

everyday is FOLIDAY

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)

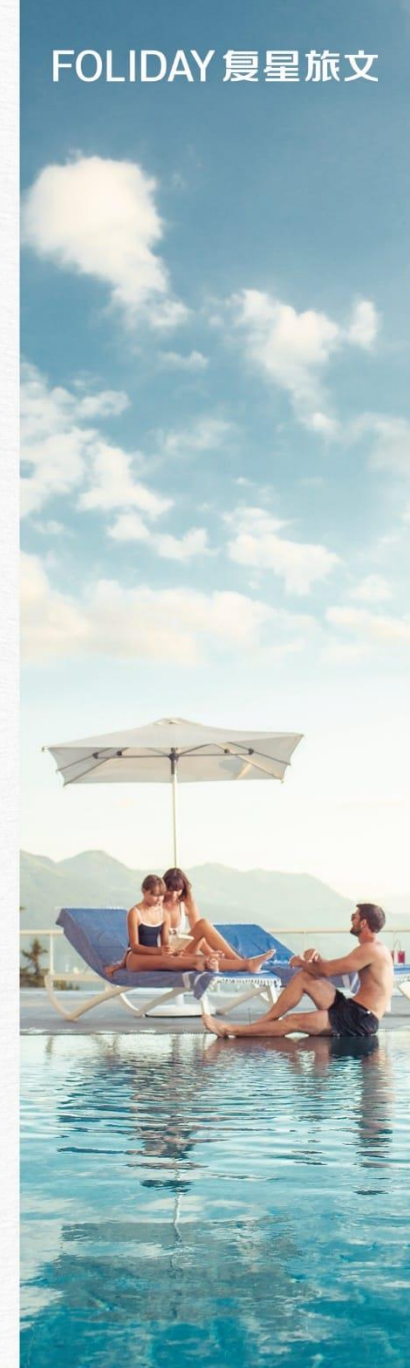
中期业绩
Interim Results
2020

FOLIDAY 复星旅文

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Cautionary Statement Regarding Forward-Looking Statements

This PPT includes forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments the Company expects or anticipates will or may occur in the future (including but not limited to projections, targets, estimates and business plans) are forward-looking statements. The Company’s actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, and other risks and factors beyond our control. In addition, the Company makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements. The financial figures in this PPT are calculated using the average exchange rate for the reporting period January 2020 to June 2020 (EUR/CNY= 7.74476 HKD/CNY= 0.90532), and period-end exchange rate as of 2020/06/30 (EUR/CNY=7.96100 HKD/CNY=0.91340), the exchange rate to be updated.



Agenda



Executive Summary



Operation Overview



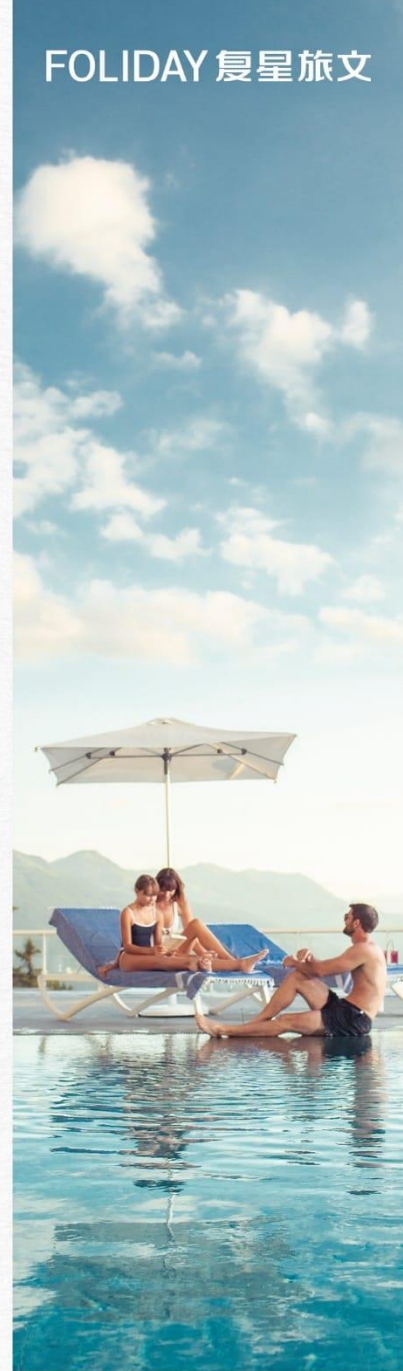
Financial Overview



Strategy Focus



Appendix



01

1H2020 Briefing

- Business volume of tourism operation¹ decreased by **44.1%**² to **RMB 4,311.3 mm** for 1H2020
- Adjusted EBITDA decreased by **76.3%** to **RMB 471.7 mm**
- Loss attributable to equity holders was **RMB 898.7 mm**

02

Liquidity and Cost Reduction

- Atlantis CMBS amounted to **RMB 6.8 bn** was issued with a coupon rate of 5% and term of 24 years
- Club Med obtained a **EUR180.0 mm** long term **French State Guaranteed Loan** with **favorable interest rate**
- During Q2, Club Med human resource costs and capital expenditure decreased by approx. **60% and 70%**, respectively
- Operating cost of Atlantis Sanya decreased by **RMB 140mm**, human resource costs and energy costs decreased by approx. **43% and 16%**, respectively

03

Recovery of Core Business

- In July 2020, Atlantis Sanya business volume increased **18%** to **RMB147.7 mm**, with an occupancy rate of **88%**
- By August 15, 2020, Club Med has reopened **26** resorts, capacity resumed to **37%** of last year. In the 15 days ended by 15 August, 2020, the occupancy rate were **95%**³ and **88%** in Europe and China, respectively
- By the end of 2022, Club Med plans **to open 10 new resorts**
- Taicang Foliday Town **has began pre-sale** in July

04

Thomas Cook Lifestyle Platform

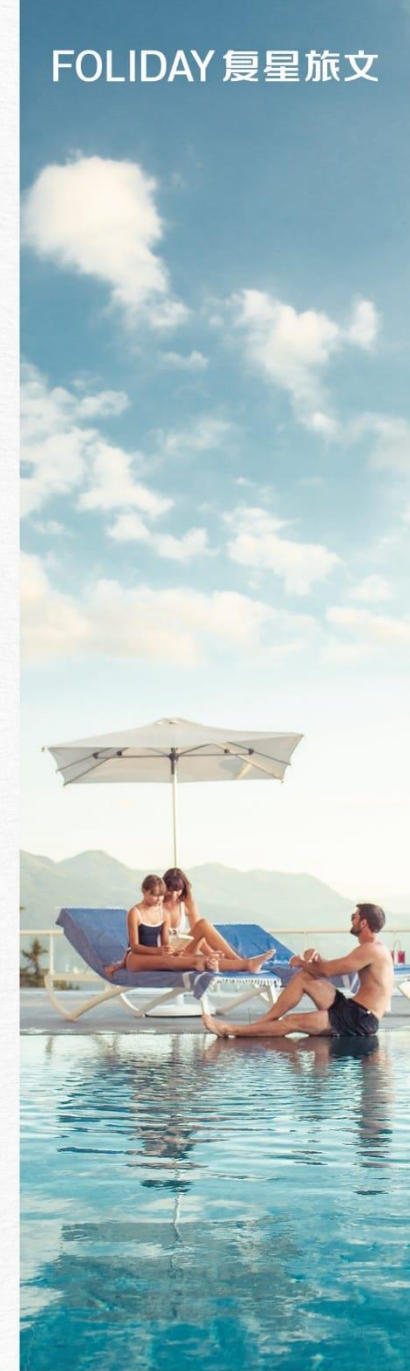
- We launched **Thomas Cook Lifestyle Platform** in July 2020
- Till 31 July 2020, **APP downloads** reached **118,200**, **registered users** reached **104,000**, and the total **GMV** of 26 days from the trail operation reached **RMB33.24 mm**

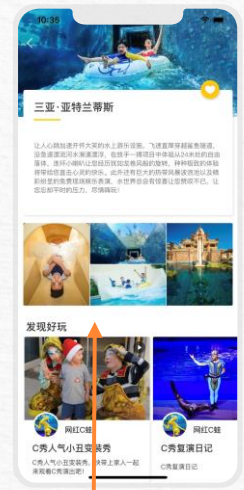
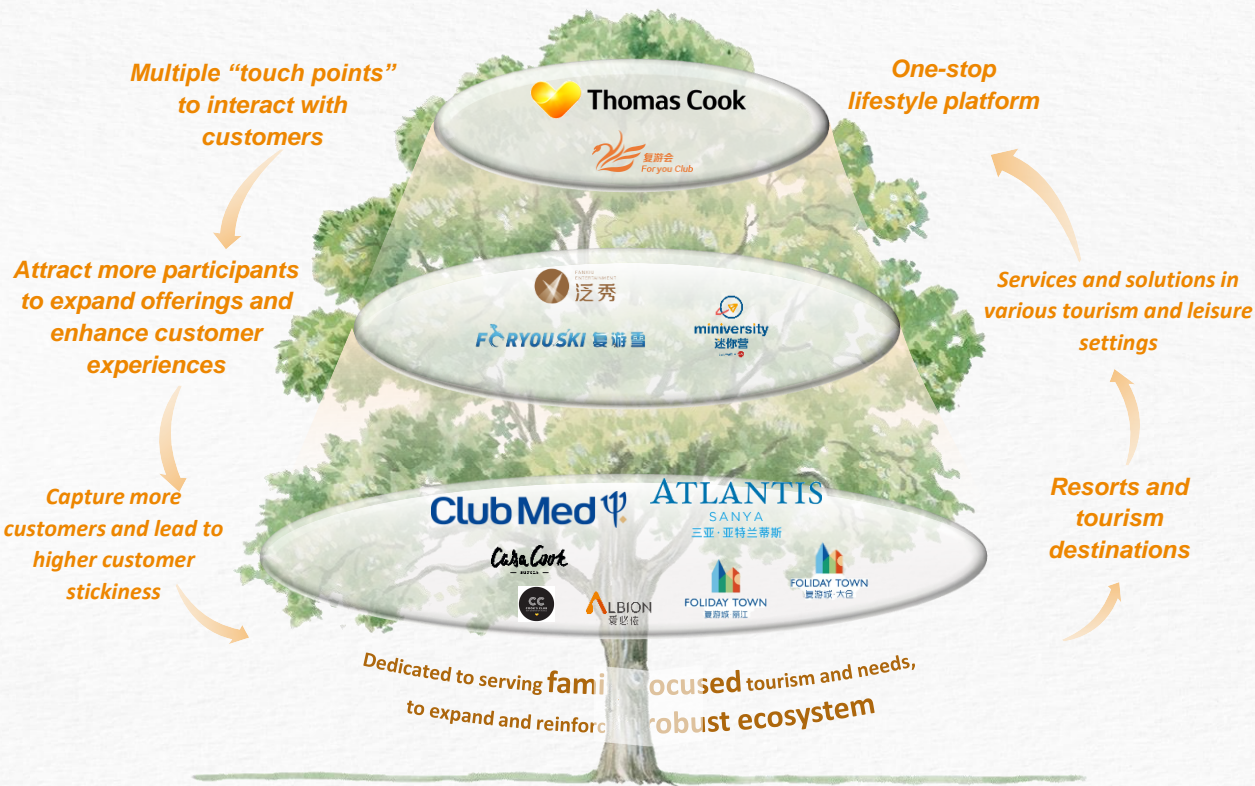
05

Hainan Focus

- We are **the largest high-end resort provider in Sanya**⁴
- Actively searching opportunities for **tourism destination, resort management, and various services and solutions**
- Develop new business in the area of **travel retail** and **lifestyle products**, etc

¹ Business Volume includes resort operations, tourism destination operations and tourism and leisure services and solutions; ² On like-for-like basis; ³ This occupancy rate is based on limited capacity in certain regions due to the requirements of social distance and sanitary measures.; ⁴ According to Frost & Sullivan report, by the end of 2019, in terms of number of rooms with an average daily rate exceeding RMB1,000, Fosun Tourism Group is the largest high-end resorts provider in Sanya, Hainan China with Atlantis Sanya and Club Med Sanya.

