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FOSUN 复星

復星國際有限公司

FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL SUMMARY

In RMB million	For the year ended 31 December	
	2022	2021 (Restated*)
Revenue	175,393.4	161,291.2
Health	48,001.3	43,979.8
Happiness	70,739.5	66,898.3
Wealth	47,722.4	43,699.4
Insurance	32,427.8	32,149.3
Asset Management	15,294.6	11,550.1
Intelligent Manufacturing	10,355.6	7,736.9
Eliminations	(1,425.4)	(1,023.2)
Profit/(loss) attributable to owners of the parent	538.7	10,084.5
Health	1,348.7	2,029.0
Happiness	1,561.4	(599.3)
Wealth	(3,509.8)	5,160.1
Insurance	(1,599.0)	1,461.3
Asset Management	(1,910.8)	3,698.8
Intelligent Manufacturing	1,201.9	3,577.6
Eliminations	(63.5)	(82.9)
Earnings per share – basic (in RMB)	0.06	1.21
Earnings per share – diluted (in RMB)	0.06	1.21
Dividend per share (in HKD)	0.014	0.30

*Comparative figures have been restated upon the change in accounting policy in respect of configuration or customization costs in a cloud computing arrangement during the Reporting Period. For details, please refer to note 1.2 to the consolidated financial statements.

LETTER TO SHAREHOLDERS

Dear shareholders,

2023 is a year full of opportunities and hopes. Fosun is standing at a new starting point after it celebrated its 30th anniversary in 2022. Starting in a single-storey house near Fudan University, Fosun has now developed into a global consumer group with businesses covering more than 35¹ countries and regions. The past thirty years have been a journey full of challenges, tears, and laughter, and all Fosun employees should take pride in their accomplishments. What makes me most proud is that all Fosuners have remained true to their original aspiration and have worked hard together over the past 30 years, striving to fulfil Fosun’s original mission of “Contribution to Society”.

In 2022, all employees of the Company united and actively responded to the impact of the pandemic and many uncertainties in the macro environment, and stayed committed to pursuing steady and sustainable growth, successfully achieving our development goals. The Company always adheres to the “profound industry operations + industrial investment” strategy and remains committed to the two core growth drivers of technology innovation and global operations. As a global innovation-driven consumer group, during the Reporting Period, the Group’s operating revenue amounted to RMB175.39 billion, representing a year-on-year increase of 8.7%.

Undoubtedly, 2022 was a year full of challenges and difficulties. During the Reporting Period, profit attributable to owners of the parent was RMB0.54 billion, representing a year-on-year decrease of 94.7%. In 2022, the pandemic has impacted economic activities and people’s lives for more than half a year, while the geopolitical landscape has exacerbated global inflation and aggravated the capital market turmoil. However, every crisis presents an opportunity. In 2022, Fosun made clear the current strategic direction of “streamlining the organization” by divesting some non-core assets and further focusing on core businesses in the household consumption sector, which has created space and built momentum for future business rebound and rapid development. In January 2023, Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, and Bank of Communications acted as the joint lead banks, along with China Minsheng Bank, the Export-Import Bank of China, and Shanghai Pudong Development Bank as participating banks, jointly formed a syndicate to provide Fosun High Technology a loan up to RMB12 billion in total, emphasizing their optimism about Fosun’s development and growth in 2023 and beyond. In the first two months of 2023, we were pleased to see a strong rebound in our cultural tourism and offline commercial businesses that were heavily impacted in 2022, with both Atlantis Sanya and Club Med

¹ It refers to enterprises with revenue exceeding RMB100 million in such year.

achieving record-high monthly sales. Once again, I would like to express my gratitude to all shareholders for your ongoing support to Fosun. Fosuners will continue to work diligently to achieve better results in return for your trust in us.

Focus on core businesses at a new starting point

As Fosun celebrated its 30th anniversary in 2022, we would like to express our gratitude to all those who have supported and helped us along the way, especially our shareholders at every stage. Your love and support have been instrumental in our growth and success. This year, the Company decided to further “streamline the organization”, focusing on businesses in the household consumption sector and devoting the limited resources to industries with growth potential.

In recent years, with the continuous improvement and upgrading of the strategies of global operations and technology innovation-led development, Fosun has established business presence in various fields in more than 35 countries and regions around the world. Following the initial expansion from 0 to 1, in recent years we have been striving to take deep our industry operations to new strategic heights, or the expansion from 1 to N, fully strengthening the advantages in our existing businesses and seizing the opportunities of the current era to accelerate development.

We aim to establish more industry-leading enterprises around the advantageous industries of Fosun. In recent years, the pandemic has impacted the travel and lifestyles of families both domestically and abroad and the fluctuating economic situation has also caused many families to be more cautious in their consumption choices. I have also heard people in China and overseas wondering whether there has been a consumption downgrade. In my opinion, changes in economic and social development and the birth of emerging technologies will definitely have an impact on consumers’ choices, and consumption sentiment usually depends on the individual’s confidence in income, economic growth and the consumption environment. However, I believe that people’s aspirations for a better life and the fundamentals of China’s long-term sound economic growth will remain unchanged. Therefore, we remain committed to our vision of bringing healthier, happier, and wealthier lives to families worldwide.

In the first two months ended 28 February 2023, the average occupancy rate by room of Atlantis Sanya reached 96.0%; Club Med resorts in Lijiang, Guilin, Anji and Thousand Island Lake also achieved ultra-high occupancy rates of over 90%; the 52-day Yuyuan Garden Lantern Festival attracted a record-breaking number of over 4 million visitors and envoys from all over the world to admire the lanterns. The rapid recovery of the tourism and consumption sectors is a manifestation of the vigorous vitality of the Chinese economy. Seeing children having fun in

resorts in Lijiang, Yabuli, and Thousand Island Lake made us more determined to achieve our goal of creating happier lives for families worldwide.

In order to achieve this goal, we must continue to develop around the existing advantageous industries, focus on core businesses, and put more emphasis on the integration and synergy of the vertical business ecosystem. In 2022, we successfully executed systematic divestment of businesses such as the iron and steel asset, accumulating resources for further concentration on core businesses. It is necessary to emphasize here that Fosun's exit from these assets was not due to any issues with their quality. On the contrary, under Fosun's cultivation and operation, significant progress has been made in the performance and sustainable development of these companies. However, I often ask myself and my team whether what we do truly create strategic values for Fosun and how Fosun's ecosystem can empower what we do. To further concentrate our business, Fosun must resolutely dispose non-core assets and step up investment in forward-looking and leading fields in the future.

A global organization with in-depth global operations

Rooted in China, Fosun has been developing globally. It is one of the few domestic companies that is equipped with global operations and investment capabilities, and has accumulated profound technology and innovation capabilities. The globalization journey of Fosun started in 2007 when Fosun International was listed in Hong Kong. After nearly 16 years, Fosun has continued to deepen and expand the coverage of its globalization strategy. As at the end of the Reporting Period, the Group had 43 overseas brand enterprises. Since 2022, Fosun's globalization strategy has entered the third stage of "global organization + local operations" to foster cross-regional, cross-cultural, and cross-organizational operation capabilities of Fosun's global business ecosystem, thereby providing new impetus for the improvement and expansion of Fosun's industry operations.

Benefiting from Fosun's in-depth global operations, all industries of Fosun further strengthened their global operations in 2022, with overseas revenue reaching RMB77.36 billion, accounting for 44.1% of its total revenue and representing a year-on-year increase of 14.3%. Compared to the previous model of "mutual empowerment between China and the world" that aimed to complement each other's strengths, Fosun's Globalization 3.0 strategy takes a holistic approach to the world. Through deepening its global business presence and building a diverse talent pool, Fosun aims to use the most suitable resources to deeply cultivate key areas, accumulate industrial knowledge, attract the highest quality funds, partners, technologies, and talents to create the most competitive products and services. The strategy also aims to achieve mutual empowerment and multiplying growth within the ecosystem.

Cross-national and cross-cultural empowerment makes Fosun’s globalization capabilities even more precious. Since investing in Lanvin, a French couture house, five years ago, Lanvin has maintained robust growth, and its operating parent company, Lanvin Group, has also become one of the fastest growing companies in the luxury goods industry in Asia. On 15 December 2022, Lanvin Group was listed on the New York Stock Exchange under the ticker symbol LANV, marking the first company that Fosun holds controlling stake to be listed in the US. By leveraging Fosun’s ecosystem and operational management capabilities and preserving the historical heritage and aesthetic foundation of the oldest fashion brand in France, we can help the brand achieve a new rebirth building on its past success and bring beautiful elements with a blend of Chinese and Western influences to global consumers.

Fosun supports all businesses, including overseas businesses, to step out of their comfort zones and actively branch out into new areas. In the Wealth segment, Fosun Insurance Portugal has maintained sustainable growth for many years, made a breakthrough in 2022 by actively expanding the overseas markets mainly in Spanish and Portuguese-speaking regions. And as a result, its overseas business revenue grew by 49.6% year-on-year. As one of China’s most globally oriented pharmaceutical companies, Fosun Pharma expanded its presence in Africa last year, sowing the seeds of love and hope to those who need it most. The launch of its Ivory Coast facility in Abidjan, the economic capital city of West African country Côte d’Ivoire, marks a significant milestone in Fosun Pharma’s efforts to achieve local pharmaceutical manufacturing and supply in Africa.

Technology innovation and oriental lifestyle aesthetics

From the very beginning, Fosun has always attached great importance to technology innovation. Through continuous accumulation and Research and Development (“**R&D**”) investment in the past 30 years, it has built profound technology innovation capabilities and deeply embedded the culture of innovation. Despite many challenges in its operations last year, Fosun remained committed to increasing its investment in scientific and technological development. During the Reporting Period, Fosun’s R&D investment² reached RMB10.4 billion, representing a year-on-year increase of 17%. As at the end of the Reporting Period, it has a total of 1,771 patents for invention, which will continue to be transformed into productivity with the support of Fosun’s global operations and continuous innovation capability.

After years of accumulating technology innovation, Fosun has finally entered a period of fruitful harvest in 2022: Shanghai Henlius’s the world’s first anti-PD-1 mAb for the first-line treatment of small cell lung cancer, Han Si Zhuang (serplulimab injection) was approved for marketing; Fosun Kite’s first CAR-T cell therapy approved for marketing in Chinese Mainland,

² It includes scientific research investment (expensed and capitalized), but excludes digitalization expenses.

Yi Kai Da (ejilunsai injection), has benefited nearly 300 patients since its launch, and has been included in the urban customized commercial health insurance in more than 70 provinces and municipalities; Fusionride Technology (Shanghai) Co., Ltd. launched a fusion sensing solution centered on high-performance 4D millimeter-wave radar.

Of course, we are aware of the great risks of innovation. Therefore, we must persist in long-term and multi-dimensional investment. With the continuous improvement of its core businesses, Fosun will strive to improve its technology innovation capabilities in the future and build stronger technical barriers, laying a solid foundation for the Company's future development.

In terms of creativity and innovation, Fosun has initiated the concept of "Oriental Lifestyle Aesthetics", which involves integrating aesthetic systems throughout the entire ecosystem. The aim is to achieve the true integration of Eastern and Western cultures, and to innovate through tradition. In 2022, Yuyuan won the rights to a plot of the Yuyuan Fuyou Road, and they will connect Yuyuan Garden and the Bund Finance Center to form the Grand Yuyuan, a large cultural and commercial complex of more than 1 million square meters. This development will serve as a concrete demonstration of "Oriental Lifestyle Aesthetics". In addition, Yuyuan's first fully self-incubated skin care product, "YOGAN" (愈感) was launched to create products that cater to the skin and aesthetics of Chinese consumers. In the future, Fosun will continue to focus on supplementing and strengthening emerging industries such as fashion and creative industries, combine the aesthetic qualities of the East and the West to design more blockbuster products such as the rabbit lanterns of the Yuyuan Garden Lantern Show and organize creative events like the Yuyuan Garden Lantern Festival. Fosun will also cooperate with more internal and external partners to meet the lifestyle and aesthetic needs of global family customers.

Both business and economy have cycles, and innovation is our core capability to win out. In between the ups and downs of the cycle, we must step up investment in innovation. Looking ahead in 2023, we will continue to increase investment in innovation, and focus on the quantity and quality of investment in technology innovation when assessing subsidiaries so as to ensure that innovation is driving growth continuously and efficiently.

Delivering solid and resilient financial performance

In 2022, Fosun encountered some setbacks and challenges. Fosun has also been affected to a certain extent by the impact of the domestic pandemic, the US dollar interest rate hikes, geopolitical tensions, and sharp fluctuations in the capital market. Against the backdrop of many unfavorable factors, as a global enterprise rooted in China, the Group emphasized sustainable growth, actively responded to the situation at the financial and business levels, consolidated the

foundation of its businesses, strengthened the stability of liquidity, and optimized the debt structure.

The focus of the financial work in 2022 was to continuously reduce the liability scale, strengthen liquidity management, optimize the debt structure, and improve the management of assets and liabilities, which have yielded many fruitful results. During the Reporting Period, the Group delivered solid financial performance. As at 31 December 2022, the ratio of total debt to total capital was 53.2%, which was generally stable. Cash and bank balances and time deposits reached RMB100.56 billion, ensuring sufficient liquidity. At the same time, the Company actively connected with financing channels and project funding partners, which greatly increased the proportion of light assets in new projects. In 2023, we believe that the financing cost of private enterprises will be further reduced, and financing channels will be further expanded, providing liquidity support for the Company's business development.

At the business level, the Group implemented the strategic mindset of “focusing on core businesses” and stepped up its efforts in the divestment of non-core enterprises and assets, thus realizing more divestment than investment in 2022. The amount by contract value exceeded RMB40.0 billion, bringing a cash inflow of nearly RMB30.0 billion at holding company level to further consolidate the foundation of funds.

In the future, Fosun will continue to prioritize “sustainable growth”, take reducing interest-bearing debt of the Group and improving credit ratings as one of its core financial strategies, resolutely accelerate the divestment of non-strategic and non-core assets, and speed up cash inflow. At the same time, it will continue to increase efforts in external financing and refinancing, broaden financing channels, and strengthen strategic cooperation with its funding partners. In 2022, Fosun renewed strategic cooperation agreements with several domestic and foreign banks. As the external environment is gradually picking up, I believe that Fosun has survived the most difficult time. In the future, we will continue to achieve sustainable growth, consolidate business and financial strengths to win out over the business cycle and realize multiplying growth.

A digitalized enterprise adhering to a people-oriented approach

In recent years, Fosun has continuously explored digital empowerment in industry operations, and continuously released the multiplying effect of the business ecosystem under the diversified business presence. During the Reporting Period, the Group's digitalization process has achieved rapid breakthroughs for many consecutive years. In 2022, it recorded 50.80 million new registered members, representing a year-on-year increase of 27%; it has 133 good products³

³ It refers to products with sales amount exceeding RMB100 million in such year.

worthing RMB100 million for each, representing an increase of 20%. The total value created by the Group’s ecosystem exceeded RMB6.9 billion (before intercompany eliminations)⁴. This year, the Group has upgraded and established a Digital Intelligence Committee, actively embracing intelligent technologies, integrating, and upgrading the digital achievements of all enterprises, and formulate more forward-looking plans to enhance the efficiency and agility of Fosun’s business ecosystem.

With the improvement of AI computing power, artificial intelligence will become increasingly smart, and the agility and intelligence of online interaction will be greatly enhanced. In the revolution led by OpenAI, we must fulfil our own responsibilities and fully embrace changes. On the one hand, we must input more real-world operating data to the data platform, so that it has sufficient data to conduct classified analysis; on the other hand, we must also change the role of organization and individuals. More basic work can be done by progressive technologies. For everyone in the Company, we must adapt well to our new roles, shift to the role of a questioner and thinker, and make good use of intelligent tools.

However, talents have always been the most valuable assets of Fosun. Over the years, Fosun has continued to build a multi-level and multi-dimensional partner system. Fosun’s Global Partners are all partners of Fosun. All of them are self-driven and self-motivated on Fosun’s platform. We are also pleased to see that more overseas partners have joined the team of Global Partners in 2022. As an enterprise with global operations, Fosun continues to attract professional and intelligent talents with great visions from all over the world. We also welcome young talents to join Fosun, and we are building a pyramid-shaped talent structure and talent pool. We will continue to evolve the organizational mechanism, build talent echelons, implement digital and intelligent budget planning to achieve global empowerment and maximize synergy from ecosystem procurements.

Developing business for good with the original aspiration of “Contribution to Society”

For the past three years of the pandemic, Fosun has adhered to its social responsibilities and the pursuit of developing business for good. This year and these three years, Fosuners have worked diligently together to realize the original aspiration of “Contribution to Society” established 30 years ago. I am the proudest of the spirit of love of Fosuners looking back at the past road we’ve been through. We have met the urgent needs of society and cared for society. Fosun has always insisted on developing business for good and on sustainable development, giving full play to its own industrial advantages, and actively giving back to the society through various public

⁴ It refers to the revenue contribution (before intercompany eliminations) directly or indirectly created by companies within the Fosun ecosystem for other companies within the ecosystem, including but not limited to cross-selling, product co-creation, membership contribution, membership sales transformation, and sales collaboration within the ecosystem, joint industrial investment, financing cooperation empowerment, industrial resource coordination, etc.

welfare programs such as fighting against the pandemic, providing earthquake relief, running the Rural Doctors Program, and fostering education, culture, and entrepreneurship. Fosun's actions have also been recognized by onshore and offshore ESG rating agencies. During the Reporting Period, it received the following recognitions: Fosun's MSCI ESG rating was AA, and Fosun was the only conglomerate in Greater China with an MSCI ESG rating of AA; it received a rating of A in the Hang Seng Sustainability Index and has been selected as a constituent stock of the Hang Seng ESG 50 Index for two consecutive years and a constituent stock of the Hang Seng Corporate Sustainability Benchmark Index for three consecutive years; it was selected as one of the constituents of FTSE4Good Index Series for the first time; its S&P CSA ESG score has risen significantly, overperformed 91% of its peers around the world.

These recognitions are the summary of our achievements and our motivation. We hope that we can be more pragmatic and leverage our good products and services, global operations, and innovation capabilities to save more lives, create happiness and foster development.

Three years ago, when Fosun cooperated with BioNTech, a German biotechnology company to jointly develop Comirnaty (mRNA COVID-19 vaccine), our thought was very simple. Despite the uncertain mRNA technology at that time, we hoped to assist our country and provide one more possibility for its 1.4 billion people. Since its launch to the end of February 2023, more than 31 million doses had been administered in Hong Kong, Macau and Taiwan region.

Over the past three years, we have closely followed the development of COVID-19 medication, believing that the demand for such products will be the most urgent after the optimization of epidemic prevention and control measures. In 2022, Fosun partnered with Henan Genuine Biotech Limited to jointly develop Azvudine tablets, the oral medication for COVID-19. Azvudine tablets were then included in the National Health Commission's Diagnosis and Treatment Protocol for COVID-19 and covered by the national medical insurance scheme.

In 2022, Fosun has also implemented a pilot program of public welfare leave, encouraging employees to spend half a day every year to participate in volunteer work. During the Reporting Period, Fosun's employees at home and abroad have spent a total of 45,787 hours in public welfare activities.

Over the past 30 years, Fosun has been upholding its original aspiration of "Contribution to Society", striving to strengthen the enterprise's development, create more employment opportunities, create value for society, fulfil corporate social responsibilities, and take good care of stakeholders including employees, the environment, and the community.

Through the three-year test of the pandemic, Fosun has refined a more mature and agile organizational structure, has established a clearer vision of the ecosystem and development direction, and has insisted on its strategy of pursuing sustainable growth. In 2023, the Chinese central government has repeatedly emphasized the need to work unswervingly both to consolidate and develop the public sector and to encourage, support and guide development of the non-public sector. With the rapid rebound of the economy after the pandemic, the Group will also seize the opportunity, implement a focused strategy to empower the sustainable growth, and create more high-quality products and services around the consumption needs of global families. With our endeavors, we hope that families around the world can enjoy brighter and happier lives, and that more people can live till the age of 121 with health, happiness, and wealth.

Sincerely appreciation to our shareholders, our customers and friends who support and help Fosun. We will continue our endeavors to create greater value for shareholders!

Guo Guangchang

29 March 2023

BUSINESS OVERVIEW

Throughout its three decades of development, the Group has remained true to its original aspiration of “Contribution to Society”. In response to the macroeconomic situation and opportunities arisen from industries and with the vision of “change first to bring changes”, the Group has grown together with the Chinese and global economies into a global innovation-driven consumer group that focuses on the development of business segments such as Health, Happiness and Wealth. The Group has accumulated profound experience and built up capabilities in the fields of globalization, technology and innovation, business ecosystem and FES management system, building core businesses that could bring stable, synergistic and sustainable growth. The Group presses ahead with the “profound industry operations + industrial investment” strategy to continuously accelerate its strategic focus, consolidate its asset base, and provide high-quality products and services to families around the world while enhancing its global competitiveness.

Firmly implementing focused strategy to build a solid foundation for development

In 2022, despite the increasingly volatile macro-environment in China and overseas as well as the continued disruptions to the economy caused by the US dollar interest rate hike cycle, geopolitical tensions and other factors, the Group firmly focused on its strategies, continuing to consolidate and adjust its profound industry operations and footprints as well as enhancing its capability to withstand risks. During the Reporting Period, the Group’s total revenue grew steadily to RMB175.39 billion, representing a year-on-year increase of 8.7%. The Group’s four business segments achieved growth in revenue. Affected by the recurrent outbreak of COVID-19 pandemic in China, the Group’s industrial operation profit⁵ reached RMB7.10 billion during the Reporting Period, representing a year-on-year decrease of 32.9%. The Group’s profit attributable to owners of the parent during the Reporting Period amounted to RMB0.54 billion (2021: RMB10.08 billion), which was mainly attributable to the recurrent outbreak of COVID-19 pandemic in 2022 and the turmoil and downturn of the international capital markets, resulting in high business costs and an increase in floating losses in secondary capital market investment, which affected the Group’s overall industry operations and industrial investment to varying degrees. Looking forward to 2023, with the adjustment of epidemic prevention and control policies in China, the Company will continue to focus on the strategic positioning of a global innovation-driven consumer group. The management is confident that the Group’s businesses will fully return to normal and enter the next stage of growth.

⁵ It includes the profit contribution of industrial operation subsidiaries of the Group and associates and joint ventures accounted by equity method.

Expand diversified financing channels, increasing efforts in the disposal of non-core assets

In terms of cash and liability management, the Group has been adhering to active cash and liability management in a prudent manner. While actively exploring diversified financing channels, the Group put greater efforts in asset disposal in response to uncertainties in external environment. During the Reporting Period, Fosun High Technology (a subsidiary of the Company) issued new bonds in the public market and resold its existing bonds with a total value of RMB10.2 billion, including corporate bonds, super & short-term commercial papers (SCP), Free Trade Zone USD bonds and others. During the Reporting Period, Fosun High Technology successfully issued USD0.15 billion Shanghai Free Trade Zone USD bonds and RMB2 billion Hainan Mining exchangeable bonds, with three years tenor for both issues, effectively lengthening the bond duration and expanding the investor base. In addition, the Group successfully raised approximately RMB1.66 billion through RMB syndicated loans from foreign banks. The Company obtained new offshore syndicated loans of approximately USD0.875 billion. The syndicated loan represents the Company's success fund-raising through offshore syndicated loans for six consecutive years, which fully reflects the continuous recognition of the Group's credit worthiness by both Chinese and foreign banks. In January 2023, the Group entered into a syndicated loan agreement for an amount of RMB12 billion with eight domestic banks, which was the largest private corporate syndicated loan led by five major state-owned banks in cooperation with policy banks and joint-stock banks since the announcement of "encouraging and supporting the development of the private economy and private enterprises" at the Central Economic Working Conference held in December 2022. Moreover, the Group successfully issued RMB1 billion super & short-term commercial papers (SCP) in January 2023, increasing liquidity support for the full recovery of operation of the Group.

The Group has initiated the disposal of non-strategic non-core assets in 2020. Since June 2022, in face of the dramatic fluctuation in external capital market, the Group put greater efforts in asset divestment. The amount by contract value exceeded RMB40.0 billion, bringing a cash inflow of nearly RMB30.0 billion at holding company level, thus securing sufficient liquidity position. Major disposals included secondary market equity interest in Tsingtao Brewery, secondary market equity interest in Zhongshan Public Utilities and certain equity interest of Yong'an P&C Insurance, etc. Meanwhile, the Group actively managed maturing debts in advance and improved its debt maturity profile. Several overseas outstanding bonds of the Company were redeemed in advance, thus strengthening the confidence of investors in the bond market.

As at the end of the Reporting Period, the Group's total debt to total capital ratio was 53.2%, which was 3.6 percentage points lower than that as of the end of 30 June 2022; its cash and

bank balances and term deposits reached RMB100.56 billion. The average cost of debt was 4.7% during the Reporting Period, reflecting the Group's stable and healthy financial position.

Pursuing growth with core competencies, maintaining resilience and fostering capabilities to drive future development

Deploying diversified business presences to build up profound global operation capability.

As a global enterprise rooted in China, the Group thoroughly develops the Chinese market and at the same time has been building up its core capabilities on global operation, investment and financing based on its business presence in over 35 countries and regions around the world. It links up its various businesses and resources in different countries and regions, actively expands the geographical markets of the Group's member companies and facilitates the rapid development of such member companies' business outside their home countries. As at the end of the Reporting Period, the Group's overseas revenue accounted for 44.1% of total revenue, which grew by 14.3% year-on-year. Mutual empowerment revenue⁶ for domestic and overseas operations amounted to RMB6.5 billion in aggregate. During the Reporting Period, the Group established the European Finance Sharing Center, aiming to achieve cost reduction and efficiency enhancement in middle and back office operation of the Group's subsidiaries in Europe. Benefiting from the Group's global business presence and capability of generating synergy within the ecosystem of its businesses, the Group's various businesses further strengthened their global businesses during the Reporting Period.

During the Reporting Period, the Group continued to promote the vaccination and coverage of Comirnaty (mRNA COVID-19 vaccine) in Hong Kong, Macau and Taiwan region. As at the date of this announcement, Comirnaty BNT162b2 (i.e. mRNA COVID-19 vaccine BNT162b2) and Comirnaty Bivalent Vaccine (i.e. mRNA COVID-19 Original/Omicron BA.4/BA.5-adapted bivalent vaccine) have been officially registered as drugs/products in Hong Kong and approved as regular imported vaccines in Macau, fully covering the public and private markets. During the Reporting Period, over 15 million doses of Comirnaty (mRNA COVID-19 vaccine) were sold in Hong Kong, Macau and Taiwan region. Since its launch to the end of February 2023, more than 31 million doses had been administered in Hong Kong, Macau and Taiwan region. Following the rollout of self-paid vaccination service of Comirnaty BNT162b2 original vaccine in Macau in 2022, the self-paid vaccination service for Comirnaty Bivalent Vaccine has been rolled out in Hong Kong and Macau in the first quarter of 2023, providing more vaccine options for people in need and helping to build a health protection barrier. Gland Pharma intended to strategically expand its presence in CDMO (contract development and manufacturing organization) in Europe through the acquisition of Cenexi (a French pharmaceutical company), thereby strengthening the capability of Gland Pharma in terms of

⁶ It refers to the revenue generated from the introduction of overseas technology, product and service to the Chinese market and the export of Chinese technology and product to overseas markets.

the development, production and supply of complex preparation and biological product, as well as expanding its customer base.

During the Reporting Period, the business volume of operation of Club Med increased by approximately 108.4% compared to the same period in 2021, recovering to around 99.1% of the same period in 2019. The capacity of Club Med increased by 62.3% compared to the same period in 2021, recovering to 91.9% of the same period in 2019. At the end of 2022, Club Med opened a new resort Kiroro Peak in Japan. The phase I of Club Med Kiroro Peak commenced operation in the winter season at the end of 2022, serving tourists around the world with a brand-new image. In December 2022, Lanvin Group was successfully listed on the NYSE, creating a global luxury fashion group.

