately before the dates on which shares options were exercised during the Reporting Period was HK$10.86.

6. The aggregate fair value of the share options granted during the Reporting Period amounted to approximately RMB26,455,884. The value of the Post-IPO Options granted during the Reporting Period is measured by reference to the fair value at the date at which they are granted. The fair value of the Post-IPO Options under the 2019 Share Option Scheme is determined by the management using a binomial model.

   The fair value of the 2019 share Options granted during the year ended 30 June 2023 was estimated as at the date of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	—
Expected volatility (%)	29.7%
Risk-free interest rate (%)	3.16-3.13%
Expected life of options (year)	5.50–7.00
Weighted average share price (HKD per share)	11.70

   The expected life of the Post-IPO Options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

   Accounting Policies

   Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

   For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

   Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

   Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

7. The Post-IPO Option, being granted to such grantee(s) on 28 August 2020 shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
25%	1 July 2021
25%	1 July 2022
25%	1 July 2023
25%	1 July 2024

8. The Post-IPO Option, being granted to such grantee(s) on 20 August 2021 shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
25%	1 July 2022
25%	1 July 2023
25%	1 July 2024
25%	1 July 2025

9. The Post-IPO Option, being granted to such grantee(s) on 28 April 2022, shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
25%	28 April 2023
25%	28 April 2024
25%	28 April 2025
25%	28 April 2026

10. The Post-IPO Option, being granted to such grantee(s) on 18 January 2023 shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
25%	1 February 2024
25%	1 February 2025
25%	1 February 2026
25%	1 February 2027

11. During the Reporting Period, no Post-IPO Option was cancelled/expired.

12. Performance targets for options granted: Such performance targets, as set out in separate letters of grant, include financial targets and management targets, which are determined based on (i) individual results, (ii) results of the Group, (iii) results of the business group, business unit, business line, functional department, and project results managed by option grantee. According to the Company's performance management regulations, share options may only be vested by option grantees if their performance for the previous year of the vesting period is assessed as"meeting the expectations"and above.

2019 SHARE AWARD PLAN

On 19 August 2019, the Board adopted the 2019 Share Award Plan with effect on the same date. The following is a summary of the principal terms and conditions of the 2019 Share Award Plan (the "Plan"):

1) The purpose of the Plan is to provide the participants with the opportunity to receive proprietary interests in the Shares and to encourage the participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole.

2) The participants of the Plan include: (i) any full-time employee(s) of the Company or of any of its subsidiaries; (ii) Directors or directors of any of its subsidiaries; and (iii) any person(s) whether or not an employee(s) or officer(s) of the Company or any of its subsidiaries who the Board, or the duly authorized committee thereof, considers to be able to enhance the operations or value of the Group.

3) Subject to the provisions of the Plan, the Shares which may be issued upon vesting of all share units to be granted under the Plan shall not exceed 2.5% of the number of the relevant class of Shares in issue on the adoption date of the Plan (the "Plan Mandate Limit"). Such maximum number shall include the number of Shares which would be issued upon the vesting of all outstanding share units by the grantees (to the extent not already vested) together with the number of Shares which have already been issued in respect of the Shares vested under the Plan. Share units lapsed in accordance with the terms of the Plan shall not be counted for the purpose of calculating the Plan Mandate Limit. Any refreshment or increase of such Plan Mandate Limit shall be made in compliance with the Articles of Association, the Listing Rules and applicable laws. The total number of Shares to be issued under the Plan is 30,875,234, representing approximately 2.49% of the issued Shares as at 12 September 2023[Note].

4) Subject to the termination provisions under the Plan, the Plan shall be valid and effective for a period of 10 years commencing on the adoption date of the Plan, and as of 12 September 2023[Note], the remaining term of the Plan is approximately 5 years and 11 months, after which period no further share units shall be granted but the provisions of the Plan shall remain in full force and effect in all other respects. Subject to the above, in all other respects, in particular, in respect of share units remaining outstanding on the expiration of the period referred to in this paragraph, the provisions of the Plan shall remain in full force and effect.

5) Subject to the Listing Rules, the maximum entitlement may be granted to each participant in the Plan represents the Plan Mandate Limit.