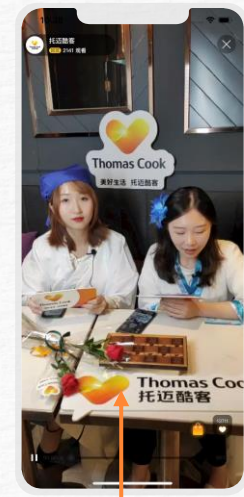




Leisure tourism related product



Unique lifestyle



Live interaction attracts traffic



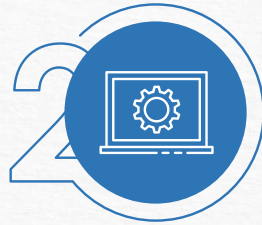
Exchange of Loyalty Program benefits



Agenda



Executive Summary



Operation Overview



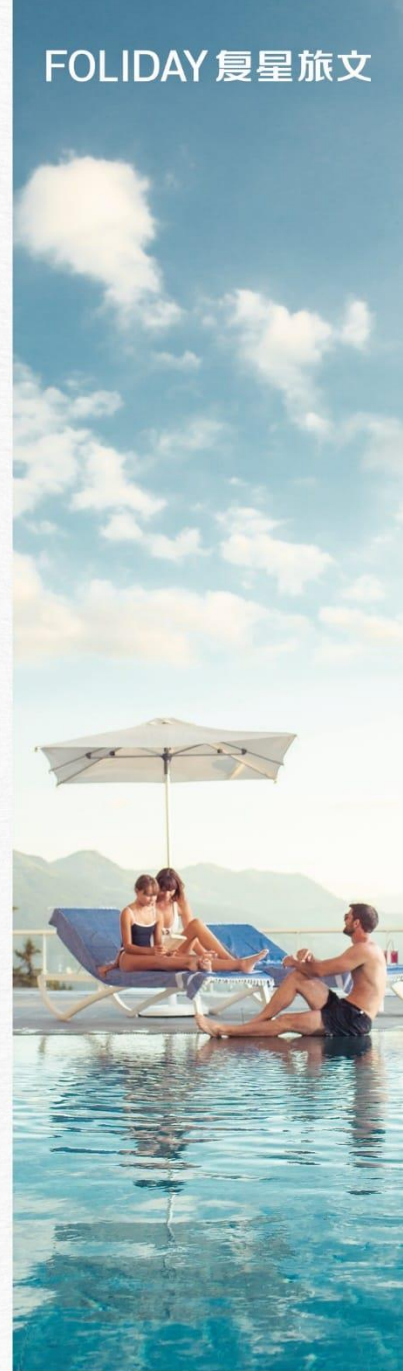
Financial Overview



Strategy Focus



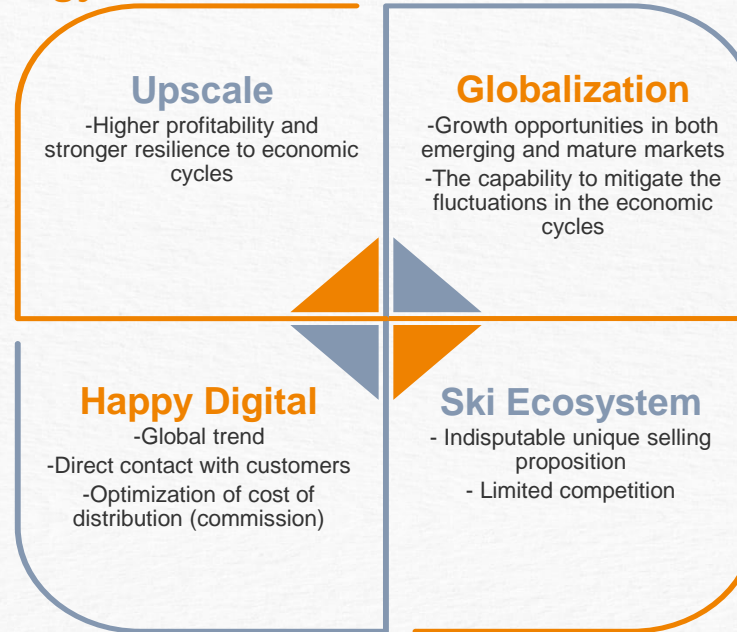
Appendix



Club Med at a Glance

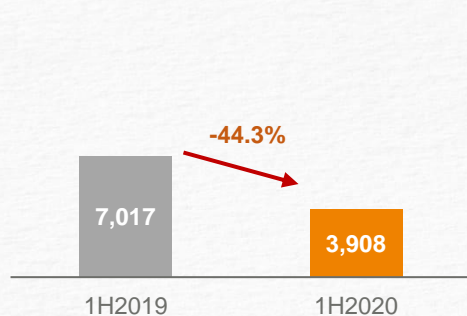


Strategy



Business volume²

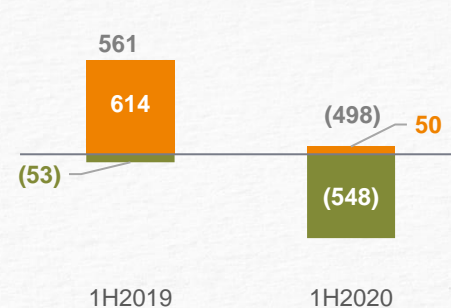
(RMB in mm)



Operating profit

(RMB in mm)

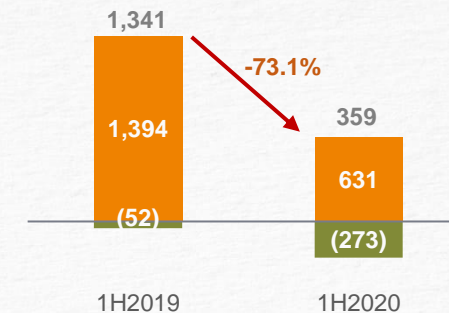
■ Non-recurring items³



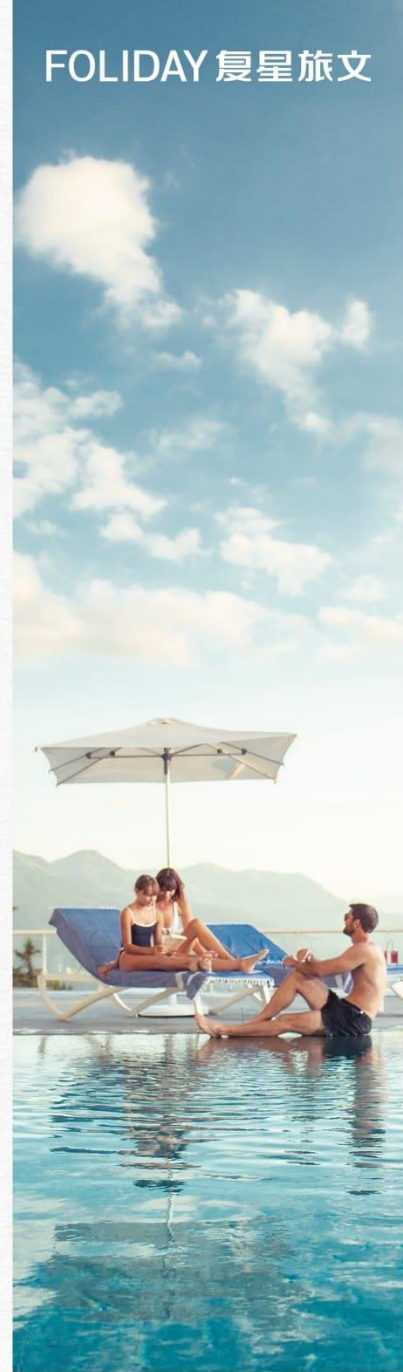
Adjusted EBITDA

(RMB in mm)

■ Non-recurring items³



Note: ¹ In terms of number of resorts in 2019 according to Frost & Sullivan's report; ² in constant exchange rate; ³Non-recurring items, including gain on disposal of subsidiary and associate, gain (loss) on the fair value change of investments measured at fair value through profit or loss, impairment loss on long term assets, and exceptional costs due to COVID-19 including the costs of the business during their closure when they are supposed to be open in normal time, and additional operation costs such as transportation to bring our customer back home due to the epidemic outbreak, etc.

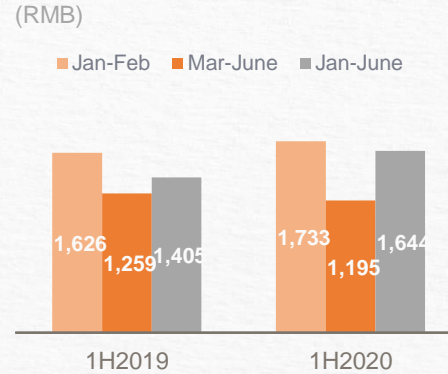


Commentary

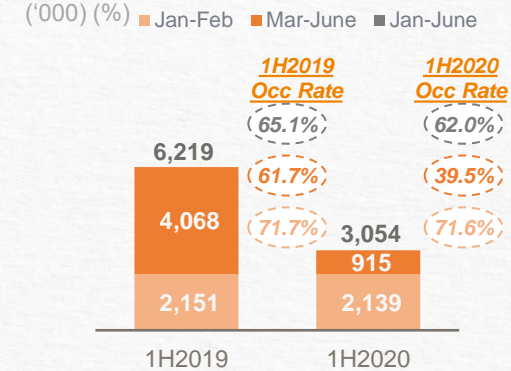
- ✔ Club Med experienced a **strong performance** in January and February 2020 as a result of popularity in both **mountain** and **sun resorts**. ADBR **increased by 6.6% YoY**, business volume **increased by approx. 8% YoY**, EBITDA **increased over 20% YoY**
- ✔ Due to the Pandemic, during 1H2020, **all** Club Med resorts were **temporarily closed** for certain period, which caused the resort capacity in March to June decreased by **77.5%**, therefore the capacity in 1H2020 decreased by **50.9% YoY**
- ✔ In **July 2020**, the occupancy rate of the opened resorts was approximately **61%**⁴
- ✔ As of 15 August 2020, **26** resorts were reopened. Resort capacity restored to **37%** of the same period of last year. **In the 15 days ended 15 August 2020**, our resorts achieved an occupancy rate of **approx. 88%** and **95%**⁴ in **China** and **Europe**, respectively

