OVERVIEW

Our history can be traced back to 2001 when we launched our flagship brand CHANDO in PRC. Over the past two decades, CHANDO has grown into one of the most widely recognized brands in China's cosmetics industry, ranking as China's second-largest domestic cosmetics brand by retail sales in 2024, according to Frost & Sullivan. By retail sales in 2024, we were China's third-largest domestic cosmetics group. The establishment and development of our Group was led by Mr. Zheng Chunying (鄭春穎), Mr. Zheng Chunbin (鄭春彬), Mr. Zheng Chunwei (鄭春威) and Ms. Zheng Xiaodan (鄭小丹), our Controlling Shareholders and Directors, who are family members with each other. See "Directors and Senior Management" for further details of their relevant experience in the industry.

On October 10, 2023, our Company was incorporated to serve as the offshore holding company of the current business of our Group. We have conducted a series of Reorganization for the purpose of the [**REDACTED**]. See "— Corporate Reorganization".

OUR KEY MILESTONES

The following is a summary of our Group's key business development milestones:

Year	Milestone
2001	Our flagship brand CHANDO (自然堂), a technology-based cosmetics brand inspired by natural ingredients from the Himalayas, was launched. MAYSU (美素), our mid-to-high-end technology-based cosmetics brand specializing in anti-aging solutions, was launched.
2004	CHANDO Limited, one of our major subsidiaries, was established in PRC.
2013	We were the first domestic cosmetics company to engage in space skincare research programs.
2015	We were the first cosmetics company to be awarded the "Shanghai Quality Gold Award" (上海市質量金獎).
2018	Spring Summer (春夏), our specialized sunscreen brand, was launched.
2019	Biorrier (珀芙研), our functional skincare brand specializing in sensitive skin, was launched.
2020	CHANDO Limited, our subsidiary, was accredited as a high and new technology enterprise (高新技術企業) by the Science and Technology Commission of Shanghai Municipality (上海市科學技術委員會), the Shanghai Municipal Finance Bureau (上海市財政局) and the Shanghai Municipal Tax Service of the State Taxation Administration (國家稅務總局上海市稅務局).
2021	We introduced CHANDO Merchandise Management System (CMMS), which connects warehouses, distributors and retail sales points through a centralized digital platform, supporting full-process digitalized operations from online order placement, processing and settlement to logistics fulfillment.
2021	Our Group was officially recognized as the "Cooperative Partner of China's Aerospace Endeavors" by the China Space Foundation.

Year	Milestone
2023	imine (已出), our functional skincare brand specialized for infants and children, was launched. CHANDO Limited (formerly known as JALA Group Co., Ltd. (伽藍(集團)股份有限公司)), one of our major subsidiaries, was renamed as Shanghai CHANDO Group Co., Ltd. (上海自然堂集團有限公司).
2025	The CHANDO Future Beauty City (自然堂未來美妝城) commenced operations in Shanghai.

OUR MAJOR SUBSIDIARIES

We conduct our business principally through the following subsidiaries which made material contribution to our results of operations during the Track Record Period:

Name of the Subsidiary	Date of establishment	Place of establishment	Percentage of equity interest held by our Group	Principal business activities
CHANDO Limited (上海自然堂集團有限公司)	February 5, 2004	PRC	100%	Research and development, production, and sales of cosmetics
Shanghai JALA Beauty Sales (上海伽藍美妝銷售有限公司)	December 13, 2017	PRC	100%	Sales of cosmetics

MAJOR CORPORATE DEVELOPMENT AND SHAREHOLDING CHANGES OF OUR GROUP

Establishment of CHANDO Limited and Capital Increase by Controlling Shareholders

In May 2001, Mr. Zheng Chunying (鄭春穎), our founder, chief executive officer and chairman of the Board, established Shanghai CHANDO Biotechnology Co., Ltd. (上海自然堂生物科技有限公司) ("**Shanghai CHANDO Biotech**") and launched our signature brand *CHANDO*. In February 2004, CHANDO Limited, one of our major subsidiaries, was established as a limited liability company in the PRC with a registered share capital of RMB5 million and acquired the intellectual properties owned by Shanghai CHANDO Biotech in order to succeed all business of Shanghai CHANDO Biotech. At the time of its establishment, CHANDO Limited was held as to 60% and 40% by Mr. Zheng Chunbin and Mr. Zheng Chunying, respectively. After a series of capital contribution by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan and the conversion into a joint stock company in March 2009, the registered share capital of CHANDO Limited increased from RMB5 million to RMB225 million on January 12, 2012, and CHANDO Limited was held as to 55%, 15%, 15% and 15% by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, respectively.

Establishment of Shanghai JALA Beauty Sales

Shanghai JALA Beauty Sales was established as a limited liability company in the PRC in December 2017 with a registered share capital of RMB10 million. At the time of its establishment and up to the Latest Practicable Date, it was wholly owned by CHANDO Limited.

Demerger

In January 2018, the shareholders of CHANDO Limited resolved to divide CHANDO Limited into CHANDO Limited and Shanghai Jiaxin Holdings Co., Ltd. (上海伽信控股有限公司) ("**Jiaxin Holdings**") by way of demerger (the "**Demerger**"). All the business of CHANDO Limited before the Demerger remained with CHANDO Limited after the Demerger, whereas Jiaxin Holdings was established as a separate investment company. Upon completion of the Demerger, the registered share capital decreased from RMB225 million to RMB67.5 million and CHANDO Limited was held as to 55%, 15%, 15% and 15% by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, respectively, and Jiaxin Holdings was established with a registered share capital of RMB157.5 million and was held as to 55%, 15%, 15% and 15% by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, respectively.

Capital Increase by Jiaxin Holdings and Jiamei Fashion

In April and June 2018, Jiaxin Holdings and Shanghai Jiamei Fashion Culture Industry Partnership (Limited Partnership) (上海伽美時尚文化產業合夥企業(有限合夥)) ("**Jiamei Fashion**") subscribed for RMB157.5 million and RMB25 million of the newly issued registered share capital of CHANDO Limited at a total consideration of RMB157.5 million and RMB25 million, respectively. The above consideration was determined with reference to the nominal value of the registered share capital of CHANDO Limited. Upon completion of the above capital increase, the registered share capital of CHANDO Limited increased from RMB67.5 million to RMB250 million, and CHANDO Limited was held as to 14.85%, 4.05%, 4.05%, 4.05%, 63.00% and 10.00% by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei, Ms. Zheng Xiaodan, Jiaxin Holdings and Jiamei Fashion, respectively.