Accelerating diversified business interaction to highlight ecosystem value. Adhering to the FC2M ecosystem strategy and diversified business ecosystem, the Group gradually achieved ecosystem value creation, and continued to enhance the multiplier effect within Fosun's ecosystem. As at the end of the Reporting Period, the Group's ecosystem created a total value⁷ of over RMB6.9 billion (before intercompany eliminations). The Group has implemented several in-depth cross-sector and cross-region high value ecosystem synergy projects. During the Reporting Period, ecosystem synergy had been maximized in the Health Segment, achieving ecosystem sales of over RMB2.4 billion; Pramerica Fosun Life Insurance and Fosun Care conducted in-depth cooperation regarding the preparation for pension for customers using insurance plans and the provision of senior care services under the support of community, thus providing comprehensive senior care solution for customers. During the Reporting Period, total premium received under the cooperation between both parties amounted to approximately RMB1.6 billion. As at the end of the Reporting Period, the Group has 50.80 million new registered members⁸, representing an increase of 27% year-on-year. The two top C-end platforms (namely Fosun Health and Fosun Alliance) continued to facilitate the rapid and quality growth of members of the Group. In particular, 9.24 million new members were registered with Fosun Health during the Reporting Period, and the total number of registered members accumulated to 22.58 million. As at the end of the Reporting Period, Fosun Alliance has accumulated 6.4 million registered members, with transaction conversion rate⁹ under accurate recommendation increased by 26% year-on-year.

⁷ It refers to the revenue contribution (before intercompany eliminations) directly or indirectly created by companies within the Fosun ecosystem for other companies within the ecosystem, including but not limited to cross-selling, product co-creation, membership contribution, membership sales transformation, and sales collaboration within the ecosystem, joint industrial investment, financing cooperation empowerment, industrial resource coordination, etc.

⁸ It refers to those who have agreed to the official membership terms of the brand and granted privacy in any channel, and actively retained personal information including mobile phone numbers, to meet the needs of identifiable, reachable and traceable consumers.

⁹ It refers to order conversion rate, facilitating order placement by sending marketing materials to users, as calculated by "number of users placing orders/number of users reached".

Looking forward, the Group will continue to enhance the construction of its ecosystem and realize business value, such as FC2M industry operation related fields (marketing, membership, product/service and other aspects) and external strategic partners, thus forming a multi-dimensional and multi-level ecosystem platform featuring inclusivity, co-innovation and sharing. Meanwhile, adhering to globalization vision, Fosun will establish a global ecosystem communication and empowerment platform by consolidating the resources of global ecosystem operations and global partners, linking the business demands of domestic and overseas operations, and sharing experience and exporting tools in relation to domestic ecosystem.

Leading the industry in technology and innovation and creating long-term value. The Group has always valued the power of technology and innovation. It has built up profound technology and innovation capabilities through the continuous accumulation of experience at its businesses and investment in R&D, and has continued to invest heavily in technology and innovation capabilities. The Group has been increasing its investments in technology and innovation over the past few years. During the Reporting Period, the Group invested approximately RMB10.4 billion¹⁰ in total to foster its technology and innovation capabilities.

During the Reporting Period, Han Si Zhuang (serplulimab injection), the first innovative monoclonal antibody self-developed by Shanghai Henlius, was officially approved for commercialization in March 2022, becoming the first batch of PD-1 inhibitors for the “pan-tumor” treatment of microsatellite instability-high solid tumor (MSI-H) in China. At present, it can be used for the treatment of MSI-H and squamous non-small cell lung cancer. It has benefitted over 8,200 patients since its launch in March 2022. In January 2023, the new drug application for the first-line treatment of small cell lung cancer in extensive stage (ES-SCLC) and esophageal squamous cell carcinoma (ESCC) of Han Si Zhuang in combination of chemotherapy has been accepted by National Medical Products Administration, expecting to become the first anti-PD-1 antibody for the first-line treatment of SCLC in the world to fill the clinical gap of PD-1 inhibitor for the first-line treatment of small cell lung cancer in the coming five years. Shede Spirits has established three major professional research platforms, namely microbial molecular biological laboratory, Lujiu (露酒) experimental platform and spirit flavor research platform. Fosun Jinmei Global Technology Innovation Center (復星津美全球科創中心), which is under the cosmetic segment of Yuyuan, has completed the R&D and commercialization of 26 new products since the launch of its operation, with 170 reserved R&D products.

As at the end of the Reporting Period, the Group had a total of 1,771 patents for inventions. These patents will be continuously transformed into the Group’s productivity with the support of the Group’s global business presence and continuous innovation capabilities.

¹⁰ It includes scientific research investment (expensed and capitalized), but excludes digitalization expenses.

Building the FES system to create core values. FES is a business system for the efficient management of enterprises. Such system has been evolving through practice and is aimed at building the core competitiveness of a long-standing enterprise and cultivating talents with Fosun’s values of entrepreneurship. FES can help enterprises foster a continuous improvement corporate culture that encourages them to take up the challenge of meeting high expectations and actively expose and resolve problems in the business process.

During the Reporting Period, starting from scratch, the establishment of Fosun’s FES management system has completed, with certification and implementation of 43 FES tools completed. A total of 517 experts were trained and certified. The certification project, as driven by expert-certified mechanism, can help nurture experts and create value. During the Reporting Period, there were 1,262 improvement projects, including 628 completed projects. There were 102 best practical cases of refined FES, which have been swiftly shared and replicated between enterprises of the Group to facilitate enterprise improvement progress.

FES system has achieved significant results in promotion and in-depth application within different operations of Fosun. During the Reporting Period, through the complete introduction of FES, Easun Technology made a record-breaking sale of new orders amounting to RMB1.823 billion, representing a year-on-year increase of 83% and achieving high-growth goal. By optimizing the standardized procedures for opening business, Songhelou (松鹤楼) under Yuyuan reduced the preparation time for opening business from 73 days to 62 days. With the use of FES tools, the customer satisfaction of Lijiang Albion increased from 4.21 to 4.63 (Ctrip), and Thomas Cook Platform NPS (net promoter score) increased from 52% to 70% and repurchase rate increased from 17% to 31%.

In 2023, Fosun’s FES management system aims to achieve breakthrough (from 1 to 10) for domestic operations, and trial improvement (from 0 to 1) for overseas operations. Corporate improvement campaigns will be fully launched from the top-down, thus enhancing the creativity and awareness on making improving of employees, strengthening the capability for participation in management and self-improvement of all employees, enhancing corporate FES management level, and helping enterprises achieve sustainable and healthy multiplier growth.

Striving for excellence, its ESG performance received global recognition. The Group has always adhered to the values of “Self-improvement, Teamwork, Performance and Contribution to Society”, and the aspiration of developing business for good with a customer-oriented focus. As a participant in the United Nations Global Compact (“UNGC”), after 30 years of operations, the Group fully supports the 10 principles of UNGC in the areas including human rights, labor, environment and anti-corruption, relentlessly integrating such principles into Fosun’s ESG

strategies, and actively engaging our member companies in the implementation of ESG strategies.

In order to further enhance the ESG management system, the Company has set up an ESG Committee under the Board. It has also set up an ESG Executive Committee at management and decision-making level, as well as an ESG Management Committee and an ESG Working Group at the execution level, thereby fully implemented ESG strategies and relevant actions of the Company. To ensure smooth and continuous implementation of various ESG initiatives, Fosun has established a long-term top-down ESG improvement mechanism, and included ESG management performance as an evaluation factor in the executive Directors' performance assessment and remuneration assessment.

In the course of continuous development, Fosun has leveraged its increasingly sophisticated global business ecosystem to respond to global demands and improve people's livelihood and social welfare through fighting against the pandemic, assisting in fighting against malaria in Africa, running the Rural Doctors Program, and fostering education, culture and entrepreneurship. Moreover, the Group also made a commitment to the society in 2021 – "to achieve emission peak by 2028 and carbon neutrality by 2050", and contributes to the 1.5°C target of Paris Agreement by developing effective climate change mitigation and adaptation strategies. In order to achieve Fosun's carbon peaking and carbon neutrality goal, Fosun has set up a Carbon Neutrality Committee and Working Group, actively promoting the continuous implementation of carbon neutrality management across the Group. The Group has also initiated the preparation of the TCFD (Climate-Related Financial Disclosures) report and conducted climate related risk assessment to demonstrate to the international community Fosun's commitment to climate action and to call on all parties to work together to promote carbon neutrality.

The Group has widely received recognition from professional institutions around the world for its excellence in ESG. As at the end of the Reporting Period, the Company had an MSCI ESG rating of AA, and it was the only conglomerate in Greater China with an MSCI ESG rating of AA. It received a rating of A in the Hang Seng Sustainability Index. The Company has been selected as one of the constituents of the Hang Seng ESG 50 Index (Top 50 Mid-Large Cap) for two consecutive years. It has been included in Hang Seng Corporate Sustainability Benchmark Index for three consecutive years, and such index consists of Hong Kong-listed companies that perform well with respect to corporate sustainability (Top 20% best performer in sustainable development). In addition, the Company's FTSE ESG rating continued to rise, and was selected as one of the constituents of FTSE4Good Index Series for the first time in 2022. The S&P Corporate Sustainability Assessment (CSA) rating of the Company has also risen significantly, higher than 91% of its peers around the world.

HEALTH SEGMENT

The Health segment of the Group focuses on the ecosystem of pharmaceutical business (Fosun Pharma, Shanghai Henlius and Gland Pharma), devices and diagnosis business (Sisram Med) and the business of healthcare services and products (Fosun Health), and adheres to the “4 IN” strategy (Innovation, Internationalization, Integration, Intelligentization) to continuously improve its product competitiveness and brand value. In recent years, with the evolution of social development and population aging, innovative drug R&D, innovative medical devices and medical diagnostics are opening up development opportunities, and the demand for quality medical products and services has increased significantly. At the same time, with the deepening of China’s medical and health system reform, new policies such as centralized drug procurement speed up the process of reducing deficit in medical insurance funding, thus bringing a revolutionary challenge to the industry. The Group will continue to upgrade its innovation, integration and internationalization capabilities. Meanwhile, it will build a medical-grade, one-stop Fosun health ecosystem for all scenarios on the C-end, as well as a matrix of diverse, distinctive and innovative products on the M-end.

Fosun Pharma is a global pharmaceutical and healthcare group rooted in China that is driven by innovation. Its direct operations include pharmaceutical manufacturing, medical devices, medical diagnosis and healthcare services, and expands its presence in pharmaceutical distribution and retail business through its investment in Sinopharm. Putting patients first and orienting itself towards clinical needs, Fosun Pharma enriches its innovative product pipeline by adopting a model of diverse and multi-level cooperation which encompasses independent R&D, product development through cooperation, introduction of products under franchise and in-depth incubation. Fosun Pharma has built and developed technology platforms for small molecule innovative drugs, antibody drugs and cell therapy for key diseases and areas such as tumor and immune modulation, metabolism and alimentary system, and central nervous system. It also actively explores cutting-edge technologies and fields such as RNA, antibody-drug conjugate (ADC), gene therapy and targeted protein degradation to enhance innovation capabilities. Under the strategic guidance of “4 IN”, Fosun Pharma is striving to become a first-class enterprise in the global pharmaceutical and healthcare market. In addition, relying on the open-style R&D ecosystem, a forward-looking international business presence, a systematic commercialization team and years of domestic industry experience and global channel network, Fosun Pharma has become the preferred domestic partner of world-renowned multinational pharmaceutical companies. Fosun Pharma’s industry-leading two-way licensing capability helps maximize the value of self-developed products and partnered innovative products, and accelerate the R&D and transformation of innovative technologies and products. With accumulation of experience over the years at its operations in China, Fosun Pharma has become a trusted domestic partner of Intuitive Surgical, Kite Pharma, Amgen, Organon and various

other world-leading companies to jointly promote innovative products that benefit more Chinese patients. Fosun Pharma will continue to seek more opportunities to cooperate with world-leading pharmaceutical enterprises in improving product accessibility and affordability to satisfy the unmet clinical needs of patients worldwide.

Shanghai Henlius is a global innovative biopharmaceutical company dedicated to providing affordable, high-quality biomedicines to patients worldwide, with products covering oncology, autoimmune diseases, ophthalmic diseases and other areas. Since its establishment in 2010, Shanghai Henlius has built an integrated biopharmaceutical platform with efficient and innovative core capabilities across the entire value chain of the industry that encompasses R&D, manufacturing and commercial operations, and established comprehensive and efficient global innovation centers. Its production facility in Xuhui, Shanghai has also received GMP certification in China and the European Union. Shanghai Henlius is stepping up innovation and transformation, and continues to build up a reserve of differentiated innovative products in the pipeline, thereby enhancing its global product development capabilities, to evolve from a biotech model to a biopharma model that is more scaled up and competitive in the market.

Sisram Med is a global consumer wellness group, providing a diversified product portfolio with its unique consumer wellness ecosystem and creating a customer-centric brand. Its businesses include energy-based medical aesthetic device, injectables, aesthetics and digital dentistry, personal care, etc. Sisram Med, a holding subsidiary of Fosun Pharma, was listed in Hong Kong in September 2017, and is the first Israeli company listed on the Main Board of the Hong Kong Stock Exchange.

Gland Pharma is one of the largest and fastest growing generic injectables-focused companies in India. Its main products include cardiac (Enoxaparin Sodium), hematological system (Heparin Sodium), anti-infective (Vancomycin, Caspofungin, Daptomycin, Micafungin), central nervous system (Dexmedetomidine, Rocuronium Bromide), and other injections. Over the years, Gland Pharma has grown from a contract manufacturer of small molecule liquid parenteral products to one of the reliable companies specializing in generic injectables in India, with a global presence in more than 60 countries. Gland Pharma held eight manufacturing sites in India. Gland Pharma is continuing to invest in R&D and manufacturing capabilities, strengthen vertical integration, expand API production capacity to reduce dependence on outsourced APIs, and accelerate growth through mergers and acquisitions to branch out into new businesses, including complex technology product platforms (e.g. long-acting/suspension products) and complex API production technologies (e.g. fermentation technologies). Looking forward, Gland Pharma will adhere to the international research and development strategy and continue to strengthen the promotion of products in the Chinese market.

Building a medical-grade, one-stop health business ecosystem for all scenarios, Fosun Health is committed to becoming a leader in active health management for families. Fosun Health focuses on medical centers and regional medical unit services, specialized medical treatment and health management, providing users with online and offline integrated and accessible diagnosis and treatment solutions as well as health management services such as consultation and purchase of medicines, health science popularization, physical examination and testing, offline diagnosis and treatment and patient management through the online “Fosun Health” APP, mini programs, and offline medical institutions in China’s five economic belts, namely the Greater Bay Area, the Yangtze River Delta, the Jing-Jin-Ji (Beijing-Tianjin-Hebei), Central China and Chengdu-Chongqing.

HAPPINESS SEGMENT

The Group targets the consumption needs of family customers in the happiness aspect. Through the twin-driver strategy of “profound industry operations + industrial investment”, the Group builds a globalized happiness ecosystem covering the whole value chain of the industry. Centering on brand consumption and tourism and leisure, the Group actively organizes teams of people, creates goods and arranges venues to meet customer needs directly. The platforms for brand consumption business include Yuyuan, Lanvin Group and Fosun Sports, which engage in businesses such as jewelry and fashion, liquor and spirits, C-end platforms, fashion brands, food, catering, beauty and health, sports, cultural business and pet care. Meanwhile, FTG is the platform for the tourism and leisure business, engaging in businesses such as the operation of tourism destinations, resort and hotels, services and solutions in tourism and leisure settings.

Yuyuan is one of the earliest witnesses, participants and builders of China’s capital market. After the completion of major asset reorganization in 2018, Yuyuan became the flagship platform of Fosun’s Happiness segment. Leveraging the Group’s global platform and resource empowerment system, Yuyuan is gradually focusing its strategic vision on family customers, and continues to develop the “1+1+1” strategy (i.e. running “family happiness consumption industry + urban industry landmarks + online and offline membership and service platforms”). At present, Yuyuan takes the promotion of “oriental lifestyle aesthetics” as its top priority, adheres to the strategy of developing business with the twin-driver of “industry operations and industrial investment”, and owns 17 Chinese time-honored brands and a number of leading brands, including Songhelou (松鶴樓), Laomiao (老廟黃金), AHAVA, etc. Yuyuan will continue to accelerate the process of building up its global business presence, popularize the concepts of “oriental lifestyle aesthetics”, and aspires to develop itself into a world-class group in the family happiness and consumption industry.

As an important part of “happiness consumption”, “a bottle of good liquor” is also a catalyst for the maturation of the Group’s ecosystem of businesses catering to the needs of families worldwide. Since the Group invested in the spirits business, it has continued to drive its strategic business development and build up its ecosystem of resources, boosting consistently sales in key markets across China.

Shede Spirits, a platform-based enterprise of the Group’s liquor and spirits businesses, is principally engaged in the design, manufacture and sales of liquor and spirits products, with “Shede” (舍得) and “Tuopai” (沱牌) as its core brands and cultivated brands such as “Tianzihu” (天子呼), “Tunzhihu” (吞之乎) and “Shebude” (舍不得). In recent years, Shede Spirits has pressed ahead with the “aged spirits strategy”, the “multi-brand matrix strategy”, the “brand rejuvenation strategy” and the “internationalization strategy”, focusing on improving brand awareness and actively increasing market share. Shede Spirits’ mission is to “brew a beautiful life for families worldwide and spread the beauty of Chinese liquor and spirits”, and its vision is to “become an innovation-driven world-class liquor and spirits enterprise that leads in culture and maintains ecosystem sustainability”.

FTG is a global leader in family leisure and tourism and is an integral part of the Happiness segment. FTG covers three major business areas: resorts and hotels, tourism destinations, and services and solutions in various tourism and leisure settings. The resorts and hotels business consist of Club Med, a French-based all-inclusive leisure and vacation experience resort, Casa Cook, a lifestyle hotel, Cook’s Club, a new-generation trendy resort, and other brands. During the Reporting Period, with FTG’s continuous development both locally and globally, FTG opened Changbaishan resort, Marbella resort, Thousand Island Lake resort, Club Med Joyview Yanqing (Phase II), Tignes resort and Club Med Kiroro Peak in Hokkaido. Its tourism destinations include Atlantis Sanya, a one-stop destination for entertainment, leisure and integrated travel and vacation, FOLIDAY Town, a comprehensive leisure and vacation destination, and other projects. With the acquisition of Thomas Cook, one of the world’s oldest travel brands, and the re-establishment of the Thomas Cook digital platforms in China and the United Kingdom, FTG’s services and solutions in various tourism and leisure settings segments are now directly connected to its customers.

Lanvin Group is a global luxury fashion group, managing iconic brands worldwide including one of the oldest operating French couture houses Lanvin, Austrian luxury skin wear brand Wolford, Italian luxury shoemaker Sergio Rossi, American women’s knitwear brand St. John Knits, and high-end Italian menswear maker Caruso. Harnessing the innovative concept and the power of its unique strategic alliance of industry-leading partners in the luxury fashion sector, Lanvin Group strives to expand the global footprint of its portfolio brands and achieve sustainable growth through strategic investment and extensive operational know-how,

combined with an intimate understanding and unparalleled access to the fastest-growing luxury fashion markets in the world.

WEALTH SEGMENT

The Group's Wealth segment mainly consists of financial services with insurance as the core business. On the basis of achieving synergy between insurance and industrial asset allocation, it leverages the Group's profound industry operations capability and global investment capability to build an ecosystem of its global asset management businesses, helping the Group's Health, Happiness and Intelligent Manufacturing segments to achieve industrial enhancement.

The Wealth segment is divided into two major sub-segments, namely insurance and asset management. The insurance business includes overseas and domestic insurance businesses, with major member companies including Fosun Insurance Portugal, Peak Reinsurance, Pramerica Fosun Life Insurance and Fosun United Health Insurance. The asset management business covers asset management (investment) and asset management (property). Asset management (investment) includes Fosun Capital, Fosun RZ Capital, HAL and BCP. The asset management (property) business covers comprehensive real estate projects in China, Asia Pacific, Europe and the Americas, including such asset types as residential properties, office buildings, commercial properties, hotels, infrastructure and logistics facilities, etc.

Fosun Insurance Portugal is a leading participant in the Portuguese insurance market and a global insurance operator, covering the sale of products in all key lines of business and benefiting from the largest and most diversified insurance sales network in Portugal, including numerous exclusive and multi-brand agents, brokers, own branches, Internet and telephone channels and a strong distribution system with the post office and Caixa Geral de Depósitos S.A., the leading Portuguese bank. Its international business covers 11 countries, with products distributed in the four continents of Europe, Asia, Africa and the Americas.

Authorized by the Insurance Authority of Hong Kong under the *Insurance Ordinance (Cap. 41)*, Peak Reinsurance is a global reinsurer that offers comprehensive and extensive products and services encompassing both property & casualty (P&C) and life & health (L&H) reinsurance. Peak Reinsurance strives to provide clients around the globe with innovative and tailored reinsurance, risk management and capital management solutions.

Pramerica Fosun Life Insurance is a joint venture established by the Group and The Prudential Insurance Company of America. With the approval of the regulatory authority, it was formally established in September 2012 and both shareholders hold 50% equity interest in the joint

venture. The businesses of Pramerica Fosun Life Insurance include life insurance, accident insurance, and reinsurance business of the above-mentioned businesses.

Established in 2007, Fosun Capital is an equity investment and management company wholly owned by the Group. It is a leading private equity investment institution in the industry with focuses on four major areas: new materials and intelligent manufacturing, digital economy and broad consumption, healthcare, and new-generation information technology. In the past 16 years since its establishment, Fosun Capital has launched and managed a number of assets, including fund of funds, private equity investment funds, industry investment funds with listed companies as investees and other types of equity investment funds.

Fosun RZ Capital is a global venture capital platform of the Group focusing on new technology, new energy and new fields in overseas markets, which is also one of the investment institutions with the richest industrial resources in China. Concentrating on investment in high-growth, high-tech companies in major economic growth regions worldwide for a long time, Fosun RZ Capital has developed an influential ecosystem for innovation at globalized industries.

HAL is a leading private bank in Germany with a business focus on managing, preserving, serving and trading clients' assets. HAL adopts a diversified and asset-light business model for running four core businesses, namely Asset Service, Private and Corporate Banking, Investment Banking and Asset Management.

BCP is a Portuguese bank that puts people and institutions first, providing comprehensive financial services for both individuals and businesses in markets where it operates. It mainly provides commercial banking products and services for individuals and businesses, and also provides complementary services such as investment banking and private banking services. BCP not only is the largest private bank in Portugal but also has been strengthening its position in emerging markets in Europe and Africa, especially in Poland, Mozambique and Angola, which have close historical connections with Portugal. BCP also owns a leading digital bank called "ActivoBank".

INTELLIGENT MANUFACTURING SEGMENT

On 14 March 2023, Fosun High Technology, Fosun Industrial Investment and Fosun Industrial Development (each a subsidiary of the Company, as sellers) entered into the equity transfer agreement with Shagang Group and Shagang Investment (as purchasers) to dispose of 60% equity interest in Nanjing Nangang. As of the signing date of such agreement, Nanjing Nangang held 59.10% equity interest in Nangjing Iron & Steel. As at the date of this announcement, the abovementioned transaction has not been completed. For further details, please refer to the

announcement of the Company dated 14 March 2023. Looking forward, the Group's Intelligent Manufacturing segment will mainly focus on mineral oil and gas resources and intelligent manufacturing, and actively expand relevant industries with high added value of technology, such as fields of new materials and smart mobility. The Group's mineral oil and gas resources business, represented by Hainan Mining, continues to maintain rapid growth under the cycle of continuous global commodity boom. At the same time, with the vigorous development of intelligent manufacturing services represented by Easun Technology, other companies under the Group's Intelligent Manufacturing segment are expected to benefit of the growth of rapid development of the industry.

Nangjing Iron & Steel adheres to the leadership of technology innovation, through years of continuous investment in the development of high-end medium and thick plates and long-material special steel products, laying the foundation in new energy, oil and gas equipment, ship and offshore engineering platform, auto parts, engineering machinery, bridges and other fields, and fully welcomes the industrial upgrading of Chinese manufacturing industry. By improving the capacity of global resource allocation, it will accelerate the construction of 6.5 million tonnes of new coke materials in Indonesia, graft global resources, improve the layout of industrial chains, and meet the development opportunities of countries along the "Belt and Road". At the same time, Nangjing Iron & Steel adheres to the "intelligent transformation and digital transformation", and accelerates the integration of advanced technology and advanced manufacturing of the industrial Internet with the twin driver of "data governance + industrial internet platform", and drives the transformation of traditional industries with advanced digital technology. In addition, Nangjing Iron & Steel actively invests in carbon reduction and emission reduction to prepare for carbon peak and carbon neutrality in the steel industry. It increases ESG investment, completes the acquisition of Besino Environment, and continuously improves ESG standards.

Hainan Mining focuses on the exploration of mine resources, and has become a leading enterprise in domestic iron ore and oil and gas upstream business possessing technology and management advantages following years of operation. Shilu iron field under Hainan Mining has been once named as the "richest iron mine in Asia", while ROC, a subsidiary of Hainan Mining, has recorded excellent results in its cooperation with state-owned oil company. Over the years, Hainan Mining has continued to reduce costs and enhance efficiency through lean management, increased its core competitiveness through scientific research and innovation, and grasped market opportunities arising from cycle fluctuation, thus realizing continuous growth in its major operations. Since 2021, Hainan Mining has actively promoted industry transformation and upgrade, and focused on the new energy upstream industry, which is in line with national development strategic plans and can achieve long-term growth, and the clean energy industry with natural gas as major energy source. The 20,000 tonnes lithium hydroxide

project (phase I) invested by Hainan Mining in Yangpu Economic Development Zone has officially begun construction. Hainan Mining is actively facilitating the acquisition and development of the Bougouni lithium mine in Mali, Africa. Striving to achieve sustainable and high-quality development, through the twin-driver strategy of “industry operations + industrial investment”, Hainan Mining will continue to strengthen the three main tracks of “iron ore + oil and gas + new energy”, and actively grasp opportunities in Hainan Free Trade Port, aiming to become an “industrial investment and development group based from strategic resources with international presence”.

Wansheng focuses on the R&D, production and sales of functional fine chemicals. It thoroughly develops the phosphorus-based flame-retardant business, and is a leader of the world’s phosphorus-based flame-retardant industry. Considering the foundation of its existing businesses, the resources of Fosun’s ecosystem of businesses, and the development trend of the chemical industry, together with its own current business volume and its plan for development, Wansheng classifies its future development into three categories of business segments, namely “core businesses” such as the polymer additives business, which will keep consolidating its foundation and growing stronger and larger; “developing businesses” such as the amines and daily chemical raw materials businesses which are gradually optimizing their product portfolio, expanding market shares, and striving to become leading functional daily chemical raw materials-producing enterprises in China; and “strategically important businesses” which include the new energy materials business, electronic chemicals business and biotechnology business, and will continue to promote technological innovation, step up investment in R&D, build up their business presence with foresight and seek development opportunities based on existing advantages and resources in their ecosystem of businesses. In the future, Wansheng will endeavor to become “the world’s leading enterprise of functional new materials” which will drive its own development with a low-carbon-emission approach and innovation.

TARGET FOR 2023

The year of 2022 marked the 30th anniversary of the founding of the Group. After years of development and accumulation of experience, the Group has completed the business layout for core operations such as medical, consumption, tourism and financial services, covering over 35 countries and regions. It has built strong business fundamentals and great potential for further development. Looking forward, the Group will give full play to its capabilities in the fields of globalization, technology and innovation, ecosystem of business and FES, adhere to the development strategy based on the twin drivers of “profound industry operations + industrial investment”, fulfill its social responsibility with its original aspiration of “Contribution to Society”, and work hard and step forward with determination so as to achieve steady and sustainable development.

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS REVIEW

During the Reporting Period, the revenue of the Group amounted to RMB175,393.4 million, representing an increase of RMB14,102.2 million, or 8.7%, compared to the same period of 2021. On the segment level, during the Reporting Period, the revenue of Health, Happiness, Wealth and Intelligent Manufacturing segments reached RMB48,001.3 million, RMB70,739.5 million, RMB47,722.4 million and RMB10,355.6 million, respectively, representing a year-on-year increase of 9.1%, 5.7%, 9.2% and 33.8%, respectively. From the perspective of product lines, during the Reporting Period, revenue of pharmaceutical, devices and diagnosis, and healthcare services and products subsectors of the Health segment represents 64%, 14% and 22% of the total Health segment revenue of the Group, respectively; revenue of brand consumer and tourism and leisure of the Happiness segment represents 80% and 20% of the total Happiness segment revenue of the Group, respectively; revenue of insurance, asset management (property), asset management (investment) of the Wealth segment represents 68%, 22% and 10% of the total Wealth segment revenue of the Group, respectively; revenue of resources and environment, technology and intelligent manufacturing of the Intelligent Manufacturing segment represents 46% and 54% of the total Intelligent Manufacturing segment revenue of the Group, respectively.