6) According to the terms of the Plan, the share units shall be effectively vested after meeting the vesting period (which shall be of one year at least) and vesting conditions.

7) The Plan provides that the participants as offeree may accept the offer within five (5) business days from the date of receipt of the offer letter (or such other period as determined by the Board or a duly authorized committee of the Board in its sole discretion). The Plan does not specify the amount to be paid.

Note: Given the Company cannot ensure that the total number of issued shares of the Company between 12 September 2023 (being the Latest Practicable Date ("LPD")) and the publication date of this report remains unchanged, the Group has decided to disclose the information required by Rule 17.09(3) of the Listing Rules based on the LPD instead of the publication date of interim report.

The following table discloses movements in the share units under the 2019 Share Award Plan during the Reporting Period.

Type of grantees/ Name of grantee	Date of grant of the share units	As of 1 January 2023	Granted during the Reporting Period[10]	Closing price of the securities immediately before the date on which the 2019 Share Award Plan was granted (HKD)	Value of the share units after granting the 2019 Share Award Plan[11] (RMB)	Vested during the Reporting Period	Lapsed/ cancelled during the Reporting Period[12]	As of 30 June 2023	Vesting period of the share units	Consideration of share units granted per unit (HKD)
Xu Xiaoliang	20 August 2021	67,000	—	9.71	—	0	0	67,000	20 August 2021 to 30 June 2024[4]	Nil
	28 April 2022	120,000	—	10.70	—	39,600	0	80,400	28 April 2022 to 27 April 2025[5]	Nil
	18 January 2023	—	500,000	11.76	5,056,389	—	0	500,000	18 January 2023 to 31 January 2026[6]	Nil
Henri Giscard d'Estaing	28 August 2020	124,133	—	8.25	—	0	0	124,133	28 August 2020 to 28 August 2024[3]	Nil
	20 August 2021	127,300	—	9.71	—	0	0	127,300	20 August 2021 to 2 September 2024[4]	Nil
	28 April 2022	190,000	—	10.70	—	62,700	0	127,300	28 April 2022 to 9 May 2025[5]	Nil
	18 January 2023	—	330,000	11.76	3,337,217	0	0	330,000	18 January 2023 to 31 January 2026[6]	Nil
Xu Bingbin	20 August 2021	120,600	—	9.71	—	0	0	120,600	20 August 2021 to 30 June 2024[4]	Nil
	28 April 2022	120,000	—	10.70	—	39,600	0	80,400	28 April 2022 to 27 April 2025[5]	Nil
	18 January 2023	—	250,000	11.76	2,528,195	0	0	250,000	18 January 2023 to 31 January 2026[6]	Nil
Choi Yin On	20 August 2021	67,000	—	9.71	—	0	0	67,000	20 August 2021 to 30 June 2024[4]	Nil
	28 April 2022	100,000	—	10.70	—	33,000	0	67,000	28 April 2022 to 27 April 2025[5]	Nil
	18 January 2023	—	120,000	11.76	1,213,533	0	0	120,000	18 January 2023 to 31 January 2026[6]	Nil
Qian Jiannong	28 August 2020	85,000	—	8.25	—	0	0	85,000	28 August 2020 to 30 June 2023[3]	Nil
	20 August 2021	167,500	—	9.71	—	0	0	167,500	20 August 2021 to 30 June 2024[4]	Nil
	28 April 2022	250,000	—	10.70	—	0	0	250,000	28 April 2022 to 27 April 2025[5]	Nil
Pan Donghui	20 August 2021	33,500	—	9.71	—	0	0	33,500	20 August 2021 to 30 June 2024[4]	Nil
	28 April 2022	50,000	—	10.70	—	16,500	0	33,500	28 April 2022 to 27 April 2025[5]	Nil
	18 January 2023	—	100,000	11.76	1,011,278	0	0	100,000	18 January 2023 to 31 January 2026[6]	Nil
Huang Zhen	18 January 2023	—	100,000	11.76	1,011,278	0	0	100,000	18 January 2023 to 31 January 2026[6]	Nil
Other grantees (being other employees of the Group)	28 August 2020	600,434	—	8.25	—	0	74,800	525,634	28 August 2020 to 30 June 2024 or 28 August 2020 to 28 August 2024[3]	Nil
	20 August 2021	1,379,850	—	9.71	—	0	194,300	1,185,550	20 August 2021 to 30 June 2024 or 20 August 2021 to 2 September 2024 or 20 August 2021 to 2 September 2025[4]	Nil
	28 April 2022	2,104,000	—	10.70	—	505,660	440,860	1,157,480	28 April 2022 to 27 April 2025 or 28 April 2022 to 9 May 2026 or 28 April 2022 to 9 May 2025[5]	Nil
	18 January 2023	—	3,450,000	11.76	34,889,084	0	279,000	3,171,000	18 January 2023 to 31 January 2026[6]	Nil
Total		**5,706,317**	**4,850,000**			**697,060**	**988,960**	**8,870,297**		