Incorporation of our Company

On October 10, 2023, our Company was incorporated as an exempted company with limited liability in the Cayman Islands, with an authorized share capital of US$50,000 divided into 500,000,000 Ordinary Shares with a par value of US$0.0001 each. Following the incorporation and subsequent Share allotment and transfer, our Company was held as to 5%, 5%, 5%, 5% and 80% by Ying BVI II, Bin BVI II, Wei BVI II, Dan BVI II and Jiaxin BVI II, respectively. See "— Corporate Reorganization" for further details.

Adoption of and issuance of Shares under the Pre-[REDACTED] RSU Scheme

On September 18, 2025, our Company adopted the Pre-[**REDACTED**] RSU Scheme as an incentive plan to retain and motivate talents, promote the competitiveness and long-term sustainable development of our Group and align the interests of our Company, employees and the Shareholders. On September 18, 2025, the Company allotted and issued 53,156 and 1,424,586 Ordinary Shares to the RSU Holding Entities, namely Chando Growing I (BVI) Limited and Chando Growing II (BVI) Limited, respectively, to be held on trust by Vistra Trust (Hong Kong) Limited, for the benefit of the participants of the Pre-[**REDACTED**] RSU Scheme, representing 1.30% of the total issued Shares of the Company as of the Latest Practicable Date and [**REDACTED**]% of the total issued Shares of the Company upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised). Without prejudice to the vesting of the granted RSUs, the RSU Holding Entities are subject to a lock-up period of six months from the [**REDACTED**]. Particulars of the Pre-[**REDACTED**] RSU Scheme are set out in "Appendix V — Statutory and General Information".

Pre-[REDACTED] Investments

In 2025, we have completed several Pre-[**REDACTED**] Investments. See "— Pre-[**REDACTED**] Investments" for further details.

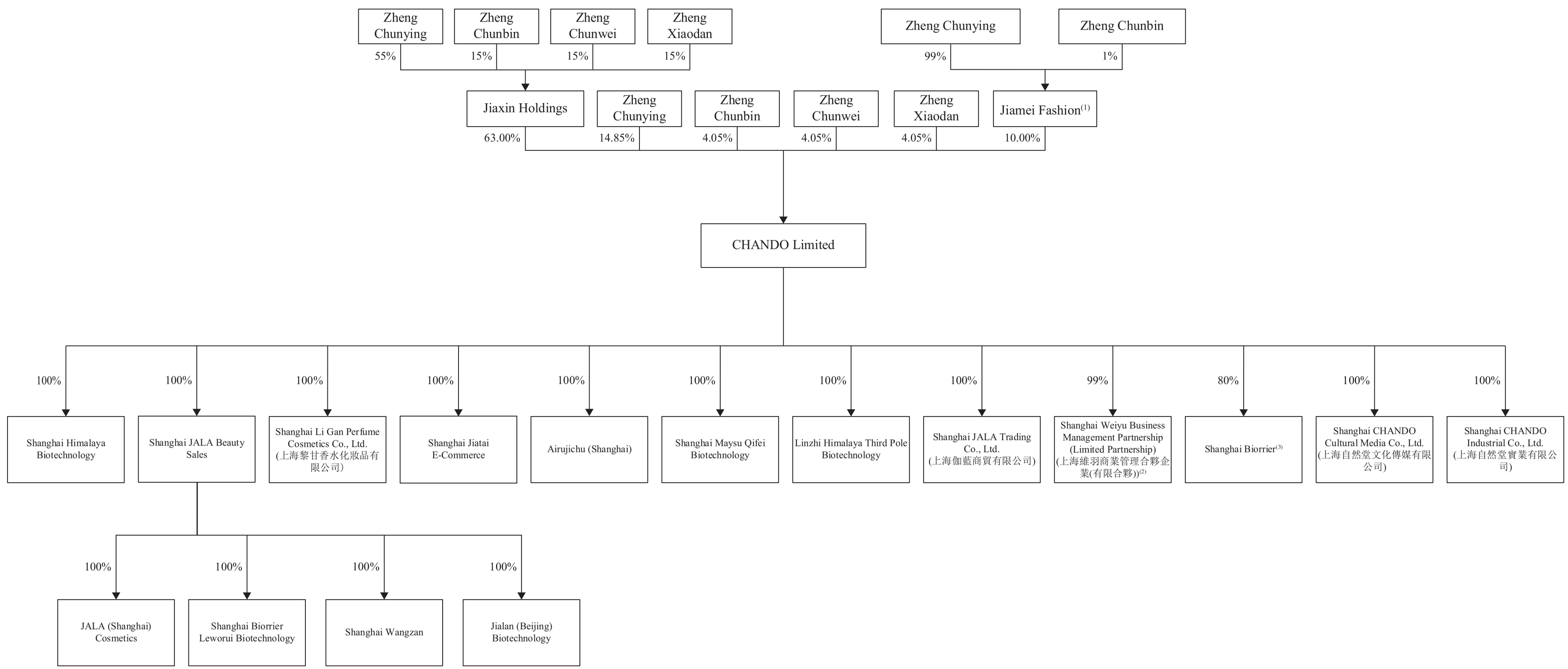
Share Subdivision of our Company

On September 26, 2025 and [●], our Board and Shareholders resolved on the Share Subdivision whereby each of the Company's issued and unissued authorized Shares with nominal value of US$0.0001 each shall be subdivided into five Shares with nominal value of US$0.00002 each immediately after the Conversion and prior to the [**REDACTED**].

CORPORATE REORGANIZATION

In order to optimize our corporate structure to further develop the business of our Group and to access the international capital markets more readily, we underwent the Reorganization pursuant to which our Company became the holding company and [**REDACTED**] vehicle of our Group.

