OVERVIEW

Prior to the **[REDACTED]**, we have entered into certain transactions with parties who will, upon the **[REDACTED]**, become connected persons of our Company. Following completion of the **[REDACTED]**, there will also be continuing connected transactions of our Company under the Listing Rules. Details of these transactions as well as the waiver granted by the Stock Exchange from strict compliance with the relevant requirements in Chapter 14A of the Listing Rules are set out below.

NON-EXEMPT CONTINUING CONNECTED TRANSACTION

Background

During the Track Record Period, we (as landlord) had sub-leased designated retail spaces in proximity to the Clinic premises, which were both leased to us under the same head lease, to Deesse Vivante (as tenant) for the purpose of selling skincare products and health supplements ("**Deesse Vivante Leasing Transactions**"). As at the Latest Practicable Date, we had sub-leased designated retail spaces of a total GFA of approximately 581.8 sq.m. in proximity to 11 Clinic premises to Deesse Vivante.

The monthly rental payable was determined based on a hybrid structure comprising (i) a fixed minimum guaranteed rent ("**Base Rent**") and (ii) a variable turnover-based rent ("**Percentage Rent**"):

- *Base Rent:* This component is a pre-determined, fixed monthly amount payable for the designated retail spaces. The Base Rent for the sub-leased retail space is calculated based on the proportion of the GFA of retail spaces sub-leased to Deesse Vivante relative to the total GFA of the relevant premises leased to us under the relevant head lease. This proportion is then applied to the total monthly rent payable by us for the relevant Clinic premises under our head lease with the property owner. The pro-rata allocation helps ensure the Base Rent directly correlates to our cost for leasing the specific space occupied and the commercial value of the overall location.

- *Percentage Rent:* This component is calculated as a percentage of Deesse Vivante's gross revenue generated from the product sales at the respective designated retail spaces. During the Track Record Period, the agreed rate was 25% of the gross sales revenue generated at the designated retail space, which was determined through arm's length negotiation between the parties with reference to the standard commission rates or concession fees charged by major retail channels, such as department stores and shopping malls, for the sale of similar merchandise, namely skincare products and health supplements.

The Base Rent is paid in advance on the first day of each month. In respect of the Percentage Rent, Deesse Vivante pays the difference at month-end, if any, where 25% of its monthly sales revenue exceeds the already-paid Base Rent for that month.

Relationship

Deesse Vivante is controlled as to 30% by Ms. Chang, the chairman of our Board and an executive Director, and one of our substantial Shareholders. Deesse Vivante is therefore an associate of our connected person under the Listing Rules.

Deesse Vivante is principally engaged in the retail of skincare products and health supplements, with a core business focus on women's health and beauty wellness. Our Directors confirm that Deesse Vivante does not operate any business that is, or is likely to, compete, either directly or indirectly, with the business of our Group.

Future arrangement

In anticipation of the **[REDACTED]**, our Company entered into an agreement ("**Deesse Vivante Leasing Framework Agreement**") with Deesse Vivante to set out the framework terms governing the Deesse Vivante Leasing Transactions on [•] 2026, the principal terms of which are set out below:

Our Company has agreed to sub-lease or to procure our subsidiary(ies) to lease designated retail spaces in proximity to Clinic premises leased to us to Deesse Vivante from time to time during the term of the Deesse Vivante Leasing Framework Agreement. The term of the Deesse Vivante Leasing Framework Agreement is from the **[REDACTED]** to 31 December 2028, unless terminated earlier in accordance with the Deesse Vivante Leasing Framework Agreement.

The relevant member of our Group and Deesse Vivante will enter into separate leases with respect to the Deesse Vivante Leasing Transactions concerning the designated retail spaces in proximity to one or more Clinic premises. The term of the lease with respect to the designated retail spaces in proximity to each Clinic premises shall be the same as the term of the head lease pursuant to which the relevant premises was leased to us.