By time

Average daily bed rate ^{1,3}

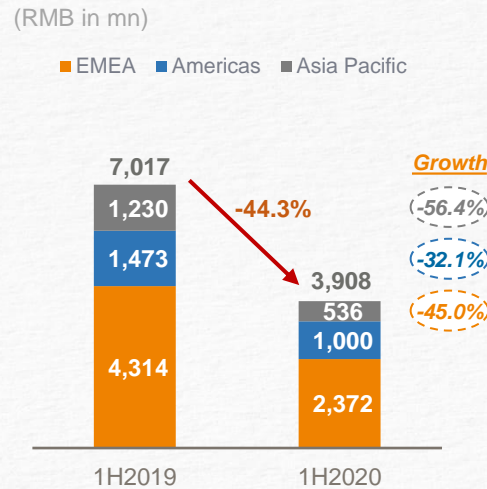


Resort capacity ² and occupancy rate

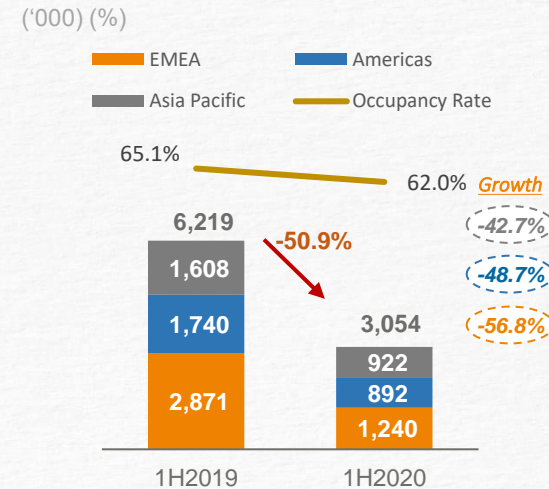


By Region

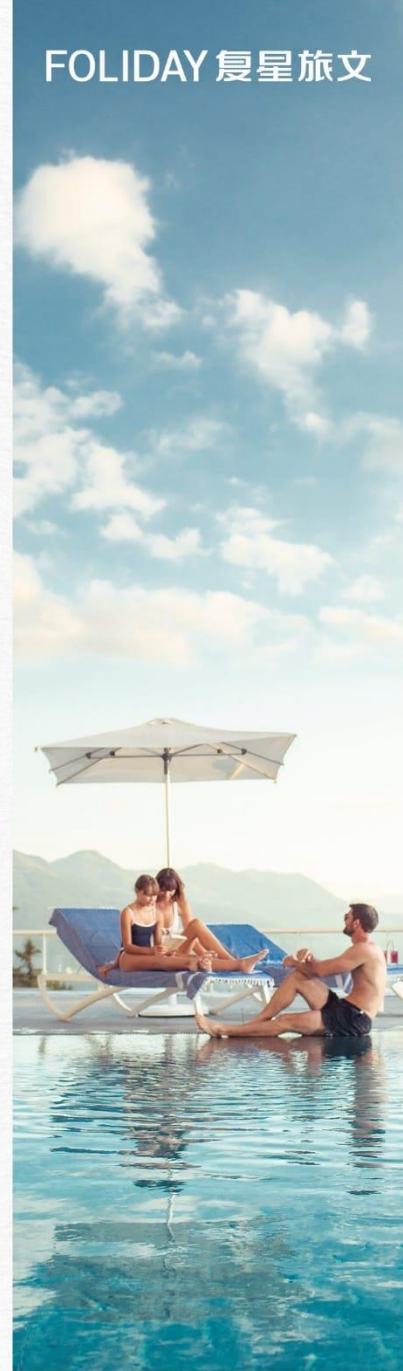
Business volume¹



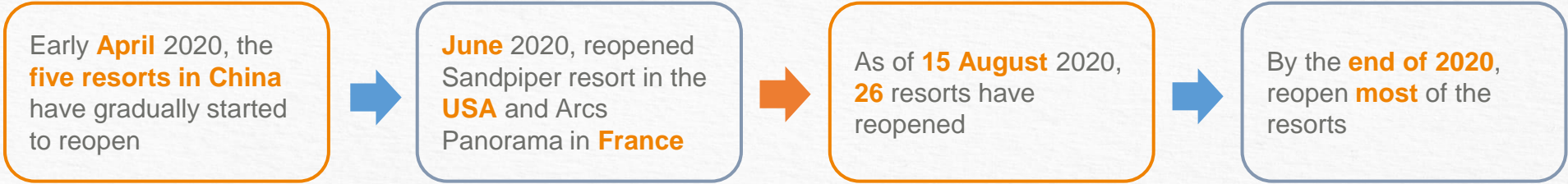
Resort capacity ² and occupancy rate



Note:¹On constant exchange rate; ² Equal to the total number of beds available for sale over a period or year; ³ Equal to the aggregate sales of all-inclusive packages of all the resorts divided by the total number of beds sold; ⁴ This occupancy rate is based on limited capacity in certain regions due to the requirements of social distance and sanitary measures.



A progressive reopening schedule of the resorts



Safety Measures

Cost Reduction

Financial Liquidity

Marketing and Brand Awareness

- Our worldwide resorts safety measures are audited by **POSI Check**. Resorts in EMEA achieved **average grade of 92.8%**, far above requested 80% agreement criterion

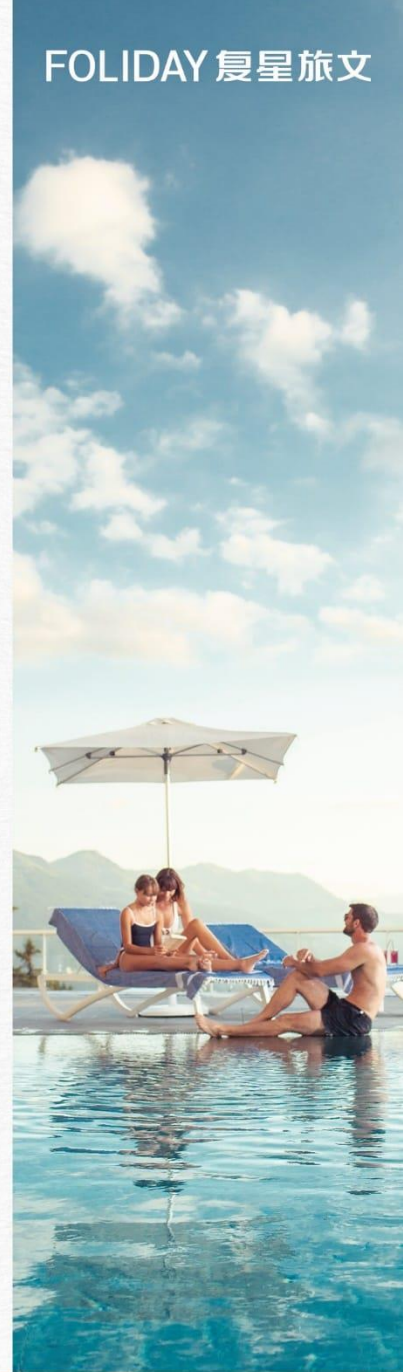


- During Q2, human resource costs and capital expenditure decreased by approx. **60% and 70%**, respectively

- French State Guaranteed Long Term Loan of **EUR 180 Million** with favorable interest rate

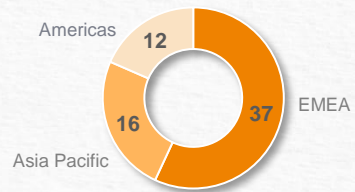


- Active evaluation of **resort opening schedule** considering the travel restriction policies
- Implementation of various **online marketing** and **precise marketing** projects to optimize the customer traffic conversion and bookings for opened resorts

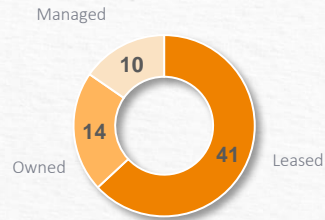


Breakdown of 65 resorts

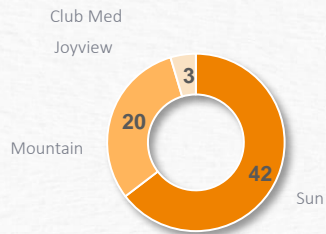
By location



By operating model



By type



65 Resorts Layout under Operation Globally



Reopened after renovation & extension



La Palmyre Atlantique

10 new resorts plan to be opened by End of 2022

Overseas



Club Med La Rosière French



Club Med Seychelles Indian Ocean



Club Med Québec Charlevoix



Club Med Marbella Spain



Club Med La Rosière Exclusive Collection French

2H2020

2022

In China

Club Med Lijiang Yunnan China



Club Med Joyview Tangshan China



Club Med Changbai-shan China



Club Med Joyview Nanjing China



Club Med Thousand Island China



Casa Cook

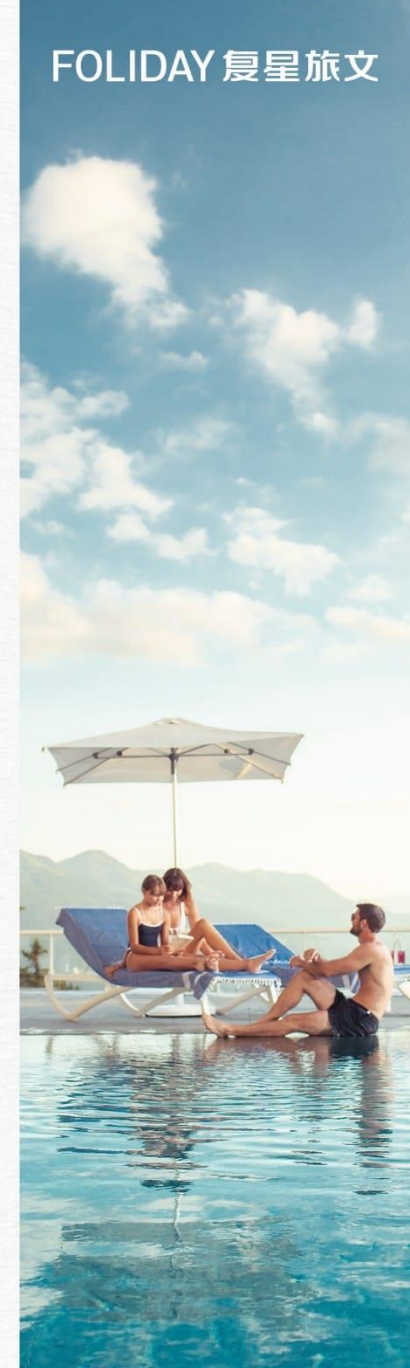


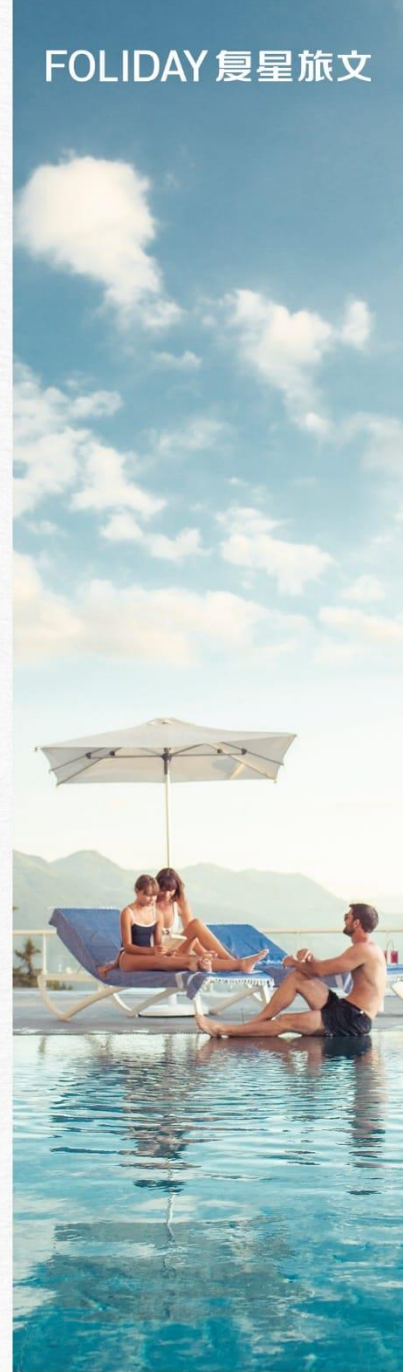
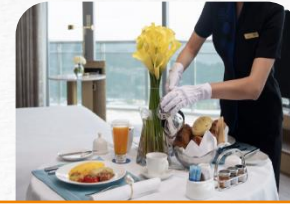
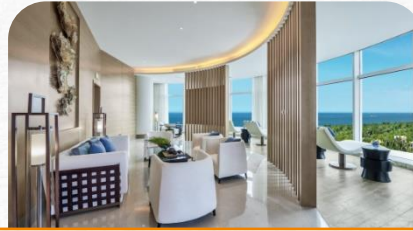
- Casa Cook is an award-winning boutique lifestyle hotel brand with a focus on design, high-quality food and wellbeing
- Business Model: Franchise/Management contract