The following chart sets out the shareholding and corporate structure of our Group before the Reorganization:



Notes:

(1) Jiamei Fashion is a limited partnership established in the PRC on May 15, 2018. Immediately before the Reorganization, the general partner of Jiamei Fashion was Mr. Zheng Chunbin, one of our Controlling Shareholders, who held 1% of the partnership interests therein. Mr. Zheng Chunying, one of our Controlling Shareholders, held 99% of the partnership interests therein as its only limited partner.

(2) Shanghai Weiyu Business Management Partnership (Limited Partnership) (上海維羽商業管理合夥企業(有限合夥)) ("**Shanghai Weiyu Business Management**") is a limited partnership established in the PRC on November 27, 2019. Immediately before the Reorganization, the general partner of Shanghai Weiyu Business Management was a then employee of the Group, who held 1% of the partnership interests therein. CHANDO Limited, as the only limited partner of Shanghai Weiyu Business Management, held 99% of the partnership interests therein. Shanghai Weiyu Business Management was voluntarily deregistered in February 2026.

(3) Shanghai Biorrier is a limited liability company established in the PRC on March 13, 2019. Immediately before the Reorganization, Shanghai Biorrier was held as to 80%, 16% and 4% by CHANDO Limited, Shanghai Weiyu Business Management and a then employee of the Group, respectively.

We set out below the major steps of our Reorganization:

Incorporation of Founder BVIs

On September 27, 2023, each of Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, as the sole shareholder, established Ying BVI, Bin BVI, Wei BVI and Dan BVI, respectively, in the BVI as holding companies of their respective shares in our Company.

On the even date, Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, as shareholders, established Jiaxin BVI in the BVI as the holding company of their shares in our Company. Upon incorporation, Jiaxin BVI was held as to 51.25%, 16.25%, 16.25%, and 16.25% by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, respectively.

Incorporation of our Company

On October 10, 2023, our Company was incorporated as an exempted company with limited liability in the Cayman Islands, with an authorized share capital of USD50,000 divided into 500,000,000 Ordinary Shares with a par value of USD0.0001 each.

Upon our incorporation, our Company issued and allotted one Share to ICS Corporate Services (Cayman) Limited. On the same date, the one Share was transferred to Ying BVI, and our Company issued and allotted 499 Shares, 500 Shares, 500 Shares, 500 Shares, and 8,000 Shares to Ying BVI, Bin BVI, Wei BVI, Dan BVI and Jiaxin BVI, respectively, at par value. Immediately after such Share transfer and allotment, our Company was held as to 5%, 5%, 5%, 5% and 80% by Ying BVI, Bin BVI, Wei BVI, Dan BVI and Jiaxin BVI, respectively.

On March 14, 2024, our Company issued and allotted 4,999,500 Shares, 4,999,500 Shares, 4,999,500 Shares, 4,999,500 Shares, and 79,992,000 Shares to Ying BVI, Bin BVI, Wei BVI, Dan BVI and Jiaxin BVI, respectively, at par value. Immediately after such allotment, our Company was held as to 5%, 5%, 5%, 5% and 80% by Ying BVI, Bin BVI, Wei BVI, Dan BVI and Jiaxin BVI, respectively.

Incorporation of CHANDO BVI, CHANDO Hong Kong and CHANDO WFOE

On November 10, 2023, CHANDO BVI was incorporated under the laws of the BVI as a direct wholly-owned subsidiary of our Company. On December 1, 2023, CHANDO Hong Kong was incorporated under the laws of Hong Kong as a direct wholly-owned subsidiary of CHANDO BVI. On February 7, 2024, CHANDO WFOE was incorporated under the laws of the PRC as a direct wholly-owned subsidiary of CHANDO Hong Kong.

Onshore Equity Transfer among Zheng Family

As agreed among the Controlling Shareholders, on December 11, 2023, each of Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan entered into an equity share transfer agreement with Mr. Zheng Chunying, pursuant to which Mr. Zheng Chunying agreed to transfer RMB11 million, RMB11.25 million and RMB11.25 million registered share capital of Jiaxin Holdings representing 6.98%, 7.14% and 7.14% of the registered share capital of Jiaxin Holdings to each of Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan at a consideration of RMB11 million, RMB11.25 million and RMB11.25 million, respectively. The consideration for each of the above equity transfers was determined with reference to the nominal value of the registered share capital of Jiaxin Holdings. Upon completion of the share transfers above on January 19, 2024, Jiaxin Holdings was held as to 33.73%, 21.98%, 22.14% and 22.14% by Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, respectively.

Conversion into a Limited Liability Company

On December 18, 2023, CHANDO Limited was converted from a joint stock company into a limited liability company, the registered share capital of CHANDO Limited as well as the shareholders' respective shareholding percentages in CHANDO Limited remain unchanged immediately before and after the conversion.

Investment in CHANDO Limited by AJS Family

In January 2024, AJS Family, Jiaxin Holdings, Jiamei Fashion, Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei, Ms. Zheng Xiaodan and CHANDO Limited entered into a capital increase agreement, pursuant to which AJS Family agreed to subscribe for approximately RMB2.53 million registered share capital of CHANDO Limited, representing 1% of the enlarged registered share capital of CHANDO Limited, at a total consideration of approximately RMB14.25 million, determined based on an asset valuation report prepared by an independent professional valuer. AJS Family is wholly owned by Mr. Song Xiangqian, an Independent Third Party and the ultimate controller of Himalaya International, one of our Pre-[**REDACTED**] Investors. For details, please refer to "— Pre-[**REDACTED**] Investments" below. Upon completion of the subscription on February 22, 2024, the shareholding structure of CHANDO Limited was as follows:

No.	Shareholder	Registered capital held by	Shareholding
		(RMB)	*(%)*
1. . . .	Jiaxin Holdings	157,500,000	62.37
2. . . .	Mr. Zheng Chunying	37,125,00	14.70
3. . . .	Jiamei Fashion	25,000,000	9.90
4. . . .	Mr. Zheng Chunbin	10,125,000	4.01
5. . . .	Mr. Zheng Chunwei	10,125,000	4.01
6. . . .	Ms. Zheng Xiaodan	10,125,000	4.01
7. . . .	AJS Family	2,525,253	1.00
	Total	**252,525,253**	**100**