REVENUE BY SEGMENT OF THE GROUP

Unit: RMB million

Segment	For the year ended 31 December 2022	Proportion	For the year ended 31 December 2021	Proportion	Change over the same period of last year
Health	48,001.3	27.1%	43,979.8	27.1%	9.1%
Happiness	70,739.5	40.0%	66,898.3	41.2%	5.7%
Wealth	47,722.4	27.0%	43,699.4	26.9%	9.2%
Insurance	32,427.8	18.3%	32,149.3	19.8%	0.9%
Asset Management	15,294.6	8.7%	11,550.1	7.1%	32.4%
Intelligent Manufacturing	10,355.6	5.9%	7,736.9	4.8%	33.8%
Eliminations	(1,425.4)		(1,023.2)		
Total	175,393.4	100.0%	161,291.2	100.0%	8.7%

PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT BY SEGMENT OF THE GROUP

As at the end of the Reporting Period, equity attributable to owners of the parent of the Group amounted to RMB121,520.9 million, while such indicator was RMB130,995.0 million in the end of 2021. During the Reporting Period, profit attributable to owners of the parent of the Group amounted to RMB538.7 million, while such indicator was RMB10,084.5 million in the same period of 2021.

Unit: RMB million

Segment	For the year ended 31 December 2022	Proportion	For the year ended 31 December 2021 (Restated)	Proportion	Change over the same period of last year
Health	1,348.7	224.0%	2,029.0	20.0%	(33.5%)
Happiness	1,561.4	259.3%	(599.3)	(5.9%)	360.5%
Wealth	(3,509.8)	(582.9%)	5,160.1	50.7%	(168.0%)
Insurance	(1,599.0)	(265.5%)	1,461.3	14.4%	(209.4%)
Asset Management	(1,910.8)	(317.4%)	3,698.8	36.4%	(151.7%)
Intelligent Manufacturing	1,201.9	199.6%	3,577.6	35.2%	(66.4%)
Eliminations	(63.5)		(82.9)		
Total	538.7	100.0%	10,084.5	100.0%	(94.7%)

ASSET ALLOCATION OF THE GROUP

As at the end of the Reporting Period, total assets of the Group amounted to RMB823,146.1 million, representing an increase of 2.1% compared to the end of 2021.

Unit: RMB million

Segment	As at 31 December 2022	Proportion	As at 31 December 2021 (Restated)	Proportion	Change over the end of 2021
Health	120,454.2	14.5%	107,246.0	13.1%	12.3%
Happiness	200,118.0	24.0%	194,480.7	23.8%	2.9%
Wealth	465,434.2	55.8%	467,826.4	57.3%	(0.5%)
Insurance	196,321.1	23.6%	208,579.8	25.6%	(5.9%)
Asset Management	269,113.1	32.2%	259,246.6	31.7%	3.8%
Intelligent Manufacturing	47,424.5	5.7%	47,755.8	5.8%	(0.7%)
Eliminations	(10,284.8)		(11,031.3)		
Total	823,146.1	100.0%	806,277.6	100.0%	2.1%

Corporate Structure of Main Business¹ (as of 31 December 2022)

Health ²			Happiness ³		Wealth			Intelligent Manufacturing ⁴	
Pharmaceutical	Devices & Diagnosis	Healthcare Services & Products	Brand Consumer	Tourism & Leisure	Insurance	Asset Management (Investment)	Asset Management (Property)	Resources & Environment	Technology & Intelligent Manufacturing
Fosun Pharma 600196.SH 02196.HK 36.04%	Sisram Med (Israel) 01696.HK	Fosun Health	Yuyuan 600655.SH 61.79%	FTG 01992.HK 78.02%	Fosun Insurance Portugal (Portugal) 84.9892%	HAL (Germany) 99.69%	28 Liberty (US) 100%	Nanjing Iron & Steel ¹⁵ 600282.SH 59.08%	Easun Technology ¹⁶ 83.70%
Shanghai Henlius 02696.HK		Luz Saúde ⁵ (Portugal) 99.86%	Jinhui Liquor ⁹ 603919.SH 25%	Club Med (France)	Peak Reinsurance 86.71%	Guide (Brazil) 74.47%	BFC ¹⁴ 100%	Besino Environment 834429.OC	Gangbao 834429.OC
Gland Pharma (India) GLAND		Shanghai Zhuli ⁶ (Fosun Care) 90.91%	Shede Spirits ¹⁰ 600702.SH 30.22%	Atlantis Sanya	Pramerica Fosun Life Insurance 50%	Fosun Wealth 100%	IDERA (Japan) 98%	Hainan Mining 601969.SH 45.87%	Wansheng 603010.SH
Sinopharm 01099.HK		Sanyuan Foods ⁷ 600429.SH 18.19%	Fosun Sports 92.01%	Thomas Cook Lifestyle Platform	Yong'an P&C Insurance 14.69%	Fosun Capital 100%	PAREF (France) PAR.PA 59.87%	ROC (Australia)	JEVE ¹⁷ 49.95%
		Baby Tree ⁸ 01761.HK 29.80%	Baihe Jiayuan 72.86%		Fosun United Health Insurance 20%	Shanghai Insight ¹³ (Fosun RZ Capital) 100%			
			Bohe Health ¹¹ 29.85%			BCP (Portugal) BCP.LS 29.95%			
			Lanvin Group LANV.NYSE 64.94%			Cainiao 3.56%			
			St Hubert ¹² (France) 98.12%						

Notes:

1. This simplified corporate structure illustrates the key investments of the Group only. The equity percentage reflects the total direct shareholdings held by the Group, associates, joint ventures and funds managed by the Group as at 31 December 2022. The companies marked in the solid line boxes are consolidated investments of the Group, and the companies marked in the dotted-line boxes are non-consolidated investments of the Group. The companies marked in the shaded boxes are channels for C-end top priority of the Group.
2. The companies marked in the light-blue boxes are invested by Fosun Pharma. For specific information, please refer to the disclosure of Fosun Pharma.
3. The companies marked in the light-yellow boxes are invested by Yuyuan. For specific information, please refer to the disclosure of Yuyuan. The companies marked in the light orange boxes are invested by FTG. For specific information, please refer to the disclosure of FTG.
4. The companies marked in the light-green boxes are invested by Nanjing Iron & Steel. For specific information, please refer to the disclosure of Nanjing Iron & Steel. The company marked in the light-purple box is invested by Hainan Mining. For specific information, please refer to the disclosure of Hainan Mining.
5. Fidelidade held 99.86% equity interest in Luz Saúde. Therefore, the Group held 84.87% effective equity interest in Luz Saúde.
6. Shanghai Zhuli operates “Fosun Care” brand. The Group through its wholly-owned and non-wholly-owned subsidiaries held 87.35% and 3.55% equity interest, respectively, in Shanghai Zhuli. The Group held 39.99% effective equity interest in such non-wholly-owned subsidiary. Therefore, the Group held 88.78% effective equity interest in Shanghai Zhuli.
7. The Group through its wholly-owned subsidiary and a consolidated fund under management of the Group held 14.45% and 3.73% equity interest, respectively, in Sanyuan Foods. The Group held 37.20% effective equity interest in such fund. Therefore, the Group held 15.84% effective equity interest in Sanyuan Foods.
8. The Company and its wholly-owned subsidiary held 29.77% equity interest in BabyTree, and Fidelidade held 0.14% equity interest therein. Therefore, the effective equity interest held by the Group in BabyTree was 29.88%.
9. Yuyuan held 25% equity interest in Jinhui Liquor; therefore, the Group held 15.45% effective equity interest in Jinhui Liquor.
10. Yuyuan held 70% equity interest in its joint venture, Sichuan Tuopai Shede Group Co., Ltd., which held 30.22% equity interest in Shede Spirits.
11. The Group through its two subsidiaries held 28.97% equity interest in Bohe Health, and Yuyuan through its wholly-owned subsidiary held 0.88% equity interest in Bohe Health. Therefore, the Group held 28.66% effective equity interest in Bohe Health.
12. The Group through its 51%-owned subsidiary held 98.12% equity interest in St Hubert SAS. Therefore, the Group held 50.04% effective equity interest in St Hubert SAS.
13. Shanghai Insight Investment Management Limited exclusively uses “Fosun RZ Capital” brand.
14. In March 2022, the Group acquired 50% equity interest in BFC. As at the end of the Reporting Period, the Group held 100% equity interest in BFC.
15. The Group held 59.08% equity interest in Nanjing Iron & Steel through Nanjing Nangang, a joint venture of the Group. On 14 October 2022, Shagang Group (as purchaser) and certain subsidiaries of the Group (as sellers) entered into a framework agreement. Subsequently on 14 March 2023, Shagang Group and its subsidiary (as purchaser) and certain subsidiaries of the Group (as sellers) entered into an equity transfer agreement. Please refer to note 11 to the audited consolidated financial statements and the announcement of the Company dated 14 March 2023 for more information.
16. The Group held 59.07% equity interest in Easun Technology through its wholly-owned subsidiaries and consolidated funds under its management. Therefore, the Group held 48.42% effective equity interest in Easun Technology. In addition, the non-consolidated entities in which the Group participated in the investment held 24.63% equity interest in Easun Technology.
17. The Group through its wholly-owned subsidiary and a consolidated fund under management of the Group held 16.30% and 2.12% equity interest, respectively, in JEVE. The Group held 22.14% effective equity interest in such fund. Therefore, the Group held 16.77% effective equity interest in JEVE. In addition, the non-consolidated entities in which the Group participated in the investment held 31.53% equity interest in JEVE.

HEALTH

During the Reporting Period, the revenue and profit attributable to owners of the parent of the Health segment were as follows:

Unit: RMB million

	For the year ended 31 December 2022	For the year ended 31 December 2021	Change over the same period of last year
Revenue	48,001.3	43,979.8	9.1%
Profit attributable to owners of the parent	1,348.7	2,029.0	(33.5%)

During the Reporting Period, the revenue of Health segment amounted to RMB48,001.3 million, representing a year-on-year increase of 9.1%. Profit attributable to owners of the parent of Health segment amounted to RMB1,348.7 million, representing a year-on-year decrease of 33.5%. The increase in revenue of the Health segment was mainly attributable to the product sales growth of Fosun Pharma. The decrease in profit of the Health segment during the Reporting Period was mainly attributable to price decrease of financial assets such as BNTX shares as compared with the end of 2021.

Fosun Pharma

As at the end of the Reporting Period, the Group held approximately 36.04% equity interest in Fosun Pharma.

During the Reporting Period, Fosun Pharma continued to promote the development and launch of innovative products and enhance global operation/commercialization capabilities. It further sorted its internal business and promoted the improvement of operational efficiency, and continued to optimize its digital technologies and means, focusing on building a digital business middle-end platform, management middle-end platform and data middle-end platform.

During the Reporting Period, Fosun Pharma realized a revenue of RMB43,811 million, representing a year-on-year increase of 12.73%. Net profit after deducting extraordinary gain or loss attributable to shareholders of the listed company amounted to RMB3,879 million, representing a year-on-year increase of 18.37%. Net cash flow from operating activities amounted to RMB4,218 million, representing a year-on-year increase of 7.1%. During the Reporting Period, the recorded extraordinary loss amounted to RMB142 million, representing a year-on-year decrease of RMB1,593 million, which was mainly due to the changes in fair value of financial assets, such as the BNTX shares, held by Fosun Pharma, among which, the

net impact of fair value change and the share disposal of BNTX shares during the year amounting to a loss of approximately RMB1 billion. Due to the year-on-year decrease in extraordinary gain or loss, Fosun Pharma's net profit attributable to shareholders of the listed company amounted to RMB3,737 million during the Reporting Period, representing a year-on-year decrease of 20.98%. During the Reporting Period, Fosun Pharma continued to increase its R&D expenditures, which amounted to RMB5,885 million for the year, representing a year-on-year increase of 18.22%, among which the R&D expenses amounted to RMB4,302 million, representing a year-on-year increase of RMB465 million or 12.12%.

As at the date of this announcement, the pharmaceutical manufacturing segment of Fosun Pharma generated revenue of RMB30,693 million, representing a year-on-year increase of 6.68%, of which: 1) new products and sub-new products maintained rapid growth, representing a year-on-year increase of over 20%; the revenue of new products and sub-new products accounted for more than 30% of the revenue of the pharmaceutical manufacturing segment, mainly due to the revenue contribution from newly launched products, Han Si Zhuang and Jie Bei An (Azvudine tablets), and the growth contribution of the sub-new products, Han Qu You (trastuzumab injection) and Su Ke Xin; 2) the year-on-year decrease of 6% in revenue of Gland Pharma (based on the financial statements of Gland Pharma in its reporting currency) was due to factors including the suspension of production for upgrading two insulin production lines, and the capacity of production and the capacity to undertake orders being affected by the supply shortage of injection packaging materials; 3) the sales volume of Comirnaty (mRNA COVID-19 vaccine) decreased year-on-year by 30%. Due to the increase in the proportion of revenue from new products and sub-new products and the optimization of product structure, the gross profit margin of the pharmaceutical manufacturing segment increased year-on-year, and the sales expense ratio decreased year-on-year, the segment results amounted to RMB3,795 million, representing a year-on-year increase of 28.04%. The segment profit amounted to RMB3,419 million, representing a year-on-year increase of 30% (excluding the gain or loss from the sales of BNTX shares held).

During the Reporting Period, the R&D expenditures in the pharmaceutical manufacturing segment of Fosun Pharma amounted to RMB5,097 million, representing a year-on-year increase of 13.62%. Total R&D expenditures in the pharmaceutical manufacturing segment accounted for 16.54% of the revenue from the pharmaceutical manufacturing segment. In particular, R&D expenses amounted to RMB3,552 million, accounting for 11.53% of the revenue from the pharmaceutical manufacturing segment.

As at the date of this announcement, a number of Fosun Pharma's innovative products/indications have been approved for launch: Han Si Zhuang (serplulimab injection), the first self developed biopharmaceutical innovative drug of Fosun Pharma, has been

successively approved for three indications, i.e. microsatellite instability-high (MSI-H) solid tumors, squamous nonsmall cell lung cancer (sqNSCLC) and extensive-stage small cell lung cancer (ES-SCLC). Comirnaty BNT162b2 and Comirnaty Bivalent Vaccine have been officially registered in Hong Kong and approved as a regular imported vaccine in Macau, while the related dosage forms for children and infants have been granted emergency use authorization (EUA) for the government vaccination programs in Hong Kong and Macau, respectively. The innovative indication Rheumatoid Arthritis (RA) of Han Li Kang (rituximab injection) has been approved for launch and included in the National Basic Medical Insurance, Work-Related Injury Insurance and Maternity Insurance Drugs Catalogue (2022) (《國家基本醫療保險、工傷保險和生育保險藥品目錄(2022年)》) (the “National Medical Insurance Drug Catalogue”). The Azvudine tablets jointly developed by Fosun Pharma and Genuine Biotech obtained the emergency conditional approval from the NMPA in July 2022 for use in treatment of adult patients suffering moderate COVID-19. Keverprazan Hydrochloride tablets (trade name: Bei Wen (倍穩)), the first potassium ion competitive acid blocker (P-CAB) independently developed in China, jointly developed by Fosun Pharma and Carephar, and exclusively commercialized by Fosun Pharma, was approved for launch in Chinese mainland in February 2023 for the treatment of duodenal ulcer (DU) and reflux esophagitis (RE). Han Qu You (trastuzumab injection), independently developed by Fosun Pharma and licensed to Cipla, has been approved for launch in Australia, and its approved indications cover all approved indications of the branded drug in that country.

During the Reporting Period, six self-developed innovative drugs (indications), four license-in innovative drugs (indications) and 27 generic drugs (indications) of Fosun Pharma were approved for launch in Chinese mainland/Hong Kong/U.S. seven innovative drugs (indications) and 30 generic drugs (indications) had applied for launch (NDA) in Chinese mainland. 22 innovative drugs (indications) were approved for clinical trials (IND) in Chinese mainland.

The Group implemented its internationalization strategy in multiple dimensions including innovative R&D, license-in projects, production and operation as well as commercialization. The Group had cultivated a global BD team for deployment in frontier areas through R&D cooperation and license-in projects, while drug clinical and registration teams in the U.S., Africa, Europe and India continued to strengthen overseas drug registration and application capabilities. The Group also accelerated the international quality system certification of domestic production lines, and deepened its international marketing capabilities so as to further expand the international market. During the Reporting Period, Fosun Pharma and Amgen’s subsidiary entered into license agreements regarding the exclusive commercialization of its 2 innovative drugs, namely Otezla (apemilast tablets) and Parsabiv (etelcalcetide), in Chinese mainland (excluding Hong Kong, Macau and Taiwan region, China). Fosun Pharma reached collaborations on a number of overseas innovative products such as the immune inhibitor

Grafalon (anti-human T lymphocyte rabbit immunoglobulin injection) and a bifunctional HER2-sialidase fusion protein. Shanghai Henlius, a subsidiary, successively granted various product licenses to Organon, Eurofarma, Abbott, Getz Pharma and other companies, in order to cover incremental markets with the help of leading international partners. In addition, Gland Pharma, a subsidiary, proposed to acquire Cenexi, a European CDMO company, with a maximum total amount payable of up to EUR210 million, so as to strategically establish its CDMO business presence in the European market and build up local manufacturing capabilities in Europe.

During the Reporting Period, Fosun Pharma recorded revenue of RMB6,933 million from the medical devices and medical diagnosis segment, representing a year-on-year increase of 16.97%. Segment results amounted to RMB521 million after eliminating the effects from the transfer of the equity interest in Yaneng Biotech during 2021 and others, which increased by 11.87% on the same basis, and segment profit amounted to RMB771 million, which increased by 2.33% on the same basis. The growth in medical devices and medical diagnosis segment was mainly attributable to: 1) the strong business growth of Sisram Med in major markets, such as North America and Europe benefitted from launch of new products and expansion of channels; and 2) revenue contribution from newly launched products such as COVID-19 antigen test kits.

During the Reporting Period, the revenue from healthcare services segment amounted to RMB6,076 million, representing a year-on-year increase of 47.65%. Excluding the effect of the factors such as the newly acquired Guangzhou Xinshi Hospital during the Reporting Period, the segment revenue achieved an increase of 33.56% on the same basis. The revenue growth was mainly benefited from the growth of the online business and the revenue recovery of the hospitals. Due to the relatively large investment in the online business, the periodic decrease in diagnosis and treatment volume of hospitals and the initial loss of newly opened hospitals and other factors, segment results during the Reporting Period amounted to a loss of RMB622 million, representing a year-on-year decrease of RMB255 million. Segment loss amounted to RMB792 million, representing a year-on-year decrease of RMB359 million.

Shanghai Henlius

As at the end of the Reporting Period, the Group held 59.31% equity interest in Shanghai Henlius.

Shanghai Henlius has strong global product commercialization capability. In order to achieve continuous growth in sales scale of products, Shanghai Henlius has an experienced commercialization team covering five major segments, namely market promotion, channel

management, pricing and market access, domestic sales and strategic planning. With a solid new drug pipeline and a rapid clinical advancement strategy, as of the end of the Reporting Period, five products (18 indications) under Shanghai Henlius were successfully launched in China, one of which was launched in countries/regions such as Europe and Australia. Independently developed by Shanghai Henlius, the novel PD-1 inhibitor Han Si Zhuang (serplulimab injectable) was approved by the National Medical Products Administration (NMPA) in March 2022. As at the end of the Reporting Period, the new drug application (NDA) for the fourth indication (esophageal squamous cell carcinoma (ESCC)) has been accepted in China (excluding Hong Kong, Macau and Taiwan region). The marketing authorization application (MAA) for Han Si Zhuang (serplulimab injectable) for the indication of extensive-stage small cell lung cancer in adult patients was approved by the European Medicines Agency. The biologic license application (BLA) for the Han Qu You was approved in the U.S. Meanwhile, Shanghai Henlius also established global cooperation with several internationally renowned partners for Han Li Kang (rituximab injection), Han Qu You, Han Da Yuan (adalimumab injection), Han Bei Tai (bevacizumab injection), HLX11 (recombinant anti-HER2 domain II humanized monoclonal antibody injection) and HLX14 (recombinant anti-RANKL human monoclonal antibody injection), obtaining remarkable achievements in internationalization for self-developed products. During the Reporting Period, core products continued to expand its sales, and Shanghai Henlius recorded an operating income of approximately RMB3,214.73 million[#], representing a year-on-year increase of 91.1%. (#Unaudited information)

As at the end of the Reporting Period, Shanghai Henlius with a total commercial production capacity of 48,000L has fully supported the commercialization needs of domestic and overseas approved marketing products. During the Reporting Period, the Songjiang First Plant, in which the drug substance west line and east line (with a total production capacity of 24,000L), drug product line and packaging line for the production of Han Qu You, has passed the drug GMP compliance inspection and it has a quality management system that meets the requirements of China's GMP regulations. In May 2022, Han Qu You for production site change, production process optimization and production scale expansion of drug product etc. was approved by the NMPA. The Songjiang First Plant was approved to commence commercial production of Han Qu You under the optimized new production process in Chinese Mainland. Besides, during the Reporting Period, the Songjiang First Plant has passed certification by Qualified Person (QP) from EU, indicating that the Songjiang First Plant and its supporting quality management system meet the requirements of EU's GMP regulations. As at the end of the Reporting Period, Shanghai Henlius' production capacity of 96,000L was under construction, and it is expected to reach a total production capacity of 144,000L in 2026, with an aim to gradually improve and enhance large-scale commercial production capacity based on a sound quality management

system, so that it can expand capacity and improve economic cost-effectiveness while maintaining high quality standards.

Gland Pharma

Established in 1978, Gland Pharma is one of the largest and fastest growing generic injectables manufacturing companies in India. In 2003, its flagship sterile injection plant in Hyderabad, India, with multiple delivery formats and production capabilities, received its first approval from the U.S. Food and Drug Administration (FDA). Gland Pharma has a consistent compliance record and its manufacturing facilities have been approved by regulatory authorities of various countries around the world, including FDA (US), MHRA (UK), TGA (Australia), ANVISA (Brazil), AGES (Austria) and BGV (Germany).

Gland Pharma has a presence in the U.S., Canadian, European, Australian and Indian markets. In addition to these markets, Gland Pharma has also strategically increased its business presence in the “Rest of the World” (“**ROW**”) markets to further strengthen its global position. During the Reporting Period, core markets which include the U.S., Europe, Canada, Australia and New Zealand have contributed 72% of the revenue. ROW markets and domestic market of India have contributed 18% and 10% of the revenue respectively. Gland Pharma is also building foundation to enter Chinese markets in collaboration with Fosun Pharma.

Gland Pharma’s main products include: cardiac (Enoxaparin Sodium), hematological system (Heparin Sodium), anti-infective (Vancomycin, Caspofungin, Daptomycin, Micafungin), central nervous system (Dexmedetomidine, Rocuronium Bromide), and other injections.

Fosun Pharma acquired approximately 74% equity interest in Gland Pharma in October 2017. Fosun Pharma has business relationships in China and Africa and the acquisition provides Gland Pharma with access to these two core growth markets for injectables. In November 2020, Gland Pharma was successfully listed in India with the largest initial public offering (IPO) of INR64.795 billion in the Indian healthcare industry. As at the end of the Reporting Period, Fosun Pharma held 57.86% equity interest in Gland Pharma.

Over the years, Gland Pharma has grown up from a contract manufacturer of small volume liquid parenteral products to a reliable generic injectables manufacturing company in India with a global footprint across over 60 countries. Gland Pharma has a track record of supporting the requirements of global pharmaceutical companies for a wide range of injectables through B2B model. Its B2B model covers intellectual property led, technology transfer and contract manufacturing models. In addition, in the Indian market, Gland Pharma also adopts B2C model through which its products mainly targeted at end consumers such as hospitals, nursing homes

and government agencies. The unique and significant advantages of Gland Pharma in the entire pharmaceutical value chain have helped it to achieve exponential growth. Gland Pharma is now exploring to foray into complex injectables and Biologic/Biosimilar CDMO (Contract Development Manufacture Organization) business after delivering excellence over the past four years in small molecule generics injectables.

With its eight production facilities in India, comprising four operational formulations facilities with a total of 28 production lines and four API facilities, Gland Pharma continues to strengthen its manufacturing capabilities. The formulation manufacturing facilities consist of two multiples sterile injectables facilities, one dedicated Penems facility and one oncology facility. During the Reporting Period, Gland Pharma adhered to the international R&D strategy, launched a number of approved generic drugs, and continued the strategy to introduce these products into the Chinese market. During the Reporting Period, Gland Pharma's revenue was INR39,425 million, representing a year-on-year decrease of 5.8%. This is primarily due to continued challenges in non-availability of APIs and primary packing materials which caused delay in production during the Reporting Period, apart from higher base of previous year due to COVID-19 related sales in last year. (Note: Based on Gland Pharma's financial statements in its presentation currency).

Gland Pharma through its subsidiary entered into a share purchase agreement to acquire 100% equity interest in Cenexi. Founded in 2004, Cenexi, along with its subsidiaries, is engaged primarily in the business of Contract Development & Manufacturing Operations (CDMO) of pharmaceutical products with large expertise in sterile liquid and lyophilized fill-finished drug, including capabilities on oncology and complex products. It has presence across four manufacturing sites in Europe which include three sites in France and one site in Belgium. Gland Pharma has a strategic focus on expanding its CDMO offerings in the European market and build a manufacturing presence in the market. The acquisition provides Gland Pharma access to niche technologies like needleless injectors, ophthalmic gels, and hormones, and will help expand Gland Pharma's global presence and further solidify its identity as an injectable focused CDMO company. The closing of the transaction is subject to, among others, customary closing conditions and receipt of the necessary regulatory approvals. As at the date of this announcement, the abovementioned transaction has not been completed.

Going forward, Gland Pharma will continue to invest in R&D and production capabilities, strengthen vertical integration and expand API production capacity to reduce dependence on APIs purchased externally. Meanwhile, Gland Pharma will accelerate its growth through mergers and acquisitions, focusing on complex technology and product platforms (e.g. long-acting/suspension products), complex API raw material production technologies (e.g. fermentation technology), etc.

Sisram Med

Sisram Med, as a global group company developing its wellness business, is deeply rooted in the medical aesthetics industry for over two decades, specializing in the R&D and application of the technologies related to natural energy sources, providing customers with solutions for the treatment of medical aesthetics and related medical clinical indications.

Sisram Med continued to increase and expand the diversity of their products and treatments portfolio, covering a number of wellness businesses, such as hair removal, skin rejuvenation, acne and acne scars, body & face contouring, pigmentation & skin resurfacing, fat grafting, dermal facial fillers, skin tissue remodeling injectables, personal care and aesthetic dentistry.

As at the end of the Reporting Period, the Group held 71.03% equity interest in Sisram Med.

During the Reporting Period, Sisram Med achieved total revenue of USD354.5 million, representing an increase of 20.5% when compared to 2021. The overall increase was primarily attributable to the continuous expansion of existing distribution network alongside successful introduction of Alma Ted™, LMNT One™ and new B2C activity; revenue from medical aesthetics product line was USD306.9 million, representing a year-on-year increase of 18.7%; revenue from dental business line amounted to USD18.6 million, representing a year-on-year increase of 34.4%; revenue from injectable line amounted to USD9.2 million, representing a year-on-year increase of 43.9%; revenue from service and others amounted to USD19.8 million, representing a year-on-year increase of 27.4%; revenues from consumables amounted to USD6.2 million, representing a year-on-year increase of 22%.

During the Reporting Period, North America, APAC and Europe were Sisram Med's most important geographic segments by revenue contribution. Sisram Med has a wide distribution network across more than 90 countries/regions worldwide, including direct operation in ten direct offices. The revenue derived from North America increased by 28.2% to USD143.7 million in 2022 from USD112.0 million in 2021.

During the Reporting Period, Sisram Med's profit increased by 23.2% to USD40.1 million, the net cash flows from operating activities were USD22.0 million, and R&D cost was USD18.0 million.

For the energy-based aesthetics equipment business, Sisram Med insisted on iterative updates to achieve steady growth of the traditional flagship series and further expand the new series product lines. In March 2022, Sisram Med announced the launch of Alma TED™ for the U.S. market to further optimize its product portfolio. Alma TED™ is an ultrasound-based system

that offers a non-invasive and non-traumatic therapy to address the growing hair loss concerns in the market. Alma TED™ was introduced in the Canada market in August 2022. In the same month, Sisram Med also announced the launch of Alma Hybrid in Canada. This is the first laser device to include an ablative 10,600 nm (CO₂) laser and a non-ablative 1,570 nm laser for skin resurfacing that can be used independently, or as a tailored treatment solution by combining both wavelengths. This device is currently introduced in the Europe, US and Canada markets.

