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Fosun Tourism Group
复星旅游文化集团

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

(Stock Code: 1992)

CONTINUING CONNECTED TRANSACTIONS

**THE 2024 TRAVEL SERVICES, BUSINESS TRAVEL SERVICE AND
TECHNICAL CONSULTING SERVICES FRAMEWORK AGREEMENT**

AND

REVISION OF ANNUAL CAP

INTRODUCTION

References are made to the announcement of the Company dated 2 August 2022 in relation to the Travel Services and Technical Consulting Services framework agreement (“**The 2022 Travel Agreement**”), the announcement dated 30 June 2023 in relation to, among other things, the supplemental agreement to the 2022 Travel Agreement, and the announcement dated 23 November 2023 in relation to the second supplemental agreement to the 2022 Travel Agreement. The 2022 Travel Agreement will expire on 31 December 2024. The Board expects that the Group will continue to conduct Travel Services, Business Travel Services and Technical Consulting Services with Fosun International and its associates. As such, on 15 November 2024, the Company and Fosun International entered into the 2024 Travel Framework Agreement for a term of two years commencing from 1 January 2025.

THE 2024 TRAVEL FRAMEWORK AGREEMENT

The principal terms of the 2024 Travel Framework Agreement are set out below:

- Date** : 15 November 2024
- Parties** : (i) the Company; and
(ii) Fosun International.
- Conditions precedent** : (i) the 2024 Travel Framework Agreement and the transactions contemplated thereunder having been duly approved by the Board and the general meeting (if applicable) of Company;
(ii) the 2024 Travel Framework Agreement and the transactions contemplated thereunder having been duly approved by the board of directors and the general meeting (if applicable) of Fosun International; and
(iii) (if applicable) clearance of relevant announcement(s) and circular(s) by the Stock Exchange in relation to the 2024 Travel Framework Agreement and the transactions contemplated hereunder having been obtained.
- Term** : From 1 January 2025 to 31 December 2026
- Nature of transactions** : During the term of the 2024 Travel Framework Agreement, the Group will provide Technical Consulting Services and Travel Services to Fosun International and its associates, while Fosun International and its associates will provide Business Travel Services to the Group.
- Pricing policy** : The Group and Fosun International or its associates shall enter into separate implementation agreements in accordance with terms of the 2024 Travel Framework Agreement.

Each of implementation agreements shall set out, amongst other things, the specifications for the particular transactions including but not limited to the parties of the agreements, the locations and details of the relevant properties, the respective considerations of the agreements and the terms of the agreements. Each of the implementation agreements must comply with the terms of the 2024 Travel Framework Agreement, the Listing Rules and applicable laws.

The fees under the implementation agreements for certain Technical Consulting Services will take a fixed amount as a base, adjusted by the time period of the agreements and the difficulty of the project design. The fees under other implementation agreements for Technical Consulting Services will be based on the duration of the agreements, the difficulty and the scale of the project design.

The fees under the implementation agreements for Travel Services will be set according to the unit price on the market, content and scale of the services, market prices of comparable service providers or a certain proportion of service commission to be charged according to the amounts of business travel related services.

The fees under the implementation agreements for Business Travel Services will be set according to the unit price on the market, content and scale of the services, market prices of comparable service providers or a certain proportion of service commission to be charged according to the amounts of business travel related services.

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

Termination : The 2024 Travel Framework Agreement and the transactions contemplated thereunder may be terminated under any of the following events:

- (i) If either party to the 2024 Travel Framework Agreement commits material breach to the 2024 Travel Framework Agreement and the breaching party fails to remedy within a reasonable period specified in the written notice sent by the other party, the non-breaching party may terminate the 2024 Travel Framework Agreement.
- (ii) Each party to the 2024 Travel Framework Agreement may terminate the 2024 Travel Framework Agreement by sending a written notice to the other party three months in advance.

Revision of Annual Cap

Pursuant to the 2024 Travel Framework Agreement, the parties also agree that the annual cap for the year ending 31 December 2024 of Technical Consulting Services will be increased from the original RMB9.05 million to **RMB25.00 million**. The revised annual cap is determined based on the expected transaction amount brought by several potential new projects under planning by Fosun International and its associates as a result of the recovery of tourism industry. Save as described in this paragraph, all other terms of the 2022 Travel Agreement and its supplemental agreements shall remain unchanged.

Historical Amount

The historical amounts for similar transactions between Fosun International and its associates and the Group for the three financial years ended 31 December 2021, 2022 and 2023 and nine months ended 30 September 2024 are as follows:

	For the year ended 31 December			For the nine months ended
	2021	2022	2023	30 September 2024
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Historical amount in relation to Technical Consulting Services	2.34	0.38	0.10	0.13
Historical amount in relation to Travel Services	4.89	16.56	26.43	11.60
Historical amount in relation to Business Travel Services	0.91	3.71	3.46	3.73

Annual Caps and Basis for Determining the Annual Caps

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

	For the year ending 31 December	
	2025 <i>RMB million</i>	2026 <i>RMB million</i>
Annual caps in relation to Technical Consulting Services	30.00	35.00
Annual caps in relation to Travel Services	55.00	55.00
Annual caps in relation to Business Travel Services	25.00	25.00

In determining the annual caps for the Technical Consulting Services and Travel Services, the Board considered several factors, including the historical transaction amounts for similar services between the Group and Fosun International and its associates, the current transaction volume and potential new cooperation opportunities of such services provided or to be provided by the Group to Fosun International Group, and the possible market fluctuations over the next two years.