Capital increase of CHANDO Limited

On February 29, 2024, CHANDO WFOE subscribed for RMB600 million newly issued share capital of CHANDO Limited at a total consideration of RMB600 million, determined based on the nominal value of the registered share capital of CHANDO Limited. Upon completion of such capital increase, the shareholding structure of CHANDO Limited was as follows:

No.	Shareholder	Registered capital held by	Shareholding
		(RMB)	*(%)*
1. . . .	CHANDO WFOE	600,000,000	70.38
2. . . .	Jiaxin Holdings	157,500,000	18.47
3. . . .	Mr. Zheng Chunying	37,125,00	4.35
4. . . .	Jiamei Fashion	25,000,000	2.93
5. . . .	Mr. Zheng Chunbin	10,125,000	1.19
6. . . .	Mr. Zheng Chunwei	10,125,000	1.19
7. . . .	Ms. Zheng Xiaodan	10,125,000	1.19
8. . . .	AJS Family	2,525,253	0.30
	Total	**852,525,253**	**100**

Acquisition of CHANDO Limited by CHANDO WFOE

As part of Reorganization, each of Jiaxin Holdings, Jiamei Fashion, Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei, Ms. Zheng Xiaodan and AJS Family entered into an equity transfer agreement with CHANDO WFOE, pursuant to which each of Jiaxin Holdings, Jiamei Fashion, Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei, Ms. Zheng Xiaodan and AJS Family transferred all their respective equity interests in CHANDO Limited to CHANDO WFOE at a total consideration of RMB490 million. Upon completion of the above acquisition and on March 26, 2024, CHANDO Limited was wholly owned by CHANDO WFOE.

Incorporation of the Family Trusts

In April 2024, for succession and estate planning purpose, Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan, our Controlling Shareholders, set up their respective Family Trusts.

In March and April 2024, the Direct Offshore Holding Companies were incorporated and each of the Founder BVIs transferred their respective interests in the Company to each of the Direct Offshore Holding Companies ultimately in exchange for 1% shareholding interests in each of the Direct Offshore Holding Companies. According to the Memorandum and Articles of Associations of each of the Direct Offshore Holding Companies, each voting share of the respective Direct Offshore Holding Companies allotted to the respective Founder BVIs confer upon each of them the right to one vote at the general meetings or on the shareholder resolutions of the respective Direct Offshore Holding Companies, while the non-voting shares of each of the Direct Offshore Holding Companies allotted to the respective Family Trust Non-Voting BVIs confer upon them no right to vote at any general meetings or on any shareholder resolutions of the respective Direct Offshore Holding Companies. Following such share transfer and allotment, Jiaxin BVI II is held as to 1%, 50.74%, 16.09%, 16.09% and 16.09% by Jiaxin BVI, Chunying (BVI) III Holding Limited, Chunbin (BVI) III Holding Limited, Chunwei (BVI) III Holding Limited and Xiaodan (BVI) III Holding Limited, respectively; Ying BVI II is held as to 1% and 99% by Ying BVI and Chunying (BVI) III Holding Limited, respectively; Bin BVI II is held as to 1% and 99% by Bin BVI and Chunbin (BVI) III Holding Limited, respectively; Wei BVI II is held as to 1% and 99% by Wei BVI and Chunwei (BVI) III Holding Limited, respectively; and Dan BVI II is held as to 1% and 99% by Dan BVI and Xiaodan (BVI) III Holding Limited, respectively, while each of the Founder BVIs is interested in 100% voting rights of Direct Offshore Holding Companies, respectively.

Each of the Ying Family Trust, Bin Family Trust, Wei Family Trust and Dan Family Trust was established as a discretionary trust, with Mr. Zheng Chunying as the settlor and protector of Ying Family Trust, Mr. Zheng Chunbin as the settlor and protector of Bin Family Trust, Mr. Zheng Chunwei as the settlor and protector of Wei Family Trust and Ms. Zheng Xiaodan as the settlor and protector of Dan Family Trust. The beneficiary of each of the Ying Family Trust, Bin Family Trust, Wei Family Trust and Dan Family Trust is Ying BVI, Bin BVI, Wei BVI and Dan BVI, respectively. Vistra Trust (Singapore) Pte. Limited is the trustee of each of the Ying Family Trust, Bin Family Trust, Wei Family Trust and Dan Family Trust.

PRE-[REDACTED] INVESTMENTS

Overview

In 2025, our Group has introduced Pre-[**REDACTED**] Investments from certain well-known strategic and financial investors who recognize our business strategy and corporate culture, and are willing to contribute their valuable experience and insights to our development. The following table summarizes the details of the Pre-[**REDACTED**] Investments:

Pre-[REDACTED] Investor	Shares	Date of Agreements	Date of settlement of consideration	Number of Shares subscribed/ acquired	Amount of consideration paid	Approximate cost per Share paid	Discount to the [REDACTED](1)	Shareholding in our Company upon [REDACTED](2)
					(RMB)	*(RMB)*		
Beauty Park . . .	Series A Preferred Shares	October 23, 2024 and as supplemented on September 8, 2025	September 26, 2025	7,026,459	409,212,451	58(3)	[REDACTED]%	[REDACTED]%
	Series A (subclass A-1) Preferred Shares	September 16, 2025	September 26, 2025	531,023	33,454,449	63(4)	[REDACTED]%	

Pre-[REDACTED] Investor	Shares	Date of Agreements	Date of settlement of consideration	Number of Shares subscribed/ acquired	Amount of consideration paid	Approximate cost per Share paid	Discount to the [REDACTED](1)	Shareholding in our Company upon [REDACTED](2)
					(RMB)	*(RMB)*		
Himalaya International. .	Series A1 Preferred Shares	September 16, 2025	September 25, 2025	4,761,905	300,000,000	63(4)	[REDACTED]%	[REDACTED]%

Notes:

(1). The discount to the [**REDACTED**] is calculated based on the assumption that the [**REDACTED**] is HK$[**REDACTED**] per [**REDACTED**], being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**], and as adjusted taking into consideration of the Share Subdivision immediately before the [**REDACTED**].

(2). Assuming the Share Subdivision and Conversion is completed, and the [**REDACTED**] is not exercised.