Notes:

1. For details of the cancellation of certain share options and share units granted on 25 August 2020, please see the Company's announcement dated 28 August 2020.

2. On 18 January 2023, the Board granted 4,850,000 share units to certain eligible participants of the 2019 Share Award Scheme who are certain directors or employees of the Group. For details, please see the Company's announcement dated 19 January 2023.

3. The share units, being granted to Mr. Qian Jiannong on 28 August 2020 shall be vested according to the following schedule:

Percentage of share units to be vested	Vesting Date
33%	1 July 2021
33%	1 July 2022
34%	1 July 2023

The share units, being granted to Mr. Henri Giscard d'Estaing on 28 August 2020 shall be vested according to the following schedule:

Percentage of share units to be vested	Vesting Date
28.3%	29 August 2021
28.3%	29 August 2022
28.8%	29 August 2023
14.6%	29 August 2024

The share units, being granted to such other grantees on 28 August 2020 shall be vested according to the following three schedules:

(1) Percentage of share units to be vested	Vesting Date
28.2%	29 August 2021
28.2%	29 August 2022
28.5%	29 August 2023
15.1%	29 August 2024

(2) Percentage of share units to be vested	Vesting Date
33.0%	1 July 2021
33.0%	1 July 2022
34.0%	1 July 2023

(3) Percentage of share units to be vested	Vesting Date
25.0%	29 August 2021
25.0%	29 August 2022
25.0%	29 August 2023
25.0%	29 August 2024

4. The share units, being granted to Mr. Xu Xiaoliang, Mr. Xu Bingbin, Mr. Choi Yin On, Mr. Qian Jiannong and Mr. Pan Donghui on 20 August 2021 shall be vested according to the following schedule:

Percentage of share units to be vested	Vesting Date
33.0%	1 July 2022
33.0%	1 July 2023
34.0%	1 July 2024

The share units, being granted to Mr. Henri Giscard d'Estaing on 20 August 2021 shall be vested according to the following schedule:

Percentage of share units to be vested	Vesting Date
33.0%	3 September 2022
33.0%	3 September 2023
34.0%	3 September 2024

The share units, being granted to the such other grantee(s) on 20 August 2021 shall be vested according to the following three kinds of schedule:

(1) Percentage of share units to be vested	Vesting Date
25.0%	3 September 2022
25.0%	3 September 2023
25.0%	3 September 2024
25.0%	3 September 2025

(2) Percentage of share units to be vested	Vesting Date
33.0%	1 July 2022
33.0%	1 July 2023
34.0%	1 July 2024

(3) Percentage of share units to be vested	Vesting Date
33.0%	3 September 2022
33.0%	3 September 2023
34.0%	3 September 2024

5. The share units, being granted to Mr. Xu Xiaoliang, Mr. Xu Bingbin, Mr. Choi Yin On, Mr. Qian Jiannong and Mr. Pan Donghui on 28 April 2022, shall be vested according to the following schedule:

Percentage of share units to be vested	Vesting Date
33%	28 April 2023
33%	28 April 2024
34%	28 April 2025

The share units, being granted to Mr. Henri Giscard d'Estaing on 28 April 2022, shall be vested according to the following schedule:

Percentage of share units to be vested	Vesting Date
33%	10 May 2023
33%	10 May 2024
34%	10 May 2025