Cook's Club



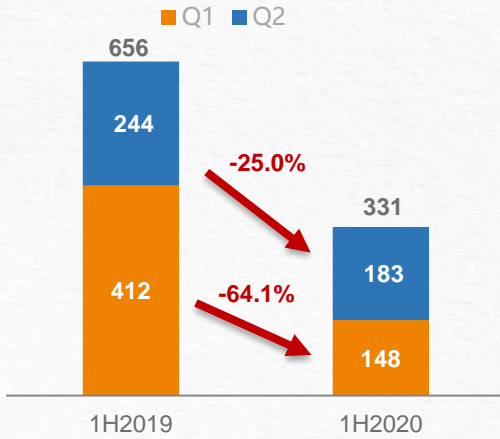
- Cook's Club is a leisure hotel concept designed for a new generation of travelers, with a modern and stylish design and lively and interesting vacation atmosphere
- Business Model: Franchise/Management contract





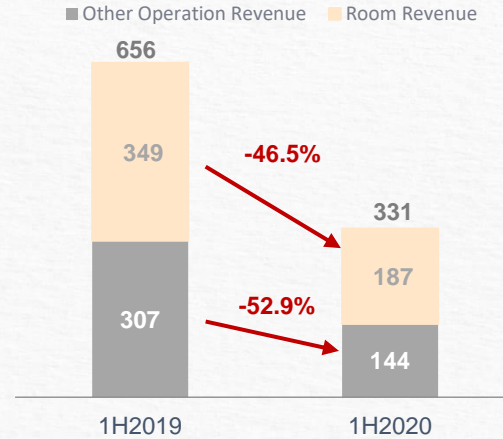
Business volume

(RMB in mm)



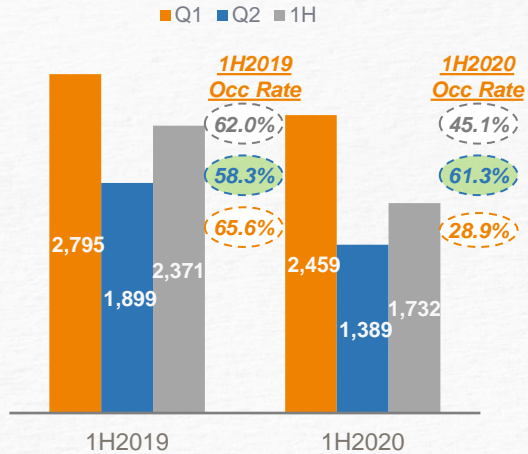
Breakdown of business volume

(RMB in mm)



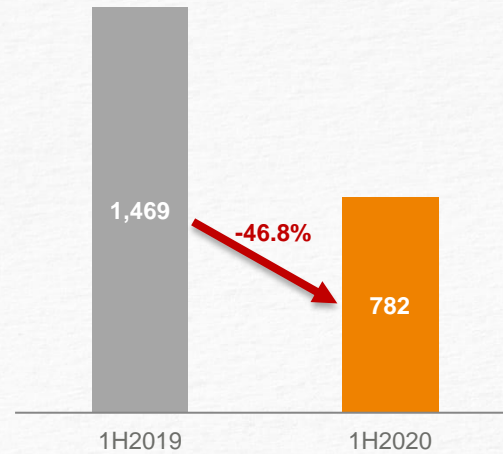
ADR and occupancy rate

(RMB)



RevPar by room

(RMB)



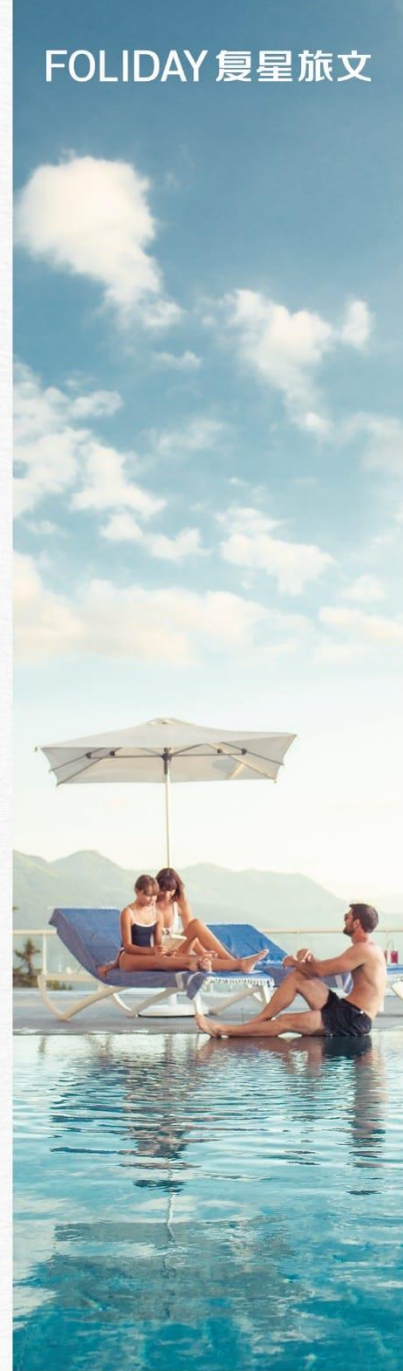
Commentary

- ✔ **Business volume (“BV”)** decreased by **49.5%** to **RMB 331.3 million** in 1H2020. In 2020Q2, BV recovered to **75.1%** of last year with average occupancy rate reached **61.3%**, which is higher than the level of last year



- ✔ The **adjusted EBITDA** of Atlantis Sanya was **RMB 100.4 million** in 1H2020

- ✔ In July 2020, business volume increased by approximately **18% YoY** to approximately **RMB 147.7 million**. The occupancy rate by Room increased by **6.7ppts YoY** to **88.1%**

- ✔ For the first 15 days in August 2020, the occupancy rate reached **95%**



Resident vacation units - Tang Residence

	Units Total	Units presold/sold	Delivered in 2018	Delivered in 2019	Delivered in 1H2020	To be Delivered and Sold
 Villa	197	189	-	176	11	10
 Apartments	807	801	764	28	9	6
Total	1,004	990	764	204	20	16

Commentary

☑ In 1H2020, **9 apartment units** and **11 villas** were transferred to customers

☑ **RMB 366.8 mm** of property sales was recognized as revenue in 2020H1

☑ As of 30 June 2020, we still have **6** apartments and **10** villas available to be sold or delivered.

☑ **233** units of apartments and **11** villas are managed by Albion





Lijiang FOLIDAY Town details

(Total GFA: approx. 310,000 m²)

Overview

- A Club Med resort, customized vacation inns and other accommodations, sightseeing attractions, recreational facilities, shows, local events and tours

Timeline

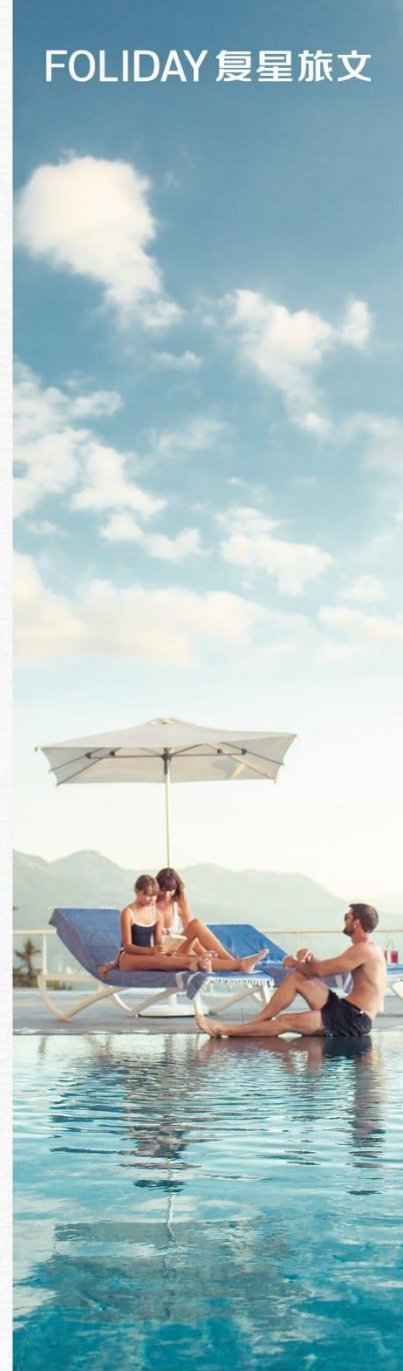
- The project will be completed in stages starting from either late 2020 or early 2021 and will achieve full completion in the following 2 to 3 years
- In 2019, construction of Club Med Resort and international tourism center have started
- In the first half of 2020, saleable vacation inns and residence have started, and the other portion of the project commences construction in stages upon local government approval and construction plan
- In July 2020, we have obtained the presale permit of approx. 28,000 m² and plan to start the presale in 2H2020

Cost

- Total cost incurred: RMB 846.6 mm as of 30 June 2020. Project development costs (mainly including the cost to acquire the land use right and construction cost) is expected to be approx. RMB 4 billion¹



Lijiang FOLIDAY Town



Note: ¹ Construction delivery should comply with relevant policies and obtain relevant approvals



Taicang FOLIDAY Town details



(Total GFA: approx. 1,286,000 m²)

Overview

- One of the largest indoor snow slope in East China (designed by CDA), a sports park, a Club Med resort, a European style town, and saleable vacation units targeting mid-to high end customers

Timeline

- The construction is expected to be completed in stages starting from 2021 and archive full completion in the following 3 to 4 years
- Since January 2019, construction of the project has started and the display center for commercial sites and marketing showrooms have been opened to customers since the end of 2019
- In July 2020, Taicang FOLIDAY Town have obtained presale permit for GFA of approx. **100,000 square meters**, of which presale activities of **approx. 37,000 square meters** that represents **327 units** has started

Cost

- **RMB 3,011.5 mm** as of 30 June 2020. Project development costs (mainly including the cost to acquire the land use right and construction cost) is expected to be approx. **RMB 13.2 billion¹**



Note: ¹ Construction delivery should comply with relevant policies and obtain relevant approvals



IP and contents



Fanxiu

The resident Show C has **restored growth** since May 2020, the business volume has **increased by over 30%** YoY from **May to July**



Miniversity

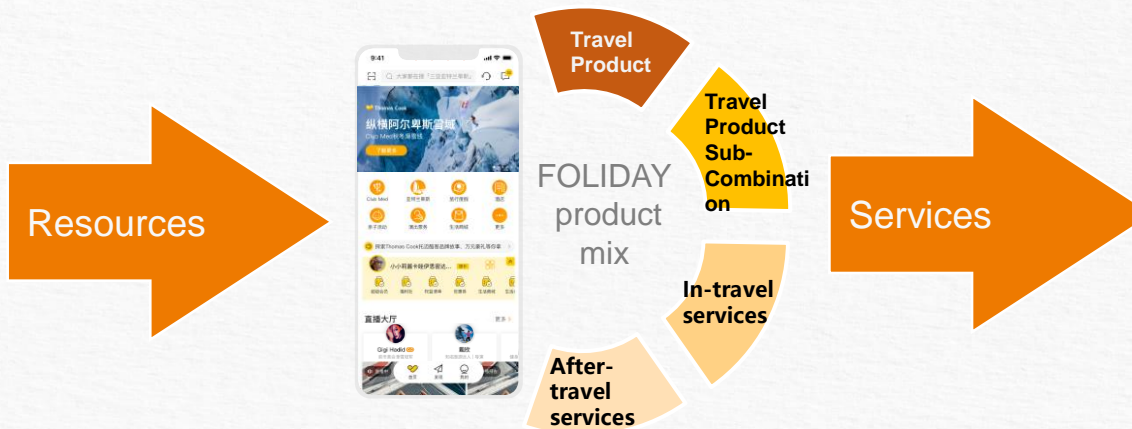
Miniversity has extended its business to include more **outdoor activities** and **summer camp business**