(3). The investment agreement was entered into between Beauty Park and the Company in October. The consideration was determined through arm's length negotiations between the parties which mainly takes into consideration the prevailing performance of the Company and the market conditions.

(4). The consideration was determined through arm's length negotiation taking into consideration, among others, the improved performance of the Group.

Use of proceeds from the Pre-[REDACTED] Investments

The net proceeds received by us from the Pre-[**REDACTED**] Investments amounted to approximately RMB709 million. As of the Latest Practicable Date, none of the proceeds from the Pre-[**REDACTED**] Investments have been utilized. We intend to utilize such proceeds for the business expansion, development of supply chain systems, information technology infrastructure, digital transformation, product research and development, technological improvements, and general working capital of our Group.

Strategic Benefit from Pre-[REDACTED] Investments

At the time of the Pre-[**REDACTED**] Investments, our Directors were of the view that (i) our Company would benefit from the additional capital provided by the Pre-[**REDACTED**] Investors' investments in our Company, and that (ii) such investments from well-known strategic and financial investors demonstrated their confidence in our Group's operations, their recognition of our business strategy as well as their willingness to contribute their valuable experience and insights to the development of our Group, serving as an endorsement of our Group's performance, strengths and prospects.

Basis of determining the consideration paid

The consideration was determined after arm's length negotiations between the parties with reference to the timing of the investments and the prospect of our business.

Lock-up period

All the Shares held by the Pre-[**REDACTED**] Investors are subject to a lock-up period of six months from the [**REDACTED**].

Special Rights of the Pre-[REDACTED] Investors

Pursuant to the investment agreements entered into by, among others, our Company and the Pre-[**REDACTED**] Investors (the "**Pre-[REDACTED] Investment Agreements**") and the shareholder agreement, the Pre-[**REDACTED**] Investors were granted certain special rights in relation to our Company, including, among others, information and inspection rights, tag-along right, right of first refusal, preferred liquidation right, right of most favourable treatment, director appointment right, anti-dilution right and redemption right. Pursuant to the Pre-[**REDACTED**] Investment Agreements, each Pre-[**REDACTED**] Investor shall be entitled to exercise an anti-dilution right to subscribe for such number of Shares to be issued by our Company in connection with the [**REDACTED**] at the [**REDACTED**] so that the Pre-[**REDACTED**] Investor will maintain its shareholding percentage in our Company, on a fully-diluted and as-converted basis after taking into account of the [**REDACTED**] being issued by the Company.

The redemption right shall cease to be exercisable immediately before the submission of the [**REDACTED**] application to the Stock Exchange and shall be automatically reinstated if the [**REDACTED**] application is withdrawn by the Company or rejected by the Stock Exchange etc. All the special rights (including the redemption right) granted to Pre-[**REDACTED**] Investors shall be terminated immediately prior to the [**REDACTED**]. Following the [**REDACTED**], the Shareholders existing before the Himalaya Investment agreed to vote for the Director candidates nominated by Himalaya International.

Compliance with Chapter 4.2 of the Guide for New Listing Applicants

On the basis that (i) the consideration for the Pre-[**REDACTED**] Investments was irrevocably settled no less than 120 clear days before the [**REDACTED**]; and (ii) all the special rights granted to the Pre-[**REDACTED**] Investors as set out above have been terminated or will terminate upon the [**REDACTED**], the Joint Sponsors confirm that the Pre-[**REDACTED**] Investments are in compliance with Chapter 4.2 of Guide for New Listing Applicants issued by the Stock Exchange.

Information about the Pre-[REDACTED] Investors

Beauty Park

Beauty Park, an Independent Third Party is a company duly established and validly existing under the laws of Hong Kong. Beauty Park is wholly owned by L'ORÉAL, a company listed on Euronext Paris (stock code: OR.PA) and an Independent Third Party.

Himalaya International

Himalaya International is a company incorporated under the laws of the Cayman Islands with limited liability and an investment holding company beneficially wholly owned by Jiahua Chuangying (Hainan) Investment Partnership (Limited Partnership) (加華創盈(海南)投資合夥企業(有限合夥)), which is owned as to 0.002% by Harvest Yufeng (Tianjin) Equity Investment Management Limited Partnership (加華裕豐(天津)股權投資管理合夥企業(有限合夥), "**Harvest Yufeng**") as its general partner, and as to 76.365% and 23.633% by its two limited partners, namely, Jiahong Harvest (Tianjin) Venture Capital Fund Partnership Enterprise (Limited Partnership) (嘉鴻加華(天津)創業投資基金合夥企業(有限合夥), "**Jiahong Harvest**") and Jialan Harvest (Tianjin) Venture Capital Fund Partnership Enterprise (Limited Partnership (嘉藍加華(天津)創業投資基金合夥企業(有限合夥), "**Jialan Harvest**"), respectively. Harvest Yufeng is owned as to 0.0001% by Mr. Song Xiangqian, an Independent Third Party, as its general partner and as to 99.9999% by Harvest Capital Management Co., Ltd. (加華資本管理股份有限公司, "**Harvest Capital Management**"), which is in turn owned as to 41.79% by Mr. Song Xiangqian and as to 58.21% by its other four shareholders which are Independent Third Parties, each holding less than 30% of share interests therein. Harvest Capital Management and its predecessor primarily focuses on investment in consumer and modern service industries and was founded by Mr. Song Xiangqian in 2007. Each of Jiahong Harvest and Jialan Harvest is an investment fund managed by Harvest Yufeng, among which (i) Jiahong Harvest is held as to 0.22% by Harvest Yufeng as its general partner, as to 70.60% and 26.13% by Harvest Capital Management and Mr. Song Xiangqian as its limited partners, respectively, and as to 3.05% by six other limited partners in aggregate; and (ii) Jialan Harvest is held as to Harvest Yufeng as to 0.70% as its general partner, and as to 99.30% by its seven limited partners which are Independent Third Parties, none of which holds more than 30% partnership interests therein.