The Deesse Vivante Leasing Framework Agreement may be terminated by either party giving not less than one months' prior written notice to the other party. As such, our Group enjoys the flexibility to relocate any Clinic to other premises and to terminate the lease of designated retail space in proximity to the relevant Clinic at any time should (i) we receive notice from the relevant landlord that the head lease with respect to the relevant premises would be terminated or the term of which would not be renewed; or (ii) we consider the relevant premises no longer suitable for operation of the Clinic and/or the designated retail space or is no longer cost-competitive.

In addition, the Deesse Vivante Leasing Framework Agreement (i) may be automatically terminated upon Deesse Vivante ceasing to be a connected person of our Company; (ii) may be terminated by either party if the other party fails to rectify any breach of any of the provisions of the Deesse Vivante Leasing Framework Agreement, which can be rectified within 30 days; (iii) may be terminated by either party if the other party commits a material breach of any of the provisions of the Deesse Vivante Leasing Framework Agreement which is not capable of rectification; or (iv) may be terminated by either party immediately without notice in case the other party has become subject to any liquidation or insolvency.

Should there be any renewal of the term of the Deesse Vivante Leasing Framework Agreement, our Company will ensure compliance with all relevant requirements under Chapter 14A of the Listing Rules.

Pricing policy

The terms of, and the consideration payable under, such agreements will be negotiated on a case-by-case and an arm's length basis, entered into in the ordinary and usual course of business of our Group and shall be on normal commercial terms which, from our perspective, shall be no more favourable to Deesse Vivante than those made available from our Group to our independent third-party tenants.

The monthly rental payable in respect of designated retail spaces in proximity to each Clinic premises shall be determined in accordance with the current pricing arrangements and pricing basis of the Deesse Vivante Leasing Transactions, as detailed in "– Background" above. In addition, the Base Rent and Percentage Rent chargeable shall be at market rates and no less favourable than the rental/commission rates for spaces within the same premises charged by our Group to other independent third parties.

Historical transaction amounts

The aggregate annual rental fees we charged Deesse Vivante under the Deesse Vivante Leasing Transactions for FY2023, FY2024 and FY2025 were nil, HK$13.4 million and HK$29.0 million, respectively.

The amount of rent paid by Deesse Vivante to us for FY2025 was more than those for FY2023 and FY2024 because the GFA of the designated retail spaces leased by us to Deesse Vivante had increased from approximately 26.4 sq.m. for FY2023 and FY2024 to approximately 52.9 sq.m. for FY2025.

Our Group has engaged an independent property valuer who has confirmed that the historical transaction amounts concerning the Deesse Vivante Leasing Transactions (i) are fair and reasonable to us; and (ii) reflect prevailing market conditions.

Annual cap on future transaction amounts

In accordance with Rule 14A.53 of the Listing Rules, we have set annual caps for the maximum aggregate amounts payable by Deesse Vivante to us under the Deesse Vivante Leasing Transactions for FY2026, FY2027 and FY2028 as follows:

	FY2026	**FY2027**	**FY2028**
Amounts payable by Deesse Vivante to us under the Deesse Vivante Leasing Transactions	NT$125,000,000 (equivalent to approximately HK$31,151,872*)	NT$137,500,000 (equivalent to approximately HK$34,267,059*)	NT$151,250,000 (equivalent to approximately HK$37,693,765*)

**Note:* Based on the exchange rate of HK$1 to NT$4.0126 on the Latest Practicable Date.

Such aggregate annual cap amounts have been determined on the basis of and by reference to, inter alia, (a) the historical rental records in respect of the relevant premises under the existing Deesse Vivante Leasing Transactions; (b) the anticipated increase in the rental under the current economic condition; and (c) taking into account a suitable and adequate buffer on the estimated aggregate annual amounts payable by Deesse Vivante to us as prudent contingency in case of events such as substantial increases in sales generated from products sold at the leased retail spaces in proximity to the Clinic premises, adjustments to business plans and inflation.