Foryou ski

Indoor ski simulation centers **increased** business volume in the same period of 2019 from **April to July**

Thomas Cook Global Lifestyle Platform



The platform was launched for trial operation on **July 6, 2020**. Till end of July, the number of APP downloads reached **118,200**, the number of registered users reached **104,000**, and the total **GMV** for 26 days from the trail operation reached **RMB33.24 mm**

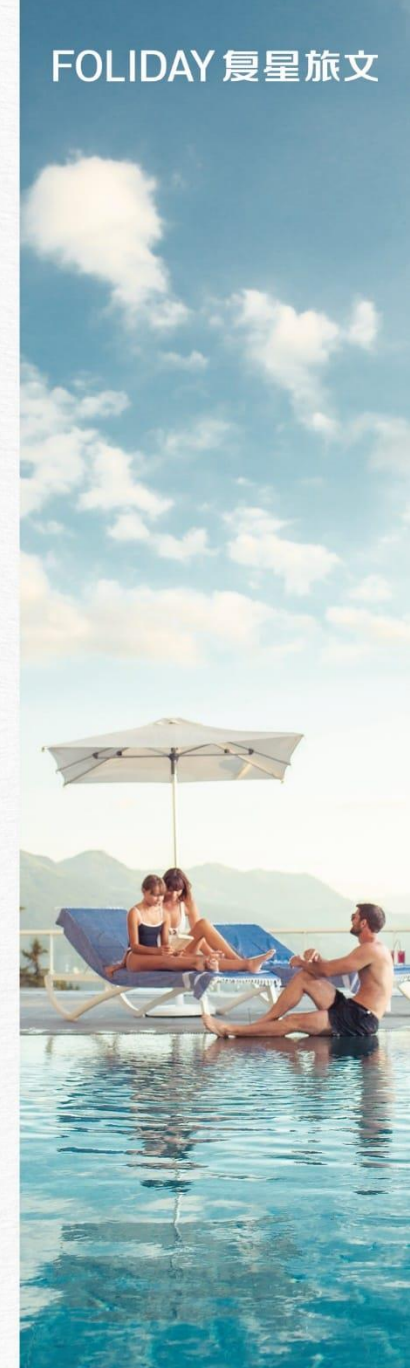
Great Members



Loyalty Program

Foryou Club

As of 30 June 2020, Foryou Club has approx. **5.4 million** members



Agenda



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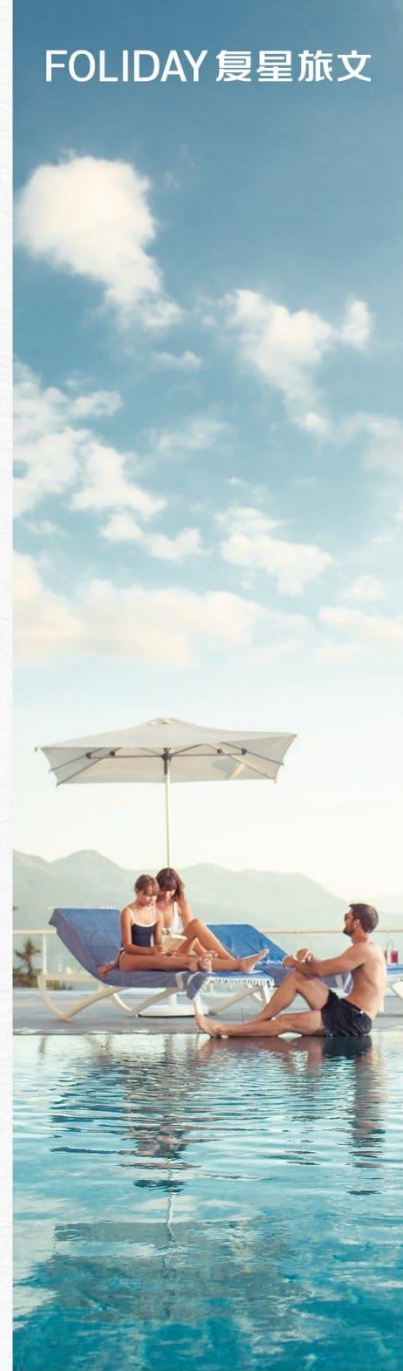
Financial Overview

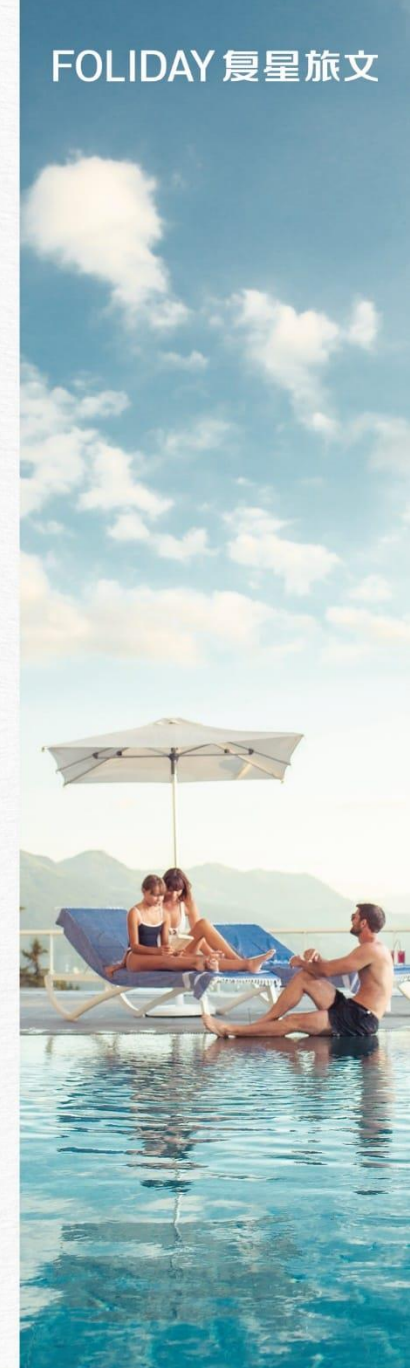


Strategy Focus



Appendix





1 Revenue



-50.0%
to RMB 4.5 bn
Year-on-year from RMB 9.1 bn

2 Adjusted EBITDA



-76.3%
to RMB 472 M
Year-on-year from RMB 1,994M

3 Operating profit/(loss)



Loss of RMB 477 M
Year-on-year from Gain of RMB 1,202M

4 Adjusted EBITDA Margin

Group Margin	10.4%(-11.6ppts)
Resort	9.5%(-10.8ppts)
Atlantis Sanya	29.4%(-13.7ppts)

5 Net Profit/(Loss) Attributable to Equity Holders



Loss of RMB 899 M
Year-on-year from RMB 490M

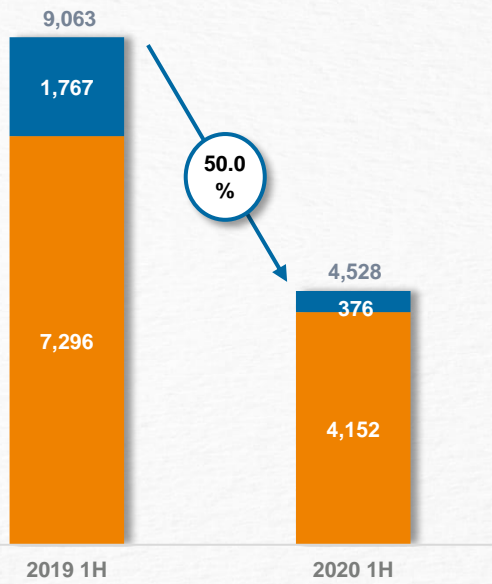
6 Cash and Liquidity



*From RMB 2.1 bn
As of 31 Dec 2020*
+193.8%
to RMB 6.3 bn
Unused banking facilities were approx. RMB 2.3 bn

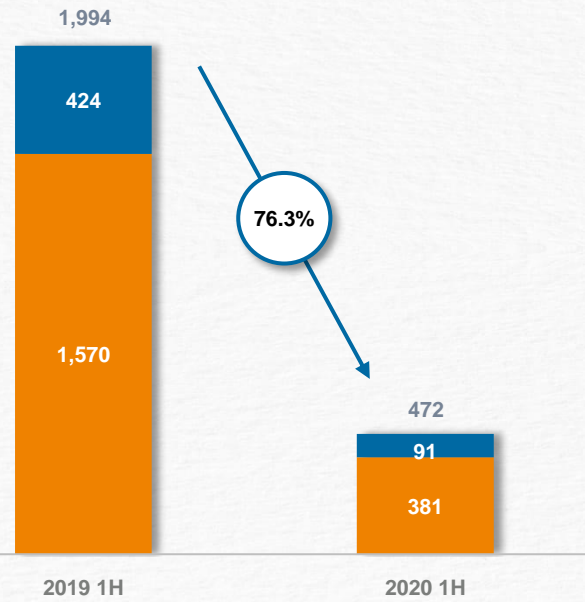
Revenue

(RMB in Millions)



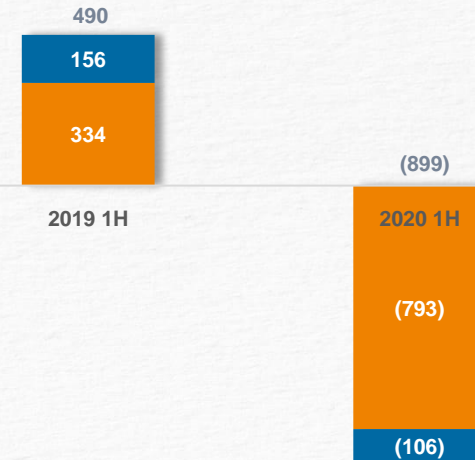
Adjusted EBITDA

(RMB in Millions)

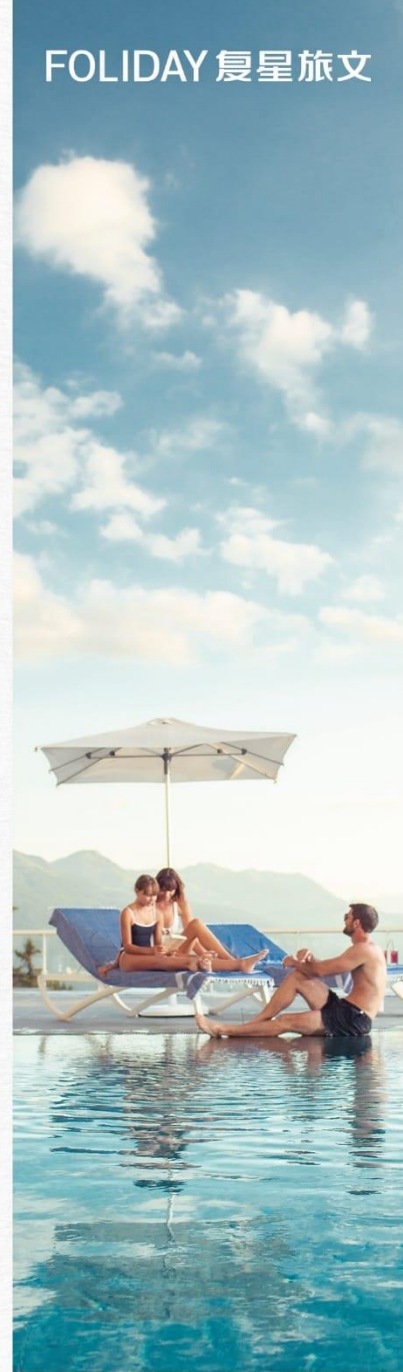


Net profit/(loss) attributable to shareholders

(RMB in Millions)