LOCK-UP UNDERTAKINGS BY THE CONTROLLING SHAREHOLDERS

The Controlling Shareholders have undertaken to the Pre-[**REDACTED**] Investors that (i) each of Jiaxin BVI and Jiaxin BVI II is subject to a lock-up period of three years from the [**REDACTED**]; and (ii) each of Mr. Zheng Chunying (鄭春穎), Mr. Zheng Chunbin (鄭春彬), Mr. Zheng Chunwei (鄭春威), Ms. Zheng Xiaodan (鄭小丹), Ying BVI, Bin BVI, Wei BVI, Dan BVI, Ying BVI II, Bin BVI II, Wei BVI II, Dan BVI II and the Family Trust Non-Voting BVIs is subject to a lock-up period of twelve months from the [**REDACTED**], and may only sell, assign, transfer or otherwise dispose the Shares held thereby (excluding the Shares held by Jiaxin BVI II) in each year after the twelve months from the [**REDACTED**] that is no more than 25% of the total Shares held thereby as at the [**REDACTED**].

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure as of the Latest Practicable Date and immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

					As of the Latest Practicable Date		Immediately upon completion of the [REDACTED]	
Shareholders	Ordinary Shares	Series A Preferred Shares(1)	Series A1 Preferred Shares(1)	Series A (subclass A-1) Preferred Shares(1)	Aggregate number of Shares	Aggregate shareholding percentage	Aggregate number of Shares(2)	Aggregate shareholding percentage(2)
Jiaxin BVI II	80,000,000	–	–	–	80,000,000	70.63%	[400,000,000]	[REDACTED]%
Ying BVI II	4,468,977	–	–	–	4,468,977	3.95%	[22,344,885]	[REDACTED]%
Bin BVI II	5,000,000	–	–	–	5,000,000	4.41%	[25,000,000]	[REDACTED]%
Wei BVI II	5,000,000	–	–	–	5,000,000	4.41%	[25,000,000]	[REDACTED]%
Dan BVI II	5,000,000	–	–	–	5,000,000	4.41%	[25,000,000]	[REDACTED]%
Beauty Park	–	7,026,459	–	531,023	7,557,482	6.67%	[37,787,410]	[REDACTED]%
Himalaya International	–	–	4,761,905	–	4,761,905	4.20%	[23,809,525]	[REDACTED]%
Chando Growing I (BVI) Limited	53,156	–	–	–	53,156	0.05%	[265,780]	[REDACTED]%
Chando Growing II (BVI) Limited	1,424,586	–	–	–	1,424,586	1.26%	[7,122,930]	[REDACTED]%
Other public Shareholders	–	–	–	–	–	–	[REDACTED]	[REDACTED]%
Total	**100,946,719**	**7,026,459**	**4,761,905**	**531,023**	**113,266,106**	**100.00%**	[REDACTED]	**100.00%**

Notes:

1. All Preferred Shares shall be converted into Ordinary Shares on a one-to-one basis immediately before the [**REDACTED**].
2. Assuming the Share Subdivision and Conversion is completed and the [**REDACTED**] is not exercised.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Save as disclosed above in "— Corporate Reorganization", we had no other major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

PUBLIC FLOAT AND [REDACTED]

Public Float

Pursuant to Rule 8.08(1) of the Listing Rules, assuming that the [**REDACTED**] is not exercised, (i) based on an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the low end of the indicative [**REDACTED**] range), our expected market capitalization upon the [**REDACTED**] is HK$[**REDACTED**] billion, and the minimum prescribed public float percentage applicable to our Shares is [**REDACTED**]%; (ii) based on an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range), our expected market capitalization upon the [**REDACTED**] is HK$[**REDACTED**] billion, and the minimum prescribed public float percentage applicable to our Shares is [**REDACTED**]%; and (iii) based on an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the top end of the indicative [**REDACTED**] range), our expected market capitalization upon the [**REDACTED**] is HK$[**REDACTED**] billion, and the minimum prescribed public float percentage applicable to our Shares is [**REDACTED**]%.

As Jiaxin BVI, Jiaxin BVI II, Mr. Zheng Chunying, Ying BVI, Ying BVI II, Mr. Zheng Chunbin, Bin BVI, Bin BVI II, Mr. Zheng Chunwei, Wei BVI, Wei BVI II, Ms. Zheng Xiaodan, Dan BVI and Dan BVI II will continue to be our Controlling Shareholders upon completion of the [**REDACTED**], the [**REDACTED**] Shares (assuming the Share Subdivision is completed) held by them and the [**REDACTED**] Shares (assuming the Share Subdivision is completed) held by Chando Growing I (BVI) Limited, a special purpose vehicle wholly owned by Vistra Trust (Hong Kong) Limited for the benefit of the participant of the Pre-[**REDACTED**] RSU Scheme which is a core connected person of the Company, will not be counted towards the public float. Save as stated above, all the [**REDACTED**] Shares held by other Shareholders will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules.

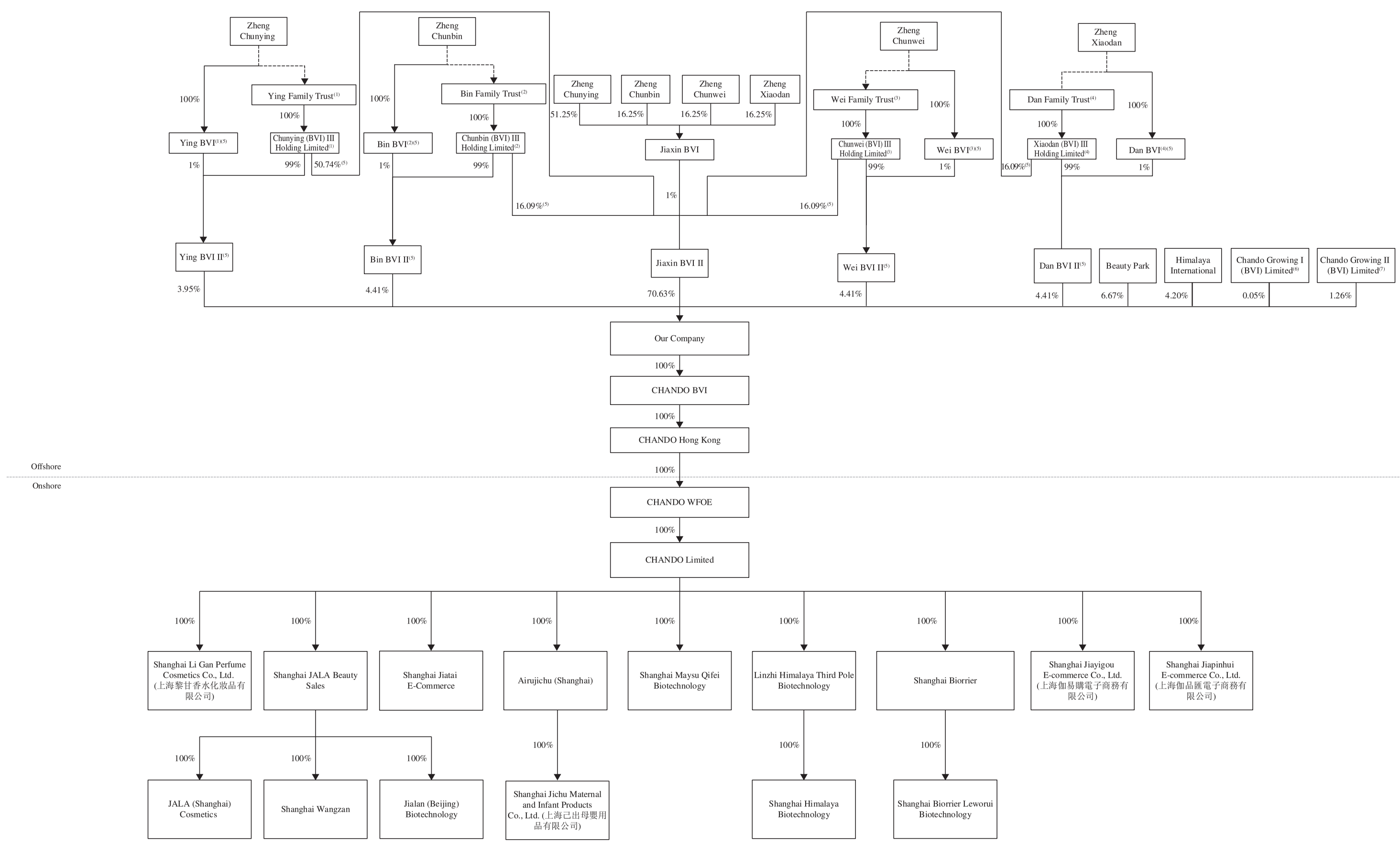
Taking into account the above and the [**REDACTED**] Shares to be issued pursuant to the [**REDACTED**], [**REDACTED**]% of the total issued Shares upon [**REDACTED**] (assuming the [**REDACTED**] is not exercised), will be counted towards the public float of the Company.

[**REDACTED**]

CORPORATE STRUCTURE

Shareholding Structure of our Group immediately before the Completion of the [REDACTED]

The following chart sets forth our shareholding structure as of the Latest Practicable Date and immediately prior to the completion of the [**REDACTED**]:



Notes:

(1) Ying Family Trust is a discretionary trust established by Mr. Zheng Chunying as the settlor and protector, with Ying BVI as the beneficiary. Chunying (BVI) III Holding Limited is entirely held by Vistra Trust (Singapore) Pte. Limited, the trustee of Ying Family Trust.

(2) Bin Family Trust is a discretionary trust established by Mr. Zheng Chunbin as the settlor and protector, with Bin BVI as the beneficiary. Chunbin (BVI) III Holding Limited is entirely held by Vistra Trust (Singapore) Pte. Limited, the trustee of Bin Family Trust.

(3) Wei Family Trust is a discretionary trust established by Mr. Zheng Chunwei as the settlor and protector, with Wei BVI as the beneficiary. Chunwei (BVI) III Holding Limited is entirely held by Vistra Trust (Singapore) Pte. Limited, the trustee of Wei Family Trust.

(4) Dan Family Trust is a discretionary trust established by Ms. Zheng Xiaodan as the settlor and protector, with Dan BVI as the beneficiary. Xiaodan (BVI) III Holding Limited is entirely held by Vistra Trust (Singapore) Pte. Limited, the trustee of Dan Family Trust.

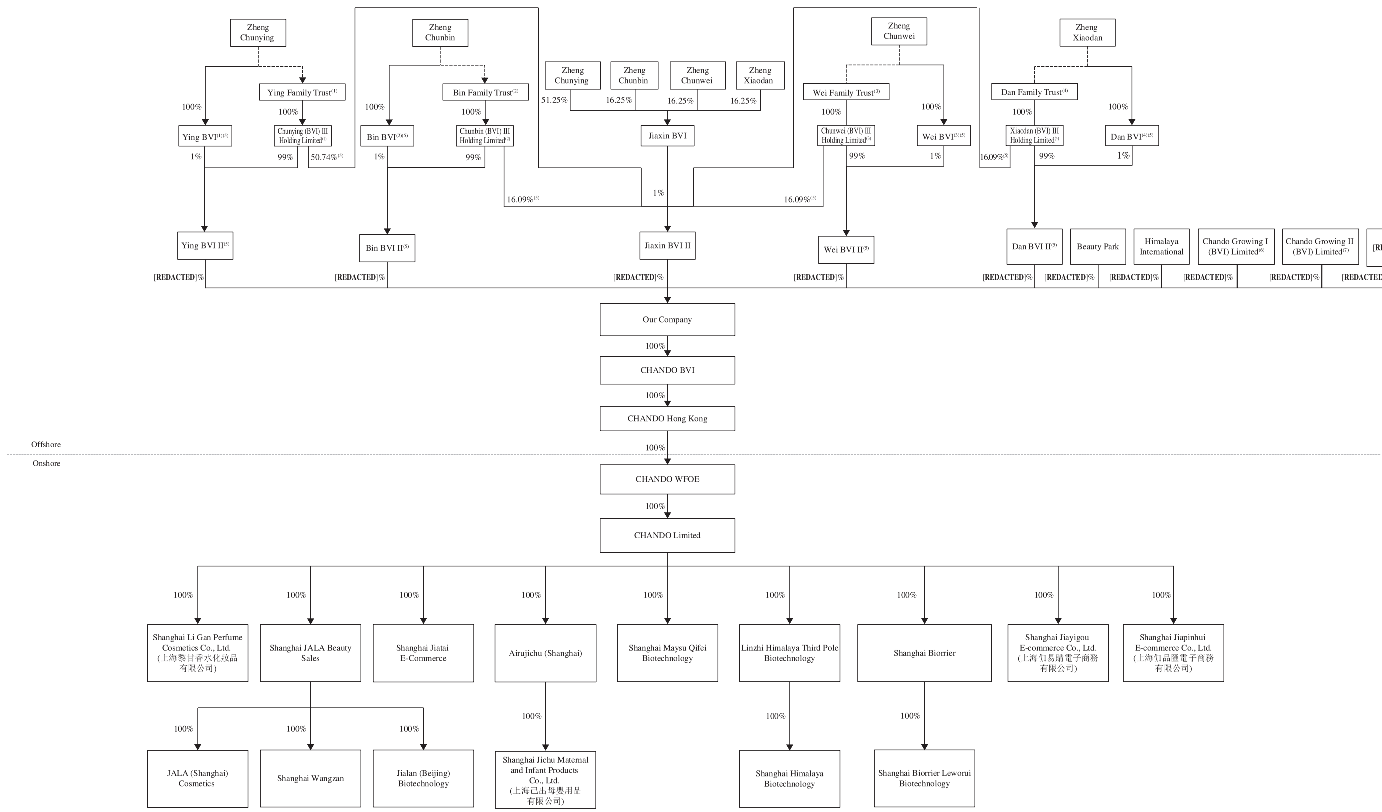
(5) All shares held by the Family Trust Non-Voting BVIs in the Direct Offshore Holding Companies are non-voting shares of each of the Direct Offshore Holding Companies which confer upon the Family Trust Non-Voting BVIs no right to vote at any meeting of the shareholders or any resolution of shareholders of the Direct Offshore Holding Companies. See "— Corporate Reorganization — Incorporation of the Family Trusts" for details.

