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Beauty Farm Medical and Health Industry Inc.

美麗田園醫療健康產業有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2373)

MAJOR TRANSACTION IN RELATION TO ACQUISITION OF 100% OF THE ISSUED SHARES IN THE TARGET COMPANY INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

Financial Advisor



THE ACQUISITION

The Board is pleased to announce that on October 15, 2025 (before trading hours of the Stock Exchange), the Company, Shanghai Beauty Farm Medical Healthcare, SYL Holding and Shanghai Anyan entered into the Share Purchase Agreement, pursuant to which, among others, SYL Holding and Shanghai Anyan (as the Vendors) conditionally agreed to sell and the Company and Shanghai Beauty Farm Medical Healthcare (as the Purchasers) conditionally agreed to acquire 100% of the issued shares in Shanghai Siyanli Industrial at the Consideration of RMB1,250.0 million (equivalent to approximately HK\$1,369.2 million).

As part of the Consideration, the Consideration Shares will be allotted and issued pursuant to the Specific Mandate to be sought by the Company at the EGM. The Consideration Shares, when allotted and issued, shall rank *pari passu* with the Shares in issue. An aggregate of 15,798,147 Consideration Shares will be allotted and issued to SYL Holding as set out in the section headed “Consideration” below, which represents approximately 6.70% of the total issued Shares (including 90,500 treasury Shares) as at the date of this announcement and approximately 6.28% of the total issued Shares (including 90,500 treasury Shares) as enlarged by the Consideration Shares (assuming the Acquisition is completed and the Consideration Shares are allotted). The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

Prior to Closing, the Target Company is owned as to 74.0% and 26.0% by SYL Holding and Shanghai Anyan, respectively. Upon Closing, the Target Company will become an indirect wholly-owned subsidiary of the Company. The results, assets and liabilities of the Target Company will be consolidated into the accounts of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Rule 14.06 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders’ approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened and held to consider and, if thought fit, to approve the (i) Share Purchase Agreement and the transactions contemplated thereunder; and (ii) the Specific Mandate for the allotment and issue of the Consideration Shares. As additional time is needed for preparation and finalisation of certain information for inclusion in the circular, the circular containing, among other things, (i) further details of the Share Purchase Agreement and the transactions contemplated thereunder; (ii) financial information of the Target Company; (iii) the unaudited *pro forma* financial information of the Enlarged Group; and (iv) general information, will be despatched to the Shareholders as soon as reasonably practicable.

Shareholders and potential investors of the Company should note that the Closing is subject to the satisfaction and/or, where applicable, waiver of the Conditions Precedent. As the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

BACKGROUND

The Board is pleased to announce that on October 15, 2025 (before trading hours of the Stock Exchange), the Company, Shanghai Beauty Farm Medical Healthcare, SYL Holding and Shanghai Anyan entered into the Share Purchase Agreement pursuant to which, among others, SYL Holding and Shanghai Anyan (as the Vendors) conditionally agreed to sell and the Company and Shanghai Beauty Farm Medical Healthcare (as the Purchasers) conditionally agreed to acquire 100% of the issued shares in Shanghai Siyanli Industrial at the Consideration of RMB1,250.0 million (equivalent to approximately HK\$1,369.2 million).

As part of the Consideration, the Consideration Shares will be allotted and issued pursuant to the Specific Mandate to be sought by the Company at the EGM. The Consideration Shares, when allotted and issued, shall rank *pari passu* with the Shares in issue. An aggregate of 15,798,147 Consideration Shares will be allotted and issued to SYL Holding as set out in the section headed “Consideration” below, which represents approximately 6.70% of the total issued Shares (including 90,500 treasury Shares) as at the date of this announcement and approximately 6.28% of the total issued Shares (including 90,500 treasury Shares) as enlarged by the Consideration Shares (assuming the Acquisition is completed and the Consideration Shares are allotted). The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

Prior to Closing, the Target Company is owned as to 74.0% and 26.0% by SYL Holding and Shanghai Anyan, respectively. Upon Closing, the Target Company will become an indirect wholly-owned subsidiary of the Company. The results, assets and liabilities of the Target Company will be consolidated into the accounts of the Group.

THE ACQUISITION

The principal terms of the Share Purchase Agreement in relation to the Acquisition are set out as follows:

Date	: October 15, 2025 (before trading hours of the Stock Exchange)
Parties	: (i) the Company; (ii) Shanghai Beauty Farm Medical Healthcare; (iii) SYL Holding; and (iv) Shanghai Anyan
Subject matter	: 100% of the issued shares of the Target Company

Consideration : RMB1,250.0 million (equivalent to approximately HK\$1,369.2 million), comprising of the following:

- (i) *Consideration for the Onshore Acquisition*: RMB325.0 million (equivalent to approximately HK\$356.0 million) in cash; and
- (ii) *Consideration for the Offshore Acquisition*: (a) RMB510.9 million (equivalent to approximately HK\$559.6 million) in cash, and (b) the issue of the Consideration Shares.

Consideration Shares : An aggregate of 15,798,147 Consideration Shares will be allotted and issued to SYL Holding as part of the Consideration for the Offshore Acquisition as set out in the section headed “Consideration” above, representing approximately 6.70% of the total issued Shares (including 90,500 treasury Shares) as at the date of this announcement and approximately 6.28% of the total issued Shares (including 90,500 treasury Shares) as enlarged by the Consideration Shares (assuming the Acquisition is completed and the Consideration Shares are allotted). The Consideration Shares, when allotted and issued, shall rank *pari passu* with the Shares in issue.

The Issue Price of HK\$28.71 per Consideration Share represents:

- (i) a discount of approximately 19.67% to the closing price of HK\$35.74 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 21.13% to the average closing price of HK\$36.40 per Share as quoted on the Stock Exchange in the last five (5) consecutive trading days immediately prior to the date of the Share Purchase Agreement.

Lock-up Arrangement : (i) 50% of the Consideration Shares are subject to a lock-up period from the date of issue of such Consideration Shares to June 30, 2026, (ii) 25% of the Consideration Shares are subject to a lock-up period from the date of issue of such Consideration Shares to September 30, 2026, and (iii) the remaining 25% of the Consideration Shares are subject to a lock-up period from the date of issue of such Consideration Shares to December 31, 2026.

Basis of consideration : The Consideration was determined through arm's length negotiations among the parties to the Share Purchase Agreement with reference to the appraised value of the Target Company of approximately RMB1,395.0 million (equivalent to approximately HK\$1,528.0 million) as at the Valuation Benchmark Date according to the Valuation Report as appraised by the Valuer, the reputation, market position and historical performance of the Target Company, the growth potential and profitability of the Target Company after the Acquisition, and other factors set out in "Reasons for and Benefits of the Acquisition" below.