■ Tourism operation¹
■ Property sales and construction services



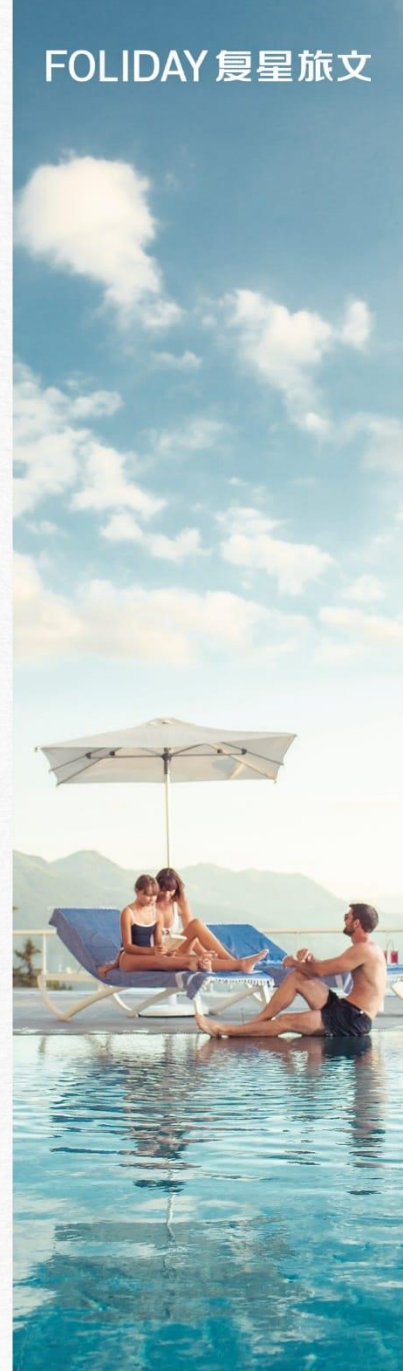
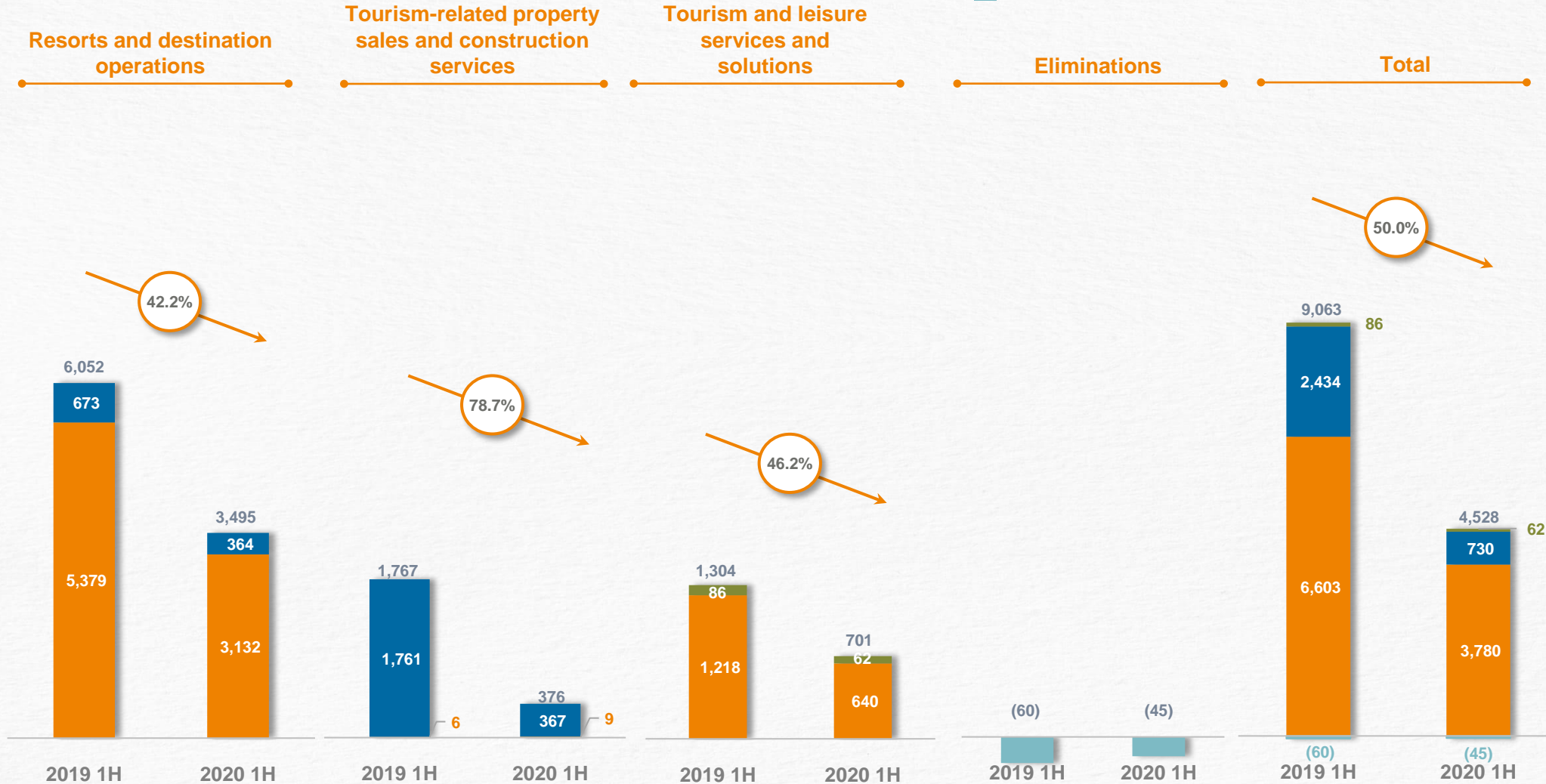
Note: 1. Tourism operation includes Resorts, Tourism Destinations and Services and solutions in various tourism and leisure settings.

REVENUE BY FUNCTIONS

Breakdown by functions and by operating segments

(RMB in Millions)

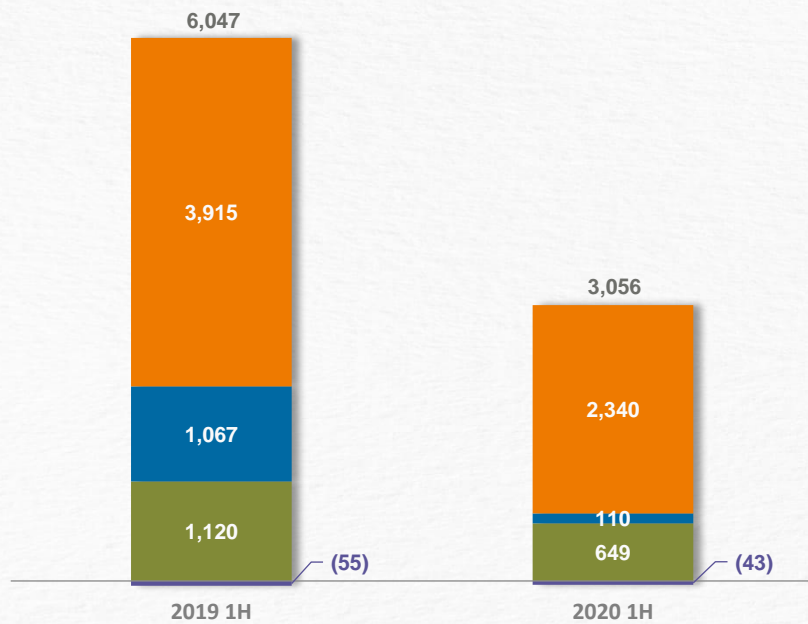
- Resorts
- Tourism Destinations
- Services and solutions in various tourism and leisure settings
- Internal sales elimination



Cost of Revenue, Gross Profit and Margin

Cost of Revenue

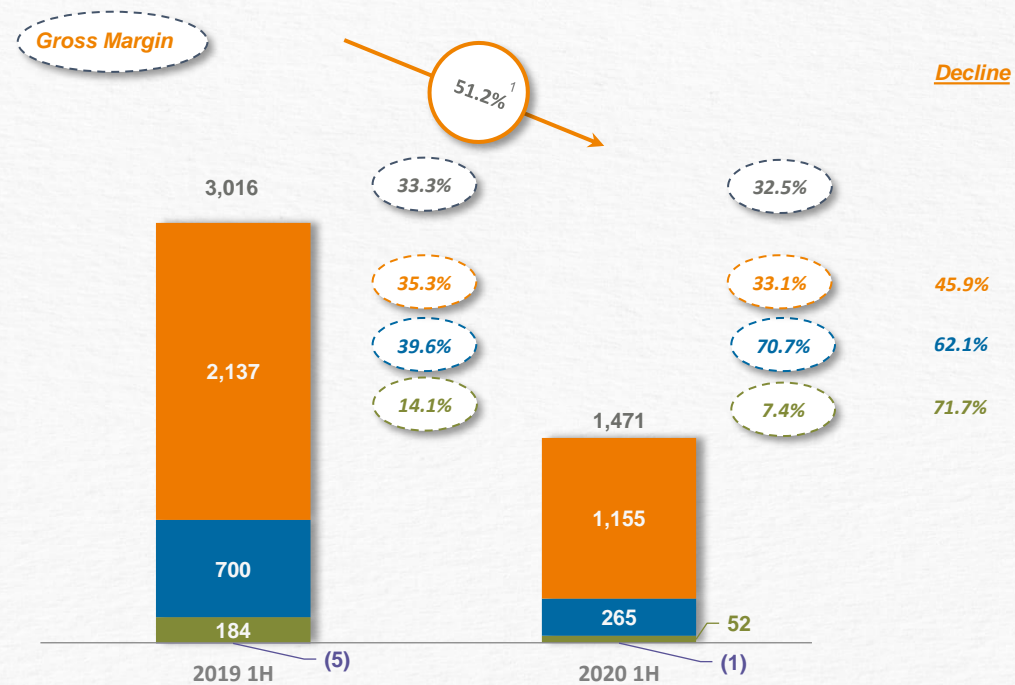
(RMB in Millions)



- Resorts and destination operation
- Tourism-related property sales and construction services
- Tourism and leisure services and solutions
- internal transaction elimination

Gross Profit and Margin

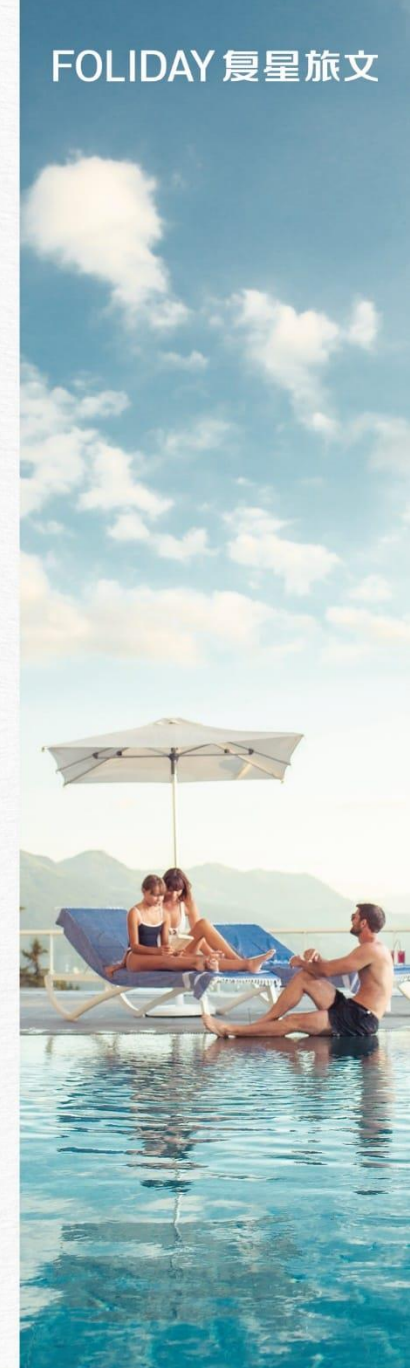
(RMB in Millions)



- Resorts and destination operations
- Tourism-related property sales and construction services
- Tourism and leisure services and solutions
- Intersegment eliminations

Decline

Note: 1. Chang ratio of Total Gross profit.