(6) 53,156 Ordinary Shares were issued to Chando Growing I (BVI) Limited, to be held on trust by Vistra Trust (Hong Kong) Limited, for the benefit of an RSU Participant, being Mr. Du Shenglin, our executive Director. Prior to the vesting of the relevant RSUs, Mr. Du Shenglin is not entitled to exercise the voting right attached to such Shares, and Vistra Trust (Hong Kong) Limited should abstain from exercising voting rights in respect thereof.

(7) 1,424,586 Ordinary Shares were issued to Chando Growing II (BVI) Limited, to be held on trust by Vistra Trust (Hong Kong) Limited, for the benefit of the RSU Participants, being 57 employees of our Company. Prior to the vesting of the relevant RSUs, none of the RSU Participants is entitled to exercise the voting right attached to such Shares, and Vistra Trust (Hong Kong) Limited should abstain from exercising voting rights in respect thereof.

Shareholding Structure of our Group immediately after the Completion of the [REDACTED]

The following chart sets forth our shareholding structure immediately following the completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised and no changes in the following shareholdings since the Latest Practicable Date):



Notes:

Notes (1) – (7): See the respective notes under the shareholding and corporate structure immediately prior to the completion of the **[REDACTED]** as set out above.

PRC LEGAL COMPLIANCE

Our PRC Legal Advisor has confirmed that the Reorganization in relation to the changes in share capital and equity transfers in respect of the PRC subsidiaries of the Company as described above has been conducted in compliance with the applicable PRC law and regulation in all material aspects and has been duly registered with competent PRC regulatory authorities.

M&A Rules

According to the Provisions on the Merger and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the "**M&A Rules**") jointly issued by the MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the CSRC, the SAIC and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009, "merger and acquisition of domestic enterprises by foreign investors" referred to in the M&A Rules shall mean that a foreign investor (1) acquires the equity of a domestic non-foreign invested enterprise ("**domestic enterprise**") so as to convert the domestic enterprise into a foreign invested enterprise; (2) subscribes the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign invested enterprise; (3) establishes a foreign invested enterprise through which it purchases the assets of a domestic enterprise and operates these assets; or (4) purchases the assets of a domestic enterprise, and then invests such assets to establish a foreign invested enterprise. Pursuant to M&A Rules, where a domestic company, enterprise or natural person intends to acquire its or his/her related domestic company in the name of an offshore company which it or he/she lawfully established or controls such that it becomes a foreign invested enterprise, the acquisition shall be subject to examination and approval of the MOFCOM.

As advised by our PRC Legal Advisor, given that CHANDO Limited was a sino-foreign joint venture when it was acquired by CHANDO WFOE, the said acquisition is not subject to any prior approval from the MOFCOM under the M&A Rules. However, our PRC Legal Advisor further advised that there is uncertainty as to how the M&A Rules will be interpreted or implemented, and new rules or regulations promulgated in the future may impose additional requirement on us.

SAFE registration

Pursuant to the Circular on Relevant Issues Relating to Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular 37**"), promulgated by SAFE and which became effective on July 4, 2014, (a) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests to an overseas special purpose vehicle (the "**Overseas SPV**") that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing, and (b) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change, in respect of the Overseas SPV, including, among other things, a change of the Overseas SPV's PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV's capital, share transfer or swap, and merger or division. In the event that a PRC shareholder holding interests in a special purpose vehicle fails to fulfill the required SAFE registration, the PRC subsidiaries of that special purpose vehicle may be restricted from making profit distributions to the offshore parent and from carrying out subsequent cross-border foreign exchange activities, and the special purpose vehicle may be restricted in its ability to contribute additional capital into its PRC subsidiary. Furthermore, failure to comply with the various SAFE registration requirements described above could result in liability under PRC law for evasion of foreign exchange controls. Pursuant to the Notice of the SAFE on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), promulgated by SAFE and which became effective on June 1, 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interests in the domestic entity are located.

As advised by our PRC Legal Advisor, each of Mr. Zheng Chunying, Mr. Zheng Chunbin, Mr. Zheng Chunwei and Ms. Zheng Xiaodan who is a PRC citizen completed their registration under the SAFE Circular 37 on January 29, 2024.