In this document, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain other terms are explained in "Glossary of Technical Terms".

"%"	per cent
"Accountants' Report"	the Accountants' report of our Company from Ernst & Young, the text of which is set out in Appendix I to this document
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of our Company adopted on October 27, 2025, which will become effective on the [**REDACTED**] and as amended from time to time, a summary of which is set out in "Appendix V — Summary of the Articles of Association" to this document
"A Share"	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid in Renminbi and is/are listed for trading on the Shanghai Stock Exchange
"A Shareholder(s)"	holders of the A Shares
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Board" or "Board of Directors"	the board of Directors of our Company
"Business Day"	a day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal business to the public
"CAGR"	compound annual growth rate

[**REDACTED**]

"China" or "PRC"	the People's Republic of China

"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company" or "the Company"	Proya Cosmetics Co., Ltd. (珀萊雅化妝品股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC on May 24, 2006 and converted into a joint stock limited company on July 31, 2015
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Company Law" or "PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"Compliance Advisor"	Somerley Capital Limited
"Controlling Shareholder"	has the meaning ascribed to it in the Listing Rules and unless the context requires otherwise, refers to the controlling shareholder of our Company, namely Mr. Hou
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"EIT Law"	Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), as amended, supplemented or otherwise modified from time to time
"ESG"	Environmental, Social and Corporate Governance
"Exchange Participant"	a person (a) who, in accordance with the Rules of the Hong Kong Stock Exchange, may trade on or through the Hong Kong Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Hong Kong Stock Exchange as a person who may trade on or through the Hong Kong Stock Exchange

"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong

[**REDACTED**]

"Frost & Sullivan" or "Industry Consultant"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant
"Frost & Sullivan Report"	the industry report commissioned by us and independently prepared by Frost & Sullivan, summary of which is set forth in the section headed "Industry Overview" in this document
"Frost & Sullivan Survey"	a consumer survey conducted in October 2025 to understand consumer behavior and preferences relating to cosmetic products and other information

[**REDACTED**]

"Group", "our Group", "we", "our" or "us"	our Company and our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
"Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange effective from January 1, 2024 (as amended, supplemented or otherwise modified from time to time)
"Hangzhou Proya Trading"	Hangzhou Proya Trading Co., Ltd. (杭州珀萊雅貿易有限公司), a limited liability company established under the laws of the PRC on June 14, 2011, and a wholly-owned subsidiary of our Company
"H Share(s)"	share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be [**REDACTED**] for and [**REDACTED**] in HK dollars and to be [**REDACTED**] on the Hong Kong Stock Exchange

[**REDACTED**]

DEFINITIONS

[**REDACTED**]

"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HK$" or "Hong Kong dollars" or "HK dollars" or "cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

[**REDACTED**]

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong Takeovers Code" or "Takeovers Code"	Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC

[**REDACTED**]

"Huzhou Chuangdai"	Huzhou Chuangdai E-commerce Co., Ltd. (湖州創代電子商務有限公司), a limited liability company established under the laws of the PRC on December 16, 2016, and a wholly-owned subsidiary of our Company
"IASB"	International Accounting Standards Board
"IFSCC"	International Federation of Societies of Cosmetic Chemists
"IFRS Accounting Standards"	the IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board (IASB) and the IAS and interpretations issued by the International Accounting Standards Committee (IASC)
"Independent Third Party(ies)"	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are third party(ies) independent of our Company and our connected persons as defined under the Listing Rules

[**REDACTED**]

[**REDACTED**]

"Joint Sponsors"	the Joint Sponsors as named in "Directors and Parties Involved in the [**REDACTED**]"
"Latest Practicable Date"	April 23, 2026, being the Latest Practicable Date for the purpose of ascertaining certain information contained in this document prior to its publication

[**REDACTED**]

"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部)
"Mr. Hou"	Mr. Hou Juncheng (侯軍呈), our Chairman of the Board, executive Director and our Controlling Shareholder
"Ningbo TIMAGE"	Ningbo TIMAGE Cosmetics Co., Ltd. (寧波彩棠化妝品有限公司), a limited liability company established under the laws of the PRC on July 9, 2019, and held as to 71.36% by our Company

"NMPA"	National Medical Products Administration (國家藥品監督管理局)
"Nomination Committee"	the nomination committee of our Board
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)

[**REDACTED**]

"Overseas Listing Trial Measures"	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) promulgated by the CSRC on February 17, 2023
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC Government"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
"PRC Legal Advisor"	Grandall Law Firm (Hangzhou), the legal advisor to our Company as to the laws of the PRC
"PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time

[**REDACTED**]

"province"	a province or, where the context requires, a provincial level autonomous region or municipality, under the direct supervision of the central government of the PRC
"Proya Convertible Bonds"	RMB751,713,000 guaranteed convertible bonds at the option of the holder thereof into fully paid ordinary A Shares of the Company of a nominal value of RMB1.00 each at the initial conversion price of RMB95.46 per A Share, which were listed on Shanghai Stock Exchange on January 4, 2022 (bond code: 113634)
"Proya Hainan"	Proya (Hainan) Investment Co., Ltd. (珀萊雅(海南)投資有限公司), a limited liability company established under the laws of the PRC on July 18, 2025 and a wholly-owned subsidiary of our Company
"Proya Zhejiang"	Proya (Zhejiang) Cosmetics Co., Ltd. (珀萊雅(浙江)化妝品有限公司), a limited liability company established under the laws of the PRC on May 30, 2022, and a wholly-owned subsidiary of our Company

"QIBs" or "Qualified Institutional Buyers"	qualified institutional buyers within the meaning of Rule 144A under the U.S. Securities Act
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of our Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"R&D"	Research and development
"SAFE"	State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局), the PRC governmental agency responsible for matters relating to foreign exchange administration, including local branches, when applicable
"SAMR"	State Administration for Market Regulation of the PRC (中國國家市場監督管理總局) formerly known as State Administration for Industry and Commerce of the PRC (中國國家工商行政管理總局)
"SAT"	State Administration of Taxation of the PRC (中國國家稅務總局)
"SCNPC"	Standing Committee of the National People's Congress (全國人民代表大會常務委員會)
"SFC" or "Securities and Futures Commission"	the Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
"Strategy and Sustainability Committee"	the strategy and sustainability committee of our Board
"Share(s)"	ordinary shares in the capital of our Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of Shares
"Shanghai-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, [**REDACTED**] and China Securities Depository and Clearing Corporation Limited for mutual market access between Hong Kong and Shanghai

[**REDACTED**]

"State Council"	the State Council of the PRC (中華人民共和國國務院)
"subsidiary(ies)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Track Record Period"	the three years ended December 31, 2023, 2024 and 2025

[**REDACTED**]

"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"US$", "USD" or "U.S. dollars"	United States dollars, the lawful currency for the time being of the United States
"VAT"	value-added tax
"we", "us" or "our"	our Company
"Zhejiang Beauty Valley"	Zhejiang Beauty Valley E-commerce Co., Ltd. (浙江美麗谷電子商務有限公司), a limited liability company established under the laws of the PRC on November 16, 2012, and a wholly-owned subsidiary of our Company

Unless otherwise expressly stated or the context otherwise requires, all data in this document is as of the date of this document.

The English names of the PRC entities, PRC laws or regulations, and the PRC governmental authorities referred to in this document are translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.