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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)

ANNOUNCEMENT

**(1) PROPOSED SHARE BUY-BACK OF
FOSUN TOURISM GROUP
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE COMPANIES ACT
(2) PROPOSED WITHDRAWAL OF LISTING OF
FOSUN TOURISM GROUP
(3) RESUMPTION OF TRADING IN SHARES**

Financial Adviser to the Company

Deutsche Bank 

INTRODUCTION

On 9 December 2024, the Board resolved to put forward the Proposal to the Scheme Shareholders for the proposed share buy-back of the Company by way of a scheme of arrangement under Section 86 of the Companies Act.

TERMS OF THE PROPOSAL

Subject to the Scheme becoming effective, all of the Scheme Shares (other than the Trustee Unallocated Scheme Shares) will be cancelled in exchange for HK\$7.80 in cash for each Scheme Share. The Trustee Unallocated Scheme Shares will be cancelled for nil consideration.

If, after the date of this announcement, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Company reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced. As at the date of this announcement, the Company has no declared but unpaid dividends, and the Company has no intention to declare any dividend before the Effective Date.

The Shares in which the Controlling Shareholders are interested will not form part of the Scheme Shares and will not be cancelled. Upon the Scheme becoming effective, the Company will be owned as to approximately 98.44% and 1.56% by Fosun International and FHL, respectively, and the listing of the Shares will be withdrawn from the Stock Exchange.

The Cancellation Price of HK\$7.80 represents:

- (a) a premium of approximately 95.00% over the closing price of HK\$4.00 per Share as quoted on the Stock Exchange on 26 November 2024, being the Last Trading Date;
- (b) a premium of approximately 110.81% over the closing price of HK\$3.70 per Share as quoted on the Stock Exchange on 25 November 2024, being the trading day immediately prior to the Last Trading Date;
- (c) a premium of approximately 112.07% over the average closing price of c. HK\$3.68 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Date;
- (d) a premium of approximately 111.19% over the average closing price of c. HK\$3.69 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (e) a premium of approximately 110.30% over the average closing price of c. HK\$3.71 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Date;

- (f) a premium of approximately 112.47% over the average closing price of c. HK\$3.67 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (g) a premium of approximately 107.01% over the average closing price of c. HK\$3.77 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Date;
- (h) a premium of approximately 247.63% to the unaudited consolidated equity attributable to Shareholders per Share of HK\$2.24 as at 30 June 2024 (based on an exchange rate of HK\$1 = RMB0.9237); and
- (i) a premium of approximately 290.38% to the audited consolidated equity attributable to Shareholders per Share of HK\$2.00 as at 31 December 2023 (based on an exchange rate of HK\$1 = RMB0.9237).

The implementation of the Proposal and the Scheme will be conditional upon the fulfilment or waiver, as applicable, of all the Conditions as described in the section headed “3. *Conditions of the Proposal and the Scheme*” below. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

The Company reserves its right to introduce another manner of consideration to cancel all of the Scheme Shares (other than the Trustee Unallocated Scheme Shares), being a share alternative (the “Potential Share Alternative Option”) whereby Scheme Shareholders (other than the Share Award Trustee with respect to the Trustee Unallocated Scheme Shares) will be entitled to elect between settlement of the Cancellation Price: (i) in cash; and (ii) in newly issued shares of an unlisted Rollover Entity (“Rollover Securities”) at an exchange ratio to be specified.

The Potential Share Alternative Option is at the Company’s sole discretion and subject to the pre-condition of receiving on or between the date of this announcement and 50 calendar days after the date of this announcement, by way of delivery of duly signed and dated letters of interest to the Company (together with the required contents, and delivered in the manner, specified below) from Scheme Shareholders (other than the Share Award Trustee with respect to the Trustee Unallocated Scheme Shares) holding, in aggregate, not less than 1% of the issued Shares as at the date of this announcement (being 12,442,702 Scheme Shares) expressing their indicative interest to elect the Potential Share Alternative Option. Should this pre-condition be met, and if the Company exercises its discretion to make the Potential Share Alternative Option, a new announcement under Rule 3.5 of the Takeovers Code will be made. To clarify, even if the pre-condition is met, the Company still has discretion to introduce (or not introduce) the Potential Share Alternative Option.

For the avoidance of doubt, this represents the Company’s reservation of rights under Note 4 to Rule 18 of the Takeovers Code to introduce another form of consideration if the above condition is met and the Potential Share Alternative Option may or may not be made available. The Company’s final decision on whether to introduce the Potential Share Alternative Option, as well as the feasibility of doing so, remains subject to discussions with the Company’s legal advisers and tax advisers, as well as the consent of the financing parties (being those named in the section headed “6. Confirmation of financial resources”).

SHARE INCENTIVE PROPOSAL

As at the date of this announcement, there are 59,877,449 outstanding Share Incentives, comprising:

(a) 49,277,874 Share Options, including:

(i) 25,169,374 Pre-IPO Share Options, including:

(A) 21,169,374 Vested Pre-IPO Share Options, each giving holders the right to subscribe for one new Share per Pre-IPO Share Option at an exercise price of HK\$8.43 per Share (in respect of 18,417,974 Vested Pre-IPO Share Options granted on 23 February 2018) or at an exercise price of HK\$15.60 per Pre-IPO Share Option (in respect of 2,751,400 Vested Pre-IPO Share Options granted on 19 November 2018); and

(B) 4,000,000 Unvested Pre-IPO Share Options, each giving holders the contingent right upon vesting to subscribe for one new Share per Pre-IPO Share Option an exercise price of HK\$8.43 per Pre-IPO Share Option;

(ii) 13,908,000 2019 Share Options, including:

(A) 6,368,250 Vested 2019 Share Options, each giving holders the right to subscribe for one new Share per 2019 Share Option at the relevant exercise price, which ranges from HK\$8.37 to HK\$11.70 per 2019 Share Option; and

(B) 7,539,750 Unvested 2019 Share Options, each giving holders the contingent right upon vesting to subscribe for one new Share per 2019 Share Option at the exercise price, which ranges from HK\$8.37 to HK\$11.70 per 2019 Share Option; and

(iii) 10,200,500 2024 Share Options, all of which are unvested and each giving holders the contingent right upon vesting to subscribe for one new Share per 2024 Share Option at the exercise price of HK\$4.30; and

(b) 10,599,575 Share Units, including:

- (i) 4,421,575 2019 Share Units, all of which are unvested and each giving holders the contingent right upon vesting to receive one new Share per 2019 Share Unit at no consideration; and
- (ii) 6,178,000 2024 Share Units, all of which are unvested and each giving holders the contingent right upon vesting to receive one new Share per 2024 Share Unit at no consideration.

The Company will make an appropriate offer to the Share Incentive Holders in accordance with Rule 13 of the Takeovers Code as set out below.

Vested Option Proposal

Under the Vested Option Proposal, the Company will offer the Vested Option Holders:

- (a) in respect of the 21,169,374 Vested Pre-IPO Share Options with an exercise price of HK\$8.43 or HK\$15.60, a nominal price of HK\$0.0001 per Vested Pre-IPO Share Option for the cancellation of each Vested Pre-IPO Share Option, as the exercise price of each Vested Pre-IPO Share Option exceeds the Cancellation Price and the “see-through” price is negative; and
- (b) in respect of the 6,368,250 Vested 2019 Share Options with an exercise price of HK\$8.37, HK\$9.37, HK\$10.69 or HK\$11.70, a nominal price of HK\$0.0001 per Vested 2019 Share Option for the cancellation of each Vested 2019 Share Option, as the exercise price of each Vested 2019 Share Option exceeds the Cancellation Price and the “see-through” price is negative.

The Vested Option Proposal will be conditional upon the Scheme becoming effective.