For the injectables business, in January 2022, Sisram Med agreed to contribute RMB2.6 million for the investment in Tianjin Xingsiyi Bio-technology Co., Ltd., which will be set up to engage in the R&D, technical services and supply of silk fibroin-sodium hyaluronate composite gel and facial implant thread-products. In 2022, Sisram Med entered sublicense-related agreements with Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd. to obtain the exclusive right to import and commercialize Daxxify, a long-lasting botulinum toxin, in mainland China, Hong Kong and Macau. Revance Therapeutics, Inc. (“**Revance**”), the head licensor, has successfully obtained the BLA for the aesthetic indications of the Licensed Product from FDA (U.S. Food and Drug Administration) in September 2022.

For the home-use personal care business, in March 2022, Sisram Med launched LMNT, a new personal care brand, to tap into the home-use personal care market, which is designed to achieve skin rejuvenation through multiple dimensions such as giving an instant glow and promoting collagen production in the comfort of consumers’ homes. LMNT uses a unique combination of channels to reach consumers roundly from multiple angles.

For the dental business, in March 2022, Sisram Med announced its investment of RMB35 million into Fuzhou Rick Brown Bio-technology Company Limited (“**Fuzhou Rick Brown**”). Fuzhou Rick Brown is an innovative bio-glass developer and manufacturer which adopts the digitally-aided aesthetic design, creates restoration products and unique non-invasive veneers.

During the Reporting Period, Sisram Med also expanded its channels. Sisram Med has established new direct offices in the United Kingdom in June 2022 and in Dubai in February 2023 to support the strong growth in demands for Sisram Med’s products and services in the European continent and the United Arab Emirates. With the successful launch of the new direct business channels, Sisram Med expects to further enhance its direct sales globally.

Fosun Health

With “striving to become a health management technology group worthy of worldwide family trust” as its vision and “making families healthier and life better” as its mission, Fosun Health provides users with one-stop healthcare services based on medical-grade trust and closed-loop

solutions throughout the treatment course, and gradually constructs a proactive health management model (FHMO) that integrates medicine and healthcare.

In the wake of the COVID-19 pandemic, online consultations and online drug purchases have become a new trend in medical care for residents. Fosun Health is committed to exploring an integrated online and offline service model to promote the digital transformation of medical services.

As at the end of the Reporting Period, Fosun Health obtained a total of ten internet hospital licenses. Some of its key member hospitals have launched the dual SaaS platform of digital cloud HIS and internet hospitals. Through digital infrastructure, Fosun Health integrated the online and offline, in-hospital and out-of-hospital scenarios to provide services such as medical centers and regional medical institution alliances, specialty care and insurance empowerment based on its specialized medical capabilities.

In terms of medical centers and regional medical institution alliance services, through continuous promotion of the integration of online and offline medical institutions, the expansion of primary medical services, the establishment of high-level medical disciplines and the facilitation of the integrated operation, Fosun Health cultivated regional healthcare model to form a regional healthcare services network surrounding key regions such as the Greater Bay Area and the Yangtze River Delta, and actively explored the international market expansion. During the Reporting Period, Fosun Health took self-operated flagship hospitals as the starting point to collaborate with regional medical institutions to integrate prevention, diagnosis, treatment and rehabilitation services, and to provide professional services including testing and diagnosis, in-patient treatment, follow-up consultation and drug purchase, whole-course management of specialized diseases and home rehabilitation guidance to meet the diversified medical needs of the users. Meanwhile, Fosun Health continued to improve the level of discipline and established key specialty committees. A number of hospitals controlled by Fosun Health have set up key specialties at a municipal level and provincial level in their regions, and projects in respect of certain disciplines have complete application for program under the National Natural Science Foundation of China. In addition, Fosun Health continued to strengthen its integrated operation, established a standardized system in respect of quality and safety, discipline construction, institutional management and healthcare services, and constantly improved the efficiency of asset management and quality control compliance. Costs have been significantly reduced through the centralized procurement of drugs and devices. As at the end of the Reporting Period, the hospitals controlled by Fosun Health had a total of 6,333 authorized beds.

In terms of specialized medical care, focusing on the field of key specialized diseases and the needs of patients, Fosun Health cultivated digital and intelligent capabilities for specialized disciplines, and established a system for doctor resources and a distinctive supply chain, thus gradually achieving management of disease throughout the treatment course. Fosun Health constructed a digital specialty center around key specialized diseases and efficiently integrated healthcare ecosystem resources. As at the end of the Reporting Period, Fosun Health has formed digital business cooperation with thousands of hospitals, and nearly 60,000 certified doctors in aggregate were registered on the platform for such cooperation. Breakthroughs in innovative models have been achieved in specialized disease areas including oncology and chronic kidney diseases, forming a closed loop connecting online and offline services both inside and outside the hospital. In addition, based on the development of the COVID-19 pandemic in China and the policy call, Fosun Health has established a COVID-19 prevention and treatment medical service platform and an appointment platform for Comirnaty Bivalent Vaccine to provide one-stop specialized medical services and increase brand awareness. At the same time, Fosun Health made steady progress in discipline development. By integrating the specialty resources of its hospitals and based on the empowerment by the digital platform, Fosun Health has established 12 major specialty alliances, including obstetrics and gynecology, cardiology, rehabilitation and orthopedics, to promote the horizontal connection between the specialties of member hospitals. Through the establishment of doctor groups, the team of leading experts in various specialties has been introduced to improve the level of discipline, and to empower internal and external discipline construction. During the Reporting Period, top specialists in urology and neurosurgery were introduced, and the doctor group model was put into operation in medical institutions controlled by Fosun Health.

Looking forward to 2023, leveraging its existing digital platform and medical resources, Fosun Health will continue to deepen its business deployment in the fields of medical centers and medical institution alliance services, specialized medical services and insurance empowerment, facilitate the integration of online and offline services, improve its specialized capabilities and life-cycle management system based on the course of disease, and accelerate the implementation of the proactive health management model (FHMO) that integrates medicine and healthcare. To this end, Fosun Health will continue to strengthen its core capabilities, including consolidating its system for doctor resources, improving its distinctive supply chain, enhancing its driving ability of scientific and technological innovation, improving its platform operation efficiency and ensuring proper operation of its quality control and compliance system.

Fosun Care (Shanghai Zhuli Investment Co., Ltd.)

Fosun Care is a brand covering multi-level health and senior care services formed by the Group around the vision of “creating happier lives for families worldwide” and promoting innovation

and service upgrading in the healthcare industry. Shanghai Zhuli, established in 2014, operates the brand “Fosun Care” and carries out its principal business through several investees, such as Shanghai Starcastle Senior Living Investment Management Co., Ltd. As at the end of the Reporting Period, the Group held 90.91% equity interest in Shanghai Zhuli. There are four major brands under Fosun Care, namely “Starcastle”, “Xingjian”, “Feng-Lin” and “Xingxiang”, covering senior care, integrated medical care, rehabilitation and nursing, community health, nursing, digital and intelligent platforms.

Since its establishment in 2012, Fosun Care has maintained a refined operation mode of high standard, high quality and high efficiency as always. It has listed in the top 10 of the “Excellent Index • Excellent Performance in the Operation of Senior Care Institutions” authoritative ranking issued by Guardian Index Research Institute for two consecutive years, demonstrating the comprehensive strength of Fosun Care. As at the end of the Reporting Period, Fosun Care invested in and operated senior care and nursing institutions in Beijing, Shanghai, Ningbo, Suzhou, Tianjin and other cities, with a total of nearly 11,000 beds held. During the Reporting Period, revenue of Fosun Care amounted to RMB137.41 million, representing a year-on-year increase of 10.78%.

In terms of ecosystem synergy within the Group, Fosun Care worked closely with insurance companies. The innovative marketing and collaboration of the “large-sum annuity insurance + senior community residency rights” insurance product in cooperation with Pramerica Fosun Life Insurance helped boost large-sum insurance sales, forming synergy between the insurance and health and wellness industries. During the Reporting Period, Fosun Care cooperated with Pramerica Fosun Life Insurance to acquire more than 1,600 relevant insurance policies in total.

In the future, focusing on “medical care, wellness, healthcare and enjoyment (醫、養、康、享)” as its core businesses, regarding its own asset management and operation capabilities as the cornerstone, and leveraging its “FEB+3C¹¹” refined operation system, Fosun Care will build a digital and intelligent 3C system for health and wellness communities, achieve a full-scenario digital platform. At the same time, Fosun Care will push forward the launch of industry funds, contrive the “1+1>2” ecological aggregation effect of “insurance + senior care”, and aim at becoming the benchmark in China’s senior care industry.

¹¹ FEB refers to the acronym of FTE (lean management) + Eden (ideas) + Buddy (resident partners), which represents the soft power of Fosun Care’s refined operation. 3C refers to the acronym for CareBox (full-cycle health management system), CareHome (smart home) and CareRobot (digital intelligent operation management terminal), which demonstrates the hard power of Fosun Care.

HAPPINESS

During the Reporting Period, the revenue and profit/(loss) attributable to owners of the parent of the Happiness segment were as follows:

Unit: RMB million

	For the year ended 31 December 2022	For the year ended 31 December 2021 (Restated)	Change over the same period of last year
Revenue	70,739.5	66,898.3	5.7%
Profit/(loss) attributable to owners of the parent	1,561.4	(599.3)	360.5%

During the Reporting Period, revenue of the Happiness segment amounted to RMB70,739.5 million, representing a year-on-year increase of 5.7%, which was mainly attributable to the strong revenue growth of FTG. During the Reporting Period, the profit attributable to owners of the parent was RMB1,561.4 million, representing an increase of 360.5% from the loss attributable to owners of the parent of RMB599.3 million for the same period in 2021, mainly due to the continuing recovery of FTG's overseas business.

Yuyuan

As at the end of the Reporting Period, the Group held approximately 61.79% equity interest in Yuyuan.

The businesses of Yuyuan mainly compose of jewelry and fashion, cultural business, cultural catering, food and beverage, beauty and health, Chinese fashion watches, cultural creativity, complex real estate, commercial management, etc. With the support of the global platform and resource empowerment system of the Group, Yuyuan has its strategic vision targeted at family customers while continuously following the "1+1+1" development strategy of "family happiness consumption industry + urban industry landmarks + online and offline membership and service platforms".

During the Reporting Period, Yuyuan's revenue for the year amounted to RMB50.12 billion, representing a year-on-year decrease of 3.6%, of which the sales revenue from the consumption industry increased against the trend, reaching RMB38.63 billion, representing a year-on-year increase of 16.7%. Since the strategic transformation in 2018, the income structure of Yuyuan has been continuously optimized, and the proportion of consumption industry income has risen to 77.1% during the Reporting Period.

While rapidly developing in the consumption industry, Yuyuan has also continuously improved the level of corporate ESG governance. In June 2022, MSCI announced the latest ESG rating results of Yuyuan, the MSCI ESG rating of Yuyuan has been upgraded from BB to BBB, which is MSCI's recognition of its ESG management performance, as well as an affirmation of its long-term investment value.

During the Reporting Period, the main business performance of Yuyuan is as follows:

- Yuyuan's jewellery and fashion business achieved revenue of RMB33.07 billion, representing a year-on-year increase of 20.5%. The jewellery and fashion network expanded significantly against the trend, with a net increase of 611 stores to 4,592 stores. At the same time, the product structure was further optimized. The sales of "Guyun Gold" (古韻金), the high-margin series products produced using ancient craftsmanship, reached RMB5.0 billion. Products including the newly launched "Youque" (有鵲) and "Xiao Xiang Hulu" (小象呼祿) IP series of Laomiao (老廟) also became best-sellers with sales exceeding RMB100 million.
- In terms of its catering business, Yuyuan gave full play to the resource advantages of Chinese time-honored brand. The chain development strategy of Songhelou Suzhou-style noodle shops was further implemented. In 2018, Yuyuan acquired the time-honored brand "Songhelou" (松鶴樓). In 2019, Yuyuan successfully built a single-store model of Songhelou Suzhou-style noodle shop. In 2020, its piloted chain development of the noodle shop. As at the end of the Reporting Period, 167 Songhelou noodle shops were located in China, a substantial increase of more than 80 shops as compared with that of the end of 2021.
- In terms of real estate with composite functions, Yuyuan was selected and successfully acquired a land parcel at Fuyou Road, together with the existing Yuyuan Tourist Mart, the Bund Finance Center and the to-be-commenced Yuyuan Phase II project construction, etc., forming the "Grand Yuyuan". Yuyuan plans to build it into a global fashion culture zone showcasing the charm of oriental lifestyle aesthetics, as well as a new landmark in Shanghai.

Shede Spirits

In January 2021, Yuyuan acquired 70% equity interest in Sichuan Tuopai Shede Group Co., Ltd. (四川沱牌舍得集團有限公司) ("**Shede Group**"), the controlling shareholder of Shede Spirits, by way of participating in a judicial auction and execution of a judicial ruling, pursuant to which Yuyuan indirectly held Shede Spirits. As at the end of the Reporting Period, Yuyuan held 30.22% equity interest in Shede Spirits through Shede Group.

Since the Group's investment in Shede Spirits, the strategic planning and ecological construction of Shede Spirits have been continuously empowered. Shede Spirits continued to implement the classic liquor strategy, and the quality of classic liquor was further recognized. The quality of distributors has further improved. As at the end of the Reporting Period, Shede Spirits had a total of 2,158 distributors. With increasing number of loyal consumers, Shede Spirits has continued to expand new channels, and the whole channel sales capacity continued to improve. Shede Spirits has continued to strengthen its brand building, and its brand influence continued to be enhanced.

During the Reporting Period, Shede Spirits adhered to the overall marketing strategy of "maintaining stable prices, controlling inventories and promoting sales". Through the implementation of consumer experience projects such as old taverns, classic liquor banquets and Tuopai premium liquor-tasting for free, the company recorded steady growth in traditional markets, while the sales in emerging markets such as Chongqing and southern China grew rapidly. Under the leadership of the management and the efforts of the operation teams, Shede Spirits managed to achieve excellent results in both production and operation. During the Reporting Period, Shede Spirits recorded revenue of RMB6,055.53 million, representing a year-on-year increase of 21.86%, and net profit attributable to shareholders of the listed company recorded RMB1,685.44 million, representing a year-on-year increase of 35.31%. In particular, the revenue of liquor and spirits reached RMB5,656.46 million, representing a year-on-year increase of 23.58%. In terms of liquor and spirits category, the revenue of mid-end and high-end liquor and spirits products amounted to RMB4,876.76 million, representing a year-on-year increase of 25.88%.

Looking forward to 2023, with the offline consumption scenarios fully recovered, and private banquet consumption boomed, the full implementation of various national fiscal stimulus will robust the demand for high-end liquor and spirits on business and social occasions. The liquor and spirits market will demonstrate a noticeable trend of "high-end, vintage, centralized, unpackaged and rejuvenated". Shede Spirits will continue to enhance its brand building, optimize the organization management system, focus on strategic products and key cities, vigorously explore quality distributors, strengthen market infrastructure, enhance consumer cultivation, and establish itself as a top brand in classic liquor. Shede Spirits will adhere to implement the intelligent upgrading of production system, continue to improve the ecological industry chain, actively expand production capacity, strengthen the classic liquor reserve and enhance the quality of classic liquor.

FTG

As at the end of the Reporting Period, the Group held approximately 78.02% equity interest in FTG.

Throughout FTG's mission, "Vacation brings a better life", the company seeks to lead the leisure lifestyle and create a world's leading leisure tourism ecosystem for families. FTG's primary business includes: (i) resorts and hotels, including Club Med, Club Med Joyview, etc; (ii) tourism destinations, including Atlantis Sanya, Taicang Holiday Town, Lijiang Holiday Town, and Albion; and (iii) services and solutions in various tourism and leisure settings. FTG's revenue increased by 48.8%, from RMB9,261.5 million for the year ended 31 December 2021 to RMB13,777.7 million for the year ended 31 December 2022. Loss attributable to equity holders was RMB544.9 million for the year ended 31 December 2022, compared with loss attributable to equity holders of RMB2,718.6 million (restated) for the year ended 31 December 2021. As of 31 December 2022, FTG had cash and bank balances of approximately RMB3.0 billion.

Club Med, headquartered in France and founded in 1950, is a world-renowned family centric all-inclusive leisure and vacation service provider. As at the end of 2022, FTG have sales and marketing operations in more than 40 countries and regions across six continents and operate 66 resorts.

In 2022, the business volume¹² of Club Med amounted to RMB12,011.4 million, representing an increase of 108.4% compared to that of 2021, and recovered to 99.1% of that of 2019. In 2022, the capacity of Club Med increased by 62.3% as compared to that of 2021 and recovered to 91.9% of that of the same period of 2019. In 2022, the global average occupancy rate by bed of Club Med reached about 60.9%, increasing by 5.6 percentage points compared to 2021 and showed a decrease of 3.5 percentage points compared with the same period of 2019; while the average daily bed rate¹³ was RMB1,468.2, at constant exchange rate, representing an increase of about 15.0% and 20.4% as compared with the same period of 2021 and 2019. The adjusted EBITDA of Club Med increased to RMB2,187.6 million for 2022, compared to adjusted EBITDA of negative RMB136.0 million for 2021 (restated).

From the beginning of 2023 to the end of 2025, FTG plans to open 17 new resorts or spaces. By 2025, together with new opening and renovation, partially offset by closure of obsolete resorts, the company anticipates an increase of annual capacity of 20.0% or more compared to that of 2022. During 2022, the company opened Changbaishan resort in January, Marbella resort

¹² It refers to the aggregate sales of FTG's resort service, tourism destination operation and other tourism-related services and solutions, regardless of whether the resort is owned, leased or managed.

¹³ the business volume divided by the total number of beds sold.

in May, Thousand Islands Lake resort in June, Yanqing Lijing Club Med Joyview (Phrase II) in July, and New Tignes, Val d'Isère EC and Kiroro Peak (Phrase I) in December.

Atlantis Sanya is located on the Haitang Bay National Coast of Sanya in Hainan Province, China, and it was officially opened in April 2018. During the Reporting Period, the Business Volume of its operating business decreased to RMB877.2 million in 2022, decreased by 39.7% compared with that of 2021. Of which, room revenue and other operating revenue decreased by 39.4% and 40.1%, respectively compared with that of 2021. The average daily rate by room increased by 0.9% compared with that of 2021, and the average occupancy rate was 43.0%, down by 28.5 percentage points.

In 2022, Atlantis Sanya's business showed strong resilience when the pandemic was under control despite the impact of domestic pandemic. Benefiting from its outstanding product competitiveness and the release of suppressed demand for leisure vacations, the operation of Atlantis Sanya maintained a dynamic growth momentum and recorded a business volume of RMB362.1 million and RMB215.1 million respectively during the two-month period ended 28 February 2022 and within July 2022.

FTG also has its self-developed brand "FOLIDAY Town" (復遊城), where it opened its tourism destination businesses in Lijiang city, Yunnan Province and Taicang city, Jiangsu Province. Lijiang FOLIDAY Town covers land parcels of approximately 695,000 square meters in Baisha town in Lijiang city. In the second half of 2021, Club Med Lijiang resort, Albion Holiday Apartment of Lijiang FOLIDAY Town, and lake camp have been put into operation. In 2022, the operation of Lijiang Foliday Town had achieved business volume of RMB88.9 million.

Taicang FOLIDAY Town covers land parcels of approximately 483,000 square meters in Taicang city, Jiangsu Province in East China. Among which the capping of the main structure of the indoor ski domain of "Alps Snow Live" (阿爾卑斯雪世界) completed in January 2022, and the installation of snow-making equipment was completed in June 2022. The themed commercial street "Alps Time" and Club Med Joyview Taicang resort have entered the full construction phase in June 2021. The Alps Snow Live, Club Med Joyview Taicang resort, and Alps Time Phase I will commence their businesses in the second half of 2023.

FTG operates its online travel agency service for quality vacations and leisure between China and the UK by Thomas Cook. In 2022, the number of monthly active application users of "Thomas Cook Lifestyle Platform" ("TC China") was 558,000, and the number of paying users reached 75,000. TC China achieved a business volume of approximately RMB325.3 million, representing a year-on-year decrease of 9.1% as compared with that of 2021, which was mainly due to the impact of the pandemic in China. Travel restrictions were removed across Europe in

2022, the business of Thomas Cook UK has seen significant growth with its business volume rising 236.5%, compared to 2021, to RMB1,199.8 million.

Lanvin Group

Lanvin Group (formerly known as Fosun Fashion Group), a global luxury fashion group, was found by the Company in 2018. From 2018 to 2021, Lanvin Group successively acquired controlling equity interest in Lanvin, one of the oldest operating French couture houses which established in 1889, Austrian luxury skin wear specialist Wolford, Italian luxury shoemaker Sergio Rossi, iconic American womenswear brand St. John Knits, and high-end Italian menswear maker Caruso. These five classic brands have over 390 years of combined history. Lanvin Group has a far-reaching global presence in more than 80 countries with nearly 1,200 points of sales, nearly 300 retail stores and a total of approximately 3,600 employees.

The brand portfolio of Lanvin Group not only covers a wide range of regions and product categories, but also combines DTC (Direct to customer) and wholesale. This not only provides Lanvin Group with significant growth opportunities, but also ensures its stability and resilience throughout the market cycle. The brands of Lanvin Group have six professional production facilities in Europe and North America covering the manufacture of footwear, skin wear, knitwear, menswear and fashion jewelry, which is the basis for its brands to maintain their unparalleled product know-how and continuous innovation and research and development capabilities.

Since 2019, Lanvin Group has made every effort to build a strategic alliance of industry-leading enterprises. The strategic alliance composed of several multibillion-dollar leading enterprises along different areas of the luxury fashion value chain which is committed to cooperating with Lanvin Group in key sectors such as product development, market expansion, brand marketing and e-commerce, empowering its brands and promoting sustainable growth. These strategic partners have become shareholders of Lanvin Group through prior capital rounds and/or through participation in private investment in public equity. The strategic alliance will continue to play an integral role in Lanvin Group's global expansion.

In October 2021, Lanvin Group announced that it had officially changed its name from Fosun Fashion Group to Lanvin Group, and unveiled its new brand identity. This brand-new image not only showed Lanvin Group's insistence on the inheritance of classics, but also fully demonstrated the Lanvin Group's clear vision to build a global portfolio of iconic luxury fashion brands.

In December, 2022, Lanvin Group became listed on NYSE under the ticker of “LANV”, which marked an important milestone of Lanvin Group’s development and a key step in its strategy of building a symbolic portfolio of luxury fashion brands. The proceeds raised from the listing transaction will be used to accelerate the organic growth of Lanvin Group’s brand platform and to fund strategic acquisitions that enrich its luxury fashion portfolio.

The brands of Lanvin Group have undergone successful transformation in the past few years, which has also enabled Lanvin Group to gradually establish a leading position in its field. This is due to continuous model innovation, increasing digital capabilities, omni-channel activation, new market development, localized marketing, and the utilization of Lanvin Group’s unique advantages and high-quality resources in the Asia-Pacific market. Lanvin Group is committed to helping brands continuously optimize product structure and explore new categories, such as leather goods and accessories which have great growth potential.

During the Reporting Period, Lanvin Group achieved a revenue of EUR425 million[#], a year-on-year increase of 38%. During the Reporting Period, all brands under Lanvin Group achieved growth, and, in particular, the flagship brand Lanvin grew by 67% year-on-year. ([#] Unaudited information)

Benefiting from the success of Lanvin Group’s global development strategy, Lanvin Group achieved strong growth of 44% in EMEA and 36% in North America during the Reporting Period. In Greater China, despite the large-scale impact of the pandemic, Lanvin Group still achieved an increase of 13% compared with 2021. In particular, the flagship brand Lanvin achieved rapid growth of 111% and 79% in EMEA and North America, respectively.

From the channel point of view, the wholesale channel of Lanvin Group achieved substantial growth of 42% during the Reporting Period. In particular, the flagship brand Lanvin grew by 145%, which fully confirmed the increasing attraction and demand of various brands among global wholesale customers and fashion buyers. The direct to consumer (DTC) channels, including retail, e-commerce and outlet, also achieved growth of 35% mainly due to the improved sales per square meter of existing stores and the successful implementation of the global digital strategy of Lanvin Group and various brands, including the successful completion of the shared digital platform established by Lanvin Group in cooperation with its strategic partner Shopify in North America in the second half of 2022.

Lanvin Group expects to continue its growth momentum in 2023. While it is aware of the macroeconomic challenges it may face, Lanvin Group therefore expects to continue to achieve healthy performance growth under the positive impact of the gradual recovery in the Asia-Pacific region. At the same time, Lanvin Group and the brand level will continue to take

proactive measures to improve profitability, focusing on enhancing the attractiveness of brands among consumers through product category expansion, especially accessories, brand building and marketing. In addition, Lanvin Group will continue to actively pay attention to high-quality investment opportunities in the market, prudently continue to strengthen the existing brand matrix and ecosystem, and will make full use of the expertise and resources of the strategic alliance formed by the leading companies in the industry to penetrate the world's fastest-growing fashion luxury market and support the long-term development of its business on a global scale.

WEALTH

The Group's Wealth segment includes two major sub-segments: Insurance and Asset Management (property and investment).

INSURANCE

During the Reporting Period, the revenue and (loss)/profit attributable to owners of the parent of the Insurance sector were as follows:

Unit: RMB million

	For the year ended 31 December 2022	For the year ended 31 December 2021	Change over the same period of last year
Revenue	32,427.8	32,149.3	0.9%
(Loss)/profit attributable to owners of the parent	(1,599.0)	1,461.3	(209.4%)

During the Reporting Period, the revenue of the Insurance sector increased by 0.9% compared to the same period of last year, mainly because of the business scale growth of Fosun Insurance Portugal. Due to price decrease of financial investments held by insurance companies caused by capital market fluctuations and insured natural disaster losses, the loss attributable to owners of the parent was RMB1,599.0 million during the Reporting Period, representing a decrease of 209.4% from the profit attributable to owners of the parent of RMB1,461.3 million for the same period of 2021. The total profit attributable to owners of the parent of core insurance companies remains profitable.

Note: Financial data of individual insurance portfolio companies presented in this section are based on local general accounting standards applicable to respective regulatory territories, and all quoted numbers are unaudited management information.

Fosun Insurance Portugal

In 2014, the Group acquired controlling stakes in Fidelidade, Multicare and Fidelidade Assistência. As at the end of the Reporting Period, the Group owns 84.9892% equity interest in Fidelidade. As a leading participant in the Portuguese insurance market, the platform facilitates business development of the Group in European, African, Asian and Latin American countries.

Fosun Insurance Portugal¹⁴ is a global insurance operator with a product offering which includes all key lines of business and benefits from the largest and most diversified insurance sales network in Portugal, including exclusive and multi-brand agents, brokers, own branches, internet and telephone channels and a strong distribution system with the post office and Caixa Geral de Depósitos S.A., the leading Portuguese bank. Its international business includes 11 countries, with products distributed in Europe, Asia, Africa and the Americas.

During the Reporting Period, Fosun Insurance Portugal presented a stable commercial performance. Benefiting from the substantial growth in international business, total GWP (gross written premiums) grew 4.2% to EUR5,118.1 million, while Portuguese operations (-7.8%) declined. The Portuguese Non-Life business delivered a solid performance (+8.7%), while the Portuguese Life business registered a reduction (-19.6%). Overall, Fidelidade outperformed its local competitors in the Portuguese market, raising its total market share to 29.6%, a 0.5 percentage points increase compared to the previous year.

The Portuguese Non-Life business expansion reflects solid performances on new business as well as renewals. The Portuguese Life business top line reduction was mainly caused by a decline of the Life Financial GWP, a consequence of the financial market volatility during the Reporting Period. However, the long-term strategy of reshaping life business towards non-guaranteed products continued making successful inroads. The market share in unit-linked products increased 8.3 percentage points to 35.3%.

During the Reporting Period, overseas GWP grew 49.6% to EUR1,540.2 million and accounted for 30.1% of total Fidelidade's premiums. Main drivers behind this increase were the robust organic expansion in the markets where Fosun Insurance Portugal already established, and the consolidation of Seguradora Internacional de Moçambique in Mozambique and The Prosperity Company in Liechtenstein. Excluding these two companies, the international business would have grown 22.2%.