Valuation : *Valuation Methodology*

According to the Valuation Report, the Valuer used the market approach to calculate the market value of the Target Company's entire equity value as at the Valuation Benchmark Date. The market approach is the most direct valuation method, deriving the relevant value of the Target Company based on real and reliable market data obtained from the capital markets. Since the asset-based approach does not account for the future economic benefits of business ownership, the asset-based approach was not used for this valuation. And the financial projections under the income approach involve multiple assumptions, and any inappropriate assumptions could significantly impact the value. Therefore, the income approach was also not used for this valuation. Finally, the Valuer determined the market approach to be the most appropriate valuation method.

Key Valuation Assumptions

- The political, legal, economic, and social conditions in the locations where the Target Company currently or may potentially operate will not undergo significant changes.
- The relevant tax, credit policies, and other applicable government policies in the jurisdictions where the Target Company currently or will operate will not undergo significant changes, and the applicable corporate tax rate, interest rates, exchange rates, and policy-related levy rates will remain stable.

- The Target Company has complied and will continue to comply with all applicable laws and regulations, and no significant non-compliance events that would materially adversely affect the Target Company and its business will occur in the future.
- The Target Company's business premises can be continuously leased at prices close to the current or surrounding area rates.
- The supply and demand for the Target Company's services or similar services domestically and internationally will not differ materially from current or expected conditions.
- The market prices and related costs for the Target Company's services or similar services domestically and internationally will not differ materially from current or expected levels.
- The accounting policies adopted by the Target Company remain substantially consistent in all material aspects, and the existing management style and business structure remain without major changes, excluding potential unforeseen impacts due to changes in management, operational strategies, and the operating environment.
- There will be no other force majeure events or unforeseen factors that would have a material adverse impact on the Target Company.
- The financial, operational, and other information provided for this valuation purpose is true, accurate, and complete.
- The market data, industry consultations, and statistical figures obtained from public sources are true and accurate.

Selection Criteria and Market Comparable Companies

For the purpose of this valuation, the valuer employed the comparable company method under the market approach, utilizing public data of listed companies similar to the Target Company for the calculation.

This valuation method requires researching the benchmark multiples of comparable companies and appropriately selecting suitable multiples to ultimately derive the market value of the Target Company. Therefore, with reference to the following selection criteria, the Valuer ultimately selected 5 listed companies as comparable companies for the calculation:

- Listed on the main board of the Shanghai Stock Exchange, Shenzhen Stock Exchange, or the Stock Exchange, and having been listed for at least two years as at the Valuation Benchmark Date.
- Operating in the beauty industry, with beauty services as a primary business characteristic.
- Profitable in the past two years.
- Based on public announcements, no significant asset restructuring or other major events that could cause abnormal stock price fluctuations occurred near the benchmark date.
- Shares of such companies were trading normally on the public market near the benchmark date and were not suspended or in any other non-normal trading status.

Based on the selection criteria above, the Valuer has identified a comprehensive list of 5 comparable companies as detailed in the table below.

Comparable Company	Stock Code	Primary Business
Beauty Farm Medical And Health Industry Inc.	2373.HK	Beauty and Wellness Services, Medical Aesthetic Services, and Sub-health Medical Services
Perfect Medical Health Management Limited	1830.HK	Healthcare and Medical Aesthetic Services
Fameglow Holdings Limited	8603.HK	Beauty Treatment Services and Skincare Products
Water Oasis Group Ltd.	1161.HK	Operations of Beauty Salons, Spas, and Medical Aesthetic Centers
Lancy Co., Ltd.	002612.SZ	Medical Aesthetic Services and Clothing Sales

Selection of Market Approach Value Multiples

Considering the business characteristics of the Target Company, the valuation metrics selected for the comparable company method are the P/E multiple and the EV/Sales multiple. The reason is that the Target Company is in the beauty service industry, where key operating indicators include sales scale and profit level. Therefore, value multiples from both the profitability and sales scale dimensions were considered for the estimation.

Calculation of Value Multiples for Comparable Companies

P/E Multiple Calculation

Unit: Million

Comparable Company Name	Currency	Market Cap	Adjusted Market Cap	Net Profit Attributable to the Parent Company Owners Excluding Extraordinary Items (LTM)	P/E (LTM)
Beauty Farm Medical And Health Industry Inc.	HKD	7,133	7,289	250	29.2x
Perfect Medical Health Management Limited	HKD	2,136	2,248	203	11.1x
Fameglow Holdings Limited	HKD	1,080	1,078	42	25.7x
Water Oasis Group Ltd.	HKD	640	651	118	5.5x
Lancy Co., Ltd.	RMB	7,451	6,012	177	34.0x

Notes:

1. Market Capitalisation = Outstanding Shares × Share Price, data as at June 30, 2025.
2. Adjusted Market Capitalisation = Market Capitalisation — Non-operating Assets (based on the latest financial statements prior to the benchmark date).
3. Net Profit Attributable to the Parent Company Owners Excluding Extraordinary Items (LTM) = Net Profit Attributable to the Parent Company Owners — Extraordinary Gains and Losses (based on the latest financial statements prior to the benchmark date).

EV/Sales Multiple Calculation

Unit: Million

Comparable Company Name	Currency	Adjusted Enterprise Value (EV)	Sales Revenue (LTM)	EV/Sales (LTM)
Beauty Farm Medical And Health Industry Inc.	HKD	5,560	2,894	1.9x
Perfect Medical Health Management Limited	HKD	1,852	1,128	1.6x
Fameglow Holdings Limited	HKD	1,050	435	2.4x
Water Oasis Group Ltd.	HKD	19	972	0.0x
Lancy Co., Ltd.	RMB	7,797	5,790	1.3x

Notes:

Adjusted Enterprise Value (EV) = Adjusted Market Capitalisation + Interest-bearing Debt + Minority Interest Value + Preferred Stock Value — Cash and Cash Equivalents.

Cash and Cash Equivalents include: Cash and bank balances, restricted cash, term deposits, wealth management products.

Exclusion of Outliers in Value Multiples

The Valuer observed that the market capitalisation of Water Oasis Group Ltd. (HKD640 million) was close to its cash and cash equivalents (HKD633 million), resulting in an enterprise value nearly zero. This led to significantly lower P/E and EV/Sales multiples for Water Oasis Group Ltd. compared to other comparable companies. An enterprise value near zero indicates that the market cap of Water Oasis Group Ltd. is primarily driven by its non-operating cash assets, and its market valuation no longer reflects the operational efficiency or growth prospects of its core business. Therefore, the Valuer deemed it unsuitable as a comparable reference for the Target Company's value and excluded it as an outlier.

Note: Cash and cash equivalents data for Water Oasis Group Ltd. is extracted from its interim report for 2025.