Unvested Share Incentive Proposal

Under the Unvested Share Incentive Proposal, the Company will offer the Unvested Share Incentive Holders:

- (a) in respect of the 4,000,000 Unvested Pre-IPO Share Options with an exercise price of HK\$8.43, a nominal price of HK\$0.0001 per Unvested Pre-IPO Share Option for the cancellation of each Unvested Pre-IPO Share Option in exchange for the cancellation of each Unvested Pre-IPO Share Option, as the exercise price of each Unvested Pre-IPO Share Option exceeds the Cancellation Price and the “see-through” price is negative, which will be settled as soon as possible and in any event no later than 7 business days after the Effective Date;

- (b) in respect of the 7,539,750 Unvested 2019 Share Options with an exercise price of HK\$8.37, HK\$9.37, HK\$10.69 or HK\$11.70, a nominal price of HK\$0.0001 per Unvested 2019 Share Option in exchange for the cancellation of each Unvested Pre-IPO Share Option, as the exercise price of each Unvested 2019 Share Option exceeds the Cancellation Price and the “see-through” price is negative, which will be settled as soon as possible and in any event no later than 7 business days after the Effective Date;
- (c) in respect of the 10,200,500 Unvested 2024 Share Options, the “see-through price” of HK\$3.50 per 2024 Share Option (being the Cancellation Price minus the exercise price of HK\$4.30 per 2024 Share Option), in exchange for the cancellation of each 2024 Share Option, which will be settled when such 2024 Share Option would have become vested in accordance with the existing schedule and conditions of grant under the 2024 Share Option Scheme;
- (d) in respect of the 4,421,575 Unvested 2019 Share Units, the Cancellation Price of HK\$7.80 per 2019 Share Unit, in exchange for the cancellation of each 2019 Share Unit, which will be settled when such 2019 Share Unit would have become vested in accordance with the existing schedule and conditions of grant under the 2019 Share Award Plan; and
- (e) in respect of the 6,178,000 Unvested 2024 Share Units, the Cancellation Price of HK\$7.80 per 2024 Share Unit, in exchange for the cancellation of each 2024 Share Unit, which will be settled when such 2024 Share Unit would have become vested in accordance with the existing schedule and conditions of grant under the 2024 Share Award Plan.

Share Award Trustee

As at the date of this announcement, the Share Award Trustee holds 48,933 Shares (representing approximately 0.0039% of the issued share capital of the Company), including:

- (a) 6,433 Trustee Unallocated Scheme Shares (representing approximately 0.0005% of the issued share capital of the Company) for the purposes of satisfying future grants or vesting of 2019 Share Units and 2024 Share Units; and
- (b) 42,500 Trustee Allocated Scheme Shares (representing approximately 0.0034% of the issued share capital of the Company) on trust for certain employees of the Group, which are the underlying Shares in respect of certain vested Share Incentives which have not yet been transferred from the Share Award Trustee to such employees due to administrative reasons.

All Trustee Unallocated Scheme Shares held by the Share Award Trustee as at the Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective for nil consideration on the basis that the Share Award Trustee is only holding such Shares on trust for the Company for any future grant or vesting.

All Trustee Allocated Scheme Shares held by the Share Award Trustee as at the Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective at the Cancellation Price. Conditional upon the Scheme becoming effective, the Company shall pay the aggregate Cancellation Price for the Trustee Allocated Scheme Shares to the Share Award Trustee, which will then pay such amount to the relevant employees of the Group by reference to the number of Trustee Allocated Scheme Shares attributable to such employees on the Record Date as soon as practicable after receipt by the Share Award Trustee of the aggregate Cancellation Price.

The Share Incentive Proposal will be conditional on the Scheme becoming effective. If any of the Conditions is not fulfilled or (where applicable) waived on or before the Long Stop Date and the Proposal and the Scheme lapse, the Share Incentive Proposal will also lapse.

For the avoidance of doubt, if any Vested Option Holder does not accept the Vested Option Proposal or any Unvested Share Incentive Holder does not accept the Unvested Share Incentive Proposal in respect of the relevant Share Incentives held by them, such Vested Option Holder or Unvested Share Incentive Holder (as the case may be) will continue to hold their Share Incentives after the Effective Date.

Further information on the Share Incentive Proposal will be set out in a letter to the Share Incentive Holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

CONFIRMATION OF FINANCIAL RESOURCES

The Company proposes to finance the cash consideration payable under the Proposal and the Share Incentive Proposal in full through its internal cash resources and/or external debt financing arranged by Crédit Agricole Corporate and Investment Bank, Natixis, Hong Kong Branch and Deutsche Bank AG, Hong Kong Branch.

Deutsche Bank, as financial adviser to the Company in connection with the Proposal and the Share Incentive Proposal, is satisfied that sufficient financial resources are available to the Company to satisfy its payment obligations in respect of the maximum cash consideration payable under the Proposal and the Share Incentive Proposal.

INDEPENDENT FINANCIAL ADVISER

As the Proposal and the Share Incentive Proposal are initiated by the Board, it is not possible for the Company to form an independent board committee to advise and make recommendations to the Disinterested Shareholders and the Share Incentive Holders as to: (i) whether the terms of the Proposal, the Scheme and the Share Incentive Proposal are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM.

Accordingly, under Rule 2.8 of the Takeovers Code, the Board will appoint an Independent Financial Adviser in connection with the Proposal and the Share Incentive Proposal. As at the date of this announcement, the Independent Financial Adviser has not been appointed but will be appointed by the Board in due course to advise the Disinterested Shareholders and the Share Incentive Holders on the Proposal and the Share Incentive Proposal. A further announcement will be made after the appointment of the Independent Financial Adviser.

DESPATCH OF THE SCHEME DOCUMENT

A Scheme Document including, among other things: (a) further details of the Proposal, the Scheme and the Share Incentive Proposal; (b) an explanatory statement in respect of the Scheme as required under the Companies Act; (c) the expected timetable relating to the Proposal, the Scheme and the Share Incentive Proposal; (d) a letter of advice from the Independent Financial Adviser containing its recommendations to the Disinterested Shareholders and the Share Incentive Holders in respect of the Proposal, the Scheme and the Share Incentive Proposal; and (e) notices of the Court Meeting and the EGM (including proxy forms relating to such meetings for use by the relevant Shareholders), will be despatched to the Shareholders and the Share Incentive Holders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

WITHDRAWAL OF LISTING OF THE SHARES ON THE STOCK EXCHANGE

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect immediately after the Effective Date.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or (where applicable) waived on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn and, as the Share Incentive Proposal is conditional upon the Scheme becoming effective, the Share Incentive Proposal will lapse.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 27 November 2024, pending the issue of this announcement.

An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 11 December 2024.

WARNINGS

Shareholders, Share Incentive Holders and potential investors should be aware that the implementation of the Proposal, the Scheme and the Share Incentive Proposal is subject to the Conditions being fulfilled or (where applicable) waived. Accordingly, the Proposal and the Share Incentive Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders, Share Incentive Holders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

This announcement is not intended to, and does not, constitute or form part of any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote, approval or acceptance in any jurisdiction pursuant to the Proposal, the Share Incentive Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of Applicable Laws. The Proposal and the Share Incentive Proposal will be made solely through the Scheme Document (and, in respect of the Share Incentive Proposal, the letter to the Share Incentive Holders which is expected to be despatched at or around the same time as the despatch of the Scheme Document), which will contain the full terms and conditions of the Proposal and the Share Incentive Proposal, including details of how to vote on the Proposal and the Share Incentive Proposal. Any approval or other response to the Proposal or the Share Incentive Proposal should be made only on the basis of information in the Scheme Document (and, in respect of the Share Incentive Proposal, the letter to the Share Incentive Holders).

The availability of the Proposal and the Share Incentive Proposal to persons who are citizens, residents or nationals of a jurisdiction other than Hong Kong may be affected by the laws of the relevant jurisdiction in which they are located or resident or of which they are citizens. Such Scheme Shareholders and Share Incentive Holders should inform themselves about, and observe, any applicable legal, regulatory or tax requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Shareholders and Share Incentive Holders will be contained in the Scheme Document and the letter to the Share Incentive Holders, respectively.

NOTICE TO U.S. INVESTORS

The Proposal and the Scheme relate to the cancellation of the securities of a company incorporated under the laws of the Cayman Islands by way of a scheme of arrangement provided for under the Companies Act. The Share Incentive Proposal represents an appropriate offer to be made by the Company to the Share Incentive Holders in respect of the Share Incentives held by them pursuant to Rule 13 of the Takeovers Code. The Proposal, the Scheme and the Share Incentive Proposal are subject to Hong Kong procedural disclosure requirements and practices which are different from those of the United States.

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules of the United States Securities Exchange Act of 1934. Accordingly, the Proposal, the Scheme and the Share Incentive Proposal are subject to the procedural and disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement and securities offer, which differ from the disclosure and procedural and practice requirements applicable under United States federal securities laws.

The receipt of cash pursuant to the Proposal, the Scheme or the Share Incentive Proposal by a U.S. holder of the Scheme Shares or the Share Incentives may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of the Scheme Shares or the Share Incentives is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal, the Scheme and the Share Incentive Proposal applicable to him/her/it.

It may be difficult for a U.S. holder of the Scheme Shares or the Share Incentives to enforce his/her/its rights and claims arising out of the U.S. federal securities laws, as the Company is incorporated in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. A U.S. holder of the Scheme Shares or the Share Incentives may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, a U.S. holder of the Scheme Shares or the Share Incentives may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved the Proposal, the Scheme or the Share Incentive Proposal, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

This announcement is not intended to, and does not, constitute, or form part of, an offer or invitation to purchase or subscribe for any securities of the Company in the United States.

