

IPO FACT SHEET
Fosun Tourism Group (1992 HK)
ISSUE STATISTICS

Offer Size:	HK\$3,341.52m – HK\$4,284.0m
Placement Tranche:	214.2m
Price:	HK\$15.60– HK\$20.00
Board lot:	200
Entry fee:	HK\$4,040.31
Historical PE	N.A
Net tangible asset per share:	HK\$3.46 – HK\$4.21
Market Cap (post-IPO):	HK\$19,081m – HK\$24,462m
Open:	30 Nov 2018
Close:	12.00 noon on 6 Dec 2018
Trading:	14 Dec 2018
Sponsor:	J.P. Morgan Securities (Far East) Ltd, CLSA Capital Markets Ltd, Citigroup Global Markets Asia Ltd

Year ended 31 Dec	(RMB\$'000)	yoy % chg
Revenue		
2016	10,782,975	21.1%
2017	11,799,394	9.4%
Loss for the year/period		
2016	-472,557	-50.5%
2017	-294,996	-37.6%

BACKGROUND

- They are one of the world's leading leisure-focused integrated tourism groups.
- According to Frost & Sullivan, they are the largest leisure tourism resorts group worldwide in terms of revenue in 2017.
- Their principal activities are
 - (i) Resorts, which they operate through Club Med and Club Med Joyview.
 - (ii) Tourism destinations, which they develop, operate and manage, including Atlantis Sanya, as well as destinations they manage for other parties.
 - (iii) Services and solutions in various tourism and leisure settings.
- They either own or have strategic partnerships with a portfolio of world-renowned brands, including Club Med, Atlantis and Thomas Cook.

BUSINESS STRATEGY AND FUTURE PLANS

- Continue to strengthen the attractiveness and distinctiveness of their resorts and tourism destinations with innovative and user-friendly solutions.
- Enhance their ecosystem by offering one-stop products and solutions to meet the evolving preference of family customers and further develop synergies within their FOLIDAY ecosystem.
- Strategically expand their network and presence in China and globally to secure valuable tourism destination resources, particularly those favored by Chinese customers.
- Continue to enlarge their customer base and promote their "FOLIDAY" concept via their platform and sales channels.
- Continue to invest in their digital solutions to accelerate the rollout of their integrated mobile strategy, digitalize their operation and strengthen big data capability.
- Actively attract and retain a team of top talent to ensure strong human capital.

COMPETITIVE STRENGTHS

- They are the largest leisure tourism resorts group in the world in terms of revenue and have a long history of providing high-quality tourism and leisure solutions.
- They are dedicated to establishing an ecosystem with extensive proprietary products and solutions, and access to a portfolio of world renowned brands.
- They are a pioneer in providing innovative tourism and leisure products and services to meet customers' evolving needs and have developed their business in markets with significant growth potential.
- They have accumulated a portfolio of attractive resorts and destinations with, they believe, scarcity value.
- They have a visionary and highly experienced global management team with proven execution and innovation capabilities, supported by a highly proficient workforce.
- Synergistic relationship with their Controlling Shareholder and strategic partner, Fosun International.

KEY RISKS

- Their business and results of operations depend on the number of customers that they are able to attract, which are subject to global economic conditions and certain risks common to the tourism and leisure industry.
- Changes in consumer tastes and preferences may affect visits at their resorts, tourism destinations, and services and solutions in various tourism and leisure settings.
- They have incurred net losses in the past, and they may not be able to achieve profitability in the future.
- They lease some of the resorts from third parties, and a termination of or failure to renew or a dispute relating to any of these leases could negatively impact their results of operations.
- Their results of operations may fluctuate due to seasonal and other factors.
- Geopolitics, natural disasters or other catastrophic events or outbreak of severe contagious diseases may severely disrupt their business and operations and may have a material adverse effect on their business, financial condition and results of operations.

DIVIDEND POLICY

- No fixed dividend policy.

USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation (%)
To expand their existing business, including further developing their resort business, developing their digital technology infrastructure, enhancing branding as well as promoting sales and marketing activities, and developing kid learning and playing business, and cultural events, performing arts and live entertainment business.	697.1	19.0%
For the development of the Lijiang Project and Taicang Project, and exploring new tourism destinations with valuable resources.	1,907.9	52.0%
To repay a portion of their outstanding bank loans.	954.0	26.0%
For working capital and general corporate purposes.	110.1	3.0%
Total:	3,669.1	100.00%

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