After excluding the outlier, the value multiples of the selected comparable companies are as follows:

Comparable Company Name	Stock Code	P/E (LTM)	EV/Sales (LTM)
Beauty Farm Medical And Health Industry Inc.	2373.HK	29.2x	1.9x
Perfect Medical Health Management Limited	1830.HK	11.1x	1.6x
Fameglow Holdings Limited	8603.HK	25.7x	2.4x
Lancy Co., Ltd.	002612.SZ	<u>34.0x</u>	<u>1.3x</u>
Average		<u>25.0x</u>	<u>1.8x</u>

Adjustment of Value Multiples

Given the differences between the Target Company and the market comparable companies, the Valuer further adjusted the P/E and EV/Sales multiples. This adjustment referenced multiple indicators, including scale indicators, profitability indicators, operational capability indicators, solvency indicators, growth capability indicators, and other adjustment factors. The Valuer used the following equation to multiply the selected value multiples of the market comparable companies by an overall adjustment coefficient to derive the adjusted value multiples:

$$\text{Adjusted P/E Multiple} = \text{Comparable Company P/E Multiple} \times \text{Overall Adjustment Coefficient}$$

Comparable Company Name	Stock Code	P/E (LTM)	Adjustment Coefficient	Adjusted P/E
Beauty Farm Medical And Health Industry Inc.	2373.HK	29.2x	0.94	27.5x
Perfect Medical Health Management Limited	1830.HK	11.1x	0.94	10.5x
Fameglow Holdings Limited	8603.HK	25.7x	0.89	22.9x
Lancy Co., Ltd.	002612.SZ	<u>34.0x</u>	0.88	<u>30.0x</u>
Average		<u>25.0x</u>		<u>22.7x</u>

$$\text{Adjusted EV/Sales Multiple} = \text{Comparable Company EV/Sales Multiple} \times \text{Overall Adjustment Coefficient}$$

Comparable Company Name	Stock Code	EV/Sales (LTM)	Adjustment Coefficient	Adjusted EV/Sales
Beauty Farm Medical And Health Industry Inc.	2373.HK	1.9x	1.01	1.9x
Perfect Medical Health Management Limited	1830.HK	1.6x	0.94	1.6x
Fameglow Holdings Limited	8603.HK	2.4x	0.89	2.1x
Lancy Co., Ltd.	002612.SZ	<u>1.3x</u>	0.97	<u>1.3x</u>
Average		<u>1.8x</u>		<u>1.7x</u>

Notes:

1. The P/E multiple is a profitability indicator, and the EV/Sales multiple is a sales scale indicator. To avoid duplicate adjustments, the P/E multiple adjustment coefficient excludes profitability adjustments, and the EV/Sales multiple adjustment coefficient excludes scale indicator adjustments. Hence, the adjustment coefficients differ.

2. As value multiples are displayed with one decimal place, the product of numbers in the table may not exactly match the listed data due to rounding.

Discount for Lack of Marketability (DLOM) and Control Premium

As the comparable companies are all listed, while the Target Company itself is unlisted, the Valuer considered the potential lack of marketability discount affecting the valuation. With reference to lack of marketability discount rates collected from various transaction platforms across different industries, the Valuer adopted a discount rate of 33.81% for the social services industry.

Furthermore, as the Acquisition is expected to confer control over the Target Company, and the equity value of the comparable listed companies is calculated based on the trading price of their freely traded shares, which represents a non-controlling equity value, a control premium needs to be considered for the Target Company's equity value. By analyzing and comparing the P/E ratios of minority equity transaction M&A cases and controlling equity transaction M&A cases across various industries using data released by Wind Information, the CVSource database, and property rights exchange websites, an average value of 13% was obtained for the past 15 years (2010–2024).

Key Input Data for Valuation

The valuation benchmark date is June 30, 2025. Unaudited financial data of the Target Company for the period from July 1, 2024, to June 30, 2025, was used.

(Unaudited)
(RMB in Thousands)

Item	Value
Net Profit Attributable to the Parent Company Owners Excluding Extraordinary Items (LTM)	72,675
Sales Revenue (LTM)	855,842
Cash and Cash Equivalents	357,549
Minority Interest	–2,575
Interest-bearing Debt	22,540
Non-operating Assets	27,731

Notes:

1. Cash and Cash Equivalents of the Target Company include cash and bank balances, restricted cash, wealth management products.
2. The Target Company's interest-bearing debt primarily includes short-term borrowings.
3. The Target Company's non-operating assets primarily include transactions with related parties, payables for merger and acquisition, deferred tax.

Valuation Results Using P/E Multiple for 100% Equity of Target Company

	(Unaudited) (RMB in Thousands)
Item	Value
Net Profit Attributable to Parent Company Owners of Target Company Excluding Extraordinary Items: 12-month period from July 1, 2024, to June 30, 2025	72,675
Average Adjusted P/E Multiple	<u>22.7x</u>
Equity Value Calculated Using P/E Multiple (Before DLOM)	1,651,539
Less: Discount for Lack of Marketability (33.81%)	558,321
Operating Equity Value Calculated Using P/E Multiple	1,093,219
Add: Value of Non-operating Assets as at June 30, 2025	27,731
Equity Value Calculated Using P/E Multiple (Before Control Premium)	1,120,950
Add: Control Premium (13%)	<u>145,723</u>
Market Value of 100% Equity of Target Company as at June 30, 2025, Using P/E Multiple	<u><u>1,270,000</u></u>

Valuation Results Using EV/Sales Multiple for 100% Equity
of Target Company

(Unaudited)
(RMB in Thousands)

Item	Value
Sales Revenue of Target Company: 12-month period from July 1, 2024, to June 30, 2025	855,842
Average Adjusted EV/Sales Multiple	<u>1.7x</u>
Enterprise Value Calculated Using EV/Sales Multiple (Before DLOM)	1,476,327
Less: Discount for Lack of Marketability (33.81%)	499,088
Enterprise Value Calculated Using EV/Sales Multiple (Excluding Cash and Cash Equivalents)	977,239
Add: Cash and Cash Equivalents as at June 30, 2025	357,549
Enterprise Value Calculated Using EV/Sales Multiple (Including Cash and Cash Equivalents)	1,334,788
Less: Value of Preferred Stock as at June 30, 2025	0
Less: Value of Minority Interest as at June 30, 2025	-2,575
Less: Value of Interest-bearing Debt as at June 30, 2025	22,540
Operating Enterprise Value Calculated Using EV/Sales Multiple	1,314,823
Add: Value of Non-operating Assets as at June 30, 2025	27,731
Operating Enterprise Value Calculated Using EV/Sales Multiple (Before Control Premium)	1,342,554
Add: Control Premium (13%)	<u>174,532</u>
Market Value of 100% Equity of Target Company as at June 30, 2025, Using EV/ Sales Multiple	<u><u>1,520,000</u></u>

Note: Due to rounding, the products and sums of numbers may not exactly equal the relevant totals.