Forward-Looking Statements: This announcement may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “envisages”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Company’s or its affiliates’ intentions, beliefs or current expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those made in or suggested by the forward-looking statements contained in this announcement, and may not be indicative of results or developments in subsequent periods. The forward-looking statements and information contained in this announcement are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Takeovers Code.

Financial information disclosed in respect of the Proposal, the Scheme and the Share Incentive Proposal has been or will have been prepared in accordance with non-U.S. accounting standards that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

1. INTRODUCTION

On 9 December 2024, the Board resolved to put forward the Proposal to the Scheme Shareholders for the proposed share buy-back of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

If the Proposal is approved and implemented, under the Scheme, the Scheme Shares will be cancelled and extinguished on the Effective Date.

2. TERMS OF THE PROPOSAL

The Scheme

Subject to the Scheme becoming effective, all of the Scheme Shares (other than the Trustee Unallocated Scheme Shares) will be cancelled in exchange for HK\$7.80 in cash for each Scheme Share. The Trustee Unallocated Scheme Shares will be cancelled for nil consideration.

If, after the date of this announcement, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Company reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced. As at the date of this announcement, the Company has no declared but unpaid dividends, and the Company has no intention to declare any dividend before the Effective Date.

The Shares in which the Controlling Shareholders are interested will not form part of the Scheme Shares and will not be cancelled. Upon the Scheme becoming effective, the Company will be owned as to approximately 98.44% and 1.56% by Fosun International and FHL, respectively, and the listing of the Shares will be withdrawn from the Stock Exchange.

The Cancellation Price of HK\$7.80 represents:

- (a) a premium of approximately 95.00% over the closing price of HK\$4.00 per Share as quoted on the Stock Exchange on 26 November 2024, being the Last Trading Date;
- (b) a premium of approximately 110.81% over the closing price of HK\$3.70 per Share as quoted on the Stock Exchange on 25 November 2024, being the trading day immediately prior to the Last Trading Date;
- (c) a premium of approximately 112.07% over the average closing price of c. HK\$3.68 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Date;
- (d) a premium of approximately 111.19% over the average closing price of c. HK\$3.69 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (e) a premium of approximately 110.30% over the average closing price of c. HK\$3.71 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Date;

- (f) a premium of approximately 112.47% over the average closing price of c. HK\$3.67 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (g) a premium of approximately 107.01% over the average closing price of c. HK\$3.77 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Date;
- (h) a premium of approximately 247.63% to the unaudited consolidated equity attributable to Shareholders per Share of HK\$2.24 as at 30 June 2024 (based on an exchange rate of HK\$1 = RMB0.9237); and
- (i) a premium of approximately 290.38% to the audited consolidated equity attributable to Shareholders per Share of HK\$2.00 as at 31 December 2023 (based on an exchange rate of HK\$1 = RMB0.9237).

The implementation of the Proposal and the Scheme will be conditional upon the fulfilment or waiver, as applicable, of all the Conditions as described in the section headed “3. *Conditions of the Proposal and the Scheme*” below. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

The Cancellation Price has been determined on an arm’s length commercial basis after taking into account the prices of the Shares traded on the Stock Exchange and with reference to other privatisation transactions in Hong Kong in recent years.

Highest and lowest prices

During the six-month period ended on and including the Last Trading Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$5.05 on 7 October 2024, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$3.13 on 16 September 2024.

Total value of the Proposal, the Vested Option Proposal and the Unvested Share Incentive Proposal

Assuming that (i) none of the Share Incentives will be exercised on or before the Record Date; (ii) all Share Incentive Holders accept the Share Incentive Proposal and (iii) no new Shares will be issued and no new Share Incentives will be granted on or before the Record Date, the Proposal will involve the cancellation of:

- (a) 256,924,537 Scheme Shares in exchange for the Cancellation Price per Scheme Share in cash (being 256,930,970 Scheme Shares less 6,433 Trustee Unallocated Scheme Shares which will be cancelled for nil consideration);

- (b) 59,877,449 Share Incentives in exchange for the Cancellation Price, “see-through” price or nominal price (as applicable) per Share Incentive (details of which are further set out in the section headed “4. *Share Incentive Proposal*” below),

with an aggregate amount payable in cash accordingly being HK\$2,122,393,731.34.

Accordingly, assuming that no new Shares will be issued and no new Share Incentives will be granted on or before the Record Date, the maximum aggregate amount payable to implement the Proposal in full will be HK\$2,122,393,731.34.

Assuming that (i) all of the vested Share Options (being the Vested Pre-IPO Share Options and the Vested 2019 Share Options) will be exercised on or before the Record Date; (ii) all holders of Unvested Share Incentives accept the Unvested Share Incentive Proposal and (iii) no new Shares will be issued and no new Share Incentives will be granted on or before the Record Date, the Proposal will involve the cancellation of:

- (a) 256,924,537 Scheme Shares as at the date of this announcement in exchange for the Cancellation Price per Scheme Share in cash (being 256,930,970 Scheme Shares less 6,433 Trustee Unallocated Scheme Shares which will be cancelled for nil consideration);
- (b) 27,537,624 new Scheme Shares to be issued by the Company upon exercise of 21,169,374 Vested Pre-IPO Share Options and 6,368,250 Vested 2019 Share Options; and
- (c) 32,339,825 Share Incentives in exchange for the Cancellation Price, “see-through” price or nominal price (as applicable) per Share Incentive (details of which are further set out in the section headed “4. *Share Incentive Proposal*” below),

with an aggregate amount payable in cash accordingly being HK\$2,337,184,444.78.

Accordingly, assuming that no other new Shares will be issued and no new Share Incentives will be granted on or before the Record Date, the maximum aggregate amount payable to implement the Proposal in full will be HK\$2,337,184,444.78.

The Company reserves its right to introduce another manner of consideration to cancel all of the Scheme Shares (other than the Trustee Unallocated Scheme Shares), being a share alternative (the “Potential Share Alternative Option”) whereby Scheme Shareholders (other than the Share Award Trustee with respect to the Trustee Unallocated Scheme Shares) will be entitled to elect between settlement of the Cancellation Price: (i) in cash; and (ii) in newly issued shares of an unlisted Rollover Entity (“Rollover Securities”) at an exchange ratio to be specified.

The Potential Share Alternative Option is at the Company’s sole discretion and subject to the pre-condition of receiving on or between the date of this announcement and 50 calendar days after the date of this announcement, by way of delivery of duly signed and dated letters of interest to the Company (together with the required contents, and delivered in the manner, specified below) from Scheme Shareholders (other than the Share Award Trustee with respect to the Trustee Unallocated Scheme Shares) holding, in aggregate, not less than 1% of the issued Shares as at the date of this announcement (being 12,442,702 Scheme Shares) expressing their indicative interest to elect the Potential Share Alternative Option. Should this pre-condition be met, and if the Company exercises its discretion to make the Potential Share Alternative Option, a new announcement under Rule 3.5 of the Takeovers Code will be made. To clarify, even if the pre-condition is met, the Company still has discretion to introduce (or not introduce) the Potential Share Alternative Option.

For the avoidance of doubt, this represents the Company’s reservation of rights under Note 4 to Rule 18 of the Takeovers Code to introduce another form of consideration if the above condition is met and the Potential Share Alternative Option may or may not be made available. The Company’s final decision on whether to introduce the Potential Share Alternative Option, as well as the feasibility of doing so, remains subject to discussions with the Company’s legal advisers and tax advisers, as well as the consent of the financing parties (being those named in the section headed “6. *Confirmation of financial resources*”).

Manner in which to deliver duly signed and dated letters expressing your indicative interest to elect the Potential Share Alternative Option is set out below:

- Attention:** Fosun Tourism Group
- Quote subject:** Letter of interest in respect of Potential Share Alternative Option
- Address:** alternative@fosunholiday.com
- Required contents:** Please duly sign and date your letter of interest, and include details of: (i) number of Scheme Shares held by you; (ii) nature of your shareholding (i.e., whether as registered holder or through an exchange participant and deposited in CCASS, together with evidence thereof and details of your relevant exchange participant(s) if applicable); (iii) jurisdiction of citizenship, residency and nationality; and (iv) reachable contact information.
- Latest time for delivery:** 4:00 p.m. (Hong Kong Time) on 29 January 2025

For the avoidance of doubt, letters of interest that are not duly signed, dated, or missing any of the required consents specified above will not be taken into account by the Company.

