

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this document in connection with us and our business. These may not correspond to standard industry definitions, and may not be comparable to similarly terms adopted by other companies.

"botulinum toxin type A"	a natural protein produced by the bacterium clostridium botulinum. Injection of botulinum toxin type A is intended to reduce wrinkles in the face or body, facial or body contouring
"CAGR"	compound annual growth rate
"collagen"	a natural protein that provides structural support in the body including skin
"contouring"	application of body and skin care procedures in the attempt to improve the shape of an individual's face or body
"cryolipolysis"	an aesthetic energy-based procedure that destroys fat cells by controlled cooling
"Ellansé"	a Poly-ε-caprolactone-based injectable dermal filler
"Fotona 4D®"	a non-surgical skin lifting procedure resulting in a rejuvenated, natural-looking appearance
"functional medicine"	an approach that focuses on the "root causes" of diseases based on interactions between the environment and the gastrointestinal, endocrine, and immune systems to develop individualized treatment plans
"gastrointestinal disease(s)"	disease(s) involving the gastrointestinal tract, namely the oesophagus, stomach, small intestine, large intestine and rectum, and the accessory organs of digestion, including the liver, gallbladder, and pancreas
"GFA"	gross floor area
"HA-based dermal filler(s)"	injectable hyaluronic acid dermal filler(s)

GLOSSARY OF TECHNICAL TERMS

"hyaluronic acid"	a stabilized viscous glycosaminoglycan, which is injected with the intention to achieve certain aesthetic effects such as filling in facial lines and creases, correction of contour defects or depressions, restoration of volume loss from aging and plumping of lips or cheeks
"intense pulsed light"	a technology making use of intense pulses of non-coherent light distributed over a range of wavelengths to improve the appearance and texture of the skin and correct skin blemishes
"net promoter score"	a metric used to measure the willingness of a customer recommending a certain brand, and is typically interpreted as an indicator of customer satisfaction and loyalty. Net promoter score is obtained from customer surveys where participants rank their likelihood of recommending a certain brand to others from 0 to 10, and the participants are then categorized into "promoters", "passives", and "detractors" based on the scores. Net promoter score is subsequently calculated as percentage of promoters less percentage of detractors
"new tier-one cities"	Chengdu, Hangzhou, Chongqing, Xi'an, Suzhou, Wuhan, Nanjing, Tianjin, Zhengzhou, Changsha, Dongguan, Foshan, Ningbo, Qingdao, and Shenyang
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"niacinamide"	a specific form of vitamin B, which is highly effective for skin whitening, protecting skin from environmental stresses and treating acne
"non-invasive"	description of a procedure that does not involve entering the body through surgical incisions into the skin with an operative procedure and closure with sutures

GLOSSARY OF TECHNICAL TERMS

"non-surgical aesthetic medical services"	aesthetic medical services that aim to improve one's physical appearance and are performed with devices that utilize various forms of energy such as laser, radiofrequency, and ultrasound (energy-based procedures); and aesthetic medical services where substances, such as botulinum toxin type A, and hyaluronic acid dermal filler are injected into the target areas (skin, subcutaneous tissues and superficial muscles) of the face or the body (injection procedures)
"physician(s)"	person(s) who has/have obtained practicing physician qualification (執業醫師資格) for their medical profession in accordance with the Law on Medical Practitioners of the PRC
"PLLA"	poly-L-lactic acid
"radiofrequency"	a technology used in a device, with the oscillation of alternating currents at a frequency of around 300 kHz to 300 GHz
"radiofrequency microneedling"	a procedure that uses a gold plated needle device which gently penetrates the skin to deliver radiofrequency deep into the dermal layers of the skin
"regenerative medicine"	a branch of medicine that develops methods to regrow, repair or replace damaged or diseased cells, organs or tissues
"Sculptra"	a poly-L-lactic acid injectable filler
"SKU(s)"	stock keeping unit(s), a distinct type of item for sale, such as a product or service, and all attributes associated with the item type that distinguish it from other item types
"sq.m."	square meters
"subhealth assessment and intervention services"	medical services that aim to improve clients' health conditions, by way of regulating and enhancing the functions of the organ systems of the client's body by applying functional medicine

GLOSSARY OF TECHNICAL TERMS

"suboptimal health status"	a pre-disease condition characterized by some disturbances in psychological behaviors or physical characteristics
"surgical aesthetic medical services"	aesthetic surgeries that are performed with the intention to alter the appearance of various parts of the face or the body, such as eyelids, nose, breast and facial shape, which typically involve local or general anesthesia, as well as partial or full incisions
"Thermage"	an aesthetic energy-based procedure using a probe to transmit high-energy radiofrequency to deep layer of dermis to denature and constrict the collagen by heat energy, so as to activate the self-repairing process of human body and stimulate the regeneration of collagen with an aim to improve skin texture, shrink pores and increase skin elasticity
"tier-one cities"	Beijing, Shanghai, Guangzhou and Shenzhen
"traditional beauty services"	Non-medical beauty services that aim to maintain good facial or body conditions with the application of cosmetic products on the surface of the face or body, mainly aided with manual massage or body and facial care devices
"ultrasound"	using high intensity focused ultrasound to heat up a target tissue, intended to achieve results such as stimulating collagen production, uplifting sagging skin and tightening loose skin