Despite an overall complex macroeconomic context, net income reached EUR220.5 million during the Reporting Period, 18.4% lower than that in 2021. The result remained resilient. The insurance business underwriting result was EUR125.5 million during the Reporting Period, a growth rate of 6.6% over 2021. The investment result was EUR158.1 million, a 52.2% reduction compared to the previous year. Global macroeconomic uncertainties negatively impacted asset performance in the financial markets. However, Fosun Insurance Portugal's investment policy

¹⁴ Fosun Insurance Portugal and Peak Reinsurance are managed by Fosun Financial Holdings Limited (“**Fosun Financial Holdings**”), which is headquartered in Hong Kong and, in addition to the two insurers, also controls a number of important financial platforms including Fosun Wealth. As an important part of Fosun's global financial segment, Fosun Financial Holdings will continue to strengthen its investment and management of domestic and overseas financial businesses. The Group will build Fosun Financial Holdings into a leading global financial holding enterprise. In this process, Fosun Financial Holdings will pay more attention to the global financial market trend, adhering to the business philosophy of “Stability, Integrity, and Innovation”, and is committed to improving corporate value and creating more value for investors.

guidelines together with its Risk Appetite Framework have been instrumental in managing this turbulence and taking the opportunity to improve credit quality of the portfolio and capture some yield pick-up.

In November 2022, Fitch Ratings affirmed Fidelidade Insurer Financial Strength Rating at “A” and Long-Term Issuer Default Rating at “A-”. Fitch’s assessment highlighted Fidelidade’s strong company profile and robust capitalization and leverage.

During the Reporting Period, Fosun Insurance Portugal concluded two strategic transactions involving its subsidiaries.

First, it successfully closed the tender offer for 42.9% equity interest in its Peruvian subsidiary La Positiva. With the completion of the tender offer, Fosun Insurance Portugal’s equity interest in the Peruvian insurer increases to 93.9%. La Positiva has demonstrated a strong competitive position in local market and delivered a consistent performance over the last years. The acquisition of the additional stake will allow the Group to explore a wider array of opportunities to further optimize the business of La Positiva.

Second, Fidelidade bought back 49% equity interest in Luz Saúde five years after having sold that stake to the Company. The sale of these shares had been part of the then capital optimization effort and international expansion deployment. After this transaction, Fidelidade holds 99.86% equity interest in Luz Saúde. The acquisition highlights the relevance of the recurrent synergies within the Group, especially those related to the health and workers’ protection insurance businesses.

During the Reporting Period, Fosun Insurance Portugal received several awards, which highlighted their significant brand strength and competitive position. They include “Escolha do Consumidor” (most reputable insurer and health insurer), “Escolha dos Profissionais” (insurance brand), “Superbrands” (top-of-mind insurance and health insurance brands in Portugal), “Escolha de Excellentia” (best brand) and “Trusted Brands” (most reputable insurer and health insurer).

During the Reporting Period, based on a holistic approach, Fosun Insurance Portugal fine-tuned its strategic ESG vision: prepare the future, contribute for society resilience and positively impact all stakeholders of the company.

This vision is anchored in three main objectives: to have a relevant role in the social dimension, with a significant impact on society; to play proactive part in the ecological transition; and to be responsible and exemplary economic agent.

The vision and objectives enable Fosun Insurance Portugal to integrate the top-level ESG priorities into its activities, thus guiding its ESG efforts and securing the appropriate support to company's activities. For example, they facilitate further development of initiatives such as Fidelidade Comunidade (promoting sustainability) and WeCare (support and care for people throughout their lives). In addition, the vision and objectives provide a governance framework that promotes the launching of new socially responsible products and programs such as PPR 40+ ESG (savings plans with good environmental practices) or Vitality Plan (rewarding clients' healthy habits).

Going forward, Fosun Insurance Portugal will continue strengthening its leadership in the Portuguese market through the execution of a commercial strategy based on a value proposition that combines a strong product lineup, innovation efforts centered in the use of technology and automation, and client-oriented distribution channels. In addition, Fosun Insurance Portugal will further consolidate its position as a key retirement and savings market player, reshaping the life business while improving capital efficiency.

On the international business front, Fosun Insurance Portugal will continue seeking opportunities overseas to lever existing operations and share best practices across geographies, while benefiting from external markets' contribution to diversification and growth.

Peak Reinsurance

Peak Reinsurance is a Hong Kong-based global reinsurer jointly established by the Group and International Finance Corporation in 2012. In April 2018, a wholly-owned subsidiary of U.S.-headquartered Prudential Financial, Inc. completed the acquisition of a minority stake in Peak Reinsurance Holdings Limited ("**Peak Reinsurance Holdings**"). As at the end of the Reporting Period, the Group held 86.71% equity interest in Peak Reinsurance through Peak Reinsurance Holdings.

Authorized by the Insurance Authority of Hong Kong under the Insurance Ordinance (Cap. 41), Peak Reinsurance is committed to meeting the reinsurance needs in Asia and other areas around the globe, providing reinsurance services and supporting the development needs of communities and emerging middle class. Peak Reinsurance has now grown into a global reinsurer that offers a wide range of products and services encompassing both property & casualty (P&C) and life & health (L&H) reinsurance. As the same time, Peak Reinsurance strives to provide clients around the globe with innovative and tailored reinsurance, risk management and capital management solutions.

During the Reporting Period, the global reinsurance market was hit by multiple heavy losses from natural catastrophes. Furthermore, monetary tightened policy by major global central banks to combat rising inflation resulted in large asset price fluctuations and tangible unrealized investment losses. On the other hand, the gradual lifting of pandemic restrictions led to further normalization of business conditions and demand for insurance. Against this backdrop, Peak Reinsurance remains steadfast in supporting societies, businesses and individuals. During the Reporting Period, Peak Reinsurance has provided services to close to 600 insurance clients and its business network has spread across more than 58 markets worldwide. Its diverse team is composed of around 150 professionals, bringing unique expertise and insights into risk management and making a positive impact on the global insurance industry. In the latest available global ranking of reinsurers issued by S&P Global Ratings, Peak Reinsurance ranked the 27th in terms of net premiums written, unchanged from the previous year. In the latest global ranking of reinsurers issued by AM Best, Peak Reinsurance ranked the 30th in terms of unaffiliated gross premium written in 2021, also unchanged from the previous year.

As at the end of the Reporting Period, Peak Reinsurance reported the gross written premium (GWP) of USD2,294.5 million (FY2021: USD2,144.7 million) and net loss of USD79.8 million. Demand for reinsurance covers remained strong during the Reporting Period due in part to rising catastrophe losses, including the devastating Hurricane Ian that hit the U.S. Florida in late September 2022. These same losses have kept a lid on the supply of available reinsurance capacity, a condition further exacerbated by tightening monetary conditions over the last year. Furthermore, the increasing frequency and severity of so-called “secondary perils” also contributed to higher claims from natural disasters.

Meanwhile, stringent risk management and prudent investment has helped Peak Reinsurance to weather the volatile financial market during the Reporting Period in a relatively good shape. The sharp rise in global interest rates throughout the year has inevitably resulted in unrealized losses in the fixed-income portfolio. Yet, higher interest rates are expected to benefit investment yields going forward. At the end of the Reporting Period, Peak Reinsurance recorded investable and net assets at USD2.95 billion and USD1.2 billion, respectively. As at the end of the Reporting Period, Peak Reinsurance maintained A- rated by AM Best, reflecting its balance sheet strength, increasingly diversified product portfolio and geographic mix, and solid capitalization relative to risk underwritten.

In June 2022, Peak Reinsurance launched its inaugural catastrophe bond (“**cat bond**”) in Hong Kong, which was, at the time, the territory’s second cat bond, the biggest ever in size and the first Rule 144A issuance, through a special purpose insurer, Black Kite Re Limited. The insurance was met with strong market interest and raised USD150 million, doubling the initial announced transaction size. The issuance helps Peak Reinsurance secure multi-year risk

protection against typhoon risk in Japan, which constitutes one of the company's largest probable maximum loss (PML) scenarios. It also demonstrates Peak Reinsurance's strong capability to bring financial innovations to the market, structure complex transactions efficiently, and deliver novel solutions to tackle risk and capital market challenges.

With its outstanding performance, Peak Reinsurance won the "Asian Reinsurance of the Year Award" at the Insurance Asia Awards (IAA) organized by the Asia Insurance Group for the seventh consecutive year. In addition, Peak Reinsurance also won three categories of Insurance Asia News Awards for Excellence's "Property and Casualty Reinsurer of the Year Award", "Reinsurance Transaction of the Year", and "CFO of the Year" as well as Insurance Business Asia's Top Insurance Employers 2022.

Peak Reinsurance is driving the modernization of reinsurance to support emerging middle-class communities by meeting reinsurance needs in Asia and beyond. During the Reporting Period, Peak Reinsurance published its inaugural survey on the emerging Asian middle-class to provide insurers a better understanding of the preference and attitudes of middle-class Asians. In November 2022, Peak Reinsurance relocated to the WKCDA Tower in the West Kowloon Cultural District of Hong Kong, providing its infrastructure and space for its next phase of development.

As Peak Reinsurance completed its first ten years of operation, it is looking forward to the next decade with the same dedication and commitment to building resilience in societies and helping close protection gaps.

Pramerica Fosun Life Insurance

Pramerica Fosun Life Insurance is a joint venture between the Group and The Prudential Insurance Company of America. With the approval of the regulatory authority, it was formally established in September 2012 and both shareholders hold 50% of the joint venture shares. The establishment of Pramerica Fosun Life Insurance marked the Group's first entry into the domestic life insurance market.

Based on the business philosophy of both shareholders, with "Guardian of your uniquely defined future" as its mission, Pramerica Fosun Life Insurance adheres to the principle of "Long-term Value Operation", thus forming a four-pronged path of "Focusing on the Agent Team Building, Focusing on the Regular-Premium Business, Focusing on the Technology and Focusing on Ecosystem".

Pramerica Fosun Life Insurance offers life insurance, accident insurance, and reinsurance business of the abovementioned businesses.

During the Reporting Period, Pramerica Fosun Life Insurance recorded premium income of RMB2,449.2 million, representing a year-on-year decrease of 24.16%, mainly due to the active reduction of its single-premium bancassurance business by the company. Net loss amounted to RMB693 million, representing a further loss of RMB576 million year-on-year, mainly due to the lower-than-expected investment income of the company as a result of the fluctuation in the capital market during the Reporting Period; the total investment yield was 2.76% and the comprehensive investment yield was 3.00%.

During the Reporting Period, Pramerica Fosun Life Insurance has insisted on building a team of professional life insurance agents. The team's productivity was in the forefront of the industry. Team retention rate increased by 11 percentage points compared with 2021. The prototype of an elite agent team with high productivity, high income and high retention has been established. At the same time, Pramerica Fosun Life Insurance actively links the Group's internal and external high-quality and scarce resources, deepens strategic cooperation with Group's healthcare sector, and vigorously promotes the senior community business with high average premiums. During the Reporting Period, Pramerica Fosun Life Insurance accumulated 1,620 orders for senior community, representing a year-on-year increase of 239.62%; and received total initial regular premium of RMB459.5 million, representing a year-on-year increase of 113.33%.

In 2023, Pramerica Fosun Life Insurance will continue to adhere to the business philosophy of long-term value increase, thoroughly implement the strategic path of "Focusing on the Agent Team Building, Focusing on Regular-premium Business, Focusing on the Technology, and Focusing on Ecosystem", and promote the development of long-term high-value business. In terms of team building, Pramerica Fosun Life Insurance will stick to high standards of talent selection and strict assessment standards, while enhancing the team's morale on striving for best performance. By enhancing newcomers' abilities for promotion and recruiting more junior salesperson, Pramerica Fosun Life Insurance will improve the "Golden Sales Units" team structure and facilitate the high-quality transformation of the agent team. In terms of business development, Pramerica Fosun Life Insurance will adopt a development policy focusing on both business value and business scale, further reduce the scale of the low-value single-premium dividend business, and vigorously promote the growth of regular-premium business. In terms of institutional operation, Pramerica Fosun Life Insurance will strengthen its review on the operation of departments at different levels, actively implement structural integration and resource optimization, and promote high quality development under the guidance of cost reduction and efficiency enhancement.

Fosun United Health Insurance

Established in January 2017, Fosun United Health Insurance is the sixth professional health insurance company in China jointly sponsored by the Group and 5 other companies. Its business areas cover Beijing, Shanghai, Jiangsu, Guangdong, Sichuan and Chongqing. As at the end of the Reporting Period, the Group held 20% equity interest in Fosun United Health Insurance.

Fosun United Health Insurance always focuses on the track of health insurance, and has developed special health protection products catering to the healthcare needs of Chinese families and enterprises. Since its establishment, Fosun United Health Insurance has provided more than 160 special insurance products and health management services to Chinese families and corporate customers, including 18 products with new sales volume of more than RMB10 million during the Reporting Period, thus constructed a relatively comprehensive health insurance product and service system.

Fosun United Health Insurance pursues the exploration of a distinctive, professional and ecological business model for health insurance, and is committed to building an O2O comprehensive managed health service platform which integrates online and offline ecosystems. During the Reporting Period, facing the impacts such as the spread of the COVID-19 pandemic and the slowdown in the growth of the domestic life insurance market, Fosun United Health Insurance made good use of its ecosystem, customer operation, innovation impetus, technological innovation and digital intelligence, and managed to achieve growth in the insurance business: specifically, it recorded revenue of RMB3,879 million, representing a year-on-year increase of 4%. The number of newly registered members of the official client application “Kang You Wei (康有唯)” exceeded 326,000, with the number of new insurance customers exceeding 295,000, serving over 6.65 million customers in aggregate.

In 2023, regarding “protecting the healthy life of hundreds of millions of Chinese families” as its mission, Fosun United Health Insurance will develop a membership operation system centering on family customers, treat senior care, rehabilitation, and maternal and child businesses as top priority, and explore the creation of an “insurance + service” model that integrates medical care and disease prevention by offering insurance coverage for illnesses and good medical care, thereby establishing a comparative advantage in the segmented market competition. Insisting on accelerating development, enhancing value and making breakthroughs through transformation, Fosun United Health Insurance aims at rapid growth in insurance revenue, further optimization of business structure and steady improvement in profitability, so as to create greater value for shareholders and customers.

ASSET MANAGEMENT

During the Reporting Period, the revenue and (loss)/profit attributable to owners of the parent of the Asset Management segment were as follows:

Unit: RMB million

	For the year ended 31 December 2022	For the year ended 31 December 2021	Change over the same period of last year
Revenue	15,294.6	11,550.1	32.4%
(Loss)/profit attributable to owners of the parent	(1,910.8)	3,698.8	(151.7%)

During the Reporting Period, the revenue of the Asset Management segment increased by 32.4% year-on-year, which was mainly due to the revenue increase of Asset Management (Property) business. The loss attributable to owners of the parent of RMB1,910.8 million represents a 151.7% year-on-year decrease from the profit attributable to owners of the parent of RMB3,698.8 million for the same period in 2021 was mainly attributable to the rising interest rates and tighter liquidity had led to an increasing volatility in the capital markets, resulting in a significant market price declines in the financial assets held by the Group.

Fosun Capital

Fosun Capital provides high-quality equity investment and management services to investors such as well-known family funds, pensions, insurance companies, listed companies, large investment institutions and high net wealth individuals domestically and internationally. As at the end of the Reporting Period, the Group held 100% equity interest in Fosun Capital.

As at the end of the Reporting Period, Fosun Capital had invested in over 100 companies, and successfully exited from investments in nearly 50 companies through domestic or overseas listings, equity transfer and other ways. Fosun Capital had accumulated the total of 19 funds under management, with an asset size under management of nearly RMB20 billion.

As at the date of this announcement, 12 of Fosun Capital's investment companies submitted for IPO, two of which were approved by the listing review committee of the Shenzhen Stock Exchange, one of which was successfully listed on the Hong Kong Stock Exchange and one of which was successfully listed on the BSE Limited and the NYSE. Fosun Capital was awarded such as "Top 6 private equity investment institutions in China attracting the most attention from LPs in 2022" by Touzhong.com and "Top 11 Chinese private equity investment institutions in

2022” by China Bridge (融資中國). In the future, relying on its excellent investment capabilities, high-quality post-investment services and the Group’s strong global industry integration capabilities, Fosun Capital will be able to empower its portfolio companies in terms of business resources and industrial depth and help the companies realize long-term value creation and sustainable development.

Fosun RZ Capital (Shanghai Insight Investment Management Limited)

The vision of Fosun RZ Capital is to become a globally leading industry investment institution, with the aim of generating excellent investment returns and long-term strategic value for the Group. As at the end of the Reporting Period, the Group held 100% equity interest in Fosun RZ Capital.

Fosun RZ Capital has long focused on investment in mid and high-growth and high-tech companies in major economic growth regions worldwide, realizing the strategic plan of “top technology as horizontal while emerging markets as vertical” in several locations globally. It not only invests in cutting-edge technological innovation in Israel, etc., but also spans into high-growth emerging markets such as China and India, creating an influential global industry-wide innovation ecosystem. As at the end of the Reporting Period, Fosun RZ Capital had more than 50 employees in five offices around the world. Fosun RZ Capital’s global core team has an average of more than ten years’ investment experience.

During the Reporting Period, Fosun RZ Capital completed the filing of the third phase of the RMB fund for science and technology innovation and began its investment. The size of the fund was RMB2 billion, and the total management size of Fosun RZ Capital was nearly RMB10 billion. Fosun RZ Capital was awarded “Top 100 China 2021 Best Venture Capital Institutions” by Touzhong.com, and “Top 100 Chinese Venture Capital Institutions in 2022” by Zero2IPO Group. In the future, Fosun RZ Capital’s investment will deepen its involvement in technological innovation and strive to capture more technology-driven investment opportunities. Fosun RZ Capital will evolve together with global outstanding enterprises and maintain empowering the development of the four major business segments of the Group.

Hauck Aufhäuser Lampe Privatbank AG (HAL)

Founded in 1796, HAL is headquartered in Frankfurt with offices in several key German cities such as Munich, Düsseldorf, Hamburg, Berlin and Stuttgart. Besides, it also has branches in Luxembourg, Dublin and London, a subsidiary in Vienna and a representative office in Paris. As at the end of the Reporting Period, the Group owns 99.69% equity interest of HAL.

HAL aims to rank among the top 3 private banks in Germany with a focus on managing, preserving, serving and trading client assets. The bank follows a clear growth strategy with a diversified and asset-light business model covering four core business areas, i.e. Asset Service, Private & Corporate Banking, Investment Banking and Asset Management.

HAL intends to internationalize its product series, and secure new customer groups and thus further strengthens its own market position. An essential element of the bank's future growth strategy is its role as a bridge between the major Chinese and European commercial entities. It aims to help German companies gain access to the highly-potential Chinese market which is part of the surging Asian market. In the past years, HAL has established subsidiaries in Shanghai and Nanjing respectively, focusing on the asset management and cross-border investment bank mergers and acquisitions business.

Despite the global economical and geopolitical headwinds, HAL experienced another year of significant growth. Anticipating the interest rate shift strengthening private and corporate bank by acquisition of Bankhaus Lampe KG ("**BHL**") now pays off with grown interest paying assets whereas at the same time the loan portfolio does not face significant issues, as it has been managed on low volume and low risk. As at the end of the Reporting Period, HAL's assets under service and management reached EUR257 billion, representing an increase of 12% compared to the end of 2021. HAL's total balance sheet assets remained at EUR11.8 billion. At the same time, HAL's gross income increased by 14% to EUR416 million. Due to the increase in administrative costs associated with the ongoing integration of the former BHL, HAL's profit before tax increased from EUR60.7 million in 2021 to EUR94.3 million during the Reporting Period, which was mainly due to the positive growth impact of high interest income and high commission income, offset by the effect of higher administrative expenses.

Following the completion of the acquisition of BHL, the bank was merged to HAL with effect from 1 January 2022. Through the acquisition, in this course HAL's business segments and regional service capabilities are expanded, particularly in the areas of private banking and asset management.

Furthermore, HAL made significant achievements in the set-up of its one-stop-shop for digital assets, from an own crypto capital management company to custodian function. Beginning of February 2022, Hauck Aufhäuser Innovative Capital received the BaFin-license as capital management company for digital assets. Following the completion of the acquisition of the Kapilendo Custodian AG, a custodian company for digital assets at the end of March 2022, HAL expanded its product offering by a long-term investment opportunity in leading crypto assets for professional and semi-professional investors with the launch of the "HAIC Crypto Native – Advanced Select" fund in June 2022.

HAL's growth story gained recognition from the public. As a result, the bank received several awards including "Best Private Bank in Germany 2022", "Germany's Most Popular Bank" and "Leading Employers in Germany 2022".

At the same time, HAL is proactively responding to ESG developments and continuously optimizing its corporate governance to fully meet regulatory requirements. HAL's dedicated ESG department and ESG committee ensure consistency with the ESG strategy across all business lines, focusing on aspects such as current market developments, regulatory requirements and organizational structure. HAL's extensive activities to put the ESG strategy into practice have also received external attention and an award for "Outstanding Sustainable Engagement".

BCP

In 1985, a group of over 200 shareholders and a team of experienced banking professionals incorporated BCP. During the period from 1995 to 2000, BCP solidified its position in the Portuguese banking market through a series of strategic mergers and acquisitions, and became the largest privately-owned private bank in Portugal. Since 2000, BCP has been strengthening its position into emerging markets in Europe and Africa, especially Poland, Mozambique and Angola, which have a close historical connection with Portugal. Since 2010, BCP has entered the Chinese Mainland market through its Guangzhou representative office and relaunched its business activities in Macau with an onshore full banking license. In November 2016, the Group invested in BCP. As at the end of the Reporting Period, the Group held 29.95% equity interest in BCP.

With its mission of excellence, trust, ethics and responsibility and focus on individual and institutional clients, BCP is committed to providing a full range of financial services to individuals and businesses in the locations where it operates, offering commercial banking products and services to individuals and businesses, complemented by investment banking and private banking. BCP also owns a leading digital bank known as "ActivoBank"

During the Reporting Period, the consolidated core operating profit (net interest income plus net fees and commission income less operating costs, excluding the impact of one-off factors such as layoffs, compensation for salary reduction and inflation) of BCP amounted to EUR1,865.1 million, 44.4% higher than EUR1,291.4 million of the same period of last year. In particular, the core operating profit in Portugal reached EUR926.3 million, which increased by 24.6% as compared to EUR743.5 million of the same period of last year. The core operating profit in Poland reached EUR721.2 million, which increased by 68.6% as compared to

EUR427.2 million of the same period of last year. Benefiting from the growth in core net income brought about by interest rate hikes, BCP's net profit attributable to shareholders reached EUR207.5 million, which is 50.3% higher than that of the same period of last year, despite a one-off provision of EUR282.84 million recognized by the Polish subsidiary of BCP due to new legislation in Poland, and a goodwill impairment of EUR102.3 million provided at the consolidation level for the Polish subsidiary after the management of BCP had taken into account the significant uncertainty brought the local policy.

As at the end of the Reporting Period, the consolidated total assets of BCP amounted to EUR89,861 million, representing a decrease of 3% year-on-year. BCP's consolidated loans to customers (gross) amounted to EUR57,700 million, representing a slight decrease of 0.9%. By region, the regional loan structure in Portugal continued to improve, with a 27.5% reduction in non-performing loans and stable demand for normal loans, which grew by 2.1%, resulting in a 0.7% year-on-year increase in loans to customers (gross) to EUR40,150 million; in Poland, the demand of the credit business slowed down and loans to customers (gross) decreased slightly by 2.5% to EUR16,880 million due to inflation and interest rate hikes.

During the Reporting Period, the quality of BCP's loan assets was solid and it continued its strategy to reduce non-performing assets. The non-performing exposure (NPE) reduced by EUR535 million at BCP's group level, resulting in a reduction in the NPE ratio as a percentage of the total loan portfolio from 4.7% as at the end of 2021 to 3.8% as at the end of the Reporting Period. At the same time, the coverage of NPE at the group level increased by 30 basis points year-on-year to 68.3% as at the end of the Reporting Period.

During the Reporting Period, another remarkable performance of BCP was customer growth. The number of active customers at BCP's group level increased from 6.14 million at the end of 2021 to 6.48 million, among which the number of mobile active customers increased from 3.46 million at the end of 2021 to 4.10 million, among which the number of newly acquired customers through mobile terminal was 636,000. During the Reporting Period, BCP was awarded "Best Investment Bank 2022 in Portugal" by Global Finance, as well as "Best Consumption Digital Bank 2022" in Portugal, "Consumer Choice in Portugal 2021 and 2022" in the "Large Banks" category. ActivoBank was awarded "Customer Choice 2022" under the "Digital banks" category.

In the coming years, BCP's strategic plan aims to enhance the bank's post-epidemic environmental resilience and risk management capabilities, and to continue to drive the five future strategic development priorities of talent optimization, mobile digitalization, growth and consolidation of its leading position in the Portuguese market, international expansion and business model sustainability, in order to recover quickly from the post-epidemic period and

achieve its strategic planning objectives. As a result, BCP has announced to the market its new strategic plan “Excellence 2024”, which sets targets for the new strategic cycle of 2022-2024. “Excellence 2024” sets out BCP’s aspirations for the cycle ahead: to fully overcome the impact of the epidemic and achieve strong profitability and balance sheet improvement based on superior personalized services and new mobile/digital solutions, to accelerate the bank’s ability to differentiate itself in terms of efficiency and customer engagement, while also responding to the challenges of sustainability, in particular the risks and opportunities of climate change, social impact, and the good social governance.

The Bund Finance Center (“BFC”)

Located at 600 Zhongshan No. 2 Road (E), Shanghai, China, BFC is a benchmark project of the Group’s “Hive City”, and also a landmark of a large-scale all-in-one ecosystem commercial complex in the core area of the Bund in Shanghai. The project embraced its opening on 12 December 2019. The gross floor area (“GFA”) of BFC is over 420,000 square meters. BFC’s principal businesses include (i) office rental business which offers a super-grade-A office building with an occupancy rate of over 97% during the Reporting Period; optimize tenant composition; explore high-end customers, and improve service satisfaction; (ii) retail business that houses over 200 stores and brands, of which approximately 30 stores are the first of its kind; (iii) catering business that offers an array of high-quality international restaurants, including the legendary Italian restaurant “DA VITTORIO SHANGHAI”, which has won two Michelin stars consecutively; (iv) health business with a fitness club, BFC FITNESS, and high-end medical clinic Zallhui (卓爾薈); (v) art business conducted through Fosun Foundation Art Center (Shanghai). In March 2022, the Group acquired 50% equity interest in Shanghai Fosun Bund Commercial Co., Ltd. (上海復星外灘商業有限公司, formerly known as 上海復星外灘置業有限公司), the project company of BFC. As at the end of the Reporting Period, the transaction was completed and the Group held 100% equity interest in BFC property.

During the Reporting Period, due to the steady performance of office buildings and commercial buildings in terms of occupancy rate and unit price, BFC recorded total operating revenue of RMB806.05 million, representing an increase of 2.3% from the same period of 2021; operating EBITDA was RMB528.31 million, representing an increase of 10.8% from the same period of 2021. During the Reporting Period, creating its own IP festivals, such as the New Spring Festival (新春季), Art Festival (藝術季), Fashion Festival (潮流時尚季), Christmas Festival (聖誕季) and other highlighted activities in succession, BFC more accurately reached the trendy young population. In particular, since its launch in June 2020 up to the end of the Reporting Period, BFC’s popular IP “BFC Fengjing” had attracted more than 18 million visitors. Partnered with more than 900 brands, it had brought together seven highlights comprising street culture, pet communities, art and culture, organic flowers, fashion bars,

performing arts activities, and aerial terrace party, continued to output the high-quality original contents.

Looking forward, BFC will deepen its implementation of FC2M strategy and introduce Fosun’s excellent industry resources to meet the clients’ needs, providing caring services to each family meeting their desires for a better life, and securing its building of the “Happiness Ecosystem”. Meanwhile, BFC will continue to promote its online businesses, establish BFC product lines and complete a thousand of events annually, aiming to become the new commercial benchmark in Shanghai and China. At the same time, leveraging its close proximity to Yuyuan Tourist Mart, BFC will strive to achieve two-way empowerment with Yuyuan Tourist Mart in the future, aiming to become a “Grand Yuyuan” that integrates culture, art, tourism, consumption, finance, commerce and natural scenery with full upgrade of its overall regional image and industrial ecosystem to become the most representative new landmark in Shanghai.