3. CONDITIONS OF THE PROPOSAL AND THE SCHEME

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting (with each of the Company Concert Parties having provided an undertaking to the Grand Court not to attend and vote at the Court Meeting), provided that:
 - (i) the Scheme is approved (by way of a poll) by not less than 75% of the votes attaching to the Disinterested Shares cast by the Disinterested Shareholders, present and voting either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of a poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all of the Disinterested Shares;
- (b) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to the reduction of the issued share capital of the Company on the Effective Date by cancelling the Scheme Shares;
- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (d) compliance, to the extent necessary, with the applicable procedural requirements and conditions, if any, under the Companies Act in relation to the reduction of the issued share capital of the Company as a result of the cancellation of the Scheme Shares and the Scheme, respectively;

- (e) in relation to the Controlling Shareholders Rollover Arrangement, the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Controlling Shareholders Rollover Arrangement and the passing of an ordinary resolution by the Disinterested Shareholders present and voting in person or by proxy at the EGM to approve the Controlling Shareholders Rollover Arrangement as a special deal;
- (f) all of the Approvals having been obtained, completed and/or made and remaining in full force and effect without modification or variation;
- (g) all Applicable Laws having been complied with in connection with the Proposal or the Scheme;
- (h) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or the Scheme void, unenforceable, illegal or impracticable; and
- (i) save in connection with the implementation of the Proposal, the listing of the Shares on the Stock Exchange not having been withdrawn, and no indication having been received from the Executive and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn.

The Conditions in paragraphs (a) to (e) (inclusive) cannot be waived. The Company reserves the right to waive all or any of the Conditions in paragraphs (f) to (i) (inclusive) above in whole or in part. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Company may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Company in the context of the Proposal.

All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

As at the date of this announcement and based on the information available to the Company, other than those specifically set out as the Conditions above and the application for the withdrawal of the listing of the Shares on the Stock Exchange upon the Scheme becoming effective, the Company is not aware of any Approvals which are required as set out in the Condition in paragraph (f) above, and the Company is also not aware of any other circumstances which may result in any of the Conditions in paragraphs (g) to (i) (inclusive) above not being satisfied. In particular, as at the date of this announcement, the Company is not aware of any Authority in any jurisdiction having taken or instituted any such action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (h).

If the Conditions are satisfied or (where applicable) waived, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

Warnings

Shareholders, Share Incentive Holders and potential investors should be aware that the implementation of the Proposal, the Scheme and the Share Incentive Proposal is subject to the Conditions being fulfilled or (where applicable) waived. Accordingly, the Proposal and the Share Incentive Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders, Share Incentive Holders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

4. SHARE INCENTIVE PROPOSAL

As at the date of this announcement, there are 59,877,449 outstanding Share Incentives, comprising:

- (a) 49,277,874 Share Options, including:
 - (i) 25,169,374 Pre-IPO Share Options, including:
 - (A) 21,169,374 Vested Pre-IPO Share Options, each giving holders the right to subscribe for one new Share per Pre-IPO Share Option at an exercise price of HK\$8.43 per Share (in respect of 18,417,974 Vested Pre-IPO Share Options granted on 23 February 2018) or at an exercise price of HK\$15.60 per Pre-IPO Share Option (in respect of 2,751,400 Vested Pre-IPO Share Options granted on 19 November 2018); and
 - (B) 4,000,000 Unvested Pre-IPO Share Options, each giving holders the contingent right upon vesting to subscribe for one new Share per Pre-IPO Share Option an exercise price of HK\$8.43 per Pre-IPO Share Option;
 - (ii) 13,908,000 2019 Share Options, including:
 - (A) 6,368,250 Vested 2019 Share Options, each giving holders the right to subscribe for one new Share per 2019 Share Option at the relevant exercise price, which ranges from HK\$8.37 to HK\$11.70 per 2019 Share Option; and
 - (B) 7,539,750 Unvested 2019 Share Options, each giving holders the contingent right upon vesting to subscribe for one new Share per 2019 Share Option at the exercise price, which ranges from HK\$8.37 to HK\$11.70 per 2019 Share Option; and

- (iii) 10,200,500 2024 Share Options, all of which are unvested and each giving holders the contingent right upon vesting to subscribe for one new Share per 2024 Share Option at the exercise price of HK\$4.30; and
- (b) 10,599,575 Share Units, including:
 - (i) 4,421,575 2019 Share Units, all of which are unvested and each giving holders the contingent right upon vesting to receive one new Share per 2019 Share Unit at no consideration; and
 - (ii) 6,178,000 2024 Share Units, all of which are unvested and each giving holders the contingent right upon vesting to receive one new Share per 2024 Share Unit at no consideration.

The Company will make an appropriate offer to the Share Incentive Holders in accordance with Rule 13 of the Takeovers Code as set out below.

Vested Option Proposal

Under the Vested Option Proposal, the Company will offer the Vested Option Holders:

- (a) in respect of the 21,169,374 Vested Pre-IPO Share Options with an exercise price of HK\$8.43 or HK\$15.60, a nominal price of HK\$0.0001 per Vested Pre-IPO Share Option for the cancellation of each Vested Pre-IPO Share Option, as the exercise price of each Vested Pre-IPO Share Option exceeds the Cancellation Price and the “see-through” price is negative; and
- (b) in respect of the 6,368,250 Vested 2019 Share Options with an exercise price of HK\$8.37, HK\$9.37, HK\$10.69 or HK\$11.70, a nominal price of HK\$0.0001 per Vested 2019 Share Option for the cancellation of each Vested 2019 Share Option, as the exercise price of each Vested 2019 Share Option exceeds the Cancellation Price and the “see-through” price is negative.

The Vested Option Proposal will be conditional upon the Scheme becoming effective.

Unvested Share Incentive Proposal

Under the Unvested Share Incentive Proposal, the Company will offer the Unvested Share Incentive Holders:

- (a) in respect of the 4,000,000 Unvested Pre-IPO Share Options with an exercise price of HK\$8.43, a nominal price of HK\$0.0001 per Unvested Pre-IPO Share Option for the cancellation of each Unvested Pre-IPO Share Option in exchange for the cancellation of each Unvested Pre-IPO Share Option, as the exercise

price of each Unvested Pre-IPO Share Option exceeds the Cancellation Price and the “see-through” price is negative, which will be settled as soon as possible and in any event no later than 7 business days after the Effective Date;

- (b) in respect of the 7,539,750 Unvested 2019 Share Options with an exercise price of HK\$8.37, HK\$9.37, HK\$10.69 or HK\$11.70, a nominal price of HK\$0.0001 per Unvested 2019 Share Option in exchange for the cancellation of each Unvested Pre-IPO Share Option, as the exercise price of each Unvested 2019 Share Option exceeds the Cancellation Price and the “see-through” price is negative, which will be settled as soon as possible and in any event no later than 7 business days after the Effective Date;
- (c) in respect of the 10,200,500 Unvested 2024 Share Options, the “see-through price” of HK\$3.50 per 2024 Share Option (being the Cancellation Price minus the exercise price of HK\$4.30 per 2024 Share Option), in exchange for the cancellation of each 2024 Share Option, which will be settled when such 2024 Share Option would have become vested in accordance with the existing schedule and conditions of grant under the 2024 Share Option Scheme;
- (d) in respect of the 4,421,575 Unvested 2019 Share Units, the Cancellation Price of HK\$7.80 per 2019 Share Unit, in exchange for the cancellation of each 2019 Share Unit, which will be settled when such 2019 Share Unit would have become vested in accordance with the existing schedule and conditions of grant under the 2019 Share Award Plan; and
- (e) in respect of the 6,178,000 Unvested 2024 Share Units, the Cancellation Price of HK\$7.80 per 2024 Share Unit, in exchange for the cancellation of each 2024 Share Unit, which will be settled when such 2024 Share Unit would have become vested in accordance with the existing schedule and conditions of grant under the 2024 Share Award Plan.

Share Award Trustee

As at the date of this announcement, the Share Award Trustee holds 48,933 Shares (representing approximately 0.0039% of the issued share capital of the Company), including:

- (a) 6,433 Trustee Unallocated Scheme Shares (representing approximately 0.0005% of the issued share capital of the Company) for the purposes of satisfying future grants or vesting of 2019 Share Units and 2024 Share Units; and
- (b) 42,500 Trustee Allocated Scheme Shares (representing approximately 0.0034% of the issued share capital of the Company) on trust for certain employees of the Group, which are the underlying Shares in respect of certain vested Share Incentives which have not yet been transferred from the Share Award Trustee to such employees due to administrative reasons.

All Trustee Unallocated Scheme Shares held by the Share Award Trustee as at the Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective for nil consideration on the basis that the Share Award Trustee is only holding such Shares on trust for the Company for any future grant or vesting.