In the event that for any particular year during the term of the Deesse Vivante Leasing Framework Agreement the aggregate amounts receivable by us under all individual leases would exceed the relevant annual cap amount, our Company and Deesse Vivante will take appropriate action to comply with the relevant requirements under the Listing Rules regarding the payment of any and all amounts in excess of the relevant annual cap amount by Deesse Vivante to us.

Reasons for, and benefits of, the Deesse Vivante Leasing Framework Agreement

From our perspective, this Deesse Vivante Leasing Framework Agreement provides a secure and synergistic revenue stream by monetising underutilised space in proximity to the Clinic premises, which were both leased to us under the same head lease. The hybrid rental structure guarantees a stable, cost-covering Base Rent determined by our obligations under the head lease entered into with the property owners, while the Percentage Rent directly aligns with and profits from Deesse Vivante's sales performance, creating a shared incentive to maximise sales without additional operational burden. Furthermore, the arrangement strategically enhances the value proposition of the Clinics by adding complementary retail offerings (i.e. skincare and health supplements) that cater to the existing clientele of the Clinics, potentially increasing customer dwell time and satisfaction, all while maintaining control over the Clinic premises and the flexibility to relocate the Clinic premises as needed for its primary operations.

In addition, for the purposes of administrative convenience, the Deesse Vivante Leasing Framework Agreement is, among others, to pre-agree the aggregate annual cap amount which the total amounts payable by Deesse Vivante to us under the Deesse Vivante Leasing Transactions.

Listing Rules implications

Since one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the abovementioned transactions is/are more than 5%, and all the amounts of the maximum aggregate annual transaction value in respect of the abovementioned transactions exceed HK$10,000,000, the transactions are subject to the announcement, annual reporting, annual review and circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Waiver application for non-exempt continuing connected transactions

In respect of the Deesse Vivante Leasing Framework Agreement, our Company expects these non-exempt continuing connected transactions to be carried out on a continuing basis and to extend over a period of time. Our Directors therefore consider that strict compliance with the announcement, annual reporting, annual review and circular and independent shareholders' approval requirements under the Listing Rules would impose unnecessary administrative costs upon us.

Accordingly, we have applied for, and the Stock Exchange [has granted] to us, a waiver from strict compliance with the announcement, annual reporting, annual review and circular and independent shareholders' approval requirements under the Listing Rules relating to the above non-exempt continuing connected transactions in respect of the Deesse Vivante Leasing Framework Agreement.

Apart from the requirement with which strict compliance has been waived by the Stock Exchange as described above, we will comply with the relevant requirements under Chapter 14A of the Listing Rules that are applicable to the continuing connected transactions under the Deesse Vivante Leasing Framework Agreement.

The independent non-executive Directors will review the continuing connected transactions under the Deesse Vivante Leasing Framework Agreement and confirm in the annual report of our Company that such transactions for the financial year under review have been entered into in the manner as set out in Rule 14A.55 of the Listing Rules.

Confirmation from our Directors

Our Directors (including the independent non-executive Directors) are of the view that the non-exempt continuing connected transactions under the Deesse Vivante Leasing Framework Agreement have been and will be entered into in the ordinary and usual course of business of our Group, are on normal commercial terms, are fair and reasonable, and are in the interests of our Group and the Shareholders as a whole.

Our Directors (including the independent non-executive Directors) are also of the view that the proposed annual caps for such transactions are fair and reasonable, and in the interests of our Group and the Shareholders as a whole.