During the Reporting Period, the particulars of the project are as follows:

Name of project	Floor	Area (sq.m.)
GFA		425,591
Grade A offices	S1	107,079
	S2	103,138
	N1	21,425
	N2	25,462
	N3	10,410
Shopping center		117,520
Boutique hotel		36,346
Fosun Foundation Art Center (Shanghai)		4,211

INTELLIGENT MANUFACTURING

During the Reporting Period, the revenue and profit attributable to owners of the parent of the Intelligent Manufacturing segment were as follows:

Unit: RMB million

	For the year ended 31 December 2022	For the year ended 31 December 2021	Change over the same period of last year
Revenue	10,355.6	7,736.9	33.8%
Profit attributable to owners of the parent	1,201.9	3,577.6	(66.4%)

During the Reporting Period, the revenue of the Intelligent Manufacturing segment amounted to RMB10,355.6 million, representing a year-on-year increase of 33.8%, and profit attributable to owners of the parent amounted to RMB1,201.9 million, representing a year-on-year decrease of 66.4%. The main reason for the increase in revenue was due to business growth of Hainan Mining and Easun Technology. The main reason for the decrease in profit was due to increased raw material costs.

Nanjing Iron & Steel

Nanjing Iron & Steel, a leading whole-process steel conglomerate with high efficiency, was listed on the SSE in 2000. Nanjing Iron & Steel is equipped with an integrated 10-million-tonne-level production capability of steel. As at the end of the Reporting Period, the Group held 59.08% equity interest in Nanjing Iron & Steel through Nanjing Nangang. On 14 October 2022, Shagang Group (as purchaser) and certain subsidiaries of the Group (as sellers) entered into a framework agreement on disposal of Nanjing Nangang. Subsequently on 14 March 2023, Shagang Group and its subsidiary (as purchasers) and certain subsidiaries of the Group (as sellers) entered into an equity transfer agreement on the disposal of Nanjing Nangang. As at the date of this announcement, the abovementioned disposal has not been completed. Please refer to note 11 to the audited consolidated financial statements and the announcement of the Company dated 14 March 2023 for more information.

Aiming at the opportunities arising from China's manufacturing upgrade and import substitution, Nanjing Iron & Steel provides solutions for national key projects and high-end manufacturing industry upgrading, and undertook more than ten national-level projects. Its 9% Ni steel for ultra-low temperature was awarded as a national manufacturing individual champion product. The sales price and sales volume of Nanjing Iron & Steel's advanced iron and steel materials rose together, achieving a sales volume of 2.0658 million tonnes, a year-on-

year increase of 14.06%; accounting for 21.19% of the total sales volume of steel products, an increase of 3.78 percentage points; the composite average selling price was RMB6,524.69 per tonne (tax exclusive), a year-on-year increase of 10.49%; gross profit margin was 15.88%, a year-on-year decrease of 1.67 percentage point; gross profit totaled RMB2.141 billion, a year-on-year increase of 14.06%.

During the Reporting Period, overcoming the impact as a result of the sluggish industrial and supply chain, diminishing market demand as well as the high and fluctuating prices of raw materials and fuels, Nanjing Iron & Steel maintained stable operation. Nanjing Iron & Steel recorded revenue of RMB70,667 million, a year-on-year decrease of 7.69%; net profit attributable to shareholders of the listed company was RMB2,161 million, a year-on-year decrease of 48.59%.

Nanjing Iron & Steel has built an overseas coke production base in PT Indonesia Morowali Industrial Park, Indonesia, and set up joint ventures for a coke project with an annual output of 6.5 million tonnes. During the Reporting Period, Indonesia Jinrui New Energy has an annual output of 2.6 million tonnes of coke projects, and as of the end of the Reporting Period, 1# and 2# coke ovens have been put into operation, 3# coke ovens have been baked, and 4# coke stoves are being built. During the Reporting Period, coke sales reached 297,900 tonnes, achieving operating income of RMB918 million and net profit of RMB21.4457 million. Indonesia Jinxiang New Energy 3.9 million tonnes of coke project, as at the end of the Reporting Period, the 2# coke oven has been preparation oven, No. 1 coke stove has been built, and the rest of the coke oven and its supporting facilities have been advancing the on-site construction in order.

In May 2022, Nanjing Iron & Steel obtained the first SA8000 social accountability management system certificate in the domestic steel industry. Nanjing Iron & Steel continues to invest and upgrade the technology in environmental protection, emission reduction and energy conservation, striving to maintain its position as the industry forerunner in the context of “carbon peaking” and “carbon neutrality”. It has completed the ultra-low emission transformation of the organized part and the ultra-low emission transformation of the clean transportation part, which were announced on the website of China Iron and Steel Association. At the same time, Nanjing Iron & Steel has combined the construction of an integrated platform for smart procurement, comprehensively optimized and sorted out the business operation process, insisted on incorporating ecological thinking into the supply chain management, and continued to improve its α capacity (opportunistic procurement ability) through the integration of domestic and foreign resources, the combination of strategy and opportunism, the linkage of procurement and sales, and the same synergy of the futures and spot. Nanjing Iron & Steel has achieved a procurement reduction of RMB0.494 billion during the Reporting Period. In 2022,

Nanjing Iron & Steel's Wind ESG rating was AA, ranking the 1st in the iron and steel industry in China.

Guided by the improvement of key indicators, Nanjing Iron & Steel has continued to pay close attention to management improvement in production organization, safety assurance, energy supply, production and sales balance, extreme cost reduction, etc., benchmarked against the advanced indicators of the peer industry, established a digital model, and accelerated the promotion of "intelligent transformation and digital transformation", during the Reporting Period, the process cost decreased by RMB1.462 billion year-on-year during the Period, and the competitiveness of the M-end continued to improve. Among the 108 key indicators comparable to steel enterprises, Nanjing Iron & Steel's indicators such as fuel ratio and heat loading rate of steel enterprises have set historical records. The quality has been more stable, and the quality control of comprehensive raw steel grades, high standard shaft bearing rate, water immersion injury detection qualification rate and other quality control have achieved the stage goals. In addition, Nanjing Iron & Steel has improved the futures risk management system, and has used the steel industry chain futures and derivatives instruments to partially hedge the upside risk of raw fuels.

Hainan Mining

Hainan Mining adheres to the resource industry as its core of development. Based on Hainan's development opportunities and driven by the twin wheel of industry operations + industrial investment, Hainan Mining strives to become an "industrial development group with strategic resources as the core and international influence". It was established in August 2007, and was listed on the SSE in December 2014. As at the end of the Reporting Period, the Group held 45.87% of the equity interest in Hainan Mining.

Hainan Mining focuses on the three main business areas of iron ore, oil and gas and new energy. Its main business includes iron ore mining, processing (including mixed ore) and sales business; upstream full-cycle business of oil and gas exploration, valuation, development and production. In addition, it has begun to lay out the upstream lithium salt processing and lithium ore development and mining industries of new energy since 2021. During the Reporting Period, Hainan Mining achieved operating income of RMB4,830 million, a year-on-year increase of 17.26%; the net profit attributable to shareholders of the listed company was RMB615 million, a year-on-year decrease of 29.66%; the net cash flow from operating activities was RMB1,268 million, a year-on-year increase of 64.43%.

During the Reporting Period, the output of iron ore mining business of Hainan Mining remained stable at a relatively high level. Its first annual production of Shilu Branch Beiyi Mining since

its operation, and the annual output of all raw ore reached 4.9612 million tonnes, a year-on-year increase of 8.69% year-on-year, marking the best result in its history. During the Reporting Period, the annual output of raw ore was 5.9728 million tonnes, and the output of finished ore was 2.6671 million tonnes. In terms of oil and gas business, ROC, a subsidiary of Hainan Mining, seized the opportunity of rising oil prices and overcame many challenges such as rare high temperature and power rationing in Sichuan by increasing investment in infill wells, reducing costs and increasing efficiency, and continuously optimizing internal management. Therefore, the oil and gas production reached 5.4197 million barrel equivalent, a year-on-year increase of 24%. In addition, in May 2022, ROC reached an agreement with a third party to carry out the depressurization and supercharging construction of Bajiaochang gas field by entrusting construction and operation. It will improve the quality of Bajiaochang gas field and effectively solve the constraint of the original natural gas pipeline transmission capacity of Bajiaochang gas field, which is an important measure to further increase storage and production of Bajiaochang gas field.

During the Reporting Period, Hainan Mining actively proceeded with the implementation of the “14th Five-Year Plan” strategic plan, and accelerated the layout of the new energy upstream industry. Hainan Mining’s 20,000 tonnes of battery-grade lithium hydrogen oxide project officially started construction in mid-December 2022. Subsequently in January 2023, it was published that Hainan Mining intends to invest approximately USD118 million to obtain a controlling equity interest in a lithium mine asset of Bougouni in Mali. Upon completion of the transaction, Hainan Mining will realize the industrial synergy of upstream resources and lithium salt processing in the new energy industry, accelerate the promotion of the industrial layout of the three main tracks of “iron ore + oil and gas + new energy”, and solidly promote sustainable and high-quality development.

In terms of organizational construction and technological innovation, Hainan Mining launched its first equity incentive scheme in March 2022. Its first grant awarded 137 grantees including its directors, senior executives and core management. In addition, Hainan Mining has also continuously strengthened the construction of a talent support system for major projects, and completed the construction of key project organization mechanisms such as lithium hydrogen oxide project and magnetized roasting. During the Reporting Period, the scientific and technological innovation achievements of Hainan Mining industry have increased, and four new types of practical applications, three invention patents, and three new types of authorization and application have been added to patent applications.

In 2023, Hainan Mining will continue to focus on the twin wheel driven strategic path of “profound industry operations + industrial investment”. On one hand, it will continue to consolidate its main business, strive to achieve the annual iron ore finished ore output of 2.73

million tonnes, achieve the goal of oil and gas output of 5.73 million barrel equivalent, and promote the construction of key engineering projects such as magnetized roasting and lithium hydrogen oxide. On the other hand, it will continue to pay attention to the investment and acquisition opportunities of clean energy projects such as new energy upstream resources and natural gas that can achieve long-term growth, and strive to realize the implementation of projects. At the same time, it will conduct in-depth research on the new policies of Hainan Free Trade Port, focus on the future operation mechanism of Hainan's customs closure, and plan development projects in advance.

JEVE

Established in 2009, JEVE is one of the earliest domestic enterprises entering the new energy passenger vehicle power lithium battery industry, with products covering NCM lithium and lithium iron phosphate systems which serve to meet demands in pure electric vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles and energy storage fields. Despite the dual pressures of tight supply of upstream raw materials and fierce market competition, JEVE maintained a relatively high growth rate relying on technological innovation as well as lean management and operation, and ushered in the boom of production and sales. During the Reporting Period, its revenue increased by 127.22% to RMB2.589 billion year-on-year, and its installed capacity increased by 67.59% to 2.43GWh year-on-year. As at the end of the Reporting Period, the installed capacity of JEVE batteries ranked the eleventh in China, and the installed capacity of NCM lithium batteries ranked the eighth in China. As at the end of the Reporting Period, the Group and the non-consolidated entities in which the Group participated in the investment jointly held 49.95% equity interest in JEVE.

In terms of R&D innovation, being a state-level specialized and sophisticated “little giant” enterprise, JEVE has a number of technology innovation platforms, such as the National Enterprise Technology Center, Academician Expert Workstation, Tianjin Key Laboratory of Lithium-Ion Power Battery Enterprise and Innovation Cluster of Haihe Laboratory. During the Reporting Period, JEVE further increased its R&D investment, actively developed cutting-edge technologies and improved technology and innovation level. JEVE won various awards, including the “2022 Best Innovative Enterprise in China’s Energy Storage Industry”, “GaoGong Lithium Golden Globe Award - 2022 Innovative Technology” and “2022 Most Influential Power Lithium Battery Brand”. JEVE was also included in the list of National Intellectual Property Advantage Enterprises in 2022. As of the end of the Reporting Period, JEVE had applied for 1,301 patents, including 499 invention patents, and undertook 16 national projects and 11 local projects. On the basis of the self-developed soft pack cell with an energy density of approximately 320Wh/kg, in respect of the NCM system, JEVE continued to develop a product system with an energy density of 350Wh/kg. At the same time, the energy density of

the lithium iron phosphate system reached 220Wh/kg, with a low temperature -20°C discharge capacity retention rate of over 80% and a cycle life of 3,000 weeks. J EVE introduced the “Sponge System”, a new system solution to ensure the battery safety.

In terms of core products, on the basis of consolidating the 355 cells and modules and high power HEV (hybrid electric vehicle) products, J EVE achieved mass production and delivery of MEB590 cells and modules. At the same time, in order to meet the diversified needs of customers, J EVE actively expanded product development sequences, accelerated the R&D works on square aluminum shell products. Square UC and pole up series received orders from numerous domestic and overseas customers. To ensure the rapid mass production of products, J EVE is actively constructing the production lines for square aluminum shell products.

In terms of production capacity construction, J EVE continued to expand its production capacity during the Reporting Period. In addition to the existing production capacity, J EVE had been gradually releasing new production capacity and actively planning for production capacity expansion. During the Reporting Period, the construction of the second phase of the J EVE’s Yancheng base was completed and entered mass production, while the construction of power and energy storage battery facilities at the Changxing base has been making positive progress. In early 2022, J EVE and Chuzhou Tianchang Municipal Government entered into a strategic cooperation agreement to reach cooperation regarding the launch of J EVE’s lithium battery production base project in Chuzhou. A new production base was built in Chuzhou, with product types covering lithium iron phosphate and NCM materials system. The construction of five production bases of J EVE in Tianjin, Yancheng, Jiaxing, Changxing and Chuzhou will provide strong support to J EVE’s development in the industry and future business expansion, laying a solid foundation for the diversified development of power and energy storage, enriching the market deployment of J EVE and enhancing market competitiveness of J EVE.

In terms of customer development, on the basis of maintaining the profound cooperation with existing customers such as Great Wall (長城), Chery (奇瑞), Hozon (合眾), SAIC (上汽) and Dongfeng (東風), customer support for new energy vehicles was boosted once again during the Reporting Period. During the Reporting Period, J EVE added ten OEM new customers, obtained 12 project nominations, achieved mass production for four new customers and mass production for seven new projects. The power battery business entered a new development stage. In February 2022, J EVE and Chery New Energy signed a strategic cooperation agreement, pursuant to which, Chery New Energy intended to purchase power batteries from J EVE in the next three years. In terms of international customer development, in June 2022 and July 2022, J EVE received orders from a popular European car company and a leading Japanese car company, respectively. At the same time, J EVE provided mass production and supply of auxiliary batteries for global car models of Hyundai Kia (現代起亞).

Looking forward, based on the existing market capacity and scale, JEVE will conduct in-depth analysis and implement measures practically by way of the four dimensions of “target customer planning, product and R&D technology planning, marketing planning and capital planning”, so as to achieve the leading position in the domestic soft package battery field, and finally become an outstanding green energy system solution provider.

Easun Technology

Established in 1974, FFT is one of the world’s largest providers of intelligent manufacturing solutions. In July 2018, Easun Technology was established. In May 2019, Shanghai FFT Automation Technology Co., Ltd., the predecessor of Easun Technology, acquired 100% equity interest in FFT and became an integrated solutions provider for the automobile industry. Easun Technology completed introduction of strategic investors in early 2021. In July 2021, the first phase of factory construction of FFT global headquarters in Jiading District, Shanghai was completed. As at the end of the Reporting Period, the Group and the non-consolidated entities in which the Group participated in the investment held 83.70% equity interest in Easun Technology.

Since 2021, Easun Technology has been focusing on the development of two core businesses in the global market: (i) the design and assembly of automated and digital production lines and (ii) the design and upgrading of manufacturing software for the automotive industry, and will continue to accelerate the development of industrial digitalization business to provide customers with a whole-process coverage of intelligent factory solutions.

During the Reporting Period, in the face of the complex external environment, Easun Technology overcame the impact of the epidemic, strengthened its business foundation and continued to adhere to its corporate strategy.

Looking forward, while continuing to invest in R&D and global supply chain construction and reduce costs, Easun Technology will enhance the profitability and competitiveness of its main business in the automotive industry, expand its business scale and market share, fully utilize its own automation technology accumulation, and continuously digest and absorb different industry techniques. Moreover, Easun Technology will continue to expand its existing proprietary technologies and standard product sequences in laser, vision, lightweight fixture, etc., build superior intelligent equipment as part of the production lines designed by it through endogenous R&D and outbound mergers and acquisitions, accelerate the development of industrial digitization business, and provide customers with comprehensive smart factory solutions.

Wansheng

Wansheng was established in 1995 and listed on the SSE in October 2014. Since its establishment, Wansheng has been focusing on the production, R&D and sales of functional fine chemicals, and has become a world-leading producer of phosphorus-based flame retardant after years of development. The series products of Wansheng can be divided into flame retardant, functional daily chemical additives, amine booster, catalyst and coating booster, which are mainly used in the “right demand” industry (for example: automotive, electronic appliances, network communication equipment, construction, furniture, personal care materials, disinfectants, industrial anti-corrosion coatings, etc.), which is closely related to daily life. On 14 March 2023, Fosun High Technology entered into a share acquisition agreement with Nanjing Iron & Steel, pursuant to which Fosun High Technology has agreed to acquire, and Nanjing Iron & Steel has agreed to sell 174,305,939 shares of Wansheng (representing approximately 29.5645% of the issued shares of Wansheng as at 14 March 2023) and all underlying rights of such shares. As at the date of this announcement, the abovementioned acquisition has not been completed. Please refer to the announcement of the Company dated 14 March 2023 for more information.

During the Reporting Period, the conflict of geopolitical landscape triggered the European energy crisis, and the U.S. and Europe continued to raise interest rates under the high inflation, resulting in a rapid decline in global end consumer demand. Chips shortage affected the shipments of global consumer electronics and automobile delivery, leading to a sharp decrease in the demand of modified plastic products. In addition to the frequent occurrence of domestic epidemic during the Reporting Period, the production of certain bases of Wansheng was been affected. The expansion of production capacity in the domestic market caused major changes in the market supply and demand pattern, thus greatly affected production and sales. The sales volume and gross profit per tonne of primary products of Wansheng declined. During the Reporting Period, Wansheng’s revenue was RMB3.564 billion, down by 13.38% year-on-year, while net profit attributable to the parent was RMB0.365 billion, down by 55.70% year-on-year.

In terms of external investment, Wansheng engaged in two new projects during the Reporting Period: (1) Wansheng acquired 100% equity interest in Shandong Hanfeng New Material Technology Co., Ltd. (山東漢峰新材料科技有限公司), which will help to comprehensively extend Wansheng’s industrial chain, reduce production costs, secure raw material supply and strengthen comprehensive competitiveness; and (2) Wansheng undertook investment jointly with Biocreat (Shenzhen) Biotechnology Co., Ltd. (百葵銳(深圳)生物科技有限公司) and Yangzhou Xinhesheng Investment Partnership (Limited Partnership) (揚州新合盛投資合夥企

業(有限合夥)) to establish a R&D company, which will mainly focus on novel technique for the R&D and production of amino acid surfactants using synthetic biology. The project is a key initiative for Wansheng to implement its strategic planning on biotechnology.

In terms of capacity construction, Wansheng currently has four main production bases: (1) Zhejiang Linhai Production Base, which produces flame retardants, coating additives and other products, with a designed production capacity of 133,500 tonnes; (2) Jiangsu Taixing Economic Development Production Base, which produces amine additives, catalysts, quaternary ammonium salts and other products, with a designed production capacity of 65,300 tonnes; (3) Shandong Weifang Production Base, which produces flame retardant raw materials, flame retardants, epoxy resins and additives, surfactants, etc., is still under construction. After the construction is completed, an additional capacity of 319,300 tonnes Phase I will be added; and (4) Shandong Jining Production Base, produces phosphorus oxychloride, phosphorus pentachloride and other products, with a designed production capacity of 121,500 tonnes.

Looking forward, Wansheng will create more value for customers through continuous innovation, become a trusted partner for global customers, and develop into a globally leading supplier of functional new materials.

FINANCIAL REVIEW

Net Interest Expenditures

Net interest expenditures, net of capitalized amounts of the Group, increased to RMB10,474.3 million in 2022 from RMB9,537.9 million in 2021. The increase in net interest expenditures in 2022 was mainly attributable to the increase in interest rate of borrowings. The interest rates of borrowings in 2022 were approximately between 0.0% and 12.1%, as compared with approximately between 0.0% and 12.2% for the same period of last year.

Tax

Tax of the Group increased to RMB7,922.7 million in 2022 from RMB7,564.7 million in 2021. The increase in tax mainly resulted from the increase in deferred tax liabilities, calculated based on the “Focus on Core Business” strategy and exit plan of non-core assets.

Indebtedness and Liquidity of the Group

As of 31 December 2022, the total debt of the Group was RMB226,919.2 million, representing a decrease from RMB237,119.5 million as of 31 December 2021, which was mainly due to the

decrease in borrowings as a result of the Group's active management of maturing debts in advance. As of 31 December 2022, mid-to-long-term debt of the Group accounted for 53.2% of total debt, while 55.6% as of 31 December 2021. As of 31 December 2022, cash and bank balance and term deposits increased by RMB3,784.5 million to RMB100,564.0 million as compared with RMB96,779.5 million as of 31 December 2021.

Total Debt to Total Capital Ratio

As of 31 December 2022, the ratio of total debt to total capital decreased to 53.2% as compared with 53.9% as of 31 December 2021. Healthy debt ratios and abundant funds can reinforce the Group's ability to defend against external risk exposure and ensure the Group to capture investment opportunities.

Available Facilities

As at 31 December 2022, save for cash and bank and term deposits of RMB100,564.0 million, the Group had unutilized banking facilities of RMB154,962.8 million. The Group has signed strategic cooperation agreements with various foreign and Chinese banks. According to these agreements, the banks committed to strengthening further on the existing relationship, and providing comprehensive financial support toward Fosun's "Health, Happiness, Wealth & Intelligent Manufacturing" businesses. Prior approval for individual projects from banks in accordance with bank regulations of China must be obtained before the use of these banking facilities. As at 31 December 2022, available banking facilities under these arrangements totaled RMB332,766.5 million, of which RMB177,803.7 million was utilized.

Interest Coverage

In 2022, the interest coverage was 3.1 times as compared with 4.4 times for 2021. The decrease was mainly due to EBITDA of the Group decreased to RMB32,016.9 million in 2022 from RMB42,107.6 million in 2021.

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Year ended 31 December 2022

	Notes	2022 RMB'000	2021 RMB'000 (Restated)
REVENUE	3	175,393,419	161,291,184
Cost of sales		<u>(118,012,916)</u>	<u>(105,639,791)</u>
Gross profit		57,380,503	55,651,393
Other income and gains	3	22,698,314	27,397,190
Selling and distribution expenses		(24,249,965)	(23,155,878)
Administrative expenses		(29,352,311)	(27,328,993)
Other expenses		(9,945,433)	(6,912,265)
Finance costs	4	(10,886,682)	(9,889,745)
Amount reported in profit or loss applying the overlay approach		1,526,410	121,262
Share of profits of:			
Joint ventures		966,290	3,241,598
Associates		<u>4,398,499</u>	<u>5,519,242</u>
PROFIT BEFORE TAX	5	12,535,625	24,643,804
Tax	6	<u>(7,922,713)</u>	<u>(7,564,728)</u>
PROFIT FOR THE YEAR		<u>4,612,912</u>	<u>17,079,076</u>
Attributable to:			
Owners of the parent		538,715	10,084,505
Non-controlling interests		<u>4,074,197</u>	<u>6,994,571</u>
		<u>4,612,912</u>	<u>17,079,076</u>
EARNINGS PER SHARE			
ATTRIBUTABLE TO ORDINARY			
EQUITY HOLDERS OF			
THE PARENT			
Basic			
- For profit for the year (RMB)	8	<u>0.06</u>	<u>1.21</u>
Diluted			
- For profit for the year (RMB)	8	<u>0.06</u>	<u>1.21</u>

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2022

	2022 RMB'000	2021 RMB'000 (Restated)
PROFIT FOR THE YEAR	<u>4,612,912</u>	<u>17,079,076</u>
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>		
Financial assets designated under the overlay approach:		
Amount reported in other comprehensive loss applying the overlay approach	(1,526,410)	(121,262)
Income tax effect	<u>213,011</u>	<u>(23,675)</u>
	(1,313,399)	(144,937)
Debt investments at fair value through other comprehensive loss:		
Changes in fair value	(7,924,118)	(2,244,430)
Changes in allowance for expected credit losses	120	(122,488)
Reclassification adjustments for losses/(gains) on disposal included in the consolidated statement of profit or loss	1,080,969	(8,859)
Income tax effect	<u>1,859,593</u>	<u>298,586</u>
	(4,983,436)	(2,077,191)
Change in other life insurance contract liabilities due to potential losses on financial assets	190,795	151,039
Income tax effect	<u>(40,067)</u>	<u>19,207</u>
	150,728	170,246
Fair value adjustments of hedging instruments in cash flow hedges	134,453	147,958
Income tax effect	<u>(24,045)</u>	<u>(47,600)</u>
	110,408	100,358
Fair value adjustments of hedging of a net investment in a foreign operation	159,102	(425,599)
Income tax effect	<u>(37,024)</u>	<u>97,428</u>
	122,078	(328,171)
Share of other comprehensive income of joint ventures	14,952	49,620
Share of other comprehensive (loss)/income of associates	(3,502,526)	230,286
Exchange differences on translation of foreign operations	655,396	(3,663,521)

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)
Year ended 31 December 2022

	2022 RMB'000	2021 RMB'000 (Restated)
OTHER COMPREHENSIVE INCOME (continued)		
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	<u>(8,745,799)</u>	<u>(5,663,310)</u>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Revaluation gain upon transfer from owner-occupied property to investment property	9,003	5,305
Income tax effect	<u>(1,027)</u>	<u>(1,313)</u>
	7,976	3,992
Actuarial reserve relating to employee benefits	407,434	41,168
Income tax effect	<u>(77,986)</u>	<u>2,207</u>
	329,448	43,375
Equity investments designated at fair value through other comprehensive income:		
Change in fair value	(84,210)	(58,158)
Income tax effect	<u>16,263</u>	<u>7,166</u>
	(67,947)	(50,992)
Share of other comprehensive income/(loss) of associates	83,581	(16,371)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	<u>353,058</u>	<u>(19,996)</u>
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	<u>(8,392,741)</u>	<u>(5,683,306)</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	<u><u>(3,779,829)</u></u>	<u><u>11,395,770</u></u>
Attributable to:		
Owners of the parent	(7,048,911)	6,168,471
Non-controlling interests	<u>3,269,082</u>	<u>5,227,299</u>
	<u><u>(3,779,829)</u></u>	<u><u>11,395,770</u></u>

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2022

	2022	2021
	RMB'000	RMB'000
		(Restated)
NON-CURRENT ASSETS		
Property, plant and equipment	45,668,203	42,387,533
Investment properties	95,743,357	67,229,732
Right-of-use assets	21,297,657	18,608,758
Exploration and evaluation assets	584,684	411,330
Mining rights	480,763	496,997
Oil and gas assets	1,890,258	1,959,612
Intangible assets	34,278,110	27,116,359
Goodwill	27,413,654	24,804,818
Investments in joint ventures	9,903,075	33,395,605
Investments in associates	68,653,959	92,808,915
Financial assets at fair value through profit or loss	24,502,903	27,599,749
Equity investments designated at fair value through other comprehensive income	387,955	535,491
Debt investments at fair value through other comprehensive income	53,942,871	61,654,863
Debt investments at amortised cost	14,887,995	19,664,789
Properties under development	5,467,663	13,201,244
Due from related companies	370,449	1,470,128
Prepayments, other receivables and other assets	5,478,551	4,541,722
Deferred tax assets	8,910,321	6,972,801
Policyholder account assets in respect of unit-linked contracts	21,422,360	10,658,853
Insurance and reinsurance debtors	97,603	79,879
Reinsurers' share of insurance contract provisions	1,035,726	4,286,097
Term deposits	492,737	501,471
Placements with and loans to banks and other financial institutions	37,115	36,099
Loans and advances to customers	1,070,416	1,324,555
Derivative financial instruments	658,270	1,544,894
Finance lease receivables	458,354	226,315
Other long term assets	<u>1,786,557</u>	<u>-</u>
Total non-current assets	<u><u>446,921,566</u></u>	<u><u>463,518,609</u></u>