All Trustee Allocated Scheme Shares held by the Share Award Trustee as at the Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective at the Cancellation Price. Conditional upon the Scheme becoming effective, the Company shall pay the aggregate Cancellation Price for the Trustee Allocated Scheme Shares to the Share Award Trustee, which will then pay such amount to the relevant employees of the Group by reference to the number of Trustee Allocated Scheme Shares attributable to such employees on the Record Date as soon as practicable after receipt by the Share Award Trustee of the aggregate Cancellation Price.

During the offer period, the Company does not intend to adopt any new share incentive schemes. As at the date of this announcement, the Company does not intend to grant any new Share Incentives in accordance with the relevant rules governing such Share Incentives.

The Share Incentive Proposal will be conditional on the Scheme becoming effective. If any of the Conditions is not fulfilled or (where applicable) waived on or before the Long Stop Date and the Proposal and the Scheme lapse, the Share Incentive Proposal will also lapse.

For the avoidance of doubt, if any Vested Option Holder does not accept the Vested Option Proposal or any Unvested Share Incentive Holder does not accept the Unvested Share Incentive Proposal in respect of the relevant Share Incentives held by them, such Vested Option Holder or Unvested Share Incentive Holder (as the case may be) will continue to hold their Share Incentives after the Effective Date.

Further information on the Share Incentive Proposal will be set out in a letter to the Share Incentive Holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

5. SPECIAL DEAL RELATING TO CONTROLLING SHAREHOLDERS ROLLOVER ARRANGEMENT

As at the date of this announcement, the Controlling Shareholders hold 987,339,132 Shares, representing approximately 79.35% of the issued share capital of the Company.

Pursuant to the Proposal, the Company proposes that the Controlling Shareholders will retain their shareholding, i.e. the Controlling Shareholders remain as Shareholders after the Scheme becomes effective so that, subject to the exercise or vesting of Share Incentives which are not cancelled pursuant to the Share Incentive Proposal, the Company will become wholly-owned by the Controlling Shareholders (the “**Controlling Shareholders Rollover Arrangement**”). Accordingly, the Shares held by the Controlling Shareholders will not form part of the Scheme Shares.

As the Controlling Shareholders Rollover Arrangement is not offered to all Shareholders, it constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Company will (prior to despatch of the Scheme Document) make an application for consent from the Executive to the Controlling Shareholders Rollover Arrangement.

Accordingly, as set out in Condition (e), the Proposal is subject to the grant of consent from the Executive in respect of the Controlling Shareholders Rollover Arrangement.

6. CONFIRMATION OF FINANCIAL RESOURCES

The Company proposes to finance the cash consideration payable under the Proposal and the Share Incentive Proposal in full through its internal cash resources and/or external debt financing arranged by Crédit Agricole Corporate and Investment Bank, Natixis, Hong Kong Branch and Deutsche Bank AG, Hong Kong Branch.

Deutsche Bank, as financial adviser to the Company in connection with the Proposal and the Share Incentive Proposal, is satisfied that sufficient financial resources are available to the Company to satisfy its payment obligations in respect of the maximum cash consideration payable under the Proposal and the Share Incentive Proposal.

7. SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement:

- (a) the issued share capital of the Company is 1,244,270,102 Shares;
- (b) the Controlling Shareholders beneficially control or have direction over 987,339,132 Shares, representing approximately 79.35% of the issued share capital of the Company; for the avoidance of doubt, the Shares held by the Controlling Shareholders shall not form part of the Scheme Shares;
- (c) The Directors and the FIL Directors beneficially control or have direction over 1,823,294 Shares, representing approximately 0.15% of the issued share capital of the Company; for the avoidance of doubt, these Shares shall form part of the Scheme Shares;

- (d) the Share Award Trustee holds 48,933 Shares in aggregate, representing approximately 0.0039% of the issued share capital of the Company, including:
- (i) 6,433 Trustee Unallocated Scheme Shares (representing approximately 0.0005% of the issued share capital of the Company) for the purposes of satisfying future grants or vesting of 2019 Share Units and 2024 Share Units; and
 - (ii) 42,500 Trustee Allocated Scheme Shares (representing approximately 0.0034% of the issued share capital of the Company) on trust for certain employees of the Group, which are the underlying Shares in respect of certain vested Share Incentives which have not yet been transferred from the Share Award Trustee to such employees due to administrative reasons.
- (e) the Disinterested Shareholders legally and/or beneficially own, control or have direction over 255,058,743 Shares in aggregate, representing approximately 20.50% of the issued share capital of the Company;
- (f) the Share Incentive Holders in aggregate hold 59,877,449 outstanding Share Incentives, comprising 25,169,374 Pre-IPO Share Options, 13,908,000 2019 Share Options, 4,421,575 2019 Share Units, 10,200,500 2024 Share Options and 6,178,000 2024 Share Units;
- (g) 11,062,125 of the 59,877,449 outstanding Share Incentives are held by the following Directors:

Directors	Number of						Total number of outstanding Share Incentives	Approximate % of total issued Shares ⁽¹⁾
	Vested Pre-IPO Share Options	Number of Unvested 2019 Share Options	Number of Vested 2019 Share Options	Number of Unvested 2019 Share Units	Number of Unvested 2024 Share Options	Number of Unvested 2024 Share Units		
Xu Xiaoliang (Chairman of the Board of the Group, Executive Director and Chairman of Club Med Holding)	—	877,500	452,500	375,800	1,500,000	750,000	3,955,800	0.32%
Xu Bingbin (Executive Director, Co-President of the Group and Global Deputy CEO of Club Med and CEO of Club Med China)	1,517,625	585,000	695,000	208,300	750,000	375,000	4,130,925	0.33%
Choi Yin On (Executive Director, Senior Vice President and Chief Financial Officer, Chief Financial Officer of Club Med)	—	330,000	380,000	114,400	540,000	270,000	1,634,400	0.13%
Pan Donghui (Non-executive Director)	—	165,000	125,000	84,000	225,000	150,000	749,000	0.06%
Huang Zhen (Non-executive Director)	—	112,500	37,500	67,000	225,000	150,000	592,000	0.05%
Total	1,517,625	2,070,000	1,690,000	849,500	3,240,000	1,695,000	11,062,125	0.89%

Note (1): Based on the total number of issued Shares as at the date of this Announcement.

- (h) save for the 1,244,270,102 Shares in issue and the Share Incentives referred to in paragraph (f) above, the Company does not have any outstanding shares, options, warrants, convertible securities or other relevant securities in issue.

Shareholding Structure

The table below sets out the shareholding structure of the Company as at the date of this announcement and immediately following completion of the Proposal, assuming that: (a) no further Shares will be issued and no further Share Incentives will be granted on or before the Record Date; and (b) there will be no other change in the shareholding of the Company before the Effective Date:

Shareholders	As at the date of this announcement		Immediately following completion of the Proposal	
	Number of Shares	Total number of Shares in issue (%) ⁽⁷⁾	Number of Shares	Total number of Shares in issue (%) ⁽⁷⁾
(A) Controlling Shareholders⁽¹⁾				
Fosun International	971,949,202	78.11	971,949,202	98.44
FHL	15,389,930	1.24	15,389,930	1.56
Sub-total	<u>987,339,132</u>	<u>79.35</u>	<u>987,339,132</u>	<u>100.00</u>
(B) Directors of the Company (subject to the Scheme)⁽²⁾				
Xu Xiaoliang ⁽³⁾	346,528	0.03	—	—
Xu Bingbin ⁽³⁾	361,700	0.03	—	—
Choi Yin On ⁽³⁾	205,600	0.02	—	—
Pan Donghui ⁽³⁾	116,000	0.01	—	—
Huang Zhen ⁽³⁾	91,000	0.01	—	—
Sub-total	<u>1,120,828</u>	<u>0.09</u>	<u>—</u>	<u>—</u>
(C) FIL Directors (subject to the Scheme)⁽⁴⁾				
Chen Qiyu	501,478	0.04	—	—
Gong Ping	200,988	0.02	—	—
Sub-total	<u>702,466</u>	<u>0.06</u>	<u>—</u>	<u>—</u>
(D) Share Award Trustee (subject to the Scheme)⁽⁶⁾				
	<u>48,933</u>	<u>0.0039</u>	<u>—</u>	<u>—</u>
(E) Company Concert Parties (A) + (B) + (C) + (D)⁽⁵⁾				
	<u>989,211,359</u>	<u>79.50</u>	<u>987,339,132</u>	<u>100.00</u>
(F) Disinterested Shareholders				
	<u>255,058,743</u>	<u>20.50</u>	<u>—</u>	<u>—</u>
Total number of Shares in issue (E) + (F)				
	<u><u>1,244,270,102</u></u>	<u><u>100.00</u></u>	<u><u>987,339,132</u></u>	<u><u>100.00</u></u>