Valuation Conclusion

The Valuer believes that among the two value multiples used, the EV/Sales multiple calculates the market value of entire equity of the Target Company based on sales scale, while the P/E multiple calculates the market value of the entire equity of the Target Company based on profitability. Both approaches align with industry practices for equity valuation. Therefore, the Valuer ultimately considered using the average of the valuation results from both multiples to determine the equity value of the Target Company.

(Unaudited)
(RMB in Thousands)

Item	Value
Market Value of 100% Equity of Target Company as at June 30, 2025, Using P/E Multiple	1,270,000
Market Value of 100% Equity of Target Company as at June 30, 2025, Using EV/Sales Multiple	<u>1,520,000</u>
Average Derived from the Two Multiples: Market Value of 100% Equity of Target Company as at June 30, 2025	<u><u>1,395,000</u></u>

The final equity value of the Target Company is RMB1,395.0 million.

The Board has discussed with the Valuer and reviewed the Valuation Report. After comprehensively considering the valuation approaches adopted by the Valuer (including the valuation assumptions), the Board is of the view that the Valuation is fair and reasonable.

- Payment terms** : The Consideration shall be paid by the Purchasers on the Closing Date (as defined below) in the following manner:
- (i) Shanghai Beauty Farm Medical Healthcare shall pay the Offshore-to-Onshore Closing Payment Amounts to the Vendor's escrow account via wire transfer in cash;
 - (ii) Shanghai Beauty Farm Medical Healthcare shall pay the Onshore-to-Onshore Closing Payment Amounts to Shanghai Anyan's designated bank account via wire transfer in cash; and
 - (iii) The Company shall allot and issue the Consideration Shares to SYL Holding.

The Cash Consideration for the Acquisition will be funded by the internal resources and bank facilities available to the Group.

- Locked box mechanism** : The Vendors undertake that, from the Locked Box Date to the Closing Date, except for the Permitted Leakage, no Leakage has occurred or will occur in respect of any Target Group Company, and further undertake to procure that no Target Group Company shall, from the date of the Share Purchase Agreement to the Closing Date, engage in any Leakage activity.

If any Vendor becomes aware that a payment or transaction constitutes or may constitute Leakage (excluding Permitted Leakage), it shall promptly notify the Purchasers in writing. If, after the date of the Share Purchase Agreement and prior to the Closing Date, the Purchasers become aware of any Leakage (excluding Permitted Leakage) and the Vendors' representative has acknowledged such Leakage in writing, the amount of such mutually acknowledged Leakage and the amount of Leakage notified to the Purchasers by the Vendors' representative shall be deducted from the Onshore-to-Onshore Closing Payment Amounts payable to the Vendors.

If, after the date of the Share Purchase Agreement, the Purchasers discover any Leakage (excluding Permitted Leakage) other than that already deducted from the Cash Consideration, the Purchasers shall be entitled to claim compensation from the Vendors on a joint and several basis for the amount of such Leakage, provided that the Purchasers send a written notice to the Vendor Representative within nine (9) months after the Closing Date, setting out the compensation claim and reasonable details of the relevant Leakage.

Conditions Precedent : The Closing is conditional on:

- (1) Conditions precedent to the Purchasers' Closing obligations, among others:
 - (i) The Vendors have settled all related party transactions and balances between the Target Company and its external related parties in accordance with the Share Purchase Agreement;
 - (ii) The Vendors have not committed any material breach under the Share Purchase Agreement that has caused substantial detriment to the commercial objective of the Acquisition; and
 - (iii) The Target Company has completed the relevant registration procedures for the change of its shareholders from the Vendors to the Company and Shanghai Beauty Farm Medical Healthcare.
- (2) Condition precedent to the Vendors' Closing obligations, i.e., the completion of prepayments of RMB125.0 million (equivalent to approximately HK\$136.9 million) by the Purchasers within two business days upon the date of the Share Purchase Agreement.
- (3) Mutual conditions precedent for both of the Vendors and the Purchasers:
 - (i) The escrow account for the payment of the Offshore-to-Onshore Closing Payment Amounts has been opened by Shanghai Beauty Farm Medical Healthcare in accordance with the Share Purchase Agreement;

- (ii) The shareholders of the Company have duly approved the Acquisition;
- (iii) The Stock Exchange has approved the listing of, and permitted to deal in the Consideration Shares; and
- (iv) There is no government order, law, regulation, policy, or regulatory provision that prohibits, restricts, or otherwise prevents the transaction.

The Purchasers may waive all or part of the conditions precedent set forth under paragraph (1) above in writing. The Vendors may waive all or part of the conditions precedent set forth under paragraph (2) in writing. The Vendors and the Purchasers may waive all or part of the mutual conditions precedent set forth under paragraph (3) above in writing.

Closing

- : Closing shall take place remotely via electronic exchange of documents on the date upon which all the Conditions Precedent have been fulfilled or waived or on such other date and in such other manner as may be separately agreed between the Purchasers and the Vendors (the “**Closing Date**”).

Termination

- : The Share Purchase Agreement may be terminated at or prior to Closing upon the occurrence of any of the following events:
 - (i) The parties mutually agree in writing to terminate the Share Purchase Agreement;
 - (ii) If any of the mutual conditions precedent is not satisfied or waived by 5:00 p.m. on the Long Stop Date, either the Vendors or the Purchasers may terminate the Share Purchase Agreement by giving written notice to the other party without incurring any liability.

The Purchasers may terminate the Share Purchase Agreement by giving written notice to the other parties without incurring any liability and the Vendors shall pay a total amount of RMB125.0 million (equivalent to HK\$136.9 million) for such termination if:

- (i) The Purchasers become aware at or prior to Closing of any fact, matter, or event (whether existing or occurring before or after the date of the Share Purchase Agreement) that the Vendors enter into or execute any written agreement, letter of intent or memorandum of understanding with any third party in respect of the sale, transfer, licensing, pledge or creation of any other encumbrance over substantially all of the issued shares or substantially all of the material assets of the Target Company; or
- (ii) The Vendors refuse to proceed with Closing (including, without limitation, the failure to perform their obligations on the Closing Date as stipulated in the Share Purchase Agreement) while all the Conditions Precedent are satisfied or waived before the Long Stop Date, except where they cannot proceed with Closing due to force majeure.

The Vendors may terminate the Share Purchase Agreement by giving written notice to the other parties without incurring any liability and the Purchasers shall pay a total amount of RMB125.0 million (equivalent to HK\$136.9 million) for such termination if, among other scenario as expressly set forth under the Share Purchase Agreement, the Purchasers refuse to proceed with Closing (including, without limitation, the failure to perform their obligations on the Closing Date as stipulated in the Share Purchase Agreement) while all the Conditions Precedent are satisfied or waived before the Long Stop Date, except where they cannot proceed with Closing due to force majeure.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect of allotment and issue of the Consideration Shares on the shareholding structure of the Company upon the Closing (including 90,500 treasury Shares) is set out as below:

Name of Shareholder	As at the date of this announcement ¹		Immediately after the Closing, the allotment and issue of all Consideration Shares ²	
	<i>No. of Shares</i>	<i>Approximate % of number of Shares in issue (%)</i>	<i>No. of Shares</i>	<i>Approximate % of number of Shares in issue (%)</i>
Controlling Shareholders ³	114,987,000	48.77	114,987,000	45.70
Other Shareholders	120,808,568	51.23	120,808,568	48.02
SYL Holding	—	—	15,798,147	6.28
Total	<u>235,795,568</u>	<u>100.00</u>	<u>251,593,715</u>	<u>100.00</u>

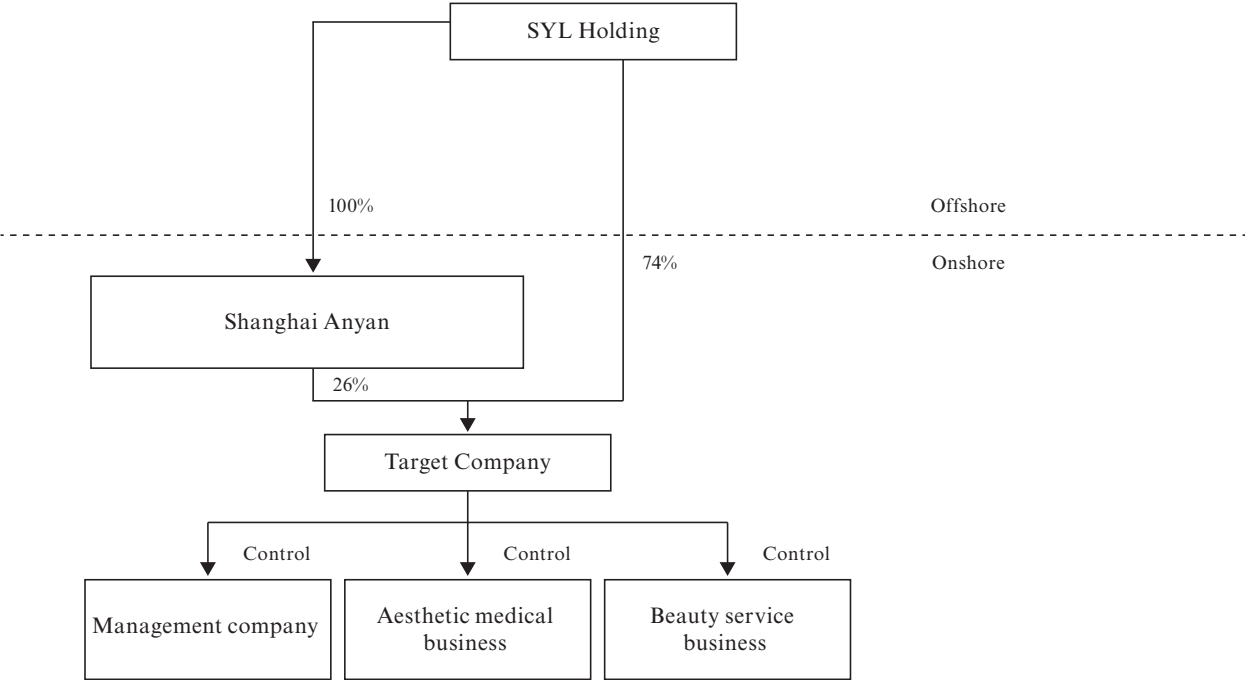
Notes:

- (1) Assuming no change in total issued Shares (including 90,500 treasury Shares) other than allotment and issue of all Consideration Shares.
- (2) Assuming the Acquisition is completed and Consideration Shares are allotted and issued, and there is no other change in total issued Shares (including 90,500 treasury Shares) other than allotment and issue of all Consideration Shares.
- (3) The controlling Shareholders consist of Mr. Li Yang, Ms. Li Fangyu, Mr. Lian Songyong, Ms. Niu Guifen, Mr. Cui Yuanjun and Mr. Yuan Huimin, who are parties acting in concert and have been collectively controlling the Group.

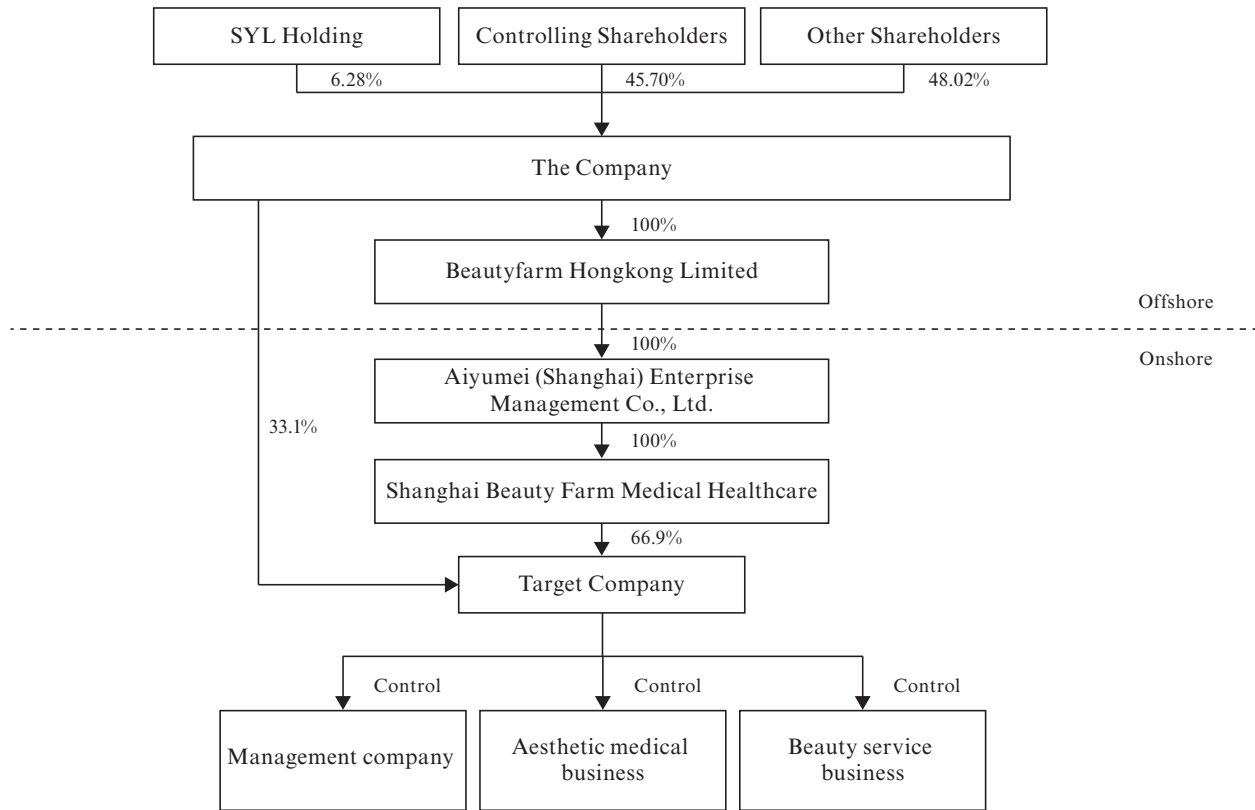
The Company expects that upon the issue of the Consideration Shares, it will continue to maintain the public float required under Rule 8.08(1) of the Listing Rules.

TRANSACTION STRUCTURE

The following diagram sets forth the shareholding structure of the Target Company immediately prior to the Acquisition:



The following diagram sets forth the shareholding structure of the Target Company immediately upon Closing:



INFORMATION ON THE PARTIES

The Company is a leading beauty and health service brand in China. It is committed to providing high-quality beauty and wellness services, aesthetic medical services as well as sub-health medical services that are personalized to clients' desire.

Shanghai Beauty Farm Medical Healthcare is an investment holding company incorporated in the PRC on April 23, 2004, which is indirectly wholly-owned by the Company.

SYL Holding is a limited company incorporated in Hong Kong on March 1, 2018.

Shanghai Anyan is a limited company incorporated in the PRC on June 4, 2020 and is a wholly-owned subsidiary of SYL Holding as at the date of this announcement.

As at the date of this announcement, each of SYL Holding and Shanghai Anyan is an indirect subsidiary of MBK Partners Fund IV, L.P., which is an exempted limited partnership established under the laws of the Cayman Islands. The general partner of MBK Partners Fund IV, L.P. is MBK Partners GP IV, L.P., and the general partner of MBK Partners GP IV, L.P. is MBK GP IV, Inc., an affiliate of one of Asia's largest private equity sponsors, MBK Partners. Founded in 2005, MBK Partners is one of the

largest private equity funds in Asia with over US\$31 billion of capital under management. MBK Partners focuses on North Asia and has developed expertise in various industries, including consumer and retail, telecommunications and media, financial services, healthcare, logistics and industrials. MBK Partners has 108 investment professionals across five offices in North Asia. Morgan Stanley Asia Limited is acting as financial advisor to an affiliate of MBK Partners Fund IV, L.P. in relation to the Acquisition

The Target Company is a limited company incorporated in the PRC on December 31, 2009. Founded in 1996, SIYANLI (思妍麗) is a benchmark brand in China's premium beauty service industry under the Target Company. With its core philosophy of tech-powered, results-driven skincare, SIYANLI has meticulously developed its premium salon skincare products, focusing on delivering professional skincare and beauty experiences for women in top-tier cities. According to Frost & Sullivan, the Target Company's SIYANLI brand ranked the 3rd by market share among beauty service brands in China in terms of revenue for the year of 2024. As at June 30, 2025, the Target Company operated 163 lifestyle beauty stores (including 118 directly-operated stores and 45 franchised stores) and 19 aesthetic medical clinics across 48 cities nationwide, with over 90% of the total revenue contributed from its stores in top 20 tier-1 and new tier-1 cities in China in 2024. As at the date of this announcement, the Target Company is owned as to 74.0% and 26.0% by SYL Holding and Shanghai Anyan, respectively.

Based on the unaudited financial statements of the Target Company, the key financial information of the Target Company for the three years ended December 31, 2024 and six months ended June 30, 2025:

	For the years ended December 31,			For the six months ended
	2022	2023	2024	June 30,
	(RMB'000)	(RMB'000)	(RMB'000)	2025
				(RMB'000)
Revenue	564,781	817,666	848,509	423,092
(Loss)/Profit before taxation	(41,562)	106,028	100,166	57,770
(Loss)/Profit after taxation	(36,366)	69,425	81,036	43,997
Net cash inflow from operating activities	130,806	270,091	253,332	152,325
Net assets as at the year/period	328,137	221,052	305,041	289,781

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendors and their ultimate beneficial owner are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group has specialized in beauty and wellness industry for 32 years, consistently pursuing a dual-engine strategy of “organic growth and strategic acquisitions” (內生增長 + 外延收購). Since 2014, the Group has completed over 30 acquisitions within the industry, building market-leading experience in acquisitions and integration.

The Acquisition represents another significant milestone following the successful acquisition of Naturade (奈瑞兒) in 2024, and will reshape the competitive landscape of the premium beauty industry in high-tier cities in China. Upon Closing, the Group’s store network will rapidly expand with the number of stores reaching 734, while simultaneously driving significant growth in our membership base. Leveraging its unique “Dual Beauty + Dual Wellness” (雙美 + 雙保健) business model, the Group will take a major leap forward in Beauty Farm’s industry leadership and market share.

Upon Closing, the Group will fully empower the Target Company by deploying the Group’s five core capabilities — chain enterprise management, full-lifecycle customer operations, medical service upgrades, AI-driven digital and intelligent transformation, and supply chain integration. This powerful alliance will maximize synergies, accelerate value realization of the Target Company, drive further growth in the Group’s revenue and profit, and unleash growth potentials for high-quality development.

The Company considers that benefits for the Acquisition include:

1. Significantly increasing the Group’s market share, solidifying industry leadership

China’s beauty and wellness industry is undergoing accelerated consolidation. Industry leaders are steering this process and continuously expanding market share by leveraging proven acquisition and integration experience, robust business models, and listed-company platforms. According to Frost & Sullivan, the beauty service market size in China has reached RMB485 billion, and the Group’s Beauty Farm brand, the Naturade brand, and the Target Company’s SIYANLI brand ranked among the top three beauty service brands in China, in terms of revenue for 2024. Upon Closing, the consolidation of the three leading brands under the Beauty Farm brand is set to drive a transformative increase in market share, broader influence, and stronger competitiveness in the industry, and further solidifying its industry leadership.

In terms of regional market, according to Frost & Sullivan, China’s top 20 tier-1 and new tier-1 cities¹ represent core hubs of wealth and consumer spending power, contributing nearly 40% of the national beauty service market share in 2024. These cities comprise the Group’s strategic core region for expansion, which is reflected in revenue data: they contribute more than 90% of the revenue for both the Group and SIYANLI in 2024, closely aligning with the Group’s strategic footprint.

Note 1: Including Shanghai, Beijing, Shenzhen, Chongqing, Guangzhou, Chengdu, Hangzhou, Wuhan, Nanjing, Ningbo, Tianjin, Qingdao, Changsha, Zhengzhou, Hefei, Xi’an, Changchun, Taiyuan, Haikou, and Sanya.

Focusing on the four tier-1 cities of Beijing, Shanghai, Guangzhou, and Shenzhen, according to Frost & Sullivan, such cities contributed nearly 20% revenue of the beauty service market in China in 2024. In the first half of 2025, revenue from such cities accounted for over 60% of the total revenue for both the Group and the Target Company. Upon Closing, the Group expects a significant uplift in its market share of beauty service market across tier-1 and new tier-1 cities, redefining the competitive landscape.