The share units, being granted to the such other grantee(s) on 28 April 2022, shall be vested according to the following three kinds of schedule:

(1) Percentage of share units to be vested	Vesting Date
33%	28 April 2023
33%	28 April 2024
34%	28 April 2025

(2) Percentage of share units to be vested	Vesting Date
33.0%	10 May 2023
33.0%	10 May 2024
34.0%	10 May 2025

(3) Percentage of share units to be vested	Vesting Date
25.0%	10 May 2023
25.0%	10 May 2024
25.0%	10 May 2025
25.0%	10 May 2026

6. The Post-IPO Option, being granted to Mr. Xu Xiaoliang, Mr. Henri Giscard d'Estaing, Mr. Xu Bingbin, Mr. Choi Yin On, Mr. Qian Jiannong, Mr. Pan Donghui and Mr. Huang Zhen on 18 January 2023 shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
33%	1 February 2024
33%	1 February 2025
34%	1 February 2026

The Post-IPO Option, being granted to such other grantee(s) on 18 January 2023 shall be vested according to the following schedule:

(1) Percentage of Post-IPO Option to be vested	Vesting Date
33%	1 February 2024
33%	1 February 2025
34%	1 February 2026

(2) Percentage of Post-IPO Option to be vested	Vesting Date
25%	1 February 2024
25%	1 February 2025
25%	1 February 2026
25%	1 February 2027

7. The weighted average closing price of the shares immediately before the dates on which share units were vested during the Reporting Period was HK$9.05.

8. No participant was granted in excess of the individual limit during the Reporting Period.

9. For French participants or participants of a French subsidiary, the vesting period plus holding period is at least 2 years. For other participants, except for the vesting period, there is no minimum holding period before the exercise of the share units.

10. Performance targets for options granted: Such performance targets, as set out in separate letters of grant, include financial targets and management targets, which are determined based on (i) individual results, (ii) results of the Group, (iii) results of the business group, business unit, business line, functional department, and project managed by option grantee. According to the Company's performance management regulations, share units may only be vested by option grantees if their performance for the previous year of the vesting period is assessed as"meeting the expectations"and above.

11. The fair value of Shares granted during the period from 1 January 2023 to 30 June 2023 is determined by the management using an asset-based approach according to the closing price on the date of grant. Please also refer to note 6 to the 2019 Share Option Scheme for relevant accounting policies.

12. During the Reporting Period, no share unit under the 2019 Share Option Scheme was canceled/expired.

As of 1 January 2023 and 30 June 2023, the number of options, awards and share units that may be granted under all share schemes of the Company were 189,749,621 and 183,268,321 respectively.

The number of shares to be issued pursuant to the options and awards granted under all share schemes of the Company during the Reporting Period divided by the weighted average number of shares issued during the Reporting Period is 0.0077.

HUMAN RESOURCES

As of 30 June 2023, the Group had approximately 18,544 employees.

In the first half of 2023, as guided by the corporate vision of "Pioneering holiday lifestyle and creating a world-leading family leisure and tourism ecosystem", the Human Resources Centre of the Group constantly consolidated the base of culture and values of Fosun Tourism to further improve in-depth industry operation capabilities. The Group comprehensively promoted the global building-up of organisational capabilities, optimised the efficiency and vitality through strategy implementation on top-level design and organisational mechanism optimisation and ensured organisational agility and high efficiency by the establishment of digital and high-tech system. We aimed to enhance the organisational health and form an organisational ecology with a large number of talents and a long-lasting foundation by establishing and optimising culture and values, partnership models, talent pipelines, etc.

In the first half of 2023, leveraging the industry's global layout, the Group deepened its international talent management concept continuously and comprehensively facilitated and implemented the global rotation mechanism of core talents, so as to allow outstanding overseas and local talents to come into and go out of China, and to enhance industrial operations and service quality through multi-cultural exchanges. At the management mechanism level, we continued to iterate our partnership system, optimising the working interface between the Group's headquarters and various business segments, and built a multi-level partnership system. We continued to promote the regionalised management concept with full authority delegation to our frontline business operations to conduct flexible local management within a reasonable range. For the staff motivation aspect, we have established a comprehensive short-, medium- and long-term motivation mechanism, actively explored innovative tools and ideas to improve the precise motivation based on the Group's top campaign projects and encouraged top campaign project teams to achieve breakthroughs through specialised incentives to assist achieving the Group's strategic goals.