Notes:

1. Fosun International is 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: 0656). Fosun International is owned as to approximately 72.76% by FHL, which is a company incorporated in the Hong Kong with limited liability. FHL is in turn wholly-owned by FIHL, which is a company incorporated in the British Virgin Islands with limited liability, the equity interest of which is held as to 85.29% by Guo Guangchang. Shares in which Fosun International and FHL are interested will not form part of the Scheme Shares and will not be cancelled.
2. Xu Xiaoliang, Xu Bingbin and Choi Yin On are the executive Directors of the Company, and Pan Donghui and Huang Zhen are the non-executive Directors of the Company.
3. The number of Shares in which each of the Directors of the Company is interested does not include any Share Incentives. Please refer to paragraph (g) of the section headed “7. *Shareholding Structure of the Company*” above for details of the Share Incentives held by the Directors as at the date of this announcement.
4. Chen Qiyu and Gong Ping are executive directors of Fosun International.
5. Deutsche Bank is the financial adviser to the Company in connection with the Proposal and the Share Incentive Proposal. Accordingly, Deutsche Bank and the relevant members of the Deutsche Bank group which hold Shares on an own account basis or manage Shares on a discretionary basis are presumed to be acting in concert with the Company in relation to the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of the Shares held by members of the Deutsche Bank group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Members of the Deutsche Bank group which are exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as Deutsche Bank are not presumed to be acting in concert with the Company.

Details of holdings, borrowings or lendings of, and dealings in, the Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company held by or entered into by members of the Deutsche Bank group, if any, will be obtained as soon as possible after the date of this announcement in accordance with Note 1 to Rule 3.5 of the Takeovers Code. A further announcement will be made by the Company if the holdings, borrowings, lendings, or dealings of the members of the Deutsche Bank group are significant and in any event, such information will be disclosed in the Scheme Document.

6. As at the date of this announcement, the Share Award Trustee holds 48,933 Shares (representing approximately 0.0039% of the issued share capital of the Company). Further details are set out in the section headed “4. *Share Incentive Proposal*” above. As the Share Award Trustee is presumed to be acting in concert with the Company in relation to the Company in accordance with class (3) of the definition of “acting in concert” under the Takeovers Code, and pursuant to Rule 17.05A of the Listing Rules and the rules of the Pre-IPO Share Option Scheme, 2019 Share Option Scheme and 2019 Share Award Plan, the Share Award Trustee shall not exercise the voting rights attached to the Shares held by it. Accordingly, such 48,933 Shares are not Disinterested Shares and will not be voted on the Scheme at the Court Meeting nor at the EGM.

7. All percentages in the above table are approximations and rounded to the nearest 2 decimal places and the aggregate percentages may not add up due to rounding of the percentages to 2 decimal places.

8. VOTING AT THE COURT MEETING AND THE EGM

Only Scheme Shareholders as at the Meeting Record Date may attend and vote at the Court Meeting to approve the Scheme. The Controlling Shareholders, the Directors, the FIL Directors, and the Share Award Trustee, as Company Concert Parties, will provide an undertaking to the Grand Court not to attend and vote at the Court Meeting. The Company Concert Parties will also undertake to the Grand Court to be bound by the Scheme, so as to ensure that they will comply with and be subject to the terms and conditions of the Scheme.

All Shareholders as at the Meeting Record Date will be entitled to attend the EGM and to vote on the special resolution to approve and give effect to the reduction of the issued share capital of the Company on the Effective Date by cancelling the Scheme Shares.

As the Share Award Trustee is presumed to be acting in concert with the Company in relation to the Company in accordance with class (3) of the definition of “acting in concert” under the Takeovers Code, and pursuant to Rule 17.05A of the Listing Rules and the rules of the 2019 Share Award Plan and the 2024 Share Award Plan, the Share Award Trustee shall not exercise the voting rights attached to the Shares held by it. Accordingly, the 48,933 Shares held by the Share Award Trustee are not Disinterested Shares and will not be voted on the Scheme at the Court Meeting nor at the EGM.

9. INFORMATION ON THE GROUP

The Company is an exempted company incorporated in the Cayman Islands with limited liability whose Shares have been listed on the Main Board of the Stock Exchange since 14 December 2018. The Group is one of the leading leisure-focused integrated tourism groups, and its principal activities are (i) Club Med and others, which comprised principally the Club Med resort operation business and other relevant business such as transportation service, resort construction service, and youth play and learning service; (ii) Atlantis Sanya; (iii) Vacation Asset Management Center; and (iv) Foryou Club and Other Services.

Based on the published consolidated financial statements of the Company, the table below sets out the audited financial information of the Group for each of the two financial years ended 31 December 2023 and the unaudited financial information of the Group for the six months ended 30 June 2024:

	For the six months ended 30 June (unaudited) 2024 RMB'000	For the year ended 31 December (audited) 2023 2022 RMB'000	
Revenue	9,414,566	17,151,841	13,777,710
Gross profit	3,206,501	5,595,194	3,990,350
Operating profit/(loss)	1,036,480	1,806,803	593,503
Profit/(loss) before income tax	387,816	489,175	(403,150)
Profit/(loss) for the year/period (as applicable)	317,154	346,010	(531,791)
Adjusted EBITDA	2,086,517	3,729,949	2,344,855
Adjusted net profit/(loss)	332,745	394,557	(497,281)

10. INTENTION OF THE COMPANY WITH REGARD TO THE GROUP

As at the date of this announcement, it is the intention of the Company for the Group to continue to carry on its existing business and the Company does not have any plan to make any material change to: (a) the business of the Group (including any redeployment of any fixed asset of the Group); or (b) the continued employment of the employees of the Group (other than in the ordinary course of business).

11. INDEPENDENT FINANCIAL ADVISER

As the Proposal and the Share Incentive Proposal are initiated by the Board, it is not possible for the Company to form an independent board committee to advise and make recommendations to the Disinterested Shareholders and the Share Incentive Holders as to: (i) whether the terms of the Proposal, the Scheme and the Share Incentive Proposal are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM.

Accordingly, under Rule 2.8 of the Takeovers Code, the Board will appoint an Independent Financial Adviser in connection with the Proposal and the Share Incentive Proposal. As at the date of this announcement, the Independent Financial Adviser has not been appointed but will be appointed by the Board in due course to advise the Disinterested Shareholders and the Share Incentive Holders on the Proposal and the Share Incentive Proposal. A further announcement will be made after the appointment of the Independent Financial Adviser.

12. REASONS FOR AND BENEFITS OF THE PROPOSAL

The Board considers that the Proposal and the withdrawal of listing is in the interests of the Company and the Shareholders as a whole on the following bases:

(a) **Certain, near-term value at a substantial premium for Scheme Shareholders**

The Proposal provides a certain exit at a substantial premium to the historical closing prices per Share as quoted on the Stock Exchange prior to this announcement. As set out in the section headed “2. *Terms of the Proposal*” of this announcement, the Cancellation Price represents a significant premium of:

- 95.00% to the Company’s closing price per Share as quoted on the Stock Exchange as at the Last Trading Date; and
- 111.19% and 110.30% over the average closing price of c. HK\$3.69 and c. HK\$3.71 per share for the 30 and 60 trading days up to and including the Last Trading Date, respectively.

(b) **Unique opportunity for Shareholders to fully monetise investment with limited liquidity**

There has been minimal trading liquidity in the Shares for a sustained period of time. The average daily trading volume of the Shares for the 6, 12 and 24 months leading up to and including the Last Trading Date were approximately 1,565,803 Shares, 1,479,991 Shares and 1,120,974 Shares, respectively, representing only 0.13%, 0.12% and 0.09% of the total number of Shares of the Company.

Considering the low trading volume in the Company, it would be difficult for Scheme Shareholders to execute substantial on-market disposals without further adversely affecting the price of the Shares. As such, the Scheme presents an immediate opportunity for Scheme Shareholders to monetise their investments for cash and redeploy the proceeds from accepting the Scheme into other investment opportunities.

(c) **Unlocking shareholder value and realising gains in current uncertain market conditions**

The Proposal provides the Scheme Shareholders an opportunity to realise their investment in the Company during uncertain market conditions. The Hong Kong stock market, and in particular leisure and tourism companies, have experienced considerable downward pressure in recent years due to geopolitical factors and uncertain sentiment in the recovery of global and regional economy. From its peak at 17 February 2021, to the Last Trading Date, the Hang Seng

index is down 38.4%. Moreover, the Company's share price is down 65.6% from 17 February 2021 to the Last Trading Date, performing worse than the Hang Seng index over the same period.