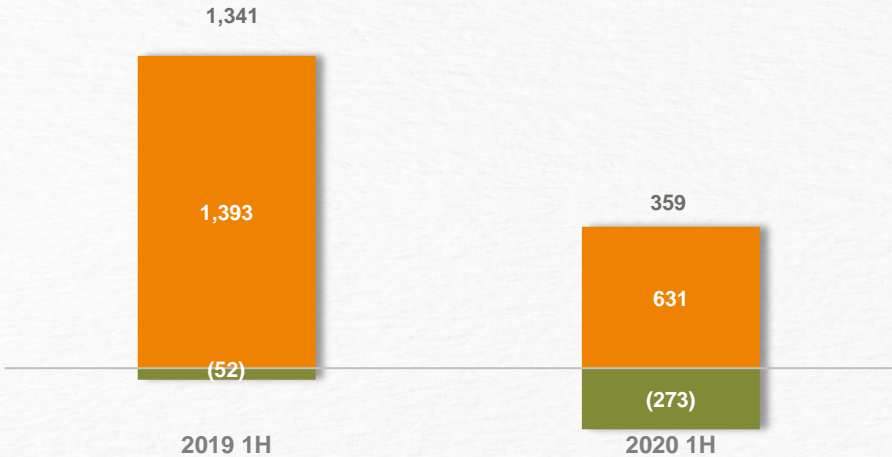


Adjusted EBITDA for Major Segment Business

Group Adjusted EBITDA decreased from RMB 1,994 million in 2019 1H to RMB 472 million in 2020 1H

Resorts

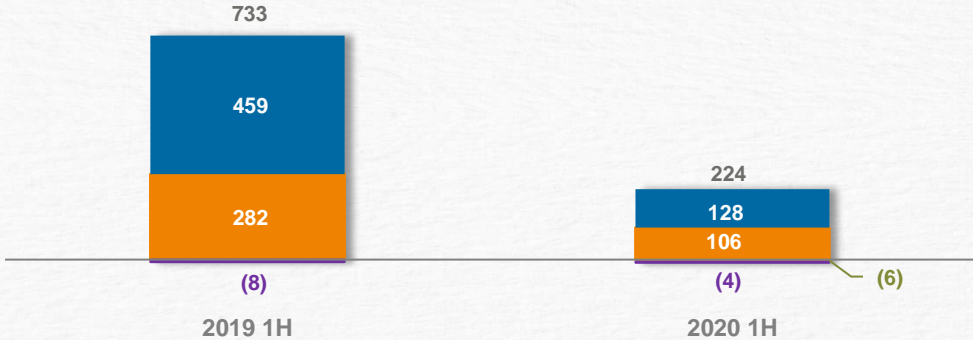
(RMB in Millions)



- Recurring EBITDA
- Non-recurring items¹

Tourism Destinations

(RMB in Millions)



- Operation of Atlantis Sanya
- Property sales and others
- Other operation business of tourism destinations
- Non-recurring items¹

Note: 1. Non-operating items, including gain on disposal of subsidiary and associate, gain (loss) on the fair value change of investments measured at fair value through profit or loss, impairment loss on long term assets, and exceptional costs due to COVID-19 including the costs of the business during their closure when they are supposed to be open in normal time, and additional operation costs such as transportation to bring our customer back home due to the epidemic outbreak, etc.

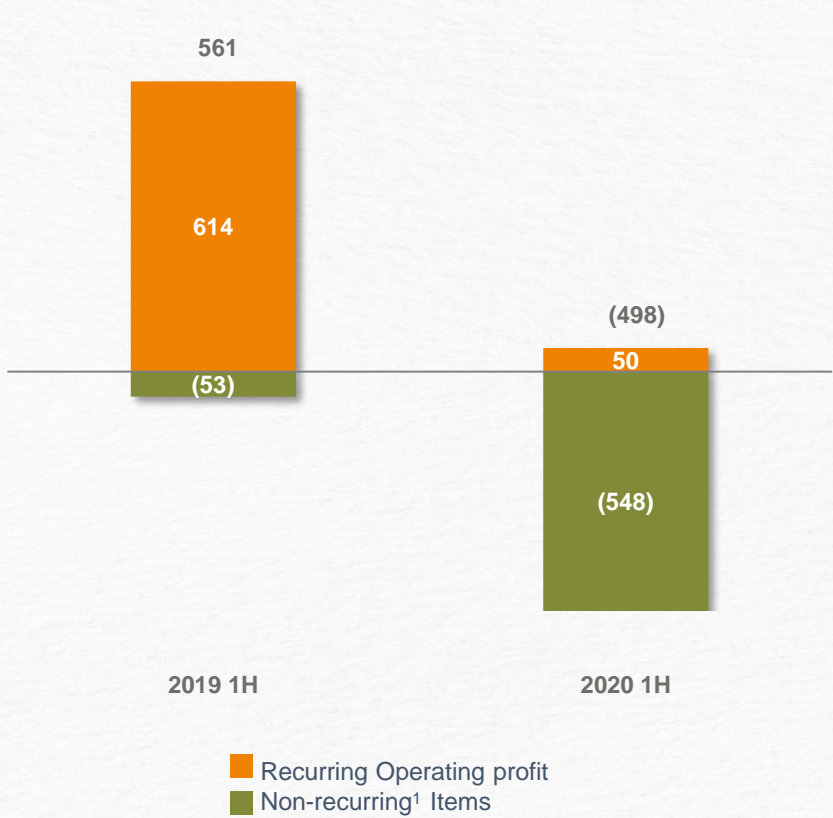


Operating profit/(loss) for Major Segment Business

Operating profit decreased from RMB1,202 million in 2019 1H to RMB (477) million 2020 1H

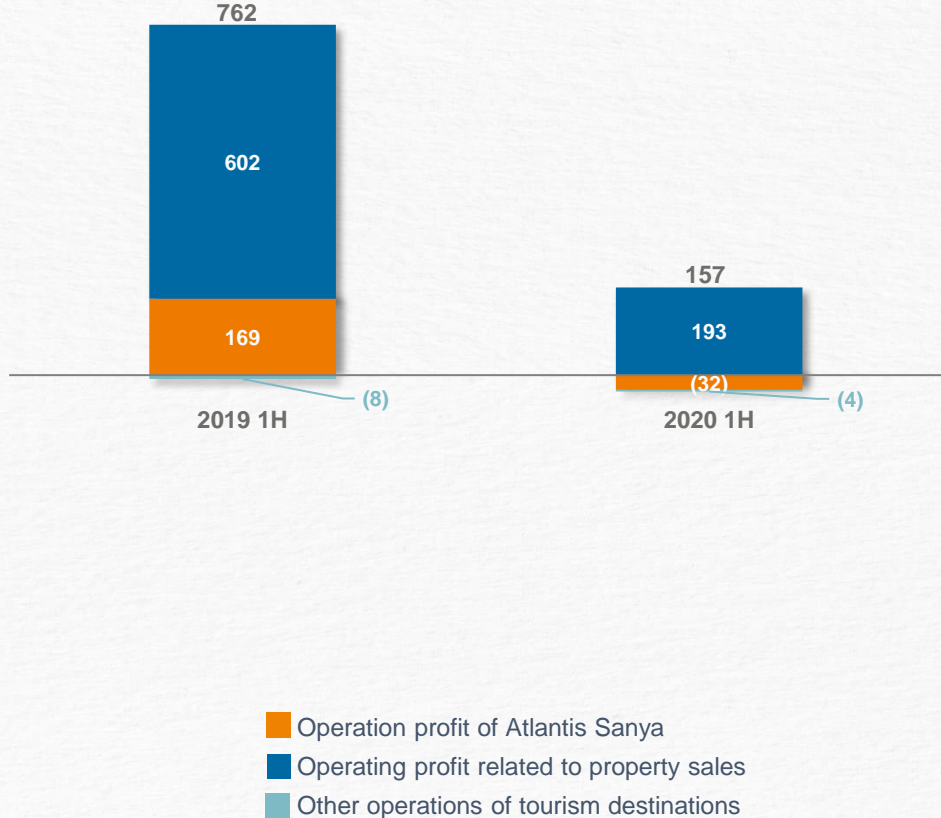
Resorts

(RMB in Millions)



Tourism Destinations

(RMB in Millions)



Note: 1. Non-recurring operating items include the costs of the business during their closure when they are supposed to be open in normal time, and additional operation costs such as transportation to bring our customer back home due to the epidemic outbreak, impairment and provisions, restructuring, gain/(loss) on the fair value change of investments measured at fair value through profit or loss, and disposal damage insurance.



Net cash flows from/(used in) operating activities

(RMB in Billions)



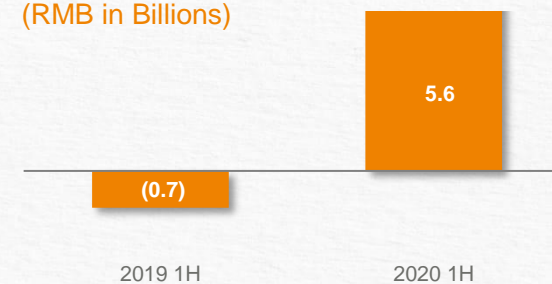
Net cash flows used in investing activities

(RMB in Billions)

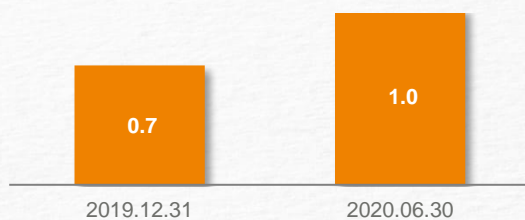


Net cash flows from / (used in) financing activities

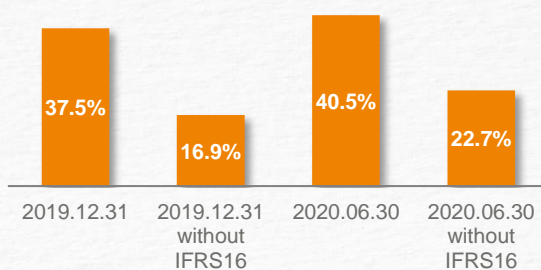
(RMB in Billions)