For the Business Travel Services annual caps, the Board took into account factors such as past transaction amounts for similar services between Fosun International and its associates and the Group, the current transaction level of Business Travel Services provided to the Group by Fosun International Group and its associates, and potential future collaborations.

Reasons for and Benefits of the 2024 Travel Framework Agreement

The Group has entered into implementation agreements pursuant to the 2022 Travel Agreement and is actively pursuing more cooperation opportunities with Fosun International and its associates, which aligns with the Group's principal business strategy. The Group aims to enhance its geographic coverage and bolster brand awareness for resorts in the thriving Asian tourism market. Furthermore, given the extensive resources of Fosun International and its associates, collaboration with them allows the Group to secure more favorable pricing for Business Travel Services. It also provides the Group opportunity to leverage their established network and access a diverse array of business travel-related solutions. The 2024 Travel Framework Agreement represents a strategic re-entry into a collaborative relationship with Fosun International following the expiration of the 2022 Travel Agreement.

The revision of the annual cap for Technical Consulting Services enhances the Group's ability to meet the growing demand for its services. The Company continues to monitor the continuing connected transactions contemplated under the 2022 Travel Agreement. Given the recent growing demand from Fosun International and its associates for the Group's Technical Consulting Services, the Board expects that the existing annual caps will be insufficient to satisfy such demand. This adjustment will enable the Group to leverage its extensive expertise and experience in designing and building resorts, ultimately expanding its geographic footprint and elevating brand recognition in the lucrative Asian tourism market.

Based on the foregoing, the Directors (including the independent non-executive Directors) are of the view that the terms of the 2024 Travel Framework Agreement and the revised annual cap were determined after arm's length negotiation, and the transactions contemplated thereunder are conducted in the ordinary and usual course of business of the Company and are on normal commercial terms or better, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Xu Xiaoliang, Mr. Huang Zhen and Mr. Pan Donghui, being Directors also holding directorships in Fosun International, have abstained from voting on the board resolution approving the 2024 Travel Framework Agreement and the revised annual cap. Save as disclosed above, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as of the date of this announcement, none of the Directors has any material interests in the 2024 Travel Framework Agreement and the revised annual cap or shall abstain from voting in respect of the relevant resolutions.

INFORMATION OF THE PARTIES

The Group

The Group is a world-leading leisure-focused integrated tourism group. As a core component of Fosun's Happiness business segment and embracing the mission of "Better Holiday, Better Life", Fosun Tourism Group endeavors to pioneer holiday lifestyle and create a world-leading family leisure and tourism ecosystem. Fosun Tourism Group owns brands and products including Club Med, the global leader operating more than 60 resorts that offers exquisite "all-inclusive" holidays; Atlantis Sanya, a one-stop ocean-themed integrated high-end tourism destination; Taicang Alps Resort and Lijiang Club Med Resort, two one-stop global leisure and tourism destinations; Foryou Club, the global membership platform of Fosun Tourism Group, etc.

Fosun International Group

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

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, as of the date of this announcement, Fosun International is directly and indirectly held by Mr. Guo Guangchang as to 72.77% of the equity interests.

LISTING RULES IMPLICATIONS

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

As at the date of this announcement, Fosun International is the controlling shareholder of the Company holding 78.11% equity interests. Therefore, the transactions contemplated under the 2024 Travel Framework Agreement constitute connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios in respect of the transaction contemplated under the 2024 Travel Framework Agreement exceed 0.1% but all of them are less than 5%, the 2024 Travel Framework Agreement is therefore subject to the reporting, annual review and announcement requirements but is exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors of the Company;
“Business Travel Services”	business travel related services provided by Fosun International and its associates to the Group;
“Company”	Fosun Tourism Group, a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1992);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;

“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of our Company;
“Fosun International”	Fosun International Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 656);
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules;
“PRC” or “China”	The People’s Republic of China, and for the purposes of this announcement only, excluding Hong Kong, Macau and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of EUR0.0001 each;
“Shareholders”	holder(s) of our Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“Technical Consulting Services”	technical consulting services provided by the Group to Fosun International and its associates for hotels, apartments and/or other properties owned by the Fosun International and its associates;

“Travel Services”	venues, accommodation, transportation, catering and other services for meetings and team building activities, provide travel and vacation products and services or business travel related services, provide consulting services for the overall operation and management of projects and products planning services and provide performance planning, content production, introduction of plays or technical services provided by the Group to Fosun International and its associates;
“2024 Travel Framework Agreement”	the framework agreement dated 15 November 2024 entered into between the Company and Fosun International;
“%”	per cent.

By order of the Board
Fosun Tourism Group
Xu Xiaoliang
Chairman

15 November 2024

As at the date of this announcement, the executive Directors of the Company are Mr. Xu Xiaoliang, Mr. Xu Bingbin and Mr. Choi Yin On; the non-executive Directors are Mr. Pan Donghui and Mr. Huang Zhen; and the independent non-executive Directors are Dr. Allan Zeman, Mr. Guo Yongqing, Ms. Katherine Rong Xin and Mr. He Jianmin.