2. Capturing premium beauty service dominance in top-tier cities, strengthening key commercial districts moats

The premium commercial properties in high-tier cities represent fiercely contested territories for offline brand store networks. The Target Company precisely serves high-net-worth female customers in high-tier cities, establishing a premium network of stores centered around premium commercial properties, which is highly synergistic with the Group's strategic layout. According to the statistics from Winshang (赢商网), among the 456 high-end commercial properties across China's 20 tier-one and new tier-one cities², the Group and SIYANLI have an established presence in 191 locations, covering a substantial 42% footprint of these key properties. Upon Closing, the Group will further enhance its coverage in premium commercial properties, which will reshape the competitive landscape of the premium beauty service market in high-tier cities. Looking ahead, the Group will further expand its presence in prime commercial properties across tier-one and new tier-one cities, continuously strengthening its competitive edge in the premium beauty service industry.

3. Comprehensively enhancing the Group's "Dual Beauty + Dual Wellness" business model, boosting both membership base and medical service value

The Acquisition will comprehensively solidify the Group's business model along two fronts: strengthening its cornerstone business and enhancing its value-added service capabilities so as to address full-lifecycle beauty and wellness needs of its members.

Upon Closing, approximately 60,000 active members of directly-operated stores of the Target Company will be integrated into the Group's membership system, representing a significant increase of 44% in the number of active members of directly-operated stores of the Group compared for the year of 2024. This will create a high-quality traffic gateway for the Group's "Dual Beauty + Dual Wellness" business model and reinforce its cornerstone business.

Note 2: According to Winshang, such selection was based on comprehensive factors, including, among others, Winshang ratings, commercial scale, brand positioning, customer traffic, operational standards, surrounding population, and nearby housing prices.

Meanwhile, the highly overlapping business footprints of the Group and the Target Company will facilitate the deep integration and efficient allocation of medical resources within the same regions so as to comprehensively enhance the Group's capabilities in aesthetic medical and sub-health medical services and promote the upgrades of the Group's value-added service offerings.

4. Unlocking synergies through powerful alliance, enhancing the Group's financial performance and shareholder return

Leveraging 32 years of industry experience and more than 30 successful acquisitions, the Group has developed a market-tested, replicable integration playbook. In 2024, the Group strategically acquired Naturade, China's second-largest beauty service brand by market share. In the first half of 2025, Naturade's adjusted net margin increased to 10.4% from 6.5% in 2023, demonstrating the effectiveness of the Group's empowerment model and its excellence in M&A integration capabilities.

As one of the leading companies in the national premium beauty service industry, the Target Company has recorded revenue of RMB848.5 million with solid net profit of RMB81.0 million in 2024, which will further solidify the Group's revenue and profit upon Closing. Leveraging the successful experience from integrating Naturade, the Group will empower the Target Company's operations (i) by systematically exporting the Group's proven capabilities in aesthetics medical and sub-health medical services to enable comprehensive coverage of the Target Company's customers' beauty and wellness full-lifecycle needs, and (ii) by enhancing operational efficiency through refined customer operations, AI-driven digital and intelligent transformation, and supply chain integration. This is expected to fully unlock synergies and further scale up the Group's revenue, strengthen its profitability, and deliver enhanced long-term returns to the Shareholders.

The terms of the Share Purchase Agreement were determined after arm's length negotiations between the parties thereto and on normal commercial terms. The Directors are of the view that the terms of the Share Purchase Agreement and the proposed Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACT OF THE ACQUISITION

Upon Closing, the Target Company will become an indirect wholly-owned subsidiary of the Company and accordingly, all the assets, operating performance and the financial position of the Target Company will be consolidated into the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Rule 14.06 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened and held to consider and, if thought fit, to approve (i) the Share Purchase Agreement and the transactions contemplated thereunder; and (ii) the Specific Mandate for the allotment and issue of the Consideration Shares.

To the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Share Purchase Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares under the Specific Mandate). As such, no Shareholder will be required to abstain from voting on the resolution(s) to approve the Share Purchase Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares under the Specific Mandate) at the EGM.

As additional time is needed for preparation and finalisation of certain information for inclusion in the circular, the circular containing, among other things, (i) further details of the Share Purchase Agreement and the transactions contemplated thereunder; (ii) the financial information of the Target Company; (iii) the unaudited *pro forma* financial information of the Enlarged Group; and (iv) general information, will be despatched to the Shareholders as soon as reasonably practicable.

Shareholders and potential investors of the Company should note that the Closing is subject to the satisfaction and/or, where applicable, waiver of the Conditions Precedent. As the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

Unless the context otherwise requires, the following terms used herein have the following meanings:

“Acquisition”	the Purchasers' proposed acquisition of the Target Company from the Vendors in accordance with the Share Purchase Agreement;
“Board”	the board of Directors;

“Cash Consideration”	cash consideration in the amount of RMB835.9 million (equivalent to approximately HK\$915.6 million) payable by Shanghai Beauty Farm Medical Healthcare to Shanghai Anyan and SYL Holding;
“Company” or “Beauty Farm”	Beauty Farm Medical and Health Industry Inc., an exempted company with limited liability incorporated under the laws of the Cayman Islands on February 10, 2022;
“Closing”	has the meaning as set out in the subsection headed of this announcement;
“Closing Payment Amounts”	Offshore-to-Onshore Closing Payment Amounts and Onshore-to-Onshore Closing Payment Amounts;
“Conditions Precedent”	the conditions precedent to the Closing obligations of Vendors and the Purchasers and the mutual conditions precedent to the Acquisition as set out in the Share Purchase Agreement;
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Consideration”	RMB1,250.0 million (equivalent to approximately HK\$1,369.2 million), representing the consideration pursuant to the Share Purchase Agreement;
“Consideration Shares”	15,798,147 fully paid-up shares with a par value of US\$0.000005 per Share in the issued share capital of the Company to be allotted and issued at a price of HK\$28.71 per Share on the Closing Date to satisfy the Consideration (other than the Cash Consideration) in accordance with the Share Purchase Agreement;
“Director(s)”	the director(s) of the Company;
“Dual Beauty + Dual Wellness (雙美 + 雙保健)”	the Group’s latest upgraded and iterative business model, whereby the Group attracts quality customers through premium beauty service stores and premium AI-Powered wellness services stores, thereby fostering customer loyalty to the brand and identifying their in-depth needs. The Company provides aesthetic medical services and sub-health medical services to meet the escalating needs of customers throughout their lifecycle;