Current ratio ¹

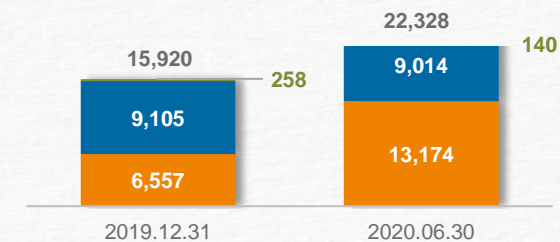


Gearing ratio ²



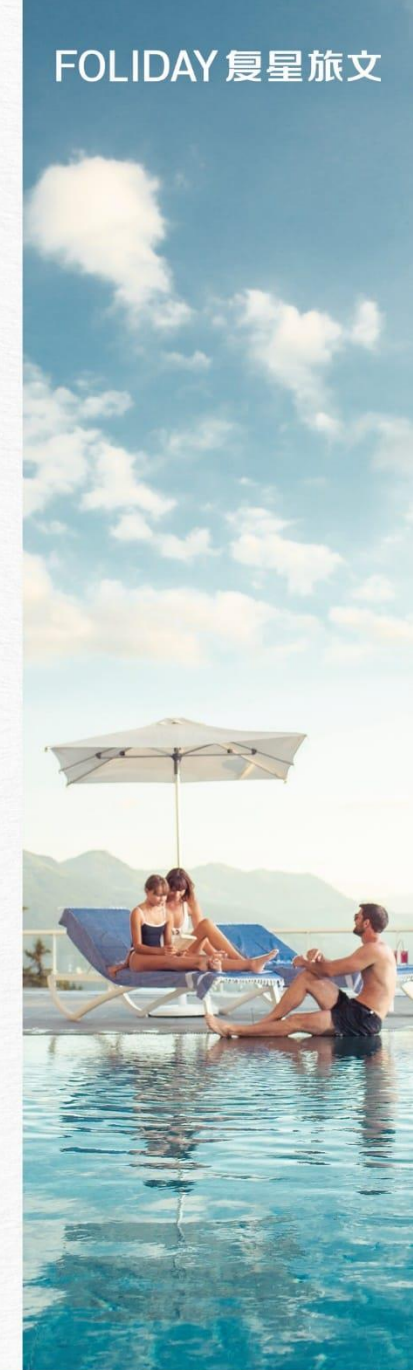
Financing breakdown

(RMB in Millions)



- Interest-bearing bank borrowings and other borrowings
- Lease Liability/Finance lease payables
- Convertible bonds and Convertible redeemable preferred shares

Note: 1 Current ratio equals current assets divided by current liabilities as of the end of the period. 2 Gearing ratio equals net debt as a percentage of total assets as of the end of the period. Total debt includes interest-bearing bank borrowings and other borrowings, finance lease payables, convertible bonds, convertible redeemable preferred shares, bonds payable and the non-current portion of amounts due to related companies. Net debt equals total debt less cash and cash equivalents



Agenda



Executive Summary



Operation Overview



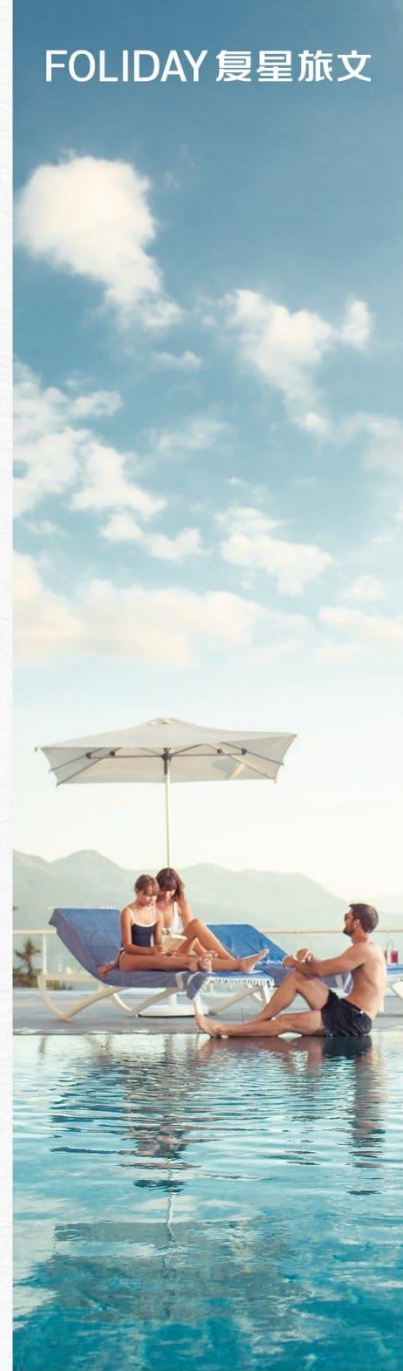
Financial Overview



Strategy Focus



Appendix



Vision

Strategy Focus

Indicators

让全球家庭
更快乐
Bring greater
happiness to
global families

Product competitiveness

- Focus on integrated leisure tourism solutions, and continuously develop **leisure accommodations** and **tourism destinations** with uniqueness and attractiveness

Resources

- Secure valuable **leisure tourism destinations** and **brands of scarcity value**
- More resources in China
- Top tourism destinations

Increase in Business Volume

Ecosystem

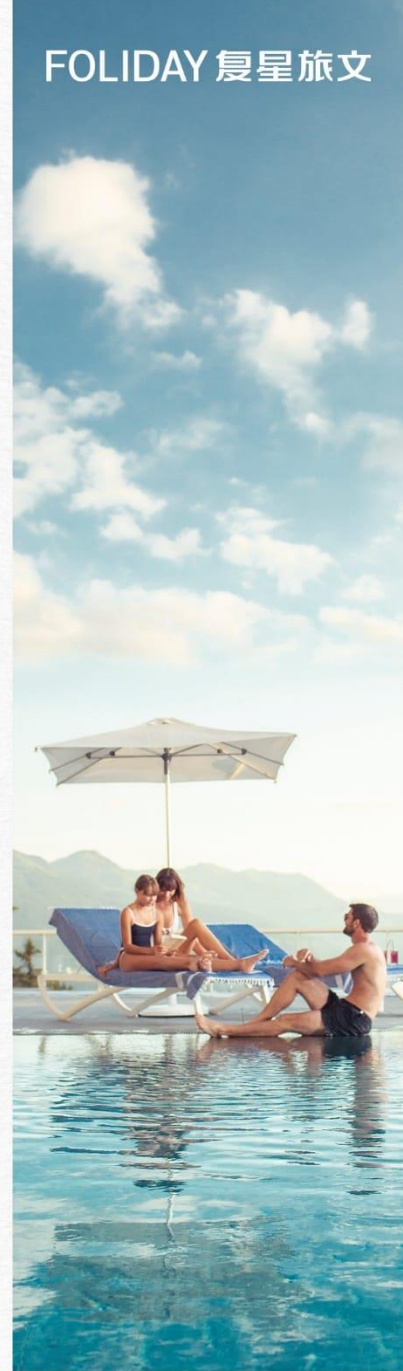
- Continuously introduce **partners** and develop **crossover** new products and **business innovation** for further supplement and completion of FOLIDAY ecosystem
- Create Everyday is FOLIDAY **Future Leisure Lifestyle**, with Innovative business model and services

Globalization

- Cultivating global **regional markets**
- Build a lifestyle platform serving **family customers across the globe** and continue the development of the **brand, network** and **talents** globally

Increase in EBITDA margin

Balanced Financial Position



Agenda



Executive Summary



Operation Overview



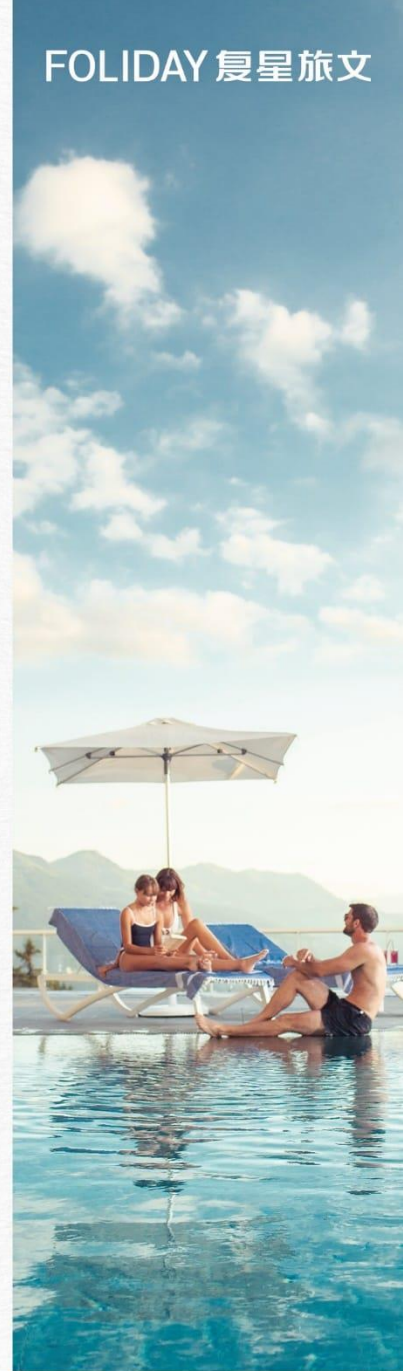
Financial Overview



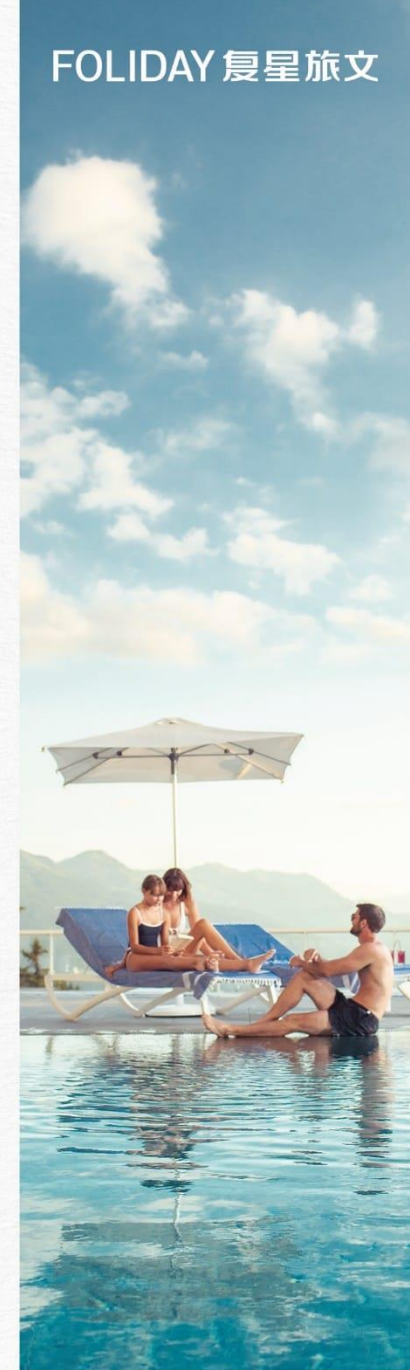
Strategy Focus



Appendix



	Year ended 30 June	
	1H2020	1H2019
	RMB '000	RMB '000
Income/(Loss) before income tax	(907,051)	819,281
Adjustment:		
Depreciation	948,517	867,952
Amortization	68,296	55,042
Finance costs	425,030	385,522
Land appreciation tax	(83,500)	(170,310)
EBITDA	451,292	1,957,487
Add:		
Equity-settled share-based payments	20,450	36,726
Adjusted EBITDA	471,742	1,994,213



Year ended 30 June

1H2020

1H2019

RMB '000

RMB '000

Net profit/(loss)

(997,164)

502,348

Add:

Equity-settled share-based payments

20,450

36,726

Adjusted net profit/(loss)

(976,714)

539,164