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2022

	Note	2022 RMB'000	2021 RMB'000
CURRENT ASSETS			
Cash and bank balances		100,071,263	96,278,048
Financial assets at fair value through profit or loss		37,828,775	42,528,438
Equity investments designated at fair value through other comprehensive income		8,214	-
Debt investments at fair value through other comprehensive income		9,592,013	19,253,551
Debt investments at amortised cost		10,283,828	6,319,685
Derivative financial instruments		2,879,068	1,512,688
Trade and notes receivables	9	13,200,451	10,618,340
Contract assets and other assets		610,268	36,125
Prepayments, other receivables and other assets		28,585,593	30,819,560
Inventories		25,649,708	22,263,338
Completed properties for sale		15,028,738	14,781,146
Properties under development		56,611,465	38,007,620
Due from related companies		12,558,844	16,739,960
Policyholder account assets in respect of unit-linked contracts		1,854,480	2,049,768
Insurance and reinsurance debtors		20,727,691	17,118,624
Reinsurers' share of insurance contract provisions		7,261,959	7,404,807
Placements with and loans to banks and other financial institutions		17,895	389,384
Loans and advances to customers		15,092,528	15,469,317
Finance lease receivables		331,208	612,374
		<u>358,193,989</u>	<u>342,202,773</u>
Non-current assets/assets of a disposal group classified as held for sale		<u>18,030,509</u>	<u>556,217</u>
Total current assets		<u><u>376,224,498</u></u>	<u><u>342,758,990</u></u>

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2022

	Note	2022 RMB'000	2021 RMB'000 (Restated)
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		106,279,027	105,227,290
Contract liabilities		23,966,338	20,315,595
Trade and notes payables	10	24,393,592	21,406,410
Accrued liabilities and other payables		53,527,569	37,872,829
Tax payable		12,078,193	11,896,130
Deposits from customers		76,849,980	71,742,751
Due to related companies		2,098,906	3,836,309
Assets sold under agreements to repurchase		151,868	1,467,606
Derivative financial instruments		2,120,706	3,027,559
Accounts payable to brokerage clients		3,828	421,560
Unearned premium provisions		11,024,957	9,859,032
Provision for outstanding claims		27,768,667	24,577,492
Provision for unexpired risks		608,614	513,322
Financial liabilities for unit-linked contracts		109,810	109,911
Investment contract liabilities		13,274,724	9,571,295
Other life insurance contract liabilities		609,035	1,088,504
Insurance and reinsurance creditors		11,800,233	9,070,251
Financial liabilities at fair value through profit or loss		4,306,876	4,078,714
Due to banks and other financial institutions		1,141,108	1,541,056
Placements from banks and other financial institutions		149,062	122,735
		<u>372,263,093</u>	<u>337,746,351</u>
Liabilities directly associated with the assets classified as held for sale		<u>117,467</u>	<u>27,151</u>
Total current liabilities		<u>372,380,560</u>	<u>337,773,502</u>
NET CURRENT ASSETS		<u>3,843,938</u>	<u>4,985,488</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>450,765,504</u>	<u>468,504,097</u>

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2022

	2022	2021
	RMB'000	RMB'000
		(Restated)
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	120,640,124	131,892,195
Deposits from customers	85,962	108,641
Derivative financial instruments	1,028,037	2,713,232
Deferred income	1,231,069	971,999
Other long term payables	22,101,247	18,967,634
Deferred tax liabilities	22,821,399	16,771,734
Provision for outstanding claims	10,293,662	18,842,918
Financial liabilities for unit-linked contracts	23,167,030	12,598,710
Investment contract liabilities	26,627,538	36,319,428
Other life insurance contract liabilities	19,645,603	19,805,347
Insurance and reinsurance creditors	-	160,993
Contract liabilities	366,099	626,871
Due to banks and other financial institutions	-	2,834,815
Due to the holding company	122,606	2,770,224
Due to related companies	<u>3,005,313</u>	<u>-</u>
Total non-current liabilities	<u>251,135,689</u>	<u>265,384,741</u>
Net assets	<u>199,629,815</u>	<u>203,119,356</u>

FOSUN INTERNATIONAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2022

	2022 RMB'000	2021 RMB'000 (Restated)
EQUITY		
Equity attributable to owners of the parent		
Share capital	37,146,381	36,919,889
Treasury shares	(353,338)	(254,519)
Other reserves	<u>84,727,833</u>	<u>94,329,654</u>
	121,520,876	130,995,024
Non-controlling interests	<u>78,108,939</u>	<u>72,124,332</u>
Total equity	<u>199,629,815</u>	<u>203,119,356</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS
Year ended 31 December 2022

1. BASIS OF PRESENTATION AND CHANGES IN ACCOUNTING POLICIES

1.1 BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain financial assets and liabilities (including derivative instruments) which have been measured at fair value, and insurance contract liabilities, which have been measured primarily based on actuarial methods. Assets of a disposal group classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the years ended 31 December 2022 and 2021 included in this announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years but, is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2021 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2022 in due course.

The Company’s auditor has reported on these financial statements for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

1.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2022. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

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

(a) Amendments to HKFRS 3 *Reference to the Conceptual Framework*

Amendments to HKFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* (the "Conceptual Framework") issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. The amendments did not have any significant impact on the financial position and performance of the Group.

(b) Amendments to HKAS 16 *Property, Plant and Equipment: Proceeds before Intended Use*

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, as determined by HKAS 2 Inventories, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on after 1 January 2021. The amendments did not have any significant impact on the financial position or performance of the Group.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(c) **Amendments to HKAS 37 *Onerous Contracts — Cost of Fulfilling a Contract***

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022. The amendments did not have any significant impact on the financial position or performance of the Group.

(d) **Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41.**

Details of the amendments that are applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively from 1 January 2022. As there was no modification or exchange of the Group's financial liabilities during the year, the amendment did not have any significant impact on the financial position or performance of the Group.
- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(e) IFRIC Decision on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 *Intangible Assets*, which is equivalent to HKAS 38)

In IFRIC Update March 2021, the IFRS Interpretations Committee (“IFRIC”) published its agenda decision on Configuration or Customisation Costs under a Software as a Service (“SaaS”) contract (“IFRIC Agenda Decision”). The IFRIC Agenda Decision states that in most cases, in application of IAS 38(which is equivalent to HKAS 38), configuration or customisation costs in a cloud computing arrangement should be treated as expenses, not intangible assets, since the entity does not control the software and the configuration/customisation activities do not generate a resource that is controlled by the customer independently of the software.

In application of this IFRIC Agenda Decision, configuration or customisation costs for SaaS which were previously capitalised were charged to expense. The changes in accounting policy has been accounted for retrospectively and the comparative figures for the corresponding comparative prior periods have been restated.

The table below illustrates the application of the IFRIC Agenda Decision as at 31 December 2021 and 1 January 2021.

	Before restated 31 December 2021 RMB'000	Impact of restatements RMB'000	After restated 31 December 2021 RMB'000
Assets			
Intangible assets	27,243,823	(127,464)	27,116,359
Deferred tax assets	<u>6,939,879</u>	<u>32,922</u>	<u>6,972,801</u>
Total non-current assets	<u>463,613,151</u>	<u>(94,542)</u>	<u>463,518,609</u>
Total assets less current liabilities	<u>468,598,639</u>	<u>(94,542)</u>	<u>468,504,097</u>
Net assets	<u>203,213,898</u>	<u>(94,542)</u>	<u>203,119,356</u>
Equity			
Other Reserves	94,404,536	(74,882)	94,329,654
Non-controlling interests	<u>72,143,992</u>	<u>(19,660)</u>	<u>72,124,332</u>
Total equity	<u>203,213,898</u>	<u>(94,542)</u>	<u>203,119,356</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(e) IFRIC Decision on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 *Intangible Assets*, which is equivalent to HKAS 38)(continued)

	Before restated 1 January 2021 RMB'000	Impact of restatements RMB'000	After restated 1 January 2021 RMB'000
Assets			
Intangible assets	26,223,404	(131,591)	26,091,813
Deferred tax assets	<u>6,323,426</u>	<u>33,994</u>	<u>6,357,420</u>
Total non-current assets	<u>454,244,558</u>	<u>(97,597)</u>	<u>454,146,961</u>
Total assets less current liabilities	<u>472,095,516</u>	<u>(97,597)</u>	<u>471,997,919</u>
Net assets	<u>193,084,524</u>	<u>(97,597)</u>	<u>192,986,927</u>
Equity			
Other Reserves	127,810,012	(77,083)	127,732,929
Non-controlling interests	<u>65,274,512</u>	<u>(20,514)</u>	<u>65,253,998</u>
Total equity	<u>193,084,524</u>	<u>(97,597)</u>	<u>192,986,927</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(e) IFRIC Decision on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 *Intangible Assets*, which is equivalent to HKAS 38)(continued)

	Before restated 2021 RMB'000	Impact of restatements RMB'000	After restated 2021 RMB'000
Administrative expenses	<u>(27,319,917)</u>	<u>(9,076)</u>	<u>(27,328,993)</u>
PROFIT BEFORE TAX	24,652,880	(9,076)	24,643,804
TAX	<u>(7,567,067)</u>	<u>2,339</u>	<u>(7,564,728)</u>
PROFIT FOR THE YEAR	<u>17,085,813</u>	<u>(6,737)</u>	<u>17,079,076</u>
Attributable to:			
Owners of the parent	10,089,922	(5,417)	10,084,505
Non-controlling interests	6,995,891	(1,320)	6,994,571
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT:			
Basic			
- For profit for the year (RMB)	<u>1.21</u>	<u>-</u>	<u>1.21</u>
Diluted			
- For profit for the year (RMB)	<u>1.21</u>	<u>-</u>	<u>1.21</u>
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	<u>(3,673,313)</u>	<u>9,792</u>	<u>(3,663,521)</u>
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	<u>(5,673,102)</u>	<u>9,792</u>	<u>(5,663,310)</u>
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX			
	<u>(5,693,098)</u>	<u>9,792</u>	<u>(5,683,306)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
	<u>11,392,715</u>	<u>3,055</u>	<u>11,395,770</u>
Attributable to:			
Owners of the parent	6,166,270	2,201	6,168,471
Non-controlling interests	5,226,445	854	5,227,299

2. OPERATING SEGMENT INFORMATION

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

- (i) The Health segment engages in the research and development, manufacture, sale and trading of pharmaceutical and health products and providing medical services and health management;
- (ii) The Happiness segment comprises principally the operation and investments in tourism and leisure, fashion consumer and lifestyle industries;
- (iii) The Insurance segment mainly engages in the operation of and investment in the insurance businesses;
- (iv) The Asset Management segment comprises principally the operation and investment of asset management, market investments, and investments in other companies of the Group; and
- (v) The Intelligent Manufacturing segment comprises principally the operation of and investment in the intelligent manufacturing and iron, steel and ore production;

Both the Insurance segment and the Asset Management segment listed above belong to the Wealth sector of the Group.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on reportable segment profit or loss, which is measured consistently with the Group's profit or loss after tax. The head office and corporate expenses are allocated to each reportable segments based on their respective utilization of internal resources. Certain interest bearing bank and other borrowings which are managed on the group basis are allocated to each reportable segments based on their respective utilization of the financing.

Inter-segment sales and transfers are transacted with reference to the fair selling prices used for sales made to third parties at the then prevailing market prices.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2022

	Health	Happiness	Wealth		Intelligent manufacturing	Eliminations	Total
	RMB'000	RMB'000	Insurance RMB'000	Asset Management RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:							
Sales to external customers	47,209,068	70,455,461	32,427,064	14,946,190	10,355,636	-	175,393,419
Inter-segment sales	792,197	284,068	698	348,477	-	(1,425,440)	-
Total revenue	<u>48,001,265</u>	<u>70,739,529</u>	<u>32,427,762</u>	<u>15,294,667</u>	<u>10,355,636</u>	<u>(1,425,440)</u>	<u>175,393,419</u>
Segment results							
Profit before tax	4,948,437	5,237,348	(423,003)	1,399,638	1,462,948	(89,743)	12,535,625
Tax	(672,447)	(2,571,991)	(726,856)	(3,901,061)	(50,358)	-	(7,922,713)
Profit/(loss) for the year	<u>4,275,990</u>	<u>2,665,357</u>	<u>(1,149,859)</u>	<u>(2,501,423)</u>	<u>1,412,590</u>	<u>(89,743)</u>	<u>4,612,912</u>
Segment and total assets	<u>120,454,202</u>	<u>200,117,980</u>	<u>196,321,146</u>	<u>269,113,047</u>	<u>47,424,454</u>	<u>(10,284,765)</u>	<u>823,146,064</u>
Segment and total liabilities	<u>59,223,893</u>	<u>147,602,416</u>	<u>181,167,118</u>	<u>225,380,343</u>	<u>17,299,410</u>	<u>(7,156,931)</u>	<u>623,516,249</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2022 (continued)

	Health	Happiness	Wealth		Intelligent manufacturing	Eliminations	Total
	RMB'000	RMB'000	Insurance RMB'000	Asset Management RMB'000	RMB'000	RMB'000	RMB'000
Other segment information:							
Interest and dividend income	347,074	248,996	3,507,980	905,151	61,744	(164,884)	4,906,061
Other income and gains (excluding interest and dividend income)	1,098,443	6,733,348	2,051,975	7,835,098	95,462	(22,073)	17,792,253
Amount reported in profit or loss applying the overlay approach	-	-	1,526,410	-	-	-	1,526,410
Impairment losses recognised in the statement of profit or loss, net	(343,852)	(80,844)	(14,810)	(2,766,240)	(459,408)	-	(3,665,154)
Finance costs	(1,175,476)	(2,985,439)	(1,676,972)	(4,936,469)	(270,545)	158,219	(10,886,682)
Share of profits and losses of							
- Joint ventures	(233,925)	656,997	(288,825)	47,605	798,094	(13,656)	966,290
- Associates	2,026,082	(757,487)	193,476	2,603,506	388,392	(55,470)	4,398,499
Depreciation and amortisation	(2,545,503)	(4,082,175)	(674,917)	(713,475)	(990,885)	-	(9,006,955)
Research and development costs	(4,305,647)	(234,710)	(6,567)	(37,081)	(327,664)	-	(4,911,669)
Fair value (loss)/gain on fair value adjustments of investment properties	-	(3,891)	347,710	8,499,539	-	-	8,843,358
Fair value (loss)/gain on financial assets at fair value through profit or loss	(319,035)	432,255	(2,374,314)	619,656	32,581	726	(1,608,131)
Investments in joint ventures	250,606	6,287,576	1,099,385	2,707,710	-	(442,202)	9,903,075
Investments in associates	25,260,181	6,950,696	1,926,563	34,859,852	2,011,399	(2,354,732)	68,653,959
Capital expenditure*	5,819,005	3,536,590	1,835,362	1,160,282	1,466,418	-	13,817,657

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2021 (Restated)

	Health	Happiness	Wealth	Intelligent manufacturing			
			Insurance	Asset Management		Eliminations	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:							
Sales to external customers	43,242,573	66,741,794	32,149,316	11,420,607	7,736,894	-	161,291,184
Inter-segment sales	737,180	156,528	-	129,459	-	(1,023,167)	-
Total revenue	<u>43,979,753</u>	<u>66,898,322</u>	<u>32,149,316</u>	<u>11,550,066</u>	<u>7,736,894</u>	<u>(1,023,167)</u>	<u>161,291,184</u>
Segment results							
Profit before tax	6,244,861	2,704,064	3,059,709	8,694,168	4,043,535	(102,533)	24,643,804
Tax	(1,049,856)	(3,139,955)	(914,801)	(2,178,586)	(281,530)	-	(7,564,728)
Profit/(loss) for the year	<u>5,195,005</u>	<u>(435,891)</u>	<u>2,144,908</u>	<u>6,515,582</u>	<u>3,762,005</u>	<u>(102,533)</u>	<u>17,079,076</u>
Segment and total assets	<u>107,245,951</u>	<u>194,480,737</u>	<u>208,579,832</u>	<u>259,246,571</u>	<u>47,755,786</u>	<u>(11,031,278)</u>	<u>806,277,599</u>
Segment and total liabilities	<u>51,848,370</u>	<u>138,408,998</u>	<u>185,589,288</u>	<u>220,157,048</u>	<u>16,346,353</u>	<u>(9,191,814)</u>	<u>603,158,243</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

2. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 December 2021 (Restated) (continued)

	Health	Happiness	Wealth		Intelligent manufacturing	Eliminations	Total
	RMB'000	RMB'000	Insurance RMB'000	Asset Management RMB'000	RMB'000	RMB'000	RMB'000
Other segment information:							
Interest and dividend income	371,285	255,611	3,260,145	1,103,239	28,793	(148,904)	4,870,169
Other income and gains (excluding interest and dividend income)	3,754,634	2,018,122	4,951,338	11,301,325	510,663	(9,061)	22,527,021
Amount reported in profit or loss applying the overlay approach	-	-	121,262	-	-	-	121,262
Impairment losses recognised in the statement of profit or loss, net	(937,147)	(272,771)	96,481	(30,375)	(1,235,730)	-	(2,379,542)
Finance costs	(1,046,990)	(2,557,464)	(1,643,130)	(4,489,578)	(301,406)	148,823	(9,889,745)
Share of profits and losses of							
- Joint ventures	(244,806)	788,086	(77,133)	816,549	1,966,134	(7,232)	3,241,598
- Associates	2,097,223	(340,174)	835,559	830,595	2,165,929	(69,890)	5,519,242
Depreciation and amortisation	(1,888,341)	(4,078,905)	(653,541)	(646,125)	(658,916)	-	(7,925,828)
Research and development costs	(3,841,046)	(155,393)	-	(14,165)	(182,468)	-	(4,193,072)
Fair value gain on fair value adjustments of investment properties	38,453	164,133	430,720	347,401	-	-	980,707
Fair value gain on financial assets at fair value through profit or loss	421,865	254,973	514,745	7,467,958	304,896	816	8,965,253
Investments in joint ventures	292,030	6,037,024	1,378,107	11,743,636	14,352,514	(407,706)	33,395,605
Investments in associates	25,129,547	10,927,410	11,107,012	37,971,494	9,944,504	(2,271,052)	92,808,915
Capital expenditure*	4,457,699	4,871,076	3,068,378	830,116	605,999	-	13,833,268

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

2. OPERATING SEGMENT INFORMATION (continued)

- * Capital expenditure consists of additions to property, plant and equipment, exploration and evaluation assets, mining rights, intangible assets, investment properties and oil and gas assets.

Geographical information

(a) REVENUE FROM EXTERNAL CUSTOMERS

	2022 RMB'000	2021 RMB'000
Chinese Mainland	98,036,428	93,586,513
Portugal	16,022,796	17,014,614
Other countries and regions	<u>61,334,195</u>	<u>50,690,057</u>
	<u>175,393,419</u>	<u>161,291,184</u>

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

(b) NON-CURRENT ASSETS

	2022 RMB'000	2021 RMB'000 (Restated)
Chinese Mainland	200,882,005	221,784,082
Portugal	24,191,381	24,741,786
Other countries and regions	<u>93,573,105</u>	<u>80,436,757</u>
	<u>318,646,491</u>	<u>326,962,625</u>

The non-current asset information above is based on the locations of the assets and excludes financial instruments, deferred tax assets and rights arising under insurance contracts.

Information about a major customer

No revenue amounting to 10% or more of the Group's revenue was derived from sales to a single customer for the years ended 31 December 2022 and 2021.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

3. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods or properties sold after allowances for returns, trade discounts and various types of government surcharges, where applicable during the year. In addition, it includes the net earned premiums from the insurance business, the value of services rendered and rental income from investment properties during the year.

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

	notes	2022 RMB'000	2021 RMB'000
Revenue			
Revenue from contracts with customers			
- Sale of goods	(1)	107,463,860	100,247,012
- Rendering of services	(2)	<u>33,604,587</u>	<u>27,478,023</u>
		<u>141,068,447</u>	<u>127,725,035</u>
Revenue from other sources			
- Insurance revenue	(3)	32,020,282	31,762,618
- Rental income		2,036,566	1,831,460
- Interest income		<u>1,007,790</u>	<u>786,511</u>
		35,064,638	34,380,589
Others			
- Less: Government surcharges		<u>(739,666)</u>	<u>(814,440)</u>
		<u>175,393,419</u>	<u>161,291,184</u>
(1) Sale of goods:			
Pharmaceuticals and medical products		37,488,585	34,385,885
Properties		16,530,005	21,843,006
Gold and jewelleryes		33,071,111	27,443,246
Ore products		1,720,890	2,826,494
Oil and gas		1,577,917	1,137,246
Others		<u>17,075,352</u>	<u>12,611,135</u>
		<u>107,463,860</u>	<u>100,247,012</u>
(2) Rendering of services:			
Tourism		12,869,940	7,280,970
Healthcare		9,676,880	8,224,878
Property agency		225,618	389,308
Property management		1,612,579	1,549,251
Asset management		711,361	881,971
Fee and commission income		2,211,621	2,077,363
Others		<u>6,296,588</u>	<u>7,074,282</u>
		<u>33,604,587</u>	<u>27,478,023</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

	2022 RMB'000	2021 RMB'000
(3) Insurance revenue:		
Gross premiums written	43,170,902	39,566,145
Less: Premiums ceded to reinsurers and retrocessionaires	<u>(9,016,227)</u>	<u>(7,055,028)</u>
Net premiums written	34,154,675	32,511,117
Change in unearned premium provisions, net of reinsurance	<u>(2,134,393)</u>	<u>(748,499)</u>
Net earned premiums	<u><u>32,020,282</u></u>	<u><u>31,762,618</u></u>

Performance obligations

Information about the Group's performance obligations is summarised below:

SALE OF GOODS

The performance obligation is satisfied upon delivery of the products and payment is generally due within 30 to 180 days from delivery, or payment in advance is required in some cases.

SALE OF COMPLETED PROPERTIES

If control of the asset is transferred over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. Otherwise, revenue is recognised at the point in time when the customer obtains the physical possession or the legal title of the completed property and the Group has the present right to payment and the collection of the consideration is probable.

SERVICE INCOME

The performance obligation is satisfied over time as services are rendered and the customer simultaneously receives and consumes the benefits. Short-term advances are normally required before rendering the services.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

Disaggregated revenue information

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

For the year ended 31 December 2022

Segments:

	<u>Health</u>	<u>Happiness</u>	<u>Wealth</u>		<u>Intelligent</u>	<u>Total</u>
			Insurance	Asset Management	manufacturing	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Type of goods or services						
Sale of goods	37,231,061	53,043,180	1,287	6,855,966	10,332,366	107,463,860
Rendering of services	<u>10,122,643</u>	<u>17,618,105</u>	<u>406,362</u>	<u>5,352,221</u>	<u>105,256</u>	<u>33,604,587</u>
	<u>47,353,704</u>	<u>70,661,285</u>	<u>407,649</u>	<u>12,208,187</u>	<u>10,437,622</u>	<u>141,068,447</u>
Timing of revenue recognition						
Goods transferred at a point in time	37,231,061	53,043,180	1,287	6,855,966	10,332,366	107,463,860
Services transferred over time	<u>10,122,643</u>	<u>17,618,105</u>	<u>406,362</u>	<u>5,352,221</u>	<u>105,256</u>	<u>33,604,587</u>
	<u>47,353,704</u>	<u>70,661,285</u>	<u>407,649</u>	<u>12,208,187</u>	<u>10,437,622</u>	<u>141,068,447</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

Disaggregated revenue information

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

For the year ended 31 December 2021

	<u>Health</u>	<u>Happiness</u>	<u>Wealth</u>		<u>Intelligent manufacturing</u>	<u>Total</u>
			Issurance	Asset Management		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Type of goods or services						
Sale of goods	33,977,485	54,759,726	2	3,810,189	7,699,610	100,247,012
Rendering of services	<u>9,351,186</u>	<u>11,951,165</u>	<u>387,918</u>	<u>5,643,345</u>	<u>144,409</u>	<u>27,478,023</u>
	<u>43,328,671</u>	<u>66,710,891</u>	<u>387,920</u>	<u>9,453,534</u>	<u>7,844,019</u>	<u>127,725,035</u>
Timing of revenue recognition						
Goods transferred at a point in time	33,977,485	54,759,726	2	3,810,189	7,699,610	100,247,012
Services transferred over time	<u>9,351,186</u>	<u>11,951,165</u>	<u>387,918</u>	<u>5,643,345</u>	<u>144,409</u>	<u>27,478,023</u>
	<u>43,328,671</u>	<u>66,710,891</u>	<u>387,920</u>	<u>9,453,534</u>	<u>7,844,019</u>	<u>127,725,035</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

	2022	2021
	RMB'000	RMB'000
Other income		
Interest income	960,883	1,244,839
Dividends and interest from financial assets at fair value through profit or loss	1,844,398	1,617,384
Dividends from equity investments designated at fair value through other comprehensive income	1,068	5,400
Interest income from debt investments at fair value through other comprehensive income	2,099,712	2,002,546
Rental income	548,998	549,206
Government grants	788,809	987,136
Fee income relating to investment contracts and reinsurance profit sharing	1,591,815	712,209
Others	<u>1,615,426</u>	<u>1,181,481</u>
	<u>9,451,109</u>	<u>8,300,201</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of revenue, other income and gains is as follows: (continued)

	2022 RMB'000	2021 RMB'000
Gains		
Gain on disposal of subsidiaries	1,253,732	2,903,575
Gain on bargain purchase of subsidiaries	306,277	1,207,500
Gain on remeasurement of previously held interests in step acquisitions of subsidiaries	1,408,718	-
Gain on disposal/partial disposal of associates	-	2,029,335
Gain on deemed disposal of associates	35,337	431,459
Gain on disposal of joint ventures	468,590	-
Gain on disposal of debt investments at fair value through other comprehensive income	-	295,788
Gain on disposal of items of property, plant and equipment	89,157	68,130
Gain on disposal of items of intangible assets	330,755	119,309
Gain on disposal of investment properties	-	71,491
Gain on fair value adjustment of financial assets at fair value through profit or loss	-	8,965,253
Gain on fair value adjustment of investment properties	8,843,358	980,707
Gain on reversal of impairment of insurance and reinsurance debtors	22,113	-
Gain on reversal of impairment of loans and advances to customers	-	137,720
Gain on reversal of impairment of debt investments measured at fair value through other comprehensive income	120	122,488
Gain on rent concessions as a result of the COVID-19 pandemic	96,697	149,734
Exchange gain, net	<u>392,351</u>	<u>1,614,500</u>
	<u>13,247,205</u>	<u>19,096,989</u>
Other income and gains	<u>22,698,314</u>	<u>27,397,190</u>
Total revenue, other income and gains	<u>198,091,733</u>	<u>188,688,374</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

4. FINANCE COSTS

An analysis of finance costs is as follows:

	2022	2021
	RMB'000	RMB'000
Interest on bank and other borrowings (including convertible bonds)	11,568,294	10,602,746
Incremental interest on other long term payables	5,609	6,199
Interest on lease liabilities	<u>642,346</u>	<u>617,347</u>
	12,216,249	11,226,292
Less: Interest capitalised, in respect of bank and other borrowings	<u>(1,751,413)</u>	<u>(1,704,945)</u>
Interest expenses, net	10,464,836	9,521,347
Interest on discounted notes	9,440	16,577
Bank charges and other financial costs	<u>412,406</u>	<u>351,821</u>
Total finance costs	<u><u>10,886,682</u></u>	<u><u>9,889,745</u></u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

5. PROFIT BEFORE TAX

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

	2022 RMB'000	2021 RMB'000
Cost of sales:		
Cost of inventories sold	73,177,657	65,256,752
Cost of services provided	<u>44,835,259</u>	<u>40,383,039</u>
	<u>118,012,916</u>	<u>105,639,791</u>
Staff costs:		
Wages and salaries	20,499,130	19,903,903
Accommodation benefits:		
Defined contribution fund	892,772	793,455
Retirement costs:		
Defined contribution fund	1,169,586	936,048
Defined benefit fund	103,667	195,381
Equity-settled share-based payments	<u>253,790</u>	<u>513,818</u>
Total staff costs	<u>22,918,945</u>	<u>22,342,605</u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

5. PROFIT BEFORE TAX (continued)

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

	2022 RMB'000	2021 RMB'000 (Restated)
Research and development costs	4,911,669	4,193,072
Auditor's remuneration	11,350	10,800
Depreciation of items of property, plant and equipment	3,589,760	3,257,330
Depreciation of right-of-use assets	2,670,621	2,438,440
Amortisation of mining rights	16,234	15,827
Amortisation of oil and gas assets	500,396	368,548
Amortisation of intangible assets	2,229,944	1,845,683
Impairment of financial assets, net:		
- Impairment of receivables	632,680	184,544
- Provision for/(reversal of) loans and advances to customers	30,648	(137,720)
- Provision for impairment of debt investments at amortised cost	33,453	14,299
- Impairment of finance lease receivables	13,093	32,881
Provision for inventories	472,050	421,411
Provision for impairment of oil and gas assets	174,145	-
Provision for impairment of completed properties for sale	14,259	4,976
Provision for impairment of items of property, plant and equipment	57,870	155,181
Loss/(gain) on fair value adjustment of financial assets at fair value through profit or loss	1,608,131	(8,965,253)
Loss/(gain) on disposal/partial disposal of associates	2,080,507	(2,029,335)
Loss/(gain) on disposal of debt investments at fair value through other comprehensive income	235,429	(295,788)
Provision for impairment of investments in associates	1,908,093	1,393,451
Provision for impairment of intangible assets	149,703	240,449
Provision for impairment of right of use assets	3,882	20,002
Provision for impairment of goodwill	197,511	172,556
Lease payment not included in the measurement of lease liabilities	346,215	269,647
Loss on derivative financial instruments	<u>1,198,406</u>	<u>1,651,132</u>

*There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions. (2021: Nil).

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

6. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2021: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

The provision for income tax of Peak Reinsurance Company Limited (“Peak Re”) incorporated in Hong Kong acquired by the Group, is based on a preferential rate of 8.25% (2021: 8.25%).

The provision for income tax of Alma Lasers Ltd. (“Alma Lasers”), a subsidiary of the Group incorporated in Israel, is based on a preferential effective rate of 6.0% (2021: 6.0%).

The provision for income tax of Fidelidade - Companhia de Seguros, S.A., and its subsidiaries incorporated in Portugal, is based on a rate of 31.5% (2021: 31.5%).

The provision for income tax of AmeriTrust Group, Inc. and its subsidiaries incorporated in the United States which were disposed by the end of the year is based on a rate of 21% (2021: 21%).

The provision for income tax of Club Med Holding and its subsidiaries incorporated in France is based on a rate of 25.83% (2021: 28.41%).

The provision for income tax of Hauck Aufhäuser Lampe Privatbank AG (“HAL”) and its subsidiaries which was incorporated in Germany is based on a rate of 31.88% (2021: 31.77%).

The provision for income tax of Gland Pharma Limited (“Gland”), which was incorporated in India, is based on a statutory rate of 25.17% in 2022 (2021: 25.17%).

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

6. TAX (continued)

The provision for income tax of entities incorporated in the Chinese Mainland was based on a statutory rate of 25% (2021: 25%) as determined in accordance with the Enterprise Income Tax Law of the People's Republic of China which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in the Chinese Mainland, which were taxed at preferential rates ranging from 0% to 20%.

The major components of tax expenses for the years ended 31 December 2022 and 2021 are as follows:

	2022 RMB'000	2021 RMB'000 (Restated)
Current - Portugal, Hong Kong and others	2,453,181	2,519,116
Current - Chinese Mainland		
- Income tax in the Chinese Mainland for the year	2,254,921	2,846,846
- LAT in the Chinese Mainland for the year	1,295,651	2,828,797
Deferred	<u>1,918,960</u>	<u>(630,031)</u>
Tax expenses for the year	<u><u>7,922,713</u></u>	<u><u>7,564,728</u></u>

According to the tax notices issued by the relevant local tax authorities, the Group commenced to pay land appreciation tax ("LAT") at rates ranging from 0.5% to 5% on proceeds from the sale and pre-sale of properties from 2004. The Directors considered that the relevant tax authorities would unlikely impose additional LAT levies other than the amount already paid based on the relevant percentages of the proceeds from the sale and pre-sale of the Group's properties.

During the year, the prepaid LAT of the Group amounted to RMB 405,959,000 (2021: RMB 924,386,000).

In addition, based on the latest understanding of the LAT regulations from the State Administration of Taxation, the Group made an additional LAT provision in the amount of RMB889,692,000 (2021:RMB1,904,410,000) in respect of the sales of properties in the year in accordance with the requirements set forth in the relevant PRC tax laws and regulations. During the year, there was no unpaid LAT provision (2021: null) was reversed to the consolidated statement of profit or loss upon the completion of the liquidation and clearance with the local tax authorities by certain subsidiaries of the Group.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

7. DIVIDENDS

	2022 RMB'000	2021 RMB'000
2021 final dividend declared in 2022		
– HKD0.30 per ordinary share		
(2020 final dividend declared in 2021		
– HKD0.22 per ordinary share)	<u>2,148,152</u>	<u>1,530,429</u>

A final dividend of HKD0.30 per ordinary share for the year ended 31 December 2021 was declared and approved by the shareholders at the annual general meeting of the Company on 2 June 2022, amounting to a total of approximately HKD2,502,828,000.

The directors did not recommend the payment of an interim dividend in respect of the year.

On 29 March 2023, the board of directors of the Company resolved to propose a final dividend for the year ended 31 December 2022 of HKD0.014 per ordinary share, amounting to a total of approximately HKD115,083,000, subject to the approval by the shareholders at the forthcoming annual general meeting of the Company.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the cash dividends distributed to the share award scheme, and the weighted average number of ordinary shares of 8,265,002,799 (2021: 8,345,347,770) in issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed vesting or conversion of all dilutive potential ordinary shares into ordinary shares.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

The calculations of basic and diluted earnings per share are based on:

	Year ended 31 December	
	2022	2021
	RMB'000	RMB'000 (Restated)
<u>Earnings</u>		
Profit attributable to ordinary equity holders of the parent	538,715	10,084,505
Less: Cash dividends distributed to the share award scheme	<u>(11,324)</u>	<u>(3,941)</u>
Adjusted profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	527,391	10,080,564
Cash dividends distributed to the share award scheme	<u>11,324</u>	<u>3,941</u>
Profit attributable to ordinary equity holders of the parent, used in the diluted earnings per share calculation	<u><u>538,715</u></u>	<u><u>10,084,505</u></u>

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

The calculations of basic and diluted earnings per share are based on (continued):

	2022	Number of shares 2021 (Restated)
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	8,265,002,799	8,345,347,770
Effect of dilution – weighted average number of ordinary shares:		
- Share award scheme	12,543,677	9,114,780
- Share option scheme	<u>-</u>	<u>1,477,959</u>
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	<u>8,277,546,476*</u>	<u>8,355,940,509</u>
Basic earnings per share (RMB)	<u>0.06</u>	<u>1.21</u>
Diluted earnings per share (RMB)	<u>0.06</u>	<u>1.21</u>

*Because the diluted earnings per share amount is increased when taking the share award scheme into account, the share award scheme had an anti-dilutive effect on the basic earnings per share for the year ended 31 December 2022 and were ignored in the calculation of diluted earnings per share. The potential ordinary shares of the share option scheme are excluded from the calculation of diluted earnings per share, because the exercise price of the share option scheme is higher than the average market price of the ordinary shares of the Company for the year ended 31 December 2022. Therefore, the diluted earnings per share amount is based on the profit for the year ended 31 December 2022 of RMB527,391,000, and the weighted average number of ordinary shares of 8,265,002,799 in issue for the year ended 31 December 2022.

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

9. TRADE AND NOTES RECEIVABLES

	2022 RMB'000	2021 RMB'000
Trade receivables	12,298,558	9,898,180
Notes receivable	<u>901,893</u>	<u>720,160</u>
	<u><u>13,200,451</u></u>	<u><u>10,618,340</u></u>

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

	2022 RMB'000	2021 RMB'000
Outstanding balances with ages:		
Within 90 days	10,233,845	6,932,049
91 to 180 days	1,097,546	1,542,199
181 to 365 days	683,256	1,072,648
1 to 2 years	479,048	458,445
2 to 3 years	198,183	239,691
Over 3 years	<u>179,687</u>	<u>269,834</u>
	12,871,565	10,514,866
Less: Loss allowance for trade receivables	<u>573,007</u>	<u>616,686</u>
	<u><u>12,298,558</u></u>	<u><u>9,898,180</u></u>

Trade and notes receivables of the Group mainly arose from the Health segment and Happiness segment. Credit terms granted to the Group's customers are as follows:

	<u>Credit terms</u>
Health segment	90 to 180 days
Happiness segment	30 to 360 days

FOSUN INTERNATIONAL LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

10. TRADE AND NOTES PAYABLES

	2022 RMB'000	2021 RMB'000
Trade payables	21,954,620	19,597,969
Notes payables	<u>2,438,972</u>	<u>1,808,441</u>
	<u>24,393,592</u>	<u>21,406,410</u>

An ageing analysis of the trade payables as at the end of the reporting period is as follows:

	2022 RMB'000	2021 RMB'000
Outstanding balances with ages:		
Within 90 days	14,032,419	11,403,912
91 to 180 days	1,577,017	2,090,052
181 to 365 days	3,041,641	3,385,232
1 to 2 years	1,415,175	1,631,731
2 to 3 years	1,063,014	679,312
Over 3 years	<u>825,354</u>	<u>407,730</u>
	<u>21,954,620</u>	<u>19,597,969</u>

Trade and notes payables of the Group mainly arose from the Health segment and Happiness segment. The trade and notes payables are non-interest-bearing and are normally settled on terms of 30 to 60 days or based on the progress of construction of properties.

11. EVENTS AFTER THE REPORTING PERIOD

(i) On 5 January 2023, the Company and Shanghai Fosun Industrial Technology Development Co., Ltd. (a wholly-owned subsidiary of the Company, “Fosun Industrial Development”) entered into the equity transfer agreement with Beijing Camdragon Heavy Industry Group Co., Ltd. (“Camdragon Heavy Industry”), pursuant to which Fosun Industrial Development has agreed to sell, Camdragon Heavy Industry has agreed to purchase, 25.7033% equity interest in Tianjin Jianlong Iron & Steel Industrial Co., Ltd. (“Tianjin Jianlong”), 26.6667% equity interest in Jianlong Steel Holdings Co., Ltd., and 26.6667% equity interest in Beijing Northern Jianlong Industrial Co., Ltd., the Company has agreed to sell, and Camdragon Investment Co. Ltd. has agreed to purchase, 26.6667% equity interest in Janeboat Holdings Ltd. (the “Tianjin Jianlong Disposals”). The aggregate consideration for the Tianjin Jianlong Disposals was RMB6.7 billion. The total payment period for the Second Stage Payment (i.e. RMB3.5 billion) shall be no longer than 20 years. On 28 March 2023, the parties to the Jianlong Equity Transfer Agreements entered into supplemental agreement to supplement the detailed payment arrangement of the second stage payment within 20 years of the Jianlong Equity Transfer Agreement.

(ii) On 14 March 2023, the Group's subsidiaries, Shanghai Fosun High Technology (Group) Co., Ltd., Shanghai Fosun Industrial Investment Co., Ltd. and Fosun Industrial Development as the Sellers, and Jiangsu Shagang Group Co., Ltd. and Jiangsu Shagang Group Investment Holding Co., Ltd. as the Purchasers, entered into the equity transfer agreement, pursuant to which, the Group will dispose 60% equity interest of Nanjing Nangang Iron & Steel United Co., Ltd. (“Nanjing Nangang”) for the consideration of RMB13.58 billion (subject to adjustment as set out in the disposal consideration formula) (the “Disposal of Nanjing Nangang”). The completion of the transaction is still subject to the fulfillment or the waiver of certain conditions precedents, including the waiver or deemed waiver of the right of first-refusal of Nanjing Iron & Steel Group Co., Ltd. and passing of the review of concentration filings by the State Administration for Market Regulation. Upon completion of the disposal, the Group will cease to have any equity interest in Nanjing Nangang.

12. COMPARATIVE AMOUNTS

As stated in note 1.2 to the consolidated financial statements, due to the application of the IFRIC Agenda Decision during the current year, the accounting treatment of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made, and certain comparative amounts have been restated to conform with the current year’s accounting treatment.

CORPORATE GOVERNANCE

During the Reporting Period, the Company applied the principles of and fully complied with all code provisions as set out in the CG Code, with the exception of code provision C.1.6 of the CG Code. According to the code provision C.1.6 of the CG Code, among others, independent non-executive directors and non-executive directors should attend general meeting(s). Ms. Chen Shucui (resigned as a non-executive Director with effect from 4 November 2022) and Mr. Zhang Huaqiao (an independent non-executive Director) were unable to attend the extraordinary general meeting of the Company held on 19 October 2022 due to other engagements. The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

AUDIT COMMITTEE

As at the end of the Reporting Period, the audit committee of the Company (the “**Audit Committee**”) comprises four independent non-executive Directors, namely Mr. Zhang Shengman (Chairman), Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine. The main works of the Audit Committee, during the Reporting Period, included reviewing the relationship with the external auditors, reviewing the Company’s financial information and overseeing the financial reporting system, risk management and internal control systems of the Company, and to provide recommendations and advice to the Board. The Company’s annual results for the year ended 31 December 2022 have been reviewed by the Audit Committee.

AUDITORS

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2022 as set out in the preliminary announcement have been agreed by the Company’s auditors to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by the Company’s auditors in this respect did not constitute an assurance engagement according to the Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by the Company’s auditors on this preliminary announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “AGM”) will be held on Friday, 9 June 2023. The notice of the AGM will be published on the websites of the Company (www.fosun.com) and the Hong Kong Stock Exchange (www.hkexnews.hk) and dispatched to the shareholders of the Company.

DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has recommended the payment of a final dividend of HKD0.014 per Share for the year ended 31 December 2022 to the shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 20 June 2023. Subject to approval by the shareholders of the Company at the AGM, the proposed final dividend will be paid on Tuesday, 18 July 2023 to the shareholders of the Company.

The register of members of the Company will be closed from Tuesday, 6 June 2023 to Friday, 9 June 2023, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (the “**Share Registrar**”), for registration no later than 4:30 p.m. on Monday, 5 June 2023.

The register of members of the Company will also be closed from Friday, 16 June 2023 to Tuesday, 20 June 2023, both days inclusive, during which period no transfer of shares will be effected. The ex-dividend date will be Wednesday, 14 June 2023. In order to qualify for the final dividend to be proposed at the AGM, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with the Share Registrar for registration no later than 4:30 p.m. on Thursday, 15 June 2023.

REPURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Board considered repurchases of Shares will lead to an enhancement of the net asset value per Share and/or earnings per Share, thus the Company repurchased a total of 127,337,000 Shares on the Hong Kong Stock Exchange at an aggregate consideration of HKD619,125,455.00. All the repurchased Shares were cancelled as at the date of this announcement.

Details of the repurchase are summarized as follows:

Month of repurchase	Total number of Shares repurchased	Highest price paid per Share HKD	Lowest price paid per Share HKD	Total purchase price paid HKD
January 2022	500,000	8.32	8.14	4,120,750.00
September 2022	79,800,000	5.15	4.40	387,924,520.00
October 2022	47,037,000	5.04	4.61	227,080,185.00
Total	127,337,000	-	-	619,125,455.00

Save as disclosed above, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2022.

SHARE AWARD SCHEME

The share award scheme was adopted by the Company on 25 March 2015 (the “**2015 Share Award Scheme**”), unless otherwise defined, the capitalized terms used herein shall have the same meanings as set out in the circular of the Company dated 27 April 2022 and 29 September 2022.

The purposes of the 2015 Share Award Scheme are (i) to align the interests of the eligible persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) to encourage and retain the eligible persons to make contributions to the long-term growth and profits of the Group.

The 2015 Share Award Scheme has been terminated and a new share award scheme of the Company has been adopted in the extraordinary general meeting held on 16 March 2023.

On 24 March 2022, the Board resolved to award an aggregate of 30,979,000 award shares (the “**2022 First Award Shares**”) to 143 Selected Participants under the 2015 Share Award Scheme. The 2022 First Award Shares have been issued and allotted pursuant to a specific mandate obtained in the annual general meeting of the Company held on 2 June 2022. Subject to the satisfaction of the vesting criteria and conditions of the 2015 Share Award Scheme, the 2022 First Award Shares shall be transferred from the trustee, Computershare Hong Kong Trustees Limited (the “**Trustee**”) to the Selected Participants upon expiry of the respective vesting period. As at the end of the Reporting Period, the 2022 First Award Shares have been fully issued to the Trustee.

On 31 August 2022, the Board resolved to award an aggregate of 4,286,200 award shares (the “**2022 Second Award Shares**”) to 31 Selected Participants under the 2015 Share Award Scheme. The 2022 Second Award Shares have been issued and allotted pursuant to a specific mandate obtained in the extraordinary general meeting of the Company held on 19 October 2022. Subject to the satisfaction of the vesting criteria and conditions of the 2015 Share Award Scheme, the 2022 Second Award Shares shall be transferred from the Trustee to the Selected Participants upon expiry of the respective vesting period. As at the end of the Reporting Period, the 2022 Second Award Shares have been fully issued to the Trustee.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 19 June 2007 and it was expired on 18 June 2017 (the “**2007 Share Option Scheme**”). All outstanding options granted under the 2007 Share Option Scheme will continue to be valid and exercisable in accordance with the provisions of the 2007 Share Option Scheme. The Company adopted a new share option scheme on 6 June 2017 (the “**2017 Share Option Scheme**”). The purpose of the 2017 Share Option Scheme is to provide incentive and/or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of the Group.

2017 Share Option Scheme has been terminated and a new share option scheme of the Company has been adopted in the extraordinary general meeting held on 16 March 2023.

The Board announced that on 24 March 2022, subject to the acceptance of relevant grantees, the Company has decided to grant 59,300,000 share options to subscribe for an aggregate of 59,300,000 Shares under the 2017 Share Option Scheme.

The Board announced that on 31 August 2022, subject to the acceptance of relevant grantees, the Company has decided to grant 180,000 share options to subscribe for an aggregate of 180,000 Shares under the 2017 Share Option Scheme.

EVENTS AFTER THE REPORTING PERIOD

On 5 January 2023, the Company and its subsidiary (as sellers) entered into an equity transfer agreement with Beijing Camdragon Heavy Industry Group Co., Ltd. (北京建龍重工集團有限公司) (“**Camdragon Heavy Industry**”) and Camdragon Investment Co. Ltd. (as purchasers), pursuant to which sellers has agreed to sell, and the purchasers has agreed to purchase 25.7033% equity interest in Tianjin Jianlong Iron & Steel Industrial Co., Ltd. (天津建龍鋼鐵實業有限公司) (“**Tianjin Jianlong**”), 26.6667% equity interest in Jianlong Steel Holdings Co., Ltd. (建龍鋼鐵控股有限公司), 26.6667% equity interest in Beijing Northern Jianlong Industrial Co.,

Ltd. (北京北方建龍實業有限公司) and 26.6667% equity interest in Janeboat Holdings Ltd. The aggregate consideration was RMB6.7 billion. Upon completion of the aforesaid disposals, the Group will no longer hold any equity interests in these target companies. Subsequently on 28 March 2023, the parties to the equity transfer agreement entered into a supplementary agreement to supplement the detailed payment arrangement of the second stage payment of the equity transfer agreement. Please refer to the announcements of the Company dated 5 January 2023 and 28 March 2023 for more information.

On 14 October 2022, Shagang Group (as purchaser) and certain subsidiaries of the Group (as sellers) entered into a framework agreement. Subsequently on 14 March 2023, Shagang Group and its subsidiary (as purchasers) and certain subsidiaries of the Group (as sellers) entered into an equity transfer agreement, pursuant to which, the sellers agreed to sell, and the purchasers agreed to acquire 60% equity interest in Nanjing Nangang at a consideration of RMB13.58 billion (subject to adjustment as set out in the disposal consideration formula). Upon completion of the aforesaid disposal, the Group will cease to have any equity interest in Nanjing Nangang. Please refer to the announcements of the Company dated 19 October 2022 and 14 March 2023 for more information.

FORWARD-LOOKING STATEMENTS

This results announcement includes certain forward-looking statements which involve the financial conditions, results and businesses of the Group. These forward-looking statements are the Group's expectation or beliefs on future events and they involve known and unknown risks and uncertainties, which may cause actual results, performance or development of the situation to differ materially from the situation expressed or implied by these statements.

ANNUAL REPORT

This results announcement is published on the websites of the Company (www.fosun.com) and the Hong Kong Stock Exchange (www.hkexnews.hk). The annual report will be despatched to the shareholders of the Company and published on both websites on or before 30 April 2023.

GLOSSARY

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

FORMULA

EBITDA	=	profit for the year + tax + net interest expenditures + depreciation and amortization
Interest coverage	=	EBITDA/net interest expenditures
Net interest expenditures	=	interest expenses, net + interest on discounted notes
Total debt	=	current and non-current interest-bearing bank and other borrowings
Total debt to total capital ratio	=	total debt/(shareholder's equity + total debt)

ABBREVIATIONS

Amgen	Amgen Inc., a company whose shares are listed on the NASDAQ with stock code AMGN
BabyTree	BabyTree Group, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01761
Baihe Jiayuan	Baihe Jiayuan Network Group Co., Ltd (百合佳緣網絡集團股份有限公司)
BCP	Banco Comercial Português, S.A., a company whose shares are listed on the Euronext Lisbon with stock code BCP
Besino Environment	Besino Environment Co., Ltd. (柏中環境科技(上海)股份有限公司) (formerly known as 柏中環境科技(上海)有限公司)
BioNTech or BNTX	BioNTech SE, a company whose shares are listed on the NASDAQ with stock code BNTX
Board	the board of Directors
Bohe Health	Bohe Health Technology Co., Ltd. (上海薄荷健康科技股份有限公司)
Cainiao	Cainiao Network Technology Co., Ltd. (菜鳥網絡科技有限公司)

Cenexi	Phixen, société par actions simplifiée
CG Code	Corporate Governance Code contained in Appendix 14 of the Listing Rules
Club Med	Club Med SAS
Company or Fosun International	Fosun International Limited
Director(s)	the director(s) of the Company
Easun Technology	Shanghai Easun Technology Co., Ltd. (上海翌耀科技股份有限公司) (formerly known as 上海翌耀科技有限公司 and 上海愛夫迪自動化科技有限公司)
EMEA	Europe, Middle East, and Africa
ESG	Environmental, Social and Governance
EUR	Euro, the lawful currency of the Eurozone
FC2M	Fosun/Family Client-to-Maker
FES	Fosun Entrepreneurship/Ecosystem System, a business management system with high management efficiency that continuously evolves in practice in order to build the core competitiveness of a time-honored enterprise and cultivate talents with Fosun's entrepreneurial spirit
FFT	FFT GmbH & Co. KGaA
Fidelidade	Fidelidade – Companhia de Seguros, S.A.
Fidelidade Assistência	Fidelidade Assistência – Companhia de Seguros, S.A. (formerly known as Cares – Companhia de Seguros, S.A.)
Fosun Alliance	Fosun Alliance application
Fosun Capital	Shanghai Fosun Capital Investment Management Co., Ltd. (上海復星創富投資管理股份有限公司)
Fosun High Technology	Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司)
Fosun Industrial Investment	Shanghai Fosun Industrial Investment Co., Ltd. (上海復星產業投資有限公司)
Fosun Industrial Development	Shanghai Fosun Industrial Technology Development Co., Ltd. (上海復星工業技術發展有限公司)
Fosun Insurance Portugal	Fidelidade and its subsidiaries
Fosun Kite	Fosun Kite Biotechnology Co., Ltd. (復星凱特生物科技股份有限公司)

Fosun Pharma	Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (上海復星醫藥(集團)股份有限公司), a company whose A shares are listed on the SSE with stock code 600196, and whose H shares are listed on the Hong Kong Stock Exchange with stock code 02196
Fosun Sports	Fosun Sports Group S.à r.l.
Fosun United Health Insurance	Fosun United Health Insurance Co., Ltd. (復星聯合健康保險股份有限公司)
Fosun Wealth	Fosun International Securities Limited (復星國際證券有限公司)
FTG	Fosun Tourism Group, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01992
Gangbao	JM Digital Steel Inc. (江蘇金貿鋼寶電子商務股份有限公司), a company whose shares are listed on the NEEQ with stock code 834429
Gland Pharma	Gland Pharma Limited, a company whose shares are listed on the National Stock Exchange of India Limited and BSE Limited with stock code GLAND
Group or Fosun or us	the Company and its subsidiaries
Guide	Guide Investimentos S.A. Corretora de Valores
Hainan Mining	Hainan Mining Co., Ltd. (海南礦業股份有限公司), a company whose shares are listed on the SSE with stock code 601969
HAL	Hauck Aufhäuser Lampe Privatbank AG (formerly known as Hauck & Aufhäuser Privatbankiers AG and Hauck & Aufhäuser Privatbankiers KGaA)
HKD	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
IDERA	IDERA Capital Management Ltd.
INR	Indian Rupee, the lawful currency of India
Intuitive Surgical	Intuitive Surgical, Inc., a company whose shares are listed on the NASDAQ with stock code ISRG
JEVE	Tianjin EV Energies Co., Ltd. (天津市捷威動力工業有限公司)
Jinhui Liquor	Jinhui Liquor Co., Ltd. (金徽酒股份有限公司), a company whose shares are listed on the SSE with stock code 603919

Kite Pharma	KPEU C.V.
Lanvin Group	Lanvin Group Holdings Limited (復朗集團), a company whose shares are listed on the NYSE with stock code LANV
Listing Rules	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
Luz Saúde	Luz Saúde, S.A. (formerly known as ESPÍRITO SANTO SAÚDE – SGPS, SA)
Macau	the Macau Special Administrative Region of the PRC
Nanjing Iron & Steel	Nanjing Iron & Steel Co., Ltd. (南京鋼鐵股份有限公司), a company whose shares are listed on the SSE with stock code 600282
Nanjing Nangang	Nanjing Nangang Iron & Steel United Co., Ltd. (南京南鋼鋼鐵聯合有限公司)
NASDAQ	The National Association of Securities Dealers Automated Quotations
NEEQ	National Equities Exchange and Quotations
NYSE	The New York Stock Exchange
Organon	Organon LLC
PAREF	Paris Realty Fund SA, a company whose shares are listed on the Euronext Paris with stock code PAR
Peak Reinsurance	Peak Reinsurance Company Limited
Pramerica Fosun Life Insurance	Pramerica Fosun Life Insurance Co., Ltd. (復星保德信人壽保險有限公司)
PRC or China	the People’s Republic of China
Reporting Period	the year ended 31 December 2022
RMB	Renminbi, the lawful currency of the PRC
ROC	Roc Oil Company Pty Limited
Sanyuan Foods	Beijing Sanyuan Foods Co., Ltd. (北京三元食品股份有限公司), a company whose shares are listed on the SSE with stock code 600429
Shagang Group	Jiangsu Shagang Group Co., Ltd. (江蘇沙鋼集團有限公司)
Shagang Investment	Jiangsu Shagang Group Investment Holding Co., Ltd. (江蘇沙鋼集團投資控股有限公司)
Shanghai Henlius	Shanghai Henlius Biotech, Inc. (上海復宏漢霖生物技術股份有限公司), a company whose shares are listed on the Hong Kong Stock Exchange with stock code 02696

Shanghai Zhuli	Shanghai Zhuli Investment Co., Ltd. (上海助立投資有限公司)
Share(s)	the share(s) of the Company
Shede Spirits	Shede Spirits Co., Ltd. (舍得酒業股份有限公司), a company whose shares are listed on the SSE with stock code 600702
Sinopharm	Sinopharm Group Co., Ltd. (國藥控股股份有限公司), a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01099
Sisram Med	Sisram Medical Ltd, a company whose shares are listed on the Hong Kong Stock Exchange with stock code 01696
SSE	the Shanghai Stock Exchange
Tsingtao Brewery	Tsingtao Brewery Co., Ltd. (青島啤酒股份有限公司), a company whose A shares are listed on the SSE with stock code 600600, and whose H shares are listed on the Hong Kong Stock Exchange with stock code 00168
USD	United States dollars, the lawful currency of the United States
Wansheng	Zhejiang Wansheng Co., Ltd (浙江萬盛股份有限公司), a company whose shares are listed on the SSE with stock code 603010
Yong'an P&C Insurance	Yong'an Property Insurance Company Limited (永安財產保險股份有限公司)
Yuyuan	Shanghai Yuyuan Tourist Mart (Group) Co., Ltd. (上海豫園旅遊商城(集團)股份有限公司), a company whose shares are listed on the SSE with stock code 600655
Zhongshan Public Utilities	Zhongshan Public Utilities Group Co., Ltd., a company whose shares are listed on the Shenzhen Stock Exchange with stock code 000685

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

29 March 2023

As at the date of this announcement, the executive directors of the Company are 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 are Mr. Yu Qingfei, Mr. Li Shupe and Mr. Li Fuhua; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine.