
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Raily Aesthetic Medicine International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Raily Aesthetic Medicine International Holdings Limited

瑞麗醫美國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2135)

**(I) PROPOSED SHARE CONSOLIDATION;
AND**

(II) NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting of the Company (the "EGM") to be held at 5/F., Minhong Tower, No. 290 North Zhongshan Road, Gongshu District, Hangzhou City, PRC on Friday, 15 March 2024 at 3:00 p.m. is set out on pages 15 to 16 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at <https://www.hkexnews.hk> and the Company at <http://www.raily.com>.

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent to you by the Company on Thursday, 29 February 2024 and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such an event, the form of proxy will be deemed to be revoked.

29 February 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Announcement”	the announcement of the Company dated 26 February 2024, in relation to, among other, the proposed Share Consolidation
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday and any day on which “ extreme conditions ” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “ black ” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Company”	Raily Aesthetic Medicine International Holdings Limited (瑞麗醫美國際控股有限公司), a company incorporated in the Cayman Island with limited liability whose issued shares are listed on the Stock Exchange (stock code: 2135)
“Consolidated Shares”	ordinary shares of US\$0.05 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company for the time being
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider, among others, the Share Consolidation

DEFINITIONS

“Existing Shares”	ordinary shares of US\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	Monday, 26 February 2024, being the latest practicable date prior to the printer of this circular for the purpose of ascertaining certain information contained this circular
“Listing Committee”	has the same meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of one (1) rights Share for every three (3) Consolidated Share at the subscription price of HK\$0.148 per rights share subject to, among other things, the Share Consolidation becoming effective, details of which are disclosed in the Announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Existing Share(s) or Consolidated Share(s) (as the case may be)
“Share Consolidation”	the consolidation of every five (5) issued Existing Shares into one (1) Consolidated Share
“Share Option(s)”	the share option(s) of the Company granted pursuant to the Share Option Scheme

DEFINITIONS

“Share Option Scheme”	the share option scheme adopted by the Company on 4 December 2020
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is as follows:

Event	Time and Date (Hong Kong time)
Latest time and date for lodging transfers document in order to qualify for attendance and voting at the EGM	4:30 p.m. on Friday, 8 March 2024
Closure of register of members of the Company for attending the EGM (both days inclusive)	Monday, 11 March 2024 to Friday, 15 March 2024
Latest time and date for lodging forms of proxy for the EGM	3:00 p.m. on Wednesday, 13 March 2024
Record date for determining attendance and voting at the EGM	Friday, 15 March 2024
Date and time of the EGM	3:00 p.m. on Friday, 15 March 2024
Announcement of poll results of the EGM	Friday, 15 March 2024
Register of members of the Company re-opens	Monday, 18 March 2024
<p style="text-align: center;">The following events are conditional on the fulfilment of the conditions relating to the implementation of the Share Consolidation and therefore the dates are tentative only.</p>	
Effective date for the Share Consolidation	Tuesday, 19 March 2024
Commencement of dealing in the Consolidated Shares	9:00 a.m. on Tuesday, 19 March 2024
Original counter for trading in the Existing Shares in board lot of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 19 March 2024
Temporary counter for trading in the Consolidated Shares in board lot of 2,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 19 March 2024
First day of free exchange of existing share certificates for new share certificate for Consolidated Shares commences	Tuesday, 19 March 2024

EXPECTED TIMETABLE

Original counter for trading in the Consolidated Shares
in board lot of 10,000 Consolidated Shares
(in the form of new share certificates) re-opens 9:00 a.m. on Friday,
5 April 2024

Parallel trading in the Consolidated Shares
(in the form of new share certificates and
existing share certificates) commences 9:00 a.m. on Friday,
5 April 2024

Designated broker starts to stand in the market
to provide matching services for odd lots of
the Consolidated Shares Friday, 5 April 2024

Designated broker ceases to stand in the market
to provide matching services for odd lots of
the Consolidated Shares 4:00 p.m. on Thursday,
25 April 2024

Temporary counter for trading in the Consolidated Shares
in board lots of 2,000 Consolidated Shares (in the form of
existing share certificates) closes 4:10 p.m. on Thursday,
25 April 2024

Parallel trading in Consolidated Shares
(represented by both existing share certificates and
new share certificates) ends 4:10 p.m. on Thursday,
25 April 2024

Latest time for free exchange of existing share certificates
for new share certificates Monday, 29 April 2024

All times and dates in this circular refer to Hong Kong local times and dates. The Shareholders should note that the dates and deadlines specified in this circular for events in the expected timetable for the Share Consolidation are subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by the Shareholders at the EGM, and are therefore for indicative purpose only.

In the event that any special circumstances arise, the Board may extend, or make adjustments to, the expected timetable if it considers appropriate. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

LETTER FROM THE BOARD



Raily Aesthetic Medicine International Holdings Limited
瑞麗醫美國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2135)

Executive Directors:

Mr. Fu Haishu (*Chairman*)
Mr. Song Jianliang (*Chief Executive Officer*)
Mr. Wang Ying

Registered office in the Cayman Islands:

4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

Independent Non-executive Directors:

Mr. Cao Dequan
Ms. Yang Xiaofen
Mr. Liu Teng

Principal place of business in Hong Kong:

17/F., Leighton Centre
77 Leighton Road, Causeway Bay
Hong Kong

29 February 2024

To the Shareholders

Dear Sir or Madam,

**(I) PROPOSED SHARE CONSOLIDATION;
AND
(II) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the Announcement in relation to, among other things, the Share Consolidation.

The purpose of this circular is (i) to provide you with information relating to the proposed Share Consolidation; and (ii) to give you the notice of the EGM to be convened.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every five (5) Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share.

LETTER FROM THE BOARD

Effect of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company amounted to US\$30,000,000 divided into 3,000,000,000 ordinary Shares of US\$0.01 each, of which 2,089,040,000 Existing Shares had been allotted and issued as fully paid or credited as fully paid. Assuming that no further Existing Shares are issued or repurchased from the Latest Practicable Date until the effective date of the Share Consolidation, immediately after the Share Consolidation becoming effective, the authorised share capital of the Company will become US\$30,000,000 divided into 600,000,000 ordinary Shares of US\$0.05 each, of which 417,808,000 whole Consolidated Shares will be in issue which are fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Group or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled and the necessary professional expenses for the implementation of the Share Consolidation.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the fulfilment of the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders by way of poll to approve the Share Consolidation at the EGM;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

None of the above conditions can be waived and the Share Consolidation will become effective on the second Business Day after the fulfilment of the above conditions of the Share Consolidation, which is expected to be on or about Tuesday, 19 March 2024.

As at the Latest Practicable Date, none of the conditions as set out above has been fulfilled.

LETTER FROM THE BOARD

Application for listing of the Consolidated Shares

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by the HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made by the Company for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Fractional entitlement to the Consolidated Shares

Fractional Consolidated Shares, if any, will be disregarded and will not be issued to the Shareholders but will be aggregated (rounded down to the nearest whole number) and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of existing share certificates held by such holder.

Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

LETTER FROM THE BOARD

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Innovax Securities Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from 9:00 a.m. on Friday, 5 April 2024 to 4:00 p.m. on Thursday, 25 April 2024 (both days inclusive). Any Shareholder who wishes to use this matching service should contact Mr. Wen (Settlement Department) at (852) 2311 0287, Unit A-C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong during office hours of such period.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lots trading arrangement, is recommended to consult his/her/ its own professional advisers.

Shareholders or potential investors of the Company should note that (i) odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

Exchange of share certificates

Subject to the Share Consolidation having become effective, Shareholders may, during the specified period expected to be from Tuesday, 19 March 2024 to Monday, 29 April 2024 (both days inclusive), submit share certificates for Existing Shares to the Registrar at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares.

Thereafter, share certificates for Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may be allowed by the Stock Exchange from time to time) by Shareholders for each share certificate for Existing Shares submitted for cancellation or each new share certificate issued for Consolidated Shares, whichever number of share certificates cancelled/issued is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Thursday, 25 April 2024, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of five (5) Existing Shares for one (1) Consolidated Share. The new share certificates for the Consolidated Shares will be issued in yellow colour in order to distinguish them from the share certificates for the Existing Shares which are in blue colour.

LETTER FROM THE BOARD

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, the Company has 205,500,000 outstanding Share Options, of which 21,887,814 Share Options are exercisable which entitle the holders thereof to subscribe for an aggregate of 21,887,814 Existing Shares under the Share Option Scheme. Under the relevant terms and conditions of the Share Option Scheme, the Share Consolidation may lead to adjustments to the exercise price and the number of Shares falling to be issued upon exercise of the Share Options. Immediately after the Share Consolidation becomes effective, the exercise price of the outstanding Share Options and the number of Consolidated Shares to be issued upon exercise of the outstanding Share Options are expected to be adjusted as follows:

Date of grant	Before adjustment		After adjustment	
	Number of Existing Shares to be issued upon exercise of the outstanding Share Options	Exercise price per Existing Share HK\$	Number of Consolidated Shares to be issued upon exercise of the outstanding Share Options	Exercise price per Consolidated Share HK\$
29 August 2022	109,439,072	0.1678	21,887,814	0.839
26 January 2024	48,630,462	0.115	9,726,092	0.575
23 February 2024	47,430,466	0.122	9,486,093	0.61

Such adjustment will be subject to the certification and confirmation to be obtained from an independent financial adviser or the auditors of the Company (as the case may be) in accordance with the requirements set out in the relevant terms of the Share Option Scheme, Rule 17.03(13) of the Listing Rules and the Supplementary Guidance on Main Board Listing Rule 17.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020 (updated in January 2023). The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

Reference is also made to the announcements (the “**Announcements**”) of the Company dated 20 August 2021, 25 August 2021 and 10 March 2023 in relation to the acquisition (the “**Acquisition**”) of 90% equity interest in Shenzhen Jumei Xinhe Medical Equipment Co., Ltd.* (深圳市九美信禾醫療器械有限公司)(the “**Target Company**”). As disclosed in the Announcements, part of the consideration of the Acquisition of the Target Company, being RMB70.0 million, may be settled by the allotment and issue of up to 176,272,671 Shares at the issue price of HK\$0.477 per Share or by cash at the discretion of the Group subject to the

* For identification purpose only

LETTER FROM THE BOARD

satisfaction of the relevant profit guarantee. As at the Latest Practicable Date, no Share had been issued. The Share Consolidation may lead to adjustment(s) to the issue price and the number of Shares falling to be issued. The Company will communicate with the relevant parties in the Acquisition on a possible adjustment(s) to be made and make further announcement(s) on such adjustment(s) as and when appropriate.

Save for the aforesaid, the Company has no other outstanding options, warrants or securities in issue which are convertible or exchangeable into, or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be, as at the Latest Practicable Date.

No change in board lot size

The Existing Shares are currently traded on the Stock Exchange in board lot size of 10,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain unchanged at 10,000 Consolidated Shares per board lot.

Based on the closing price of HK\$0.114 per Existing Share (equivalent to the theoretical closing price of HK\$0.57 per Consolidated Share) as at the Latest Practicable Date, (i) the value of each board lot of 10,000 Existing Shares is HK\$1,140; and (ii) the estimated value of each board lot of 10,000 Consolidated Shares would be HK\$5,700 assuming that the Share Consolidation has become effective.

Shareholders' approval

The Share Consolidation is conditional upon approval by the Shareholders by way of poll at the EGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders or their associates has any interest in the Share Consolidation, and no Shareholder will be required to abstain from voting in favour of the resolution approving the Share Consolidation at the EGM.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with consolidation or splitting of its securities. Further, the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by the Hong Kong Exchanges and Clearing Limited has further stated that (i) the market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

LETTER FROM THE BOARD

Based on the closing price of HK\$0.114 per Existing Share as at the Latest Practicable Date, and the theoretical ex-rights price as adjusted for the effect of the Rights Issue of approximately HK\$0.0971 per Existing Share (calculated based on the benchmarked price (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Latest Practicable Date of HK\$0.114 per Existing Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the Latest Practicable Date of approximately HK\$0.1196 per Existing Share) of HK\$0.1196 per Existing Share), the value per board lot of 10,000 Existing Shares is HK\$1,140 and HK\$971 respectively which is less than HK\$2,000.

The Directors consider that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. With the view to complying with the trading requirements under the Listing Rules and facilitating the Rights Issue (as will be elaborated below), the Board resolved to propose the Share Consolidation, which will result in the theoretical ex-rights price as adjusted for the effect of the Rights Issue of approximately HK\$0.4855 per Consolidated Share and HK\$4,855 per board lot of 10,000 Consolidated Shares.

Furthermore, the Share Consolidation would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade. It is also intended that the Share Consolidation can make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company.

In view of the above reasons, the Company considers the Share Consolidation are justifiable notwithstanding the potential costs and impact arising from the creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Share Consolidation is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Other corporate actions and fundraising activities in the next 12 months

As at the Latest Practicable Date, save for the Rights Issue which is conditional upon the Share Consolidation as set out in the Announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any substantive agreement, arrangement, understanding, intention, or negotiation (either concluded or in process) to conduct any fund-raising activities which will involve issue of equity securities of the Company. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

LETTER FROM THE BOARD

Shareholders and potential investors of the Company should be aware of and take note that the Share Consolidation is conditional upon satisfaction of the conditions set out in the paragraph headed “Conditions of the Share Consolidation” in this circular. Accordingly, the Share Consolidation may or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

EXTRAORDINARY GENERAL MEETING AND VOTING AND PROXY ARRANGEMENT

The EGM will be held at 5/F., Minhang Tower, No. 290 North Zhongshan Road, Gongshu District, Hangzhou City, PRC on Friday, 15 March 2024 at 3:00 p.m. to consider, if thought fit, approve the Share Consolidation. The notice convening the EGM is set out on page 15 to page 16 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published at the websites of Hong Kong Exchanges and Clearing Limited at <https://www.hkexnews.hk> and the Company at <http://www.raily.com>. Whether or not you are able to attend the EGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

In the case of appointment of proxies submitted in electronic form, the proxy appointments must be received by 3:00 p.m. on Wednesday, 13 March 2024 or not less than 48 hours before the time appointed for the holding of the meeting (or at any adjournment thereof). You may submit your form of proxy electronically by scanning the QR code or visiting the designated website (<https://spot-meeting.tricor.hk>), through using the username and password provided on the notification letter sent to you by the Company on Thursday, 29 February 2024. If your shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited and would like to appoint proxy to attend and vote at the meeting on your behalf, you should consult directly with your banks or brokers or custodians (as the case may be) for necessary arrangement.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 11 March 2024 to Friday, 15 March 2024, both days inclusive, for the purpose of ascertaining Shareholders' entitlement to attend and vote at the EGM. To be entitled to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 8 March 2024.

RECOMMENDATIONS

The Board considers that the Share Consolidation is in the interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully

By Order of the Board of

Raily Aesthetic Medicine International Holdings Limited

Mr. Fu Haishu

Chairman

NOTICE OF EGM



Raily Aesthetic Medicine International Holdings Limited
瑞麗醫美國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2135)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Raily Aesthetic Medicine International Holdings Limited (the “**Company**”) will be held at 5/F., Minhang Tower, No. 290 North Zhongshan Road, Gongshu District, Hangzhou City, PRC on Friday, 15 March 2024 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following resolution with or without amendments as ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon, among other things, the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue, with effect from the second business day immediately following the day of passing of this resolution, being a day on which the shares of the Company are traded on The Stock Exchange of Hong Kong Limited:

- (i) every five (5) issued and unissued shares of US\$0.01 each in the share capital of the Company be consolidated into one (1) share of US\$0.05 each (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company (the “**Share Consolidation**”);
- (ii) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors (each a “**Director**”) of the Company may think fit; and
- (iii) any one of the Directors be and is hereby authorised to approve, sign and execute such documents, including under seal where applicable, and do and/or procure to be done any and all acts and things which in his/her opinion may be necessary, desirable or expedient to effect and implement the Share Consolidation.”

Yours faithfully
By Order of the Board of
Raily Aesthetic Medicine International Holdings Limited
Mr. Fu Haishu
Chairman

Hong Kong, 29 February 2024

NOTICE OF EGM

Notes:

1. All resolution at the extraordinary general meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholders of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his behalf. A shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
3. In case of joint registered holders of a share of the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of such share of the Company.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the meeting or any adjournment thereof should he so wish and in such event, the form of proxy shall be deemed to be revoked.
5. In the case of appointment of proxies submitted in electronic form, the proxy appointments must be received by 3:00 p.m. on Wednesday, 13 March 2024 or not less than 48 hours before the time appointed for the holding of the meeting (or at any adjournment thereof). You may submit your form of proxy electronically by scanning the QR code or visiting the designated website (<https://spot-meeting.tricor.hk>), through using the username and password provided on the notification letter sent to you by the Company on Thursday, 29 February 2024. If your shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited and would like to appoint proxy to attend and vote at the meeting on your behalf, you should consult directly with your banks or brokers or custodians (as the case may be) for necessary arrangement.
6. The register of members of the Company will be closed from Monday, 11 March 2024 to Friday, 15 March 2024, both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the meeting. To be entitled to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 8 March 2024.
7. Shareholders of the Company should make their own decision as to whether they would attend the above meeting under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.

As at the date of this notice, the Board comprises three Executive Directors, namely Mr. Fu Haishu, Mr. Song Jianliang and Mr. Wang Ying, and three Independent Non-executive Directors, namely Mr. Cao Dequan, Ms. Yang Xiaofen and Mr. Liu Teng.