(d) Flexibility for the Company to make long term strategic decisions as a private company

In order to fully realise the Group's platform value in the long term, the Company aims to successfully transition to an asset-light operation and continue to invest in its core business to build a sustainable growth engine. There remains significant time and effort required to progress and ultimately complete these initiatives as a listed company, including obtaining shareholder approvals and managing public investor uncertainty and expectations in light of potential short-term earnings fluctuations caused by the above activities.

Moreover, the delisting of the Shares, if materialised, will allow the Company to save costs and expenses associated with regulatory compliance of its listing of Shares.

13. WITHDRAWAL OF LISTING OF THE SHARES ON THE STOCK EXCHANGE

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect immediately after the Effective Date.

The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the implementation of the Proposal and the Share Incentive Proposal will be included in the Scheme Document, which will also contain, among other things, further details of the Scheme and the Share Incentive Proposal.

14. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled, or (where applicable) waived, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn and, as the Share Incentive Proposal is conditional upon the Scheme becoming effective, the Share Incentive Proposal will lapse.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Company nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

15. GENERAL MATTERS RELATING TO THE PROPOSAL AND THE SHARE INCENTIVE PROPOSAL

Overseas holders of the Scheme Shares and overseas Share Incentive Holders

The availability of the Proposal and the Share Incentive Proposal to persons who are citizens, residents or nationals of a jurisdiction other than Hong Kong may be affected by the laws of the relevant jurisdiction in which they are located or resident or of which they are citizens. Such Scheme Shareholders and Share Incentive Holders should inform themselves about and observe any applicable legal, regulatory or tax requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Shareholders and Share Incentive Holders will be contained in the Scheme Document and the letter to the Share Incentive Holders, respectively.

It is the responsibility of the overseas Scheme Shareholders and the Share Incentive Holders who wish to take any action in relation to the Proposal, the Scheme and/or the Share Incentive Proposal to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with any such action, including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with any other necessary formality and the payment of any issue, transfer or other tax in any relevant jurisdiction.

Any approval or acceptance by the Scheme Shareholders and the Share Incentive Holders will be deemed to constitute a representation and warranty from such persons to the Company and its advisers (including Deutsche Bank as financial adviser to the Company) that such laws and regulations have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch of the Scheme Document to the overseas Scheme Shareholders and the Share Incentive Holders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or the Shareholders), the Scheme Document may not be despatched to such holders of the Scheme Shares and such Share Incentive Holders. For that purpose, the Company will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it

would be unduly burdensome to despatch the Scheme Document to such holders of the Scheme Shares or Share Incentive Holders. In granting any such waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders or Share Incentive Holders.

Taxation advice

Scheme Shareholders and Share Incentive Holders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal, the Scheme or the Share Incentive Proposal. It is emphasised that none of the Company, the Company Concert Parties, Deutsche Bank, their respective ultimate beneficial owners, directors, officers, employees, agents and associates and any other person involved in the Proposal, the Scheme or the Share Incentive Proposal accepts any responsibility for any taxation effects on, or liabilities of, any person as a result of the Proposal, the Scheme or the Share Incentive Proposal.

Other arrangements

As at the date of this announcement:

- (a) save as disclosed in the section headed “7. *Shareholding Structure of the Company*” above, neither the Company nor any Company Concert Party owns, controls or has direction over any Shares;
- (b) save as disclosed in the section headed “7. *Shareholding Structure of the Company*” above, there are no securities, warrants or options convertible into Shares held, controlled or directed by the Company or any Company Concert Party;
- (c) neither the Company nor any Company Concert Party has entered into any outstanding derivative in respect of the securities in the Company;
- (d) neither the Company nor any Company Concert Party has borrowed or lent any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (e) no irrevocable commitment to vote for or against the Scheme, or to accept or not accept the Share Incentive Proposal, has been received by the Company or the Company Concert Parties;
- (f) save for the Proposal and the Share Incentive Proposal, there are no arrangements (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or the shares of the Company between the Company or any of the Company Concert Parties and any other person which might be material to the Proposal;

- (g) there is no agreement or arrangement to which the Company or any Company Concert Party is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal, the Scheme or the Share Incentive Proposal;
- (h) save for the Controlling Shareholders Rollover Arrangement, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) either (a) the Company or the Company Concert Parties; or (b) the Company or the Company's subsidiaries or associated companies; and
- (i) save for the Cancellation Price and the consideration to be provided pursuant to the Share Incentive Proposal, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Company or any of the Company Concert Parties to the Scheme Shareholders or Share Incentive Holders in connection with the Proposal, the Scheme or the Share Incentive Proposal.

Despatch of the Scheme Document

A Scheme Document including, among other things: (a) further details of the Proposal, the Scheme and the Share Incentive Proposal; (b) an explanatory statement in respect of the Scheme as required under the Companies Act; (c) the expected timetable relating to the Proposal, the Scheme and the Share Incentive Proposal; (d) a letter of advice from the Independent Financial Adviser containing its recommendations to the Disinterested Shareholders and the Share Incentive Holders in respect of the Proposal, the Scheme and the Share Incentive Proposal; and (e) notices of the Court Meeting and the EGM (including proxy forms relating to such meetings for use by the relevant Shareholders), will be despatched to the Shareholders and the Share Incentive Holders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

The Scheme Document will contain important information, and the Disinterested Shareholders or Shareholders (as the case may be) are urged to read the Scheme Document carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the EGM.

16. RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 27 November 2024, pending the issue of this announcement.

An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 11 December 2024.

17. DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined in the Takeovers Code) of the Company, including any person who owns or controls 5% or more of any class of the relevant securities of the Company, are hereby reminded to disclose their dealings in any relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below.

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

18. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“2019 Share Award Plan”	the rules on the share award plan adopted by the Board and which became effective on 19 August 2019
“2019 Share Option Scheme”	the rules on the share option scheme approved by the shareholders of the Company and which became effective on 27 November 2019
“2019 Share Option(s)”	share options(s) granted by the Company pursuant to the 2019 Share Option Scheme

“2019 Share Unit(s)”	share unit(s) (vested or unvested) granted by the Company pursuant to the 2019 Share Award Plan
“2024 Share Award Plan”	the rules on the share award plan approved by the shareholders of the Company and which became effective on 14 May 2024
“2024 Share Option Scheme”	the rules on the share option scheme approved by the shareholders of the Company and which became effective on 14 May 2024
“2024 Share Option(s)”	share option(s) granted by the Company pursuant to the 2024 Share Option Scheme
“2024 Share Unit(s)”	share unit(s) (vested or unvested) granted by the Company pursuant to the 2024 Share Award Plan
“acting in concert”	has the meaning given to it in the Takeovers Code
“Adjusted EBITDA”	EBITDA, adjusted for equity-settled share-based payments
“Adjusted net profit/(loss)”	net profit/(loss), adjusted for equity-settled share-based payments
“Applicable Laws”	any and all laws, rules, regulations, judgments, decisions, decrees, orders, injunctions, treaties, directives, guidelines, standards, notices and/or other legal, regulatory and/or administrative requirements of any Authority
“Approval”	any approval, authorisation, ruling, permission, waiver, consent, licence, permit, clearance, registration or filing which is required or desirable under any Applicable Law, or any licence, permit or contractual obligation of any member of the Group, for or in connection with the Proposal or the implementation of the Proposal in accordance with its terms and conditions (including the withdrawal of the listing of the Shares on the Stock Exchange), in each case excluding any filing or notification to any Authority which does not require such Authority’s approval, acknowledgement, permission, consent or clearance
“associates”	has the meaning ascribed to it under the Takeovers Code

“Authority”	any supranational, national, federal, state, regional, provincial, municipal, local or other government, governmental, quasi-governmental, legal, regulatory or administrative authority, department, branch, agency, commission, bureau or body (including any securities or stock exchange) or any court, tribunal, or judicial or arbitral body
“Board”	the board of Directors
“Cancellation Price”	the cancellation price of HK\$7.80 for the cancellation of each Scheme Share payable in cash by the Company to the Scheme Shareholders pursuant to the Scheme
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands
“Company”	Fosun Tourism Group, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1992)
“Company Concert Parties”	persons who are acting in concert or presumed to be acting in concert with the Company under the Takeovers Code, including: (a) the Controlling Shareholders; (b) the Directors and the FIL Directors (together with their close relatives, related trusts and companies controlled by any of them, their close relatives or related trusts); (c) the Share Award Trustee; and (d) members of the Deutsche Bank group (except in the capacity of exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as set out in the section headed “3. <i>Conditions of the Proposal and the Scheme</i> ” in this announcement
“Control”	has the meaning given to it in the Takeovers Code, and “Controlling” and “Controlled” shall be construed accordingly
“Controlling Shareholders”	Fosun International, FHL and FIHL