“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, to approve (i) the Share Purchase Agreement and the transactions contemplated thereunder; and (ii) the Specific Mandate for the allotment and issue of the Consideration Shares;
“Enlarged Group”	the Group immediately after Closing, including, among others, the Company, its subsidiaries as at the date of this announcement and the Target Group Companies;
“Escrow Deposit”	RMB18.0 million (equivalent to approximately HK\$19.7 million) to be deposited with the Purchasers in an escrow account by SYL Holding within one business day after receiving the Offshore-to-Onshore Closing Payment Amounts as security over certain indemnity obligations owed by the Vendors to the Purchasers under the Share Purchase Agreement;
“Group”	the Company and its subsidiaries;
“HK\$” or “HKD”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Last Trading Day”	October 14, 2025;
“Leakage”	has the meaning given to it in the Share Purchase Agreement and includes, without limitation, certain payments, distributions, transfers of assets (other than at fair market value and consistent with the past practice, for the benefit of the Leakage Parties and other activities expressly designated as “Leakage” under the terms of the Share Purchase Agreement (other than any Permitted Leakage);
“Leakage Party(ies)”	(i) members of the Vendors and their affiliates (excluding any Target Group Company); and (ii) directors, senior management, employees, or other service providers of any party referred to in (i) above;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Locked Box Date”	June 30, 2025;

“Long Stop Date”	the date falling six (6) months after the date of the Share Purchase Agreement (or such later date as may be agreed by the Vendors and the Purchasers);
“Naturade (奈瑞兒)”	Guangzhou Naturade Health Management Co., Ltd. (廣州奈瑞兒健康管理有限公司), a company incorporated in the PRC with limited liability on March 18, 2024 and a non-wholly owned subsidiary of the Group, which together with its subsidiaries operate the Group’s premium AI-powered wellness services under the Naturade brand;
“Offshore Acquisition”	the acquisition of 33.1% of the total issued shares of the Target Company;
“Offshore-to-Onshore Closing Payment Amounts”	The following amounts to be paid by Shanghai Beauty Farm Medical Healthcare to SYL Holding on the Closing Date: (i) RMB510.9 million (equivalent to approximately HK\$559.6 million); and (ii) <i>Less</i> the total amount of taxes paid (if any);
“Onshore Acquisition”	the acquisition of the remaining 66.9% of the total issued shares of the Target Company;
“Onshore-to-Onshore Closing Payment Amounts”	The following amounts to be paid by Shanghai Beauty Farm Medical Healthcare to Shanghai Anyan on the Closing Date: (i) RMB325.0 million (equivalent to approximately HK\$356.0 million); (ii) <i>Less</i> the amount of the agreed Leakage before Closing (if any); (iii) <i>Less</i> the amount of the prepayments of RMB125.0 million (equivalent to approximately HK\$136.9 million) and the interest accrued thereon; (iv) <i>Less</i> the amount of the Escrow Deposit of RMB18.0 million (equivalent to approximately HK\$19.7 million); (v) <i>Less</i> any fees, costs or expenses (including taxes) incurred or borne by any Target Group Company as set out in the Share Purchase Agreement;

	(vi) <i>Less</i> any insurance premiums and related expenses incurred or borne by any Target Group Company in respect of the directors' and officers' liability insurance (if any); and (vii) <i>Less</i> the amount of the difference between RMB19.0 million (equivalent to approximately HK\$20.8 million) and the consideration for the sale of certain properties from the Target Company to Shanghai Anyan (the "Permitted Transfer");
"Permitted Leakage"	(i) Dividends of not more than RMB25.0 million (equivalent to approximately HK\$27.4 million) declared and paid by relevant Target Group Company as set out in the Share Purchase Agreement; (ii) The Permitted Transfer; (iii) Any actions taken by the Vendors as expressly stipulated in the Share Purchase Agreement and other Leakage expressly agreed in advance in writing by the Purchasers; (iv) Any matters separately disclosed to the Purchasers in writing; and (v) Any taxes arising from Permitted Leakage items other than the taxes incurred for the purpose of items (i) and (ii) above;
"PRC" or "China"	the People's Republic of China;
"Purchasers"	The Company and Shanghai Beauty Farm Medical Healthcare, and each a Purchaser;
"RMB"	Renminbi, the lawful currency of the PRC;
"Shanghai Anyan"	Shanghai Anyan Enterprise Management Co., Ltd. (上海安妍企業管理有限公司), a company incorporated in PRC with limited liability and a wholly-owned subsidiary of the SYL Holding;
"Shanghai Beauty Farm Medical Healthcare"	Shanghai Beauty Farm Medical Healthcare Industry (Group) Co., Ltd. (上海美麗田園醫療健康產業(集團)有限公司), a wholly-owned subsidiary of the Company engaged in investment holding;

“Share(s)”	the share(s) of the Company;
“Share Purchase Agreement”	the share purchase agreement dated October 15, 2025 entered into by the Company, Shanghai Beauty Farm Medical Healthcare, SYL Holding and Shanghai Anyan, in relation to the Acquisition;
“Shareholder(s)”	holder(s) of the shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Specific Mandate”	the specific mandate to be sought from the Shareholders at the EGM to issue 15,798,147 Consideration Shares under the Acquisition;
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules;
“SYL Holding”	SYL Holding Limited, a company incorporated in Hong Kong with limited liability;
“Target Company” or “Shanghai Siyanli Industrial”	Shanghai Siyanli Industrial Co., Ltd.* (上海思妍麗實業股份有限公司), a joint stock company limited by shares incorporated in the PRC;
“Target Group Company(ies)”	the Target Company and its subsidiaries;
“Valuation”	the appraised value of the Target Company as set out in the Valuation Report;
“Valuation Benchmark Date”	June 30, 2025, being the effective date of the Valuation Report pursuant to which the Valuation was based;
“Valuation Report”	the asset valuation report in respect of the appraised value of the Target Group as at the Valuation Benchmark Date issued by the Valuer;
“Valuer”	JZ (Shanghai) Assets Appraisal Co., Ltd.* (金證(上海)資產評估有限公司), an independent third-party valuer appointed by the Purchaser;
“Vendors”	SYL Holding and Shanghai Anyan, and each a Vendor;
“%”	per cent.

For the purpose of this announcement, the exchange rate of HK\$1.00 to RMB0.91296 has been used for currency translation, where applicable. Such conversion is for illustrative purposes and does not constitute representations that any amount in HK\$ or RMB has been, could have been or may be converted at this or any other rate.

By Order of the Board
Beauty Farm Medical and Health Industry Inc.
LI Yang
Chairman and executive Director

Hong Kong, October 15, 2025

As at the date of this announcement, the Board comprises Mr. Li Yang as Chairman and executive Director, Mr. Lian Songyong as Vice Chairman and executive Director, Ms. Li Fangyu, Mr. Gao Jianming and Ms. Yi Lin as non-executive Directors and Mr. Fan Mingchao, Mr. Liu Teng and Mr. Jiang Hua as independent non-executive Directors.

* *For identification purposes only*