This document sets out Fosun's UK tax strategy and how the UK entities of Fosun Group and its Sub-groups manage their tax affairs in line with this strategy.

Approved by the General Manager of Tax Department of Fosun Group

31 December 2022

OUR APPROACH TO TAX

for the year ended 31 December 2022

This document is published by Fosun International Limited on 31 December 2022 in order to comply with its duty under Paragraph 16(2) of Schedule 19 of Finance Act 2016 to publish a tax strategy for the year ended 31 December 2022. The headings below follow the scheme of the legislation and related guidance that has been issued by HMRC.

OUR PRESENCE IN THE UK ABOUT THE BUSINESS

Fosun Group

Fosun Group (hereinafter as "Fosun Group" or "Fosun") is a family focused multinational enterprise which includes a group of companies with a headquarter of Fosun International Limited that is listed on the main board of the Hong Kong Stock Exchange (00656.HK) since 2007. Founded in 1992, Fosun's total assets exceed RMB850 billion (c.GBP104.5 billion) as at 30 June 2022. Fosun's mission is to provide high-quality products and services to families around the world with its focus on industry operations. It now operates four business segments, namely Health, Happiness, Wealth and Intelligent Manufacturing.

Health Segment

Fosun's health segment includes Fosun Pharma, a leading pharmaceutical company in China; Shanghai Henlius, a global innovative biopharmaceutical company in China; Sisram Med, a leading global provider of energy-based medical aesthetic treatment systems; and Gland Pharma, one of the largest and fastest growing companies specializing in generic injectables in India; Luz Saúde, a medical service company and Fosun United Health Insurance, a service provider of health insurance. Fosun also invested in health products including Sanyuan Foods, a renowned state-owned brand in the Chinese dairy industry and St Hubert, a French renowned leading healthy food company.

Happiness Segment

Fosun's happiness segment is centering on brand consumption, tourism and leisure. The platforms for branded consumer business include Yuyuan, a Chinese cultural revival leading company, Lanvin Group and Fosun Sports Group, which engage in such businesses as jewellery and fashion, liquor and spirits, C-end platforms, fashion brands, food and catering, etc. Meanwhile, Fosun Tourism Group is the platform for the tourism and leisure business, engaging in such businesses as the operation of tourism destinations, resorts, hotels, content services and solutions.

Wealth Segment

The Group's Wealth segment mainly consists of financial services with insurance as the core business. The Wealth segment is divided into two major business 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, and Pramerica Fosun Life 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.

Intelligent Manufacturing Segment

Fosun's intelligent manufacturing segment consists of the steel and mineral resources businesses which include Nanjing Iron & Steel, Hainan Mining and the world's largest provider of intelligent manufacturing solutions, FFT in Germany.

Fosun UK

Fosun Group has established a wholly-owned subsidiary, Fosun Management (UK) Limited (hereinafter as "Fosun UK"), as its regional office in the UK since June 2014. With approximate 19 employees, Fosun UK incorporates professional team who performs investment research and recommends to Fosun Group the investment opportunities in the UK and Europe regions, as well as corporate functional teams including HR, finance and administration. Fosun UK however does not have any decision-making functions in investment strategy or what investments to be made.

Sub-groups

Fosun Group has business interests in various sectors. As part of Fosun Group, the following businesses (hereinafter as “Sub-groups”) controlled by Fosun have operations in the UK:

Silver Cross	Silver Cross is a leading UK nursery brand and engages in the business of designing and selling nursery product including strollers, furniture, car seats and etc. via retailer or consumer directly.
Resolution Property	Resolution Property is a European real estate capital management company headquartered in London.
Wolverhampton Wanderers Football Club (Wolves)	Wolves is a professional association football club based in the city of Wolverhampton, West Midlands.
Club Med	Club Med is one of the world’s largest leisure vacation chains. In the UK, Club Med mainly conducts distribution activities, i.e. sales of stays in Club Med resorts and transport to/from the resorts to the customers.
Fidelidade	Fidelidade Group is spearheaded by Fidelidade - Companhia de Seguros, S.A. (“Fidelidade”), which is the largest insurance company in Portugal. Fidelidade Group’s operations in the UK comprise (i) a pure UK holding company which owns shares in a listed company,

RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS IN RELATION TO TAXATION

Fosun and the Sub-groups operate on a global basis. The UK is one of the important components of our global business. As a responsible taxpayer, we comply with all tax rules and regulations in those territories in which we operate. With the constantly changing and evolving tax environment driven by OECD BEPS, EU and UN work, Fosun and the Sub-groups' tax affairs and tax risks are regularly reviewed. Fosun and the Sub-groups aim to keep up-to-date with the relevant knowledge and skills to identify, assess, manage and mitigate tax risks in order to be complied with the relevant tax legislations.

Fosun and the Sub-groups recognize their responsibility which is to deliver value to shareholders, as well as pay taxes arising from their businesses that contribute to the societies where it operates.

Fosun and the Sub-groups' UK tax strategy applies to UK taxation and taxes of all other countries in which they operate, in respect of businesses they control. For the businesses that Fosun has material interests in but do not have control of, Fosun will, where possible, exercise its influence as shareholder to ensure that those businesses' tax strategies are aligned to.

As part of our global tax policy, our tax strategy in the UK is focused on following four key objectives:

- **Payment of taxes.** We seek to ensure that we always pay the tax we are legally required to and comply fully with our tax obligations in all territories in which we operate. Our objectives are to align the tax payment outcomes with the commercial reality and where profits are generated. We aim for the tax affairs to be transparent, sustainable and well governed.

- **Dealings with tax authorities.** We are committed to dealing with tax authorities openly, honestly and proactively. This includes having a regular and constructive dialogue with the relevant tax authorities across all taxes, seeking advance clearance where the tax treatment is uncertain and a clearance procedure is available, discussing contentious issues as early as possible, and making full disclosure of key transactions in relevant tax returns. It also includes full disclosure and early notification where it becomes apparent that errors or mistakes have been made.

- **Mitigating tax liabilities.** We seek to ensure that genuine commercial transactions are structured with clear and unambiguous legislative support so that tax liabilities are controlled and minimized. Artificial structures without commercial or economic substance which give a result which is inconsistent with the underlying economic position will not be considered.

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Fosun and the Sub-groups are not aware of any group wide tax planning scheme that aims to reduce the tax liabilities in the UK, and have a strong focus on tax compliance as compared to tax planning. Fosun and the Sub-groups have low tolerance and conservative respect for tax risk for errors or omissions and late submission of tax returns/ tax payments for routine and established tax compliance obligations.

OUR ATTITUDE TOWARDS TAX PLANNING (SO FAR AS AFFECTING UK TAXATION)

Fosun and the Sub-groups mainly seek tax advice from one or more leading tax practitioners when significant tax impact or uncertain tax risks may arise from the contemplated transactions. Both Fosun and its Sub-groups retain significant in-house tax knowledge and are able to utilise this expertise in the management of the tax-related obligations, and in maintaining a robust internal review process which ensures that we meet our filing obligations and other tax requirements, in line with the objectives which underlie the Group tax policy.

Given the UK's relatively low corporation tax rate in comparison with the rates of tax in the other major territories in which Fosun and its Sub-groups operate, there is very little focus on tax planning in the sense of avoiding or reducing UK taxation.

OUR APPROACH TOWARDS OUR DEALINGS WITH TAXING AUTHORITIES

Fosun and its Sub-groups are committed to develop a strong relationship with all the tax authorities including HMRC and are willing to build an open dialogue with the tax authorities based on integrity.

Fosun and the Sub-groups have regular correspondence with HMRC. In addition, it engages with external professional expertise to ensure compliance and accuracy. Fosun and the Sub-