“Controlling Shareholders Rollover Arrangement”	the arrangement between the Company and the Controlling Shareholders as set out in the section headed “5. <i>Special Deal relating to Controlling Shareholders Rollover Arrangement</i> ” in this announcement
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch, a registered institution under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), and type 9 (asset management) regulated activities under the SFO, being the financial adviser to the Company in respect of the Offer
“Director(s)”	the director(s) of the Company
“Disinterested Shares”	the Shares other than any Shares which are beneficially owned by (i) the Company or any Company Concert Party (including, for the avoidance of doubt, any Share(s) held by any member of the Deutsche Bank group on a non-discretionary and non-proprietary basis for and on behalf of its clients who are not the Company or a Company Concert Party, but excluding any member of the Deutsche Bank group acting in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code); (ii) those who are interested or involved in the Controlling Shareholder Rollover Arrangement; and (iii) those who have a material interest in the Proposal different from other Shareholders
“Disinterested Shareholders”	the holders of Disinterested Shares, including, for the avoidance of doubt, any member of the Deutsche Bank group acting in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code
“€” or “EUR”	Euros, the single currency of participating members of the European Union
“EBITDA”	profit/(loss) before income tax, adjusted for depreciation, amortization, finance costs and land appreciation tax

“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Act and the Conditions
“EGM”	an extraordinary general meeting of the Company to be held promptly after the conclusion or adjournment of the Court Meeting for the purpose of approving, among other things, the reduction of the share capital of the Company as a result of the cancellation of the Scheme Shares; and the implementation of the Scheme
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate(s) of the Executive Director
“FHL”	Fosun Holdings Limited, a company incorporated in Hong Kong with limited liability, 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
“FIL Directors”	means the directors of Fosun International, being the executive directors, namely Mr. Guo Guangchang, Mr. Wang Qunbin, Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Gong Ping, Mr. Huang Zhen and Mr. Pan Donghui; the non-executive directors, namely Mr. Yu Qingfei, Mr. Li Shupeí and Mr. Li Fuhua; and the independent non-executive directors, namely Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine
“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: 0656), and one of the Controlling Shareholders
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Financial Adviser”	the independent financial adviser which will be appointed by the Company to advise the Disinterested Shareholders and the Share Incentive Holders as to: (i) whether the terms of the Proposal, the Scheme and the Share Incentive Proposal are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM
“Last Trading Date”	26 November 2024, being the last day on which the Shares were traded on the Stock Exchange before publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
“Long Stop Date”	10 June 2025 or such later date as may be determined by the Company or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive and consented to by Deutsche Bank
“Meeting Record Date”	the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM
“offer period”	has the meaning ascribed to it in the Takeovers Code, which commenced on 10 December 2024, being the date of this announcement
“Potential Share Alternative Option”	means the potential share alternative option which the Company may introduce, at its sole discretion and subject to the relevant pre-condition, to introduce another manner of consideration to cancel all of the Scheme Shares (other than the Trustee Unallocated Scheme Shares), as further described in the section headed “2. <i>Terms of the Proposal</i> ” in this announcement
“PRC” or “China”	the People’s Republic of China and, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pre-IPO Share Option(s)”	share options(s) granted by the Company pursuant to the Pre-IPO Share Option Scheme

“Pre-IPO Share Option Scheme”	the rules on the pre-IPO share option scheme adopted by the Company on 29 December 2017 and approved by the shareholders of Fosun International on 23 February 2018
“Proposal”	the proposal for the privatisation of the Company by way of the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange, on the terms and subject to the conditions set out in this announcement
“Record Date”	the record date to be announced for determining the entitlements of the Scheme Shareholders under the Scheme
“relevant securities”	has the meaning given to it in Note 4 to Rule 22 of the Takeovers Code
“RMB”	Renminbi, the lawful currency of the PRC
“Rollover Entity”	an unlisted wholly-owned subsidiary of the Company which is designated by the Company to issue shares under the Potential Share Alternative Option
“Scheme”	the scheme of arrangement to be proposed under section 86 of the Companies Act for the implementation of the Proposal
“Scheme Document”	the composite scheme document of the Company containing, among other things, further details of the Proposal, the Share Incentive Proposal and the Scheme together with the additional information set out in the section headed “15. General Matters Relating to the Proposal and the Share Incentive Proposal — Despatch of the Scheme Document” in this announcement
“Scheme Share(s)”	the Share(s) in issue on the Record Date other than the Shares held by the Controlling Shareholders
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s) as at the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) with a nominal value of EUR0.0001 each in the issued capital of the Company

“Share Award Trustee”	Bank of Communications Trustee Limited, the trustee appointed to hold Shares pending the vesting of 2019 Share Units and 2024 Share Units granted pursuant to the 2019 Share Award Plan and 2024 Share Award Plan
“Share Incentive Holder(s)”	holder(s) of Share Incentive(s)
“Share Incentive Proposal”	the Vested Option Proposal and the Unvested Share Incentive Proposal, details of which are set out in the section headed “4. <i>Share Incentive Proposal</i> ” in this announcement
“Share Incentive(s)”	any Pre-IPO Share Option(s), 2019 Share Option(s), 2019 Share Unit(s), 2024 Share Option(s) and/or 2024 Share Unit(s) (as the case may be)
“Share Option(s)”	any Pre-IPO Share Option(s), the 2019 Share Option(s), and/or the 2024 Share Option(s) (as the case may be)
“Share Unit(s)”	any 2019 Share Unit(s) and/or 2024 Share Unit(s) (as the case may be)
“Shareholder(s)”	the registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC in Hong Kong as amended from time to time
“Trustee Allocated Scheme Shares”	the Scheme Shares held by the Share Award Trustee on trust for certain employees of the Group, which are the underlying Shares in respect of certain vested Share Incentives which have not yet been transferred from the Share Award Trustee to such employees due to administrative reasons, being 42,500 Shares in aggregate as at the date of this announcement representing approximately 0.0034% of the issued share capital of the Company
“Trustee Scheme Shares”	the Scheme Shares held by the Share Award Trustee, including the Trustee Allocated Scheme Shares and the Trustee Unallocated Scheme Shares

“Trustee Unallocated Scheme Shares”	The Scheme Shares held by the Share Award Trustee for the purposes of satisfying future grants or vesting of 2019 Share Units and 2024 Share Units, being 6,433 Shares in aggregate as at the date of this announcement representing approximately 0.0005% of the issued share capital of the Company
“Unvested 2019 Share Options”	the 2019 Share Options which have not yet vested as of the date of this announcement
“Unvested 2019 Share Units”	the 2019 Share Units which have not yet vested as of the date of this announcement
“Unvested 2024 Share Options”	the 2024 Share Options which have not yet vested as of the date of this announcement
“Unvested 2024 Share Units”	the 2024 Share Units which have not yet vested as of the date of this announcement
“Unvested Pre-IPO Share Options”	the Pre-IPO Share Options which have not yet vested as of the date of this announcement
“Unvested Share Incentives”	the Unvested Pre-IPO Share Options, Unvested 2019 Share Options, the Unvested 2024 Share Options, the Unvested 2019 Share Units and the Unvested 2024 Share Units
“Unvested Share Incentive Holders”	the holders of Unvested Share Incentives
“Unvested Share Incentive Proposal”	the proposal offered by the Company to each Unvested Share Incentive Holder as further detailed in the section headed “ <i>Unvested Share Incentive Proposal</i> ” in this announcement
“U.S.” or “United States”	the United States of America
“U.S. SEC”	the United States Securities and Exchange Commission
“Vested 2019 Share Options”	the 2019 Share Options which have vested as of the date of this announcement
“Vested Option Holders”	the holders of Vested Options

“Vested Option Proposal”	the proposal offered by the Company to each Vested Option Holder as further detailed in the section headed “ <i>Vested Option Proposal</i> ” in this announcement
“Vested Options”	the Vested Pre-IPO Share Options and the Vested 2019 Share Options
“Vested Pre-IPO Share Options”	the Pre-IPO Share Options which have vested as of the date of this announcement
“%”	per cent

Unless otherwise specified in this announcement, conversions of RMB into HK\$ are made in this announcement, for illustration only, at the rate of RMB0.9237 to HK\$1.00. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at that rate or at any other rates or at all.

In the event of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.

By order of the Board
Fosun Tourism Group
Xu Xiaoliang
Chairman

Hong Kong, 10 December 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.