Global Rotation Mechanism

International talents are indispensable to the Group's globalisation process. In line with the global industry layout ecology, in the first half of 2023, the Group integrated the domestic and overseas business development rhythm and strengthened the frequency of talent integration among its resorts and properties to achieve mutual learning of one another's excellent resort operation and service quality, and also assisted the multi-cultural development its resorts and properties

Upgraded Partnership Management System

In the first half of 2023, the Group strengthened the partnership management system based on the Company's original system and set up a segmental partnership management system under its core business segments. Unlike the leading roles played by the Company's partners at the Fosun International Group level, the segment partners focus on the development of their respective industries, demonstrate an entrepreneurial mentality, and are committed to the frontline business, forming a synergy with the Fosun International Group partners. The multilevel partner teams jointly built a prosperous global ecosystem for the Group.

Employee Care and Services

The Group focused on creating a sound corporate atmosphere and enhancing the sense of belonging among employees, we constantly optimised, innovated, and strengthened the establishment of a comprehensive and diversified benefit system. Upholding the Group's cultural values, we not only reflected our care and service to employees at work but towards their families.

The Group attaches great importance to employees' health management, constantly strengthens the promotion and investment of employees' health management as well as introduces an innovative model on health management. In addition to the annual physical examination covering all employees, we also encouraged employees to participate in fitness activities such as Tai Chi and jogging, provided health and wellness tips on a regular basis, and organized health lectures that strengthened employees' health awareness. We continuously optimised and increased the content and limit of insurance guarantee, and provided services such as online consultations, online appointments for medical examinations, and online medical insurance claims, and have established different care plans targeted for various employee groups.

We utilised the internet and various innovative channels to enrich the service content of our employees. We further optimised and innovated the form of benefit distribution and publicity. We pushed the introduction of employee benefits, various remuneration benefits and personnel policies via the Group's own mobile terminal application. Employees may inquire about various benefits through the self-developed mobile application platform, perform online point recharge and pay for meals and other convenient services. Meanwhile, the Group's human resources global sharing centre continues to integrate various domestic and international resources to better serve employees from all over the world.

Employee Learning and Development

Talents are the core competitiveness of an enterprise, so the Group has always regarded the common development of both the Company and its staffs as one of the most important responsibilities, and provided the employees with more opportunities for career development and better working conditions through sustained efforts. With continuous growth and structural improvement, we have promoted the integration and cooperation among team members, created value and built learning-oriented teams. These measures allow both the Group and its staffs to build a brilliant future together.

The Group's innovation & leadership center has established different echelon talent development and professional talent training programs based on the Group's development strategy and human resource planning requirements based on its own development characteristics. Based on different development goals, we plan our own development path, design training courses according to ability quality and professional requirements, and set up coach clubs, major projects sharing and CXO special camps. We select high-potential talents for special training every year, help to achieve the rapid growth of employees while solving specific business problems, so as to develop a core talent pipeline for the Group systematically and ensure efficient organisational development.

Employment and Labour Standards

Our employees are our most valuable asset and also the core of competitive advantages of the Group. The Group has been adhering to the principle of "attracting people with development, uniting people by career, training people with work and appraising people with performance" and advocating fair competition and objecting to discrimination. All employees and job applicants are not confined by factors such as gender, age, race, skin colour and religious belief. The establishment of all human resources policies strictly complies with all rules and relevant regulations in connection with remuneration and dismissal, recruitment and promotion, employee schedule, equal opportunities, diversity, working hours, rest periods and other benefits in countries/regions where our operations are located.

During the Reporting Period, all employees of the Group met the minimum working age requirements set out in the relevant laws of the countries/regions where our operations were located and the employment of child labor or forced labor was prohibited.

Remuneration Policy and Employee Incentive

The remuneration policy and package of the Group's employees are periodically reviewed based on the basis of their performance, experience and current industry practice. In line with the strategic focus and specific business needs, we adhere to the incentive principles of value creation, performance orientation, profit and loss sharing, and clear reward and punishment. Oriented by strategy implementation and employee development, the Group continuously optimises the multi-level and full-coverage remuneration system and update mid-to-long-term incentive system. Through the flexible and comprehensive incentives, together with different business demands and incentive tools, we empower the ecosystem of the Group and motivate the team.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of 30 June 2023, the interests or short positions of the Directors or chief executive of the Company in the Shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Interests in the Shares

Name of Director/Chief executive	Nature of interests	Number of Shares/ underlying shares interested	Approximate percentage in relevant class of Shares
Xu Xiaoliang	Beneficial owner	2,052,328	0.17%
Henri Giscard d'Estaing	Beneficial owner	1,846,897	0.15%
Xu Bingbin	Beneficial owner	3,667,625	0.30%
Choi Yin On	Beneficial owner	1,030,000	0.08%
Qian Jiannong	Beneficial owner	23,850,804	1.92%
Pan Donghui	Beneficial owner	490,000	0.04%
Huang Zhen	Beneficial owner	308,000	0.02%

(ii) Interests in associated corporation

Name of Director/Chief executive	Name of associated corporation	Nature of interests	Number of Shares/ underlying shares interested	Approximate percentage in relevant class of Shares
Xu Xiaoliang	Fosun International	Beneficial owner	27,480,000	0.33%(1)
Henri Giscard d'Estaing	Fosun International	Beneficial owner	1,750,000	0.02%(1)
	Club Med Holding	Beneficial owner	375,000(2)	0.20%
Xu Bingbin	Fosun International	Beneficial owner	218,663	0.00%(1)
Qian Jiannong	Fosun International	Beneficial owner	9,527,000	0.12%(1)
Pan Donghui	Fosun International	Beneficial owner	14,323,484	0.17%(1)
Huang Zhen	Fosun International	Beneficial owner	3,447,200	0.04%(1)
	Fosun Pharma	Beneficial owner(3)	45,500	0.00%
	Yuyuan	Beneficial owner(3)	1,301,000	0.03%

Notes:

(1) The calculation is based on the total number of 8,204,914,624 shares of Fosun International in issue as of the end of the Reporting Period.

(2) Including 257,813 ordinary shares of Club Med Holding and 117,187 preferred shares C of Club Med Holding.

(3) The classes of shares held by Huang Zhen in Fosun Pharma and Yuyuan are both A shares (A shares refer to the equity securities listed on the Shanghai Stock Exchange).

(iii) Interests in the debentures of associated corporation (within the meaning of Part XV of the SFO) of the Company

Name	Name of associated corporation	Nature of interests	Amount of debentures (USD)
Xu Xiaoliang	Fortune Star (BVI) Limited	Personal	6,356,437
Pan Donghui	Fortune Star (BVI) Limited	Personal	739,121
Huang Zhen	Fortune Star (BVI) Limited	Personal	739,121

Notes: The shares held by Xu Xiaoliang, Pan Donghui, and Huang Zhen in Fortune Star are classified as debentures.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As of 30 June 2023, so far as was known to the Directors, the persons or entities, other than a Director or chief executive of the Company, who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of Shareholder	Nature of interests	Number of Shares/ underlying Shares interested	Approximate percentage in relevant class of Shares
Fosun International	Beneficial owner	971,949,202	78.26%
FHL[(1)]	Beneficial owner	15,389,930	1.24%
	Interest in controlled corporation	971,949,202	78.26%
FIHL[(2)]	Interest in controlled corporation	987,339,132	79.50%
Guo Guangchang[(3)]	Interest in controlled corporation	987,339,132	79.50%
Cho Jung-ho[(4)]	Interest in controlled corporation	81,542,487	6.57%
Meritz Financial Group Inc.[(4)]	Interest in controlled corporation	81,542,487	6.57%
Meritz Securities Co., Ltd.[(4)]	Beneficial owner	81,542,487	6.57%
CHINA HUARONG INTERNATIONAL HOLDINGS LTD	Interest in controlled corporation	108,000,000	8.70%
China Huarong Asset Management Co., Ltd.	Interest in controlled corporation	108,000,000	8.70%

Notes:

(1) FHL holds approximately 73.67% equity interest in Fosun International, and is therefore deemed to be interested in the Shares directly held by Fosun International.

(2) FIHL holds 100% equity interest in FHL, and is therefore deemed to be interested in the Shares which FHL is deemed to be interested in.

(3) Guo Guangchang holds 85.29% equity interest in FIHL, and is therefore deemed to be interested in the Shares which FIHL is deemed to be interested in.

(4) Meritz Securities Co., Ltd. is a company incorporated in South Korea. Meritz Financial Group Inc., its controlling shareholder, owns 49.77% of its equity interest. Meritz Financial Group Inc. is a company incorporated in South Korea and listed on the Korea Exchange. Mr. Cho Jung-ho holds 6.57% equity interest in Meritz Securities Co., Ltd., and is therefore deemed to be interested in the Shares which Meritz Securities Co., Ltd. is interested in.

Save as disclosed above, so far as was known to the Directors, as of 30 June 2023, the Company has not been notified by any persons (other than a Director or chief executive of the Company) who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B of the Listing Rules, the changes in the information of the Directors during the Reporting Period are set out below:

(1) Change in the significant positions held within the Group

Name of Director	Date of Change	Original Positions	Current Positions
Choi Yin On	1 August 2023	Vice president, chief financial officer, director of Club Med Holding and director of Thomas Cook Group	Senior vice president, chief financial officer, director of Club Med Holding and director of Thomas Cook Group

(2) Changes in Directors' remuneration with effect during the Reporting Period

Name of Director	Date of Change	Remuneration	Target Performance Related Bonus[(1)]
Henri Giscard d'Estaing	1 April 2023	EUR893,050[(2)]	N/A
Xu Xiaoliang	9 February 2023	0[(3)]	N/A

Notes:

(1) To be determined based on internal appraisal of various performance indicators.

(2) As at 1 April 2023, base salary has been increased by 17.6% comparing with the same period of last year.

(3) As resolved by the Remuneration Committee and the Board of Directors, the Director shall no longer receive remuneration and bonus but shall continue to participate in the stock and/or option incentive plans established by the Company from time to time with effect from 9 February 2023.

Save as disclosed herein, there is no information required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Shares during the Reporting Period.

REVIEW OF INTERIM RESULTS

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, to review the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control system, and to provide recommendations and advice to the Board.

The interim results and this interim report of the Group for the Reporting Period are unaudited but have been reviewed by the Audit Committee. The Audit Committee does not have any disagreement with the accounting treatment adopted by the Company.

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

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 establish the purpose, values and strategy of the Company, and satisfies itself that they are in line with the Company's culture. All the Directors must act with integrity and lead by example to endeavour promoting our corporate culture and should indoctrinate them throughout the organisation, and constantly reinforce the values of "Acting Lawfully, Ethically and Responsibly". During the Reporting Period, the Company applied the principles of and fully complied with the code provisions as set out in the CG Code except for the following deviation from provision D.1.2 of the CG Code. The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

Deviation from Code Provision

Under provision D.1.2 of the CG Code, management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules.

During the Reporting Period, such financial statements were not provided for review by the Board every month on the misunderstanding that periodic updates suffice for such purpose.

Clarification

In the periodic results announcements and/or annual report of the Company for the 12 months ended 31 December 2022 and the 6 months ended 30 June 2023 (collectively, the "Previous Disclosures"), it was stated that excepted for provision C.2.1, the Company has complied with the CG Code during the corresponding period. The Company would like to clarify that above deviation from D.1.2 of the CG Code should have been included in Previous Disclosures. The above clarification does not affect other information contained in the Previous Disclosures. The remaining contents of the Previous Disclosures remain unchanged.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Having made specific enquiry of 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 terms than the Model Code for securities transactions by the 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 was noted by the Company.

EXECUTIVE DIRECTORS

Xu Xiaoliang *(Chairman)*
Henri Giscard d'Estaing *(Vice Chairman and co-Chief Executive Officer)*
Xu Bingbin *(co-President and Chief Executive Officer of Club Med China)*
Choi Yin On *(Senior Vice President and Chief Financial Officer)*

NON-EXECUTIVE DIRECTORS

Qian Jiannong
Pan Donghui
Huang Zhen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Allan Zeman
Guo Yongqing
Katherine Rong Xin
He Jianmin

AUDIT COMMITTEE

Guo Yongqing *(Chairperson)*
Allan Zeman
Katherine Rong Xin
He Jianmin

REMUNERATION COMMITTEE

Katherine Rong Xin *(Chairperson)*
Guo Yongqing
Xu Bingbin

NOMINATION COMMITTEE

Xu Xiaoliang *(Chairperson)*
Allan Zeman
Katherine Rong Xin

STRATEGY COMMITTEE

Xu Xiaoliang *(Chairperson)*
Henri Giscard d'Estaing
Allan Zeman
He Jianmin

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Guo Yongqing *(Chairperson)*
Katherine Rong Xin
Henri Giscard d'Estaing

COMPANY SECRETARY

Kam Mei Ha

AUTHORIZED REPRESENTATIVES

Choi Yin On
Kam Mei Ha

AUDITORS

Ernst & Young
Certified Public Accountants
Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

LEGAL ADVISERS

As to Hong Kong law

Paul Hastings
22/F, Bank of China Tower
1 Garden Road
Hong Kong

As to Cayman Islands law

Harney Westwood & Riegels
3rd Floor, Harbour Place
103 South Church Street
Grand Cayman
P.O. Box 10240, KY1-1002
Cayman Islands

PRINCIPAL BANKERS

China Minsheng Banking Corp., Ltd.
Crédit Agricole CIB
Bank of China Limited
China Merchants Bank Co., Ltd.
Bank of Dalian Co., Ltd.
The Hongkong and Shanghai Banking Corporation Limited
Bank of East Asia

REGISTERED OFFICE

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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ICBC Tower
3 Garden Road
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

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4th Floor, Harbour Place
103 South Church Street
P.O. Box 10204
Grand Cayman, KY1-1002
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

STOCK CODE

01992

WEBSITE

http://www.fosunholiday.com

ABBREVIATIONS

Alpes Snow World	an indoor ski domain of the Group, designed by Compagnie des Alpes ("CDA"), one of the world's leading ski domain operators based in France, to offer facilities and services with international standards
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
Average Daily Rate by Room	the business volume divided by the total number of rooms sold
Board	our 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 lifestyle hotel brand under Thomas Cook, with a focus on design, high-quality food and wellbeing
CG Code	the Corporate Governance Code set out in Appendix 14 of the Listing Rules
China or PRC	the People's Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires, references in this report to "China" and the "PRC" do not apply to Hong Kong, Macau and Taiwan
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. The Group focuses on global leisure tourism resort with "all-inclusive" innovative holiday Concepts
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
EMEA	Europe, Middle East, and Africa, which, for our purposes, also includes Turkey
EUR or Euro	the lawful currency of the European Union
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
Fosun Holiday	our global ecosystem consisting of our commercially interconnected businesses that offers a wide spectrum of tourism- and leisure-related services
Foryou Club	our membership system in China that manages and operates services and activities for members and customers under the Fosun Holiday 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.E (gentils employé) are local employees who perform traditional resort and back office duties, and are 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 limited liability company established in the PRC 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 Rules	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
Miniversity	the Group's brand for learning and playing club for children
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules
Nomination Committee	the nomination committee of the Board
Occupancy Rate	by Bed the 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 Bed	the total number of beds sold divided by the total number of beds available for sale
Occupancy Rate by Room	the total number of rooms sold divided by the total number of rooms available for sale
Reporting Period	1 January 2023 to 30 June 2023
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
RMB	the lawful currency of the PRC
Share(s)	ordinary share(s) in the share capital of the Company
Shareholder(s)	holder(s) of the Shares
Show C	a resident show launched by Atlantis Sanya
Stock Exchange or Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Strategy Committee	the strategy committee of the Board
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
USD or U.S. dollar	the lawful currency of the United States of America
Waterpark	the Aquaventure Waterpark in Atlantis Sanya