Confirmation from the Sole Sponsor

The Sole Sponsor has reviewed the relevant information and historical figures prepared and provided by our Group relating to the non-exempt continuing connected transactions which have been and will be entered into pursuant to the Deesse Vivante Leasing Framework Agreement and have also conducted due diligence by discussing these transactions with our Group, the independent property valuer, and our advisers, and have obtained various representations and confirmations from our Company and other members of our Group. Based on the Sole Sponsor's due diligence, it is of the view that these non-exempt continuing connected transactions have been and will be entered into in our ordinary and usual course of business, are on normal commercial terms, are fair and reasonable, and are in the interests of our Group and the Shareholders as a whole. The Sole Sponsor is also of the view that the proposed annual caps for these non-exempt continuing connected transactions are fair and reasonable and in the interests of our Group and the Shareholders as a whole.

FULLY EXEMPT CONNECTED TRANSACTIONS

Following the **[REDACTED]**, the following transactions will be regarded as continuing connected transactions fully exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

1. Procurement of skincare products from Deesse Vivante

During the Track Record Period, we had procured pre- and post-treatment skincare products from Deesse Vivante for use by our beauticians in providing pre-treatment and post-treatment care to Members.

The procurement price was determined based on the selling prices offered by Deesse Vivante for wholesales of the products.

Listing Rules implications

As the highest of the relevant aggregated percentage ratios in respect of the above procurement transactions will, on an annual basis, be less than 5% and the maximum aggregate annual transaction value in respect of such transactions will be less than HK$3,000,000, they will, pursuant to Rule 14A.76(1) of the Listing Rules, constitute de minimis continuing connected transactions exempt from the reporting, announcement, annual review and independent shareholders' approval requirements in Chapter 14A of the Listing Rules.

2. Sub-lease of office premises to Deesse Vivante

Description of transaction

During the Track Record Period, we had leased a premises with a total GFA of approximately 1,158.5 sq.m. in Xinyi District, Taipei City ("**Xinyi Premises**"), part of which (with total GFA of approximately 651.6 sq.m.) was used as our headquarter, and the remaining part (with total GFA of approximately 506.9 sq.m.) ("**Sub-leased Xinyi Premises**") was sub-leased to Deesse Vivante for office use at a monthly rent of NT$0.6 million. Pursuant to the lease agreement in respect of the Sub-leased Xinyi Premises, since the Sub-leased Xinyi Premises represent 43.75% of the total GFA of the Xinyi Premises, Deesse Vivante shall share 43.75% of the water and electricity charges and management fees incurred in respect of the Xinyi Premises, which is payable together with the rent to us on monthly basis.

The rent for the Sub-leased Xinyi Premises was calculated based on the proportion of the GFA of the Sub-leased Xinyi Premises relative to the total GFA of the Xinyi Premises. This proportion is then applied to the total rent payable by us for the Xinyi Premises under our head lease with the property owner.

Listing Rules implications

As the highest of the relevant percentage ratios in respect of the sub-lease of the Sub-leased Xinyi Premises to Deesse Vivante will, on an annual basis, be less than 5%, and the maximum aggregate annual transaction value in respect of such transaction will be less than HK$3,000,000, it will, pursuant to Rule 14A.76(1) of the Listing Rules, constitute de minimis continuing connected transactions exempt from the reporting, announcement, annual review and independent shareholders' approval requirements in Chapter 14A of the Listing Rules.

3. Lease of Clinic premises from ANKH Beauty Co., Ltd.

Description of transaction

During the Track Record Period, we (as tenant) had entered into a head lease agreement entered with ANKH Beauty Co., Ltd, a wholly-owned company of Ms. Chang (as landlord) for a property at a monthly rent of NT$0.3 million. We had sub-leased such property to a Doctor for the operation of a Clinic.

The rent was determined based on the then prevailing rental rates for properties of similar size and with similar attributes within the same building.

Listing Rules implications

As the highest of the relevant percentage ratios in respect of the above head lease will, on an annual basis, be less than 5%, and the maximum aggregate annual transaction value in respect of such transaction will be less than HK$3,000,000, it will, pursuant to Rule 14A.76(1) of the Listing Rules, constitute de minimis continuing connected transactions exempt from the reporting, announcement, annual review and independent shareholders' approval requirements in Chapter 14A of the Listing Rules.