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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

RESULTS HIGHLIGHTS

	Year ended December 31,		
	2025	2024	Change
	RMB'000 [(i)]	*RMB'000*	
Number of client visits of direct stores	**1,863,522**	1,517,701	22.8%
Number of active members served by direct stores	**154,383**	137,027	12.7%
Revenue	**3,000,539**	2,572,199	16.7%
Gross profit	**1,471,882**	1,189,995	23.7%
Gross profit margin	**49.1%**	46.3%	
Net profit	**340,275**	252,478	34.8%
Adjusted net profit	**380,796**	270,124	41.0%
Adjusted net profit margin	**12.7%**	10.5%	
	RMB	*RMB*	
Earnings per share			
Basic	**1.38**	0.99	39.4%
Diluted	**1.37**	0.99	38.4%

Notes:

(i) Unless otherwise specified

* *For identification purposes only*

The Board has resolved to recommend a final dividend (the "**Proposed Final Dividend**") of HK$0.72 per Share (equivalent to RMB0.63[(ii)] per Share) for the year ended December 31, 2025, amounting to a total of approximately HK$180 million (2024: HK$0.52 per Share).The Proposed Final Dividend is subject to the approval of the Shareholders at the AGM and is expected to be paid at or prior to the end of the third quarter of 2026. Additional information on the closure period of the register of members of the Company in relation to the Proposed Final Dividend distribution, the record date for determining entitlements of the Shareholders to the Proposed Final Dividend and payment date will be announced in due course.

Notes:

(ii) Being the official exchange rate of Renminbi against Hong Kong dollars as quoted by the People's Bank of China on March 16, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

I. Key Performance Highlights

Amidst the sweeping artificial intelligence ("**AI**") revolution and rapid technological iteration, the value created by service experience and humanistic care remains irreplaceable by machines. Only by upholding this value can we transcend economic cycles and secure long-term standing. According to the "Hurun Chinese Luxury Consumer Survey 2026" released by the Hurun Research Institute, the high-net-worth demographic intends to increase their spending on service experiences by 12% in the coming year. This data fully confirms that demonstrates experience is the most certain trend for the future, possessing enduring and irreplaceable value.

Beauty Farm is one of China's largest chain service groups in the beauty and health sector. We consistently adhere to a customer-centric approach, cultivate long-term client relationships through our dual beauty + dual wellness business model, and are dedicated to providing one-stop beauty and health services for women in China's high-tier cities.

The Beauty Farm group brand continues to solidify its position as the top choice for premium female clientele. In 2025, client visits at our direct stores reached 1.86 million, representing a year-on-year increase of 22.8%. The number of active members of our direct stores surged to 154,000, a year-on-year growth of 12.7%. This expansion in our member base propelled the Group's revenue and profit to new record highs. In 2025, total revenue reached RMB3.0 billion, a year-on-year increase of 16.7%. The ongoing realization of economies of scale drove gross profit margin up by 2.8 percentage points year-on-year to 49.1%. Adjusted net profit was RMB380 million, a year-on-year increase of 41.0%, with the adjusted net profit margin reaching 12.7%, a year-on-year increase of 2.2 percentage points, underscoring robust operational efficiency and profitability. Furthermore, the Group maintained a robust cash flow profile. In 2025, net cash flow generated from the Group's operating activities amounted to RMB1.0 billion, a significant year-on-year increase of 25.4%. As of December 31, 2025, the Group's total cash and cash-like items stood at a substantial RMB2.59 billion, a remarkable year-on-year growth of 41.6%.

In terms of city footprint, the Group concentrates on China's economically developed and advantageous regions, aiming to cultivate 20 directly-operated cities with revenue exceeding RMB100 million each. In 2025, the revenue generated from the 20 Tier-one Cities and New Tier-one Cities in China accounted for 93.2% of the Group's total revenue generated from the direct stores. In addition, we have built a competitive advantage in the four Tier-one megacities: Beijing, Shanghai, Guangzhou, and Shenzhen. Directly-operated stores in these four megacities contributed 64.9% of the Group's revenue generated from the direct stores, validating our core command over high-value markets. Regarding store scale, as of December 31, 2025, the Group operated 550 stores in total, comprising 289 direct stores and 261 franchised stores and managed stores. With the formal consolidation of Siyanli into our financials, our store network is set to exceed 700 outlets, serving more women across high-tier cities with beauty and health needs.

Number of Stores

	Year ended December 31,	
	2025	2024
Beauty and Wellness Services	**512**	515
— Direct stores	**252**	239
— Franchised stores	**260**	276
Aesthetic Medical Services	**27**	28
Subhealth Medical Services	**11**	11
Total	**550**	554

Direct Stores Distribution by Cities

	For the year ended December 31,	
	2025	2024
Tier-one Cities	**154**	160
New Tier-one Cities	**101**	90
Others	**34**	25
Total	**289**	275

II. Execution of Core Strategy: M&A Integration and Industry Empowerment

Since its listing in 2023, Beauty Farm has proactively engaged in the industry consolidation process. Mergers, acquisitions, and investments have been elevated to a group-level core strategy. We adopt an open and win-win approach, collaborating with industry partners to jointly promote the high-quality development of the beauty sector.

In March 2024, the Group acquired Naturade, the brand with the second-largest market share in China's beauty industry. After the acquisition, we devised a "Three-Step Integration Strategy": first, leveraging the advantages of the core business; second, upgrading consumer healthcare capabilities; and third, comprehensive empowerment through platform capabilities. This systematic integration aimed to achieve a dual increase in revenue and efficiency. By 2025, Naturade's single-store revenue had risen from RMB5.75 million prior to the acquisition to RMB8.1 million, and its adjusted net profit margin significantly improved from 6.5% to 10.5%. This outstanding performance validated the Group's robust integration capabilities and established a replicable and scalable model for success.

In October 2025, the Group announced the acquisition of 100% equity interest in Siyanli, the third-ranked brand by market share among beauty service brands in China, for RMB1.25 billion. Founded in 1996, Siyanli is a benchmark brand in China's premium beauty services sector. In 2024, Siyanli achieved revenue of RMB850 million and a net profit of RMB81 million, highlighting its mature and solid performance foundation. In January 2026, Siyanli was formally consolidated into the Group's financials. We will replicate the successful experience gained from Naturade, and inject new momentum into earnings growth leveraging our model advantages and platform capabilities. With this, the three major brands are now united under the Beauty Farm, achieving a leapfrog improvement in the Group's market share and reshaping the competitive landscape of China's beauty industry.

In March 2026, the Group hosted the "Seeking 100 partners in the beauty industry" strategic investment and industry empowerment conference. We will focus on beauty and wellness service providers in 20 of China's high-tier cities, attracting more industry partners to integrate into the Beauty Farm ecosystem. By relying on our continuously improving business systems, we aim to support these partners, enhance their efficiency, and achieve symbiotic and win-win growth.

III. Building Core Capabilities: Beauty Farm's Business System

After 33 years of deep industry cultivation, the Group has expanded from beauty services into consumer healthcare, building an integrated beauty and health service platform for women in higher-tier cities. As the industry enters a new stage of branding, chain operation and digital integration, we are making major efforts to build Beauty Farm's business system: transforming "experience" into "standards," and solidifying "standards" into "capabilities," so that a replicable and scalable management model can support both internal growth and external acquisitions, thereby creating a sustainable growth model.

1. **Customer Value Growth System:** We are customer-centric, focusing on the full beauty and health lifecycle of premium female customers, and continuously optimizing our customer value growth system. Through refined customer operations, we have established a full closed-loop operating model covering promotion, customer acquisition, conversion, membership retention, value enhancement, repeat purchase and referral, continuously creating long-term value for customers.

2. **Strong Platform + Multi-Brand System:** We have established an organizational system featuring a "strong platform + multi-brand business divisions" model to support efficient collaboration across multiple brands and business lines. The platform coordinates core capabilities including supply chain, digitalization, human resources and finance, and through systematic development, continuously delivers reusable infrastructure and professional support to front-end business operations. The front-end business units remain close to the market and customers, enabling agile operations and rapid response; the platform accumulates capabilities and outputs standards, embedding collaboration throughout the entire business process. This effectively enhances operating efficiency and business scalability, and provides solid support for the orderly expansion of multiple brands.

3. **M&A Value Growth System:** We are building a full-cycle M&A value growth system centered on "investment + integration + growth," transforming accumulated experience into methodology and management systems. By continuously building proprietary industry investment databases, proven pre-investment models, precise mid-transaction integration and comprehensive post-investment value enhancement, we have developed a mature M&A and empowerment mechanism that can accommodate high quality targets of different sizes and across different business sectors, achieving "integration upon acquisition, and value creation through integration."

4. **Digital Intelligence and AI System:** Digital intelligence and AI are the technological foundation and efficiency engine of Beauty Farm's business system. The Group will build a digitally intelligent and data-driven management system to deeply empower Beauty Farm's business system, making its capabilities implementable, replicable and continuously upgradeable, and providing solid support for sustained leadership across business cycles.

IV. Core Business Operations

Beauty and Wellness Services

The Chinese beauty and wellness market presents a vast landscape with immense long-term potential. According to data from Frost & Sullivan, the market size of China's beauty and wellness service industry reached RMB485 billion in 2024. Furthermore, this market exhibits a pronounced clustering effect in high-tier cities, which serve as the core hubs of wealth and consumption power. The 20 Tier-one and New Tier-one Cities collectively contribute nearly 40% of the national market share, while the four megacities — Beijing, Shanghai, Guangzhou, and Shenzhen — alone account for close to 20% of the national market share.

As the foundational pillar of the Group's "dual beauty + dual wellness" business model, beauty and wellness services represent our primary touchpoint with clients. Within our beauty and wellness store network, we are dedicated to creating an exclusive "Third Space" for women — a sanctuary where they can shed societal labels, reconnect with their authentic selves, and experience both the benefits of technologically-advanced treatments and immersive moments of inner peace. This unique approach crafts an unparalleled care experience for each client.

In 2025, our beauty and wellness services generated revenue of RMB1.658 billion, reflecting a year-on-year increase of 14.9%. Profitability reached new heights, with the gross profit margin improving by 1.2 percentage points to 41.9%. The primary driver of this revenue growth was increased customer traffic — in 2025, the number of client visits to our beauty and wellness services' direct stores reached 1.724 million, a year-on-year increase of 23.2%. The number of active members of our direct stores grew to 146,000, a year-on-year increase of 11.8%. The average annual spending per active member at direct stores was RMB9,738, a year-on-year increase of RMB320.

	For the year ended December 31,	
	2025	2024
Number of client visits of direct stores	**1,724,339**	1,400,010
Number of active members of direct stores	**146,370**	130,961

In 2025, we formally unveiled our supply chain strategy, announcing that our approach to product creation will evolve from a singular focus on "global curation" to a tripartite model encompassing "global curation", "international brand collaborations", and "joint R&D with top-tier global laboratories". This strategic shift preserves our legacy of exceptional quality while injecting powerful new momentum for innovation. In February 2026, we announced a landmark strategic partnership with globally renowned skincare brand Shiseido, embarking on a new chapter of collaboration spanning brand influence, service experience, and joint scientific research initiatives.

Leveraging our brand influence, digital marketing capabilities, and premium commercial property placements, we have steadily enhanced our customer acquisition capabilities. Our private domain customer acquisition efforts have achieved continuous breakthroughs. Through personalized and targeted push notifications and member referral programs, this channel contributed 45% of new members to the Group in 2025, effectively managing overall customer acquisition costs. Regarding high-end commercial partnerships, we remain focused on expanding our presence in prestigious commercial districts and deepening multifaceted collaborations with commercial real estate partners. These initiatives include integrating premium membership systems and mutual member benefit exchange, allowing us to precisely target new clients while continuously elevating the customer experience. In February 2026, the Group signed a membership interoperability agreement with China Resources Mixc Lifestyle, further strengthening our advantages within premium channels. Looking ahead, we will intensify our brand-building efforts and cultivate a deeply resonant and enduring brand perception in the minds of consumers.

Premium Beauty Services

Founded in 1993, **Beauty Farm** is identified by Frost & Sullivan as the top brand in China's premium beauty service sector. As an industry leader, we not only cultivate a deep understanding of mindset of high-net-worth women but also embrace the mission of defining industry benchmarks. On the product front, we are expanding our research and development approach, preparing to launch our inaugural premium joint R&D product collection. This will forge a unique product advantage by combining "international prestige brands with joint R&D". In terms of AI-powered personalized service, we are deeply embedding intelligent diagnostics into our service workflows. This will create consistent and traceable skin profiles, enabling data-driven precision service and achieving the transition from standardisation to personalisation. Regarding the experiential dimension, we are systematically elevating the "five senses and six awarenesses" to craft an exclusively premium and multi-sensory experience, transforming each beauty treatment into a ritual of physical and mental rejuvenation. In the realm of standard-setting, we will take the lead in formulating service standards for the beauty industry, aspiring to elevate the "Beauty Farm Standard" into a widely adopted industry consensus. Moving forward, Beauty Farm will continue to lead China's beauty and health service industry through brand leadership, product innovation, service enhancement, and standard dissemination.

Founded in 1996, **Siyanli** is dedicated to establishing a leading brand in China's premium hi-tech beauty sector. Rooted in cutting-edge technology and meticulously developed professional skincare products, the brand focuses on providing women in high-tier cities with hi-tech beauty services that integrate clinical efficacy with premium experiences. Looking ahead, Siyanli will replicate the Group's proven integration methodology, as successfully demonstrated with Naturade. It will solidify its core advantages in premium hi-tech beauty, cater to the growing demand for consumer healthcare services, and fully leverage the Group's platform capabilities. This approach aims to achieve enhanced efficiency, realize economies of scale, and unlock significant growth potential.

Premium AI-powered Wellness Services

Founded in 2007, **Naturade** is identified by Frost & Sullivan as the "Top AI-Powered Wellness Brand in China", and is also a pioneer of the AI-Powered beauty and wellness sector in China. The brand independently innovated its signature "Seven-Year Wellness Theory", profoundly integrating the profound wisdom of traditional Chinese medicine ("**TCM**") with cutting-edge intelligent technology. By offering a spatial experience defined by "Contemporary Orientalism and Serene Healing", Naturade provides high-net-worth women with uniquely distinctive TCM-based AI-powered wellness services. In terms of professional service, Naturade has established a Women's Health Research Center. Collaborating with authoritative institutions such as the Guangdong Provincial Hospital of Traditional Chinese Medicine, it has constructed a unique TCM treatment system centered on "pain management, meridian regulation, and visceral harmonization", thereby creating a formidable product differentiation barrier. With a stronghold in the established market of the Greater Bay Area, Naturade will continue to refine its store model and actively pursue geographic expansion. In 2026, it will enter the Yangtze River Delta region, strategically penetrating one of China's primary wealth hubs to unleash further development potential.

Consumer Healthcare Capability Building

Consumer healthcare represents a premium sector distinguished by its dual attributes of medical necessity and consumer choice. Guided by the "Healthy China 2030" blueprint, residents' health needs are rapidly transitioning from "disease treatment" to "proactive health management". This fundamental shift, coupled with evolving demographic trends and increased consumer budget allocation for consumer healthcare, has ushered in a golden era of development for the industry.

Beauty Farm's consumer healthcare business is a strategic extension built around the beauty and health needs of high-net-worth women. Over the past 16 years, we have internally cultivated our consumer healthcare capabilities from the ground up, currently operating 38 consumer healthcare institutions nationwide. In 2025, the consumer healthcare sector generated total revenue of RMB1.34 billion, a year-on-year increase of 18.9%. Accounting for 44.8% of total Group revenue — an increase of 0.9 percentage points year-on-year — this sector represents a significant contributor to the Group's income. Notably, within this sector, our aesthetic medical business, CellCare, demonstrated resilient growth, achieving revenue of RMB1.017 billion, a year-on-year increase of 9.6%. Our subhealth medical business, Neology, recorded revenue of RMB326 million, a substantial year-on-year surge of 62.2% and establishing itself as a key growth driver.

Aesthetic Medical Services — CellCare aesthetic medical service

China's aesthetic medical service industry continues to undergo profound transformation and value chain restructuring. On the supply side, the approval of upstream aesthetic products has experienced explosive growth, signaling the industry's official entry into the "era of curated selection". On the consumer side, a predominant trend has emerged wherein premium aesthetic medical service clientele increasingly seek customized, high-quality services. Against this backdrop, **CellCare aesthetic medical service** navigated this industry flux successfully by leveraging its competitive business model and deep-rooted brand trust and professional expertise.

In 2025, CellCare achieved resilient growth against market trends, posting revenue of RMB1.017 billion, a year-on-year increase of 9.6%. Its gross profit margin reached 55.9%, reflecting a substantial year-on-year improvement of 3.6 percentage points, underscoring steadily optimized profitability. Driven by our ongoing efforts to convert core clientele into aesthetic medical service users, CellCare stores served 102,000 client visits in 2025, a year-on-year increase of 13.1%. The number of active members rose to 36,000, a year-on-year increase of 7.7%. Average annual spending per active CellCare member reached RMB28,000, an increase of RMB490 year-on-year, demonstrating robust growth despite broader market conditions.

	For the year ended December 31,	
	2025	2024
Number of client visits of direct stores	**102,450**	90,612
Number of active members of direct stores	**36,225**	33,630

The network of CellCare's aesthetic medical clinic is continuously expanded and upgraded. As of December 31, 2025, the Group's aesthetic medical clinic network totaled 27 locations. In August 2025, our flagship dual-medical clinic grandly opened in Guangzhou, achieving an impressive RMB160 million in revenue within its first year, a powerful validation of the business model's profitability. Looking ahead to 2026, with the integration of Siyanli into the Group, we will accelerate clinic upgrades, enrich our medical resources, and continue to unlock customer value.

As the CellCare brand celebrates its sixteenth year, in March 2026, we proudly hosted the "Dedicated Anti-Aging" brand upgrade conference, officially inaugurating a new brand chapter. We are sharpening our focus on the premium, minimally-invasive anti-aging sector, steadfastly adhering to our core philosophy of "Subtle Changes, Remarkable Differences". With the brand positioning of "Experts, Dedication, Devotion to Natural Beauty", we unveiled our new brand slogan: "Natural Beauty — Gracefully Ageless". This establishes a distinctive brand identity. Addressing the anti-aging needs of women across different life stages, we have developed a comprehensive lifecycle product roadmap encompassing "Preventive Anti-Aging, Maintenance Anti-Aging, and Rejuvenated Anti-Aging (初老抗衰、凍齡抗衰、逆齡抗衰)", officially heralding a new era of dedicated anti-aging expertise for CellCare.

Medical capabilities is the top priority of aesthetic medical business. In strengthening our physician expertise, we deeply engage with 150 medical experts and physicians, channeling frontline clinical experience and cutting-edge aesthetic sensibilities back into product R&D to co-create unique anti-aging treatment protocols. Simultaneously, we firmly believe that expertise needs to be visible. Through our "Star Doctor" IP incubation initiative, we bring our experts to the forefront, creating a virtuous cycle that enhances both the physician's professional value and the brand's credibility.

Regarding medical technology innovation, as of December 31, 2025, the Group had filed over 150 patents in total. By combining a top-tier physician team with core medical technology assets, we are constructing a formidable technological moat in the anti-aging field, delivering a professionally rigorous, technology-driven aesthetic medical service experience.

Subhealth Medical Services — Neology medical service

As the Group's subhealth medical services brand, **Neology medical service** specializes in functional medicine and women's gynecological anti-aging. Operating in the early stages of market development, the brand has precisely seized emerging opportunities to rapidly accelerate its business expansion.

In 2025, clients visits at our direct subhealth medical stores reached 37,000, a year-on-year increase of 35.7%. The number of active members grew to 10,417, a year-on-year increase of 37.9%. Propelled by this momentum, subhealth medical services achieved transformative growth, generating full-year revenue of RMB326 million in 2025, a year-on-year increase of 62.2%. For the first time, this sector contributed over 10% of the Group's revenue, with its gross profit margin climbing to 64.3%, a remarkable year-on-year improvement of 6.1 percentage points. As of December 31, 2025, our network of subhealth medical clinics had expanded to 11 locations. On August 1, 2025, Neology officially inaugurated its Guangzhou clinic. As the first clinic in the Greater Bay Area dedicated to integrated Traditional Chinese Medicine and Western medicine for medical anti-aging, it features specialized TCM consultation rooms precisely tailored to meet the diverse needs of local clientele for TCM services.

	For the year ended December 31,	
	2025	2024
Number of client visits of direct stores	**36,733**	27,079
Number of active members of direct stores	**10,417**	7,552

In 2025, Neology's functional medicine division achieved revenue growth of 101%. Amidst the AI revolution, we are actively driving the transformation from experience-based medicine to personalized healthcare. By integrating precise testing data, expert diagnostic pathways and clinical cases through our proprietary AI models, we are enabling truly individualized treatment plans and round-the-clock service accessibility, delivering the promise of truly personalized care.

Also in 2025, Neology's Women's Specialty Care Center recorded revenue growth of 64%. We are committed to expanding our service portfolio, extending from gynecological anti-aging to ovarian wellness, with the upcoming launch of a reproductive function treatment division. This will complete our vision of a healthcare service for women, encompassing "prevention, treatment, and anti-aging".

V. Enhancement of Market Capitalization

In March 2025, the Group formally announced three major initiatives to enhance capital market value, focusing on optimizing shareholder structure, maintaining a high dividend payout ratio, and implementing management incentives — to continuously unlock long-term investment value. Regarding shareholder structure optimization, in August 2025, the original private equity shareholder, CITIC Private Equity Funds Management Co., Ltd., formally exited as a substantial shareholder. Concurrently, we welcomed high-quality long-term strategic investors, further strengthening our shareholder base. In terms of dividends, the Board proposes to maintain its high dividend policy by distributing 50% of the net profit attributable to the parent company's shareholders for 2025 as dividends, and has recommended a final dividend of HK$0.72 per Share for the year ended December 31, 2025, representing a year-on-year increase of 38.5%, underscoring our commitment to consistently enhancing shareholder returns. In terms of management incentives, the Group has closely aligned its future revenue and profit targets with equity incentive plans. The first year's performance targets were exceeded, fully validating the effectiveness of the incentive mechanism. Building on this success, the Group has further raised the performance targets tied to management equity incentives, aligning the Group and shareholder interests under higher standards. This approach aims to unlock growth potential while delivering long-term, stable returns for investors. In November 2025, the Group was successfully included in the MSCI World Small Cap Index, broadening its visibility among global passive and active funds and attracting the attention of a more diverse range of international investors.

VI. Outlook

Our long-term vision is to establish ourselves as the preeminent leader in China's beauty and health industry. To guide this journey, we have established clear medium-term performance targets, supported by corresponding management incentive plans. In terms of geographic expansion, our objective is to achieve a network of 1,000 stores across China's 20 most economically vibrant cities, propelling more cities into the "RMB100 Million Revenue Club" and unlocking the full growth potential of high-tier urban markets.

Standing at a new threshold, in November 2025, we formally unveiled the "Three Super Strategies" to steer our high-quality development over the next five years.

- Super Brand: Constructing a beauty and health brand portfolio. We will continuously elevate our professional expertise to craft "exceptional experiences that exceed expectations", thereby reshaping the value proposition of the beauty industry. Concurrently, we will actively participate in and promote the formulation of industry standards, aspiring to elevate Beauty Farm's high benchmarks into widely adopted industry consensus. This will enhance consumer trust and solidify our brand equity.

- Super Chain: Leveraging the "dual beauty + dual wellness" business model, we will drive the Group's value enhancement through the dual engines of "internal growth and external acquisitions". Our focus remains on cultivating 20 core cities each generating over RMB100 million in revenue. We are building proprietary supply chain capabilities, integrating global curation with collaborative R&D, to provide women in China's high-tier cities with uniquely differentiated beauty and consumer healthcare products and services.

- Super Digitalization: Building a data-intelligence & AI infrastructure. We are constructing a data-intelligence-driven enterprise management system, aiming to become a benchmark for digitally-led beauty and health service chains.

Looking ahead, we will remain steadfast in our customer-centric philosophy, guided by the "Three Super Strategies" to build a multi-dimensional growth matrix. Horizontally, we will broaden our core businesses through the dual engines of "internal growth and external acquisitions". Vertically, we will continue to explore growth opportunities within the consumer healthcare sector. Simultaneously, we will comprehensively enhance operational and management efficiency and strengthen the Group's core competitiveness across all dimensions leveraging the "Beauty Farm Business System" with a commitment to creating a sustainable and win-win future for all our stakeholders.

FINANCIAL REVIEW

REVENUE

The Group generates revenue primarily from three business sectors: beauty and wellness services, aesthetics medical services, and subhealth medical services. In 2025, the Group continued to advance its development strategy driven by the dual engines of internal growth and external acquisitions, steadily expanding its business scale while continuously improving operational efficiency. The Group's revenue increased by 16.7% from RMB2,572 million in 2024 to RMB3,001 million in 2025.

The revenue growth was primarily attributable to the following factors:

(i) The Group's internal business maintained same-store sales growth of approximately 6.9%, mainly due to the sustained increase in client visits and active membership base at direct stores, thereby driving revenue growth per store;

(ii) In terms of external acquisitions, the Group completed the acquisition of the intelligent beauty brand Naturade in the second half of 2024 and integrated it into the Group's system, gradually advancing integration efforts, which expanded the Group's overall business scale; and

(iii) The revenue contribution from the consumer healthcare business continued to rise, promoting the ongoing optimization of the Group's business structure.

The following table sets forth a breakdown of the Group's revenue by service offerings for the periods indicated:

	Year ended December 31,				
	2025		2024		
	Revenue		Revenue		Change
	RMB'000	**%**	*RMB'000*	%	%
Beauty and wellness services	**1,658,002**	**55.2**	1,443,301	56.1	14.9
— Direct stores	**1,512,334**	**50.4**	1,305,745	50.8	15.8
— Franchisee and others	**145,668**	**4.8**	137,556	5.3	5.9
Aesthetic medical services	**1,016,618**	**33.9**	927,917	36.1	9.6
Subhealth medical services	**325,919**	**10.9**	200,981	7.8	62.2
Total	**3,000,539**	**100.0**	2,572,199	100.0	16.7

Beauty and Wellness Services — Direct Stores

The Group's revenue from beauty and wellness services of direct stores increased by 15.8% from RMB1,306 million in 2024 to RMB1,512 million in 2025. The growth was primarily driven by a sustained increase in both client visits and membership base at direct stores. Additionally, the acquisition of Naturade and the subsequent integration of its store network into the Group's system further expanded the overall business scale.

Beauty and Wellness Services — Franchisee and Others

The revenue of the Group's beauty and wellness services generated from franchised stores and others increased by 5.9% from RMB138 million in 2024 to RMB146 million in 2025. The increase in revenue was primarily driven by the expansion of the franchise network after the acquisition of Naturade, resulting in a consistent enhancement of franchised store performance.

Aesthetic Medical Services

The Group's revenue from aesthetic medical services increased by 9.6% from RMB928 million in 2024 to RMB1,017 million in 2025. The growth was primarily driven by the continuously released customer value due to the Group's "Dual-Beauty + Dual-Wellness" business model, whereby the Group steadily converted into consumer healthcare services sector leveraging beauty and wellness services as entry points, thus fueling the growth of client visits and membership in its aesthetics medical business.

Subhealth Medical Services

The Group's revenue from subhealth medical services increased by 62.2% from RMB201 million in 2024 to RMB326 million in 2025. Such increase was primarily driven by the continuous expansion of the membership base and the enrichment of the product and service matrix, which together fueled sustained growth in both customer visits and average spending per customer for subhealth medical services.

COST OF SALES AND SERVICES

The cost of sales and services of the Group primarily consists of (i) costs of products, mainly including the purchase of skincare products, injection materials; (ii) staff costs, representing wages, benefits and bonuses for our business operation personnel; (iii) depreciation and amortization charges, which primarily include depreciation and amortization of leased properties and wellness equipment; and (iv) operation related expenses, which primarily include property management fees, rental expenses for short-term leases and costs for utilities. The following table sets forth a breakdown of the Group's cost of sales and services by nature for the periods indicated:

	For the year ended December 31,					
	2025		2024		Change	
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	Amount	Percentage of revenue
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Product cost	**544,708**	**18.2**	506,687	19.7	38,021	−1.5
Employee cost	**466,562**	**15.5**	393,483	15.3	73,079	0.2
Depreciation and amortization charges	**350,423**	**11.7**	328,565	12.8	21,858	−1.1
Operation related expenses	**149,493**	**5.0**	140,430	5.5	9,063	−0.5
Others	**17,471**	**0.5**	13,039	0.4	4,432	0.1
Total	**1,528,657**	**50.9**	1,382,204	53.7	146,453	−2.8

The cost of sales and services of the Group increased from RMB1,382 million in 2024 to RMB1,529 million in 2025, and cost ratio decreased by 2.8 percentage points from 53.7% in 2024 to 50.9% in 2025.

The decrease in cost ratio was mainly because:

(i) ongoing optimization of supply chain management, combined with improved bargaining power in procurement, led to a reduction in the product procurement cost ratio; and

(ii) business scale expansion enhanced the Group's bargaining power in leasing properties and related services, thereby optimizing rental and property management expenses.

GROSS PROFIT AND GROSS PROFIT MARGIN

	For the year ended December 31,					
	2025		2024		Change	
	Gross profit *RMB'000*	**Gross profit margin** *%*	Gross profit *RMB'000*	Gross profit margin *%*	Gross profit *RMB'000*	Gross profit margin *%*
Beauty and Wellness Services	**694,306**	**41.9**	587,351	40.7	106,955	1.2
— Direct stores	**610,538**	**40.4**	511,199	39.1	99,339	1.3
—Franchisee and others	**83,768**	**57.5**	76,152	55.4	7,616	2.1
Aesthetic Medical Services	**567,967**	**55.9**	485,621	52.3	82,346	3.6
Subhealth Medical Services	**209,609**	**64.3**	117,023	58.2	92,586	6.1
Total	**1,471,882**	**49.1**	1,189,995	46.3	281,887	2.8

The gross profit increased from RMB1,190 million in 2024 to RMB1,472 million in 2025. The overall gross profit margin increased by 2.8 percentage points from 46.3% in 2024 to 49.1% in 2025.

The increase in gross profit margin was mainly due to the following factors:

(i) the overall gross profit margin of the beauty and wellness business was boosted by the optimisation of expenses relating to leased properties, as well as the Group's acquisition of Naturade, an intelligent beauty brand with higher gross profit margins, in the second half of 2024 also contributed to the overall gross profit margin improvement in the beauty and wellness sector;

(ii) the gross profit margin of the aesthetics medical services increased, primarily due to the industry's gradual transition into an "era of curated product selection". Leveraging its economies of scale and professional product selection capabilities, the Group continuously optimized its product mix and enhanced its bargaining power in procurement, thereby reducing unit procurement costs;

(iii) the rapid revenue growth in subhealth medical services, driven by economies of scale, has further diluted fixed costs; and

(iv) the overall revenue structure continued to shift favorably towards higher-margin consumer healthcare services, driving an improvement in the Group's overall profitability.

SELLING EXPENSES

The selling expenses of the Group increased from RMB462 million in 2024 to RMB515 million in 2025. The ratio of selling expenses to revenue decreased by 0.8 percentage point from 18.0% in 2024 to 17.2% in 2025. Such decrease was primarily due to:

(i) the cost ratio for sales personnel decreased, reflecting the continuous improvement in per capita output driven by the Group's digital and intelligent empowerment of the sales team; and

(ii) the Group's ongoing efforts to refine its management practices, which have led to a reduction in expenses such as travel and office costs.

The following table sets forth a breakdown of the Group's selling expenses for the periods indicated:

	Year ended December 31					
	2025		2024		Change	
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	Amount	Percentage of revenue
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Staff costs	**313,061**	**10.4**	278,186	10.8	34,875	−0.4
Promotion and marketing related expenses	**63,256**	**2.1**	51,073	2.0	12,183	0.1
Travelling and office expenses	**44,926**	**1.5**	45,040	1.8	−114	−0.3
Miscellaneous expenses related to customer services	**32,759**	**1.2**	32,652	1.3	107	−0.1
Depreciation and amortization	**27,572**	**0.9**	26,038	1.0	1,534	−0.1
Others	**33,136**	**1.1**	28,759	1.1	4,377	0.0
Total	**514,710**	**17.2**	461,748	18.0	52,962	−0.8

R&D EXPENSES

The R&D expenses primarily consist of (i) staff costs, representing wages, benefits and bonuses for our R&D staff; and (ii) depreciation and amortization charges. The R&D expenses increased from RMB36 million in 2024 to RMB42 million in 2025, primarily due to the Group's continued increase in investment in digitalisation and AI.

GENERAL AND ADMINISTRATIVE EXPENSES

The general and administrative expenses of the Group increased from RMB388 million in 2024 to RMB477 million in 2025. In terms of revenue composition, the ratio of general and administrative expenses to revenue increased by 0.8 percentage points, from 15.1% in 2024 to 15.9% in 2025, which was primarily attributable to:

(i) an increase in the ratio of staff costs to revenue, mainly due to a rise in share-based compensation expenses. These expenses primarily reflect the Group's ongoing efforts to improve its medium-to-long-term incentive mechanisms, aligning the interests of management and core team members with the Group's long-term development; and

(ii) an increase in the ratio of consulting expenses to revenue, primarily associated with higher professional service fees incurred during the year related to the Group's advancement of the acquisition of Siyanli.

The following table sets forth a breakdown of the Group's general and administrative expenses for the periods indicated:

	Year ended December 31					
	2025		2024		Change	
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	Amount	Percentage of revenue
	RMB'000	***%***	*RMB'000*	*%*	*RMB'000*	*%*
Staff costs	**395,079**	**13.2**	328,265	12.8	66,814	0.4
Consulting expenses	**37,520**	**1.3**	22,314	0.9	15,206	0.4
Depreciation and amortization	**17,066**	**0.6**	18,757	0.7	−1,691	−0.1
Others	**27,288**	**0.8**	18,753	0.7	8,535	0.1
Total	**476,953**	**15.9**	388,089	15.1	88,864	0.8

OTHER INCOME

The other income primarily consists of (i) government grants, representing business development-related support funds from local governments; and (ii) rental income primarily derived from the owned properties. Other income increased from RMB19 million in 2024 to RMB26 million in 2025, primarily due to an increase in government grants.

PROFIT FOR THE YEAR

As a result of the above, net profit of the Group increased from RMB252 million in 2024 to RMB340 million in 2025, a year-on-year increase of 34.8%. Adjusted net profit increased from RMB270 million in 2024 to RMB381 million in 2025, a year-on-year increase of 41.0%. The increase in profit was mainly due to:

(i) the Group continued to advance its development strategy of "internal growth + external acquisitions", driving the continuous expansion of overall revenue scale. Concurrently, the revenue contribution from the consumer healthcare business increased, further optimizing the business structure;

(ii) the Group's ongoing efforts to enhance overall efficiency through lean management, quality improvement and efficiency gains, and digital and intelligent empowerment; and

(iii) the effectiveness of the acquisition and integration of Naturade continued to emerge. Its operational efficiency was improved by introducing the Group's established operational management system and platform capabilities.

NON-HKFRS MEASURES

To supplement the consolidated financial statements of the Group presented in accordance with HKFRS, the Company has presented adjusted net profit and adjusted net profit margin as non-HKFRS measures, which are not required by or presented in accordance with HKFRS. The Company believes that adjusted financial measures provide useful information to the Shareholders and potential investors to understand and evaluate the consolidated statement of profit or loss of the Group and assist the management of the Company in its decision making. The Company believes that by eliminating the effects of items that it believes are not indicative of the Group's operating performance, such adjusted financial measures assist the management of the Company and investors in evaluating the financial and operating performance of the Group for different periods on a comparable basis. However, these non-HKFRS measures should not be considered independently or as a substitute for financial information prepared and presented in accordance with HKFRS. Shareholders and potential investors should not independently evaluate such adjusted results or regard it as a substitute for, or comparable to, performance reported or forecasted by other companies, as they may use similar terms with different meanings. In addition, these non-HKFRS measures have their limitations as analytical tools and may differ from similar measures used by other companies.

The Company provides the following additional information for reconciliation with the adjusted net profit under non-HKFRS.

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Profit for the year	**340,275**	252,478
Adjusted for:		
Share-based compensation expenses	**16,762**	(384)
Amortisation of intangible assets generating from acquisition and one-off expenses	**23,759**	18,030
Adjusted net profit (non-HKFRS measure)	**380,796**	270,124

LIQUIDITY AND CAPITAL RESOURCES

The Group's principal uses of cash were for working capital and store expansion and acquisition. The main source of the Group's liquidity was generated from cash flows from operations. Going forward, the Group believes that its liquidity requirements will be satisfied with a combination of cash flows generated from operating activities, bank facilities and net proceeds from the Global Offering. As of December 31, 2025, cash and cash-like items reached RMB2.59 billion in total (in particular, the Group's cash and cash equivalents, term deposits with initial terms of over three months and the wealth management products in financial assets at fair value through profit or loss amounted to RMB1,110 million, RMB525 million and RMB958 million, respectively), representing an increase of RMB760 million or 41.6% as compared to RMB1.83 billion in same period of 2024. Most of the Group's cash and cash-like items are denominated in RMB, HKD and USD.

CASH FLOWS

The table below sets out specific figures from the Group's consolidated cash flow statements for the years indicated:

	For the year ended December 31,		
	2025	2024	Change
	RMB'000	*RMB'000*	*%*
Net cash generated from operating activities	**999,094**	796,627	25.4
Net cash used in investing activities	**(396,422)**	(340,851)	16.3
Net cash generated from/(used in) financing activities	**51,787**	(223,363)	−123.2
Cash and cash equivalents at the beginning of the year	**456,158**	224,277	103.4
Cash and cash equivalents at the end of the year	**1,109,869**	456,158	143.3

The Group's net cash generated from operating activities increased by 25.4% from RMB800 million in 2024 to RMB1,000 million in 2025. This increase was primarily attributable to the Group's enhanced profitability and improved operational quality, further validating the robustness of the Group's business model and its cash generation capability.

Net cash used in investing activities in 2025 amounted to approximately RMB396 million, representing an increase of 16.3% from RMB341 million in 2024. This growth was mainly driven by expenditures related to fund investments.

In terms of financing activities, the Group recorded a net cash inflow of RMB52 million in 2025, compared with a net cash outflow of RMB223 million in 2024. This change was primarily due to the Group obtaining bank loans of RMB502 million and RMB113 million for the Siyanli acquisition project and the additional investment in Naturade, respectively.

INDEBTEDNESS

The indebtedness of the Group mainly included lease liabilities and bank borrowings. As of December 31, 2025, the Group had lease liabilities and outstanding interest-bearing bank borrowings of approximately RMB562 million and RMB732 million, respectively. The net increase in bank borrowings of RMB582 million compared to 2024 was mainly due to the acquisition of Siyanli and Naturade. The Group's bank borrowings are at variable interest rates and are denominated in RMB.

GEARING RATIO

The gearing ratio is calculated by dividing the net debt (calculated as total borrowings and lease liabilities, less cash and cash equivalents and term deposits with initial terms of over three months) by the total equity as at the end of the year. As of December 31, 2025 and December 31, 2024, the Group's total cash and cash equivalents and term deposits with initial terms of over three months are greater than other interest-bearing liabilities and gearing ratio is therefore not applicable.

CAPITAL COMMITMENTS

As of December 31, 2025, the Group had capital commitments of RMB7 million, primarily in connection with leasehold improvements (as of December 31, 2024: RMB4 million).

ASSETS PLEDGED

As of December 31, 2025, the equity interest in certain subsidiaries was pledged to secure bank borrowings of the Group in connection with the acquisition of Naturade in the value of RMB230 million. Save as disclosed in this announcement, the Group has not pledged other major assets during the Reporting Period.

CONTINGENT LIABILITIES

As of December 31, 2025, the Company's subsidiaries had provided guarantees and equity pledge with respect to the borrowings for acquisition of Naturade. The Directors believe that the subsidiaries have sufficient financial resources to settle their debts. Save as disclosed in this announcement, the Group has no other material contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSALS

On October 15, 2025, the Company and 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) entered into a share purchase agreement with SYL Holding Limited and Shanghai Anyan Enterprise Management Co., Ltd. (上海安妍企業管理有限公司) to acquire 100% of the equity interest in Siyanli for a total consideration of RMB1,250 million. For further details, please refer to the Company's announcement dated October 15, 2025 and January 7, 2026, as well as the circular dated November 17, 2025.

On November 18, 2025, the Group, through its non-wholly owned subsidiaries, Guangzhou Naturade Medical Instrument Co., Ltd (廣州奈瑞兒醫療器械有限公司) and Guangzhou Naturade Health Management Co., Ltd (廣州奈瑞兒健康管理有限公司), entered into an equity transfer agreement to acquire 100% equity interests in three target companies that operate medical clinics or Naturade branded beauty and wellness service stores in Dongguan and Zhuhai at a total consideration of RMB40.0 million (the "**Zhuhai and Dongguan Acquisition**"). The Zhuhai and Dongguan Acquisition marks the official inclusion of Zhuhai and Dongguan into the directly-operated regions of the Group's premium AI-powered wellness brand, Naturade, resulting in the addition of 19 new direct stores to the Group, including two medical aesthetics stores and 17 lifestyle beauty stores. The Zhuhai and Dongguan Acquisition was completed in November 2025. For further details, please refer to the Company's announcement dated November 18, 2025 and December 1, 2025.

During the Reporting Period, save as disclosed in this announcement or otherwise disclosed by the Company, the Group did not carry out any acquisitions or disposals of any subsidiaries, associated companies or joint ventures.

EXCHANGE RATES AND ANY RELATED HEDGING

The Group mainly operates in mainland China and is exposed to foreign exchange risks arising from currency exposure with respect to U.S. dollars and HK dollars. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities. The Group does not hedge against any fluctuation in foreign currency.

FUTURE PLAN OF MATERIAL INVESTMENT OR ACQUISITION OF ASSETS

Save as disclosed in this announcement, in the Company's prospectus, or otherwise disclosed by the Company, as of December 31, 2025 and up to the date of this announcement, the Group had no future plans for any material investment or acquisition of capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As of December 31, 2025, the Group had a total of 5,343 employees. In 2025, the total employee benefit expenses amounted to RMB1,209 million (including Directors' emoluments and equity settled share based payments), representing an increase from RMB1,029 million in 2024, while the ratio of employee benefit expenses to revenue remained stable.

The Group has continuously strengthened its organizational capabilities by building a competitive core talent pipeline and consistently optimizing performance management and long-term incentive mechanisms. These initiatives include establishing regional employee shareholding platforms and implementing equity incentive plans for the management team, so as to further align the interests of employees and the management team with the Company's long-term development, while continuously enhancing organizational efficiency and team cohesion.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended December 31, 2025

	Note	Year ended December 31, 2025 RMB'000	Year ended December 31, 2024 RMB'000
Revenue	3	**3,000,539**	2,572,199
Cost of sales and services		**(1,528,657)**	(1,382,204)
Gross profit		**1,471,882**	1,189,995
Selling expenses		**(514,710)**	(461,748)
Research and development expenses		**(41,942)**	(36,032)
General and administrative expenses		**(476,953)**	(388,089)
Other income	4	**25,651**	19,291
Other expenses	4	**(5,123)**	(5,123)
Other gains	5	**3,520**	6,551
Provision for impairment losses on financial assets		**(2,809)**	(3,021)
Operating profit		**459,516**	321,824
Finance income	6	**22,714**	23,615
Finance costs	6	**(32,164)**	(27,556)
Finance costs — net	6	**(9,450)**	(3,941)
Profit before income tax		**450,066**	317,883
Income tax expenses	7	**(109,791)**	(65,405)
Profit for the year		**340,275**	252,478
Profit attributable to:			
Owners of the Company		**317,562**	228,460
Non-controlling interests		**22,713**	24,018
		340,275	252,478
Earnings per share for profit attributable to owners of the Company			
— Basic earnings per share *(RMB)*	8	**1.38**	0.99
— Diluted earnings per share *(RMB)*	8	**1.37**	0.99

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2025

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Profit for the year	**340,275**	252,478
Other comprehensive (loss)/income		
Items that will not be reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	**(11)**	(3)
Exchange differences on translation of foreign operations	**(9,627)**	9,883
Other comprehensive (loss)/income for the year, net of tax	**(9,638)**	9,880
Total comprehensive income for the year	**330,637**	262,358
Total comprehensive income attributable to:		
Owners of the Company	**307,924**	238,340
Non-controlling interests	**22,713**	24,018
	330,637	262,358

CONSOLIDATED BALANCE SHEET

As at December 31, 2025

	Note	As at December 31, 2025 RMB'000	2024 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		**287,004**	364,669
Investment properties		**60,975**	64,365
Right-of-use assets		**523,195**	535,187
Intangible assets		**338,938**	350,118
Goodwill		**709,869**	653,954
Prepayments, deposits and other receivables	*10*	**186,519**	67,546
Other non-current assets		**1,090**	5,361
Financial assets at fair value through other comprehensive income		**32**	43
Financial assets at fair value through profit or loss		**57,984**	7,548
Investments in associates		**—**	—
Deferred income tax assets		**22,689**	41,671
Total non-current assets		**2,188,295**	2,090,462
Current assets			
Inventories		**107,661**	151,825
Trade receivables	*10*	**50,798**	48,888
Prepayments, deposits and other receivables	*10*	**128,581**	126,078
Financial assets at fair value through profit or loss		**907,214**	911,063
Restricted cash	*11*	**28,987**	28,449
Cash and cash equivalents	*11*	**1,109,869**	456,158
Term deposits with initial terms of over three months	*11*	**524,801**	463,557
Total current assets		**2,857,911**	2,186,018
Total assets		**5,046,206**	4,276,480
EQUITY			
Share capital		**8**	8
Treasury stock		**(24,888)**	—
Share premium		**247,917**	359,802
Other reserves		**(64,980)**	38,425
Retained earnings		**863,963**	546,401
Equity attributable to owners of the Company		**1,022,020**	944,636
Non-controlling interests		**44,908**	30,604
Total equity		**1,066,928**	975,240

CONSOLIDATED BALANCE SHEET

As at December 31, 2025

	Note	As at December 31, 2025 *RMB'000*	2024 *RMB'000*
LIABILITIES			
Non-current liabilities			
Borrowings	*12*	**642,636**	129,938
Lease liabilities		**352,692**	360,479
Deferred tax liabilities		**74,413**	71,963
Total non-current liabilities		**1,069,741**	562,380
Current liabilities			
Trade payables	*13*	**36,370**	29,886
Other payables and accruals	*13*	**280,714**	325,526
Borrowings	*12*	**89,493**	19,836
Contract liabilities	*3*	**2,094,288**	1,979,245
Current income tax liabilities		**73,511**	42,283
Lease liabilities		**209,608**	220,339
Other current liabilities		**125,553**	121,745
Total current liabilities		**2,909,537**	2,738,860
Total liabilities		**3,979,278**	3,301,240
Total equity and liabilities		**5,046,206**	4,276,480
Net current liabilities		**51,626**	552,842
Total assets less current liabilities		**2,136,669**	1,537,620

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Beauty Farm Medical and Health Industry Inc. (the "Company") was incorporated in the Cayman Islands on February 10, 2022. The address of its registered office is Floor 4, Willow House, Cricket Square, Grand Cayman, KY1-9010, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (the "Group") are principally engaged in providing beauty and health management service, including beauty and wellness services, aesthetic medical services as well as subhealth medical services in the People's Republic of China (the "PRC"). The ultimate controlling parties of the Group are Mr. Li Yang ("Mr. Li"), Ms. Li Fangyu ("Ms. Li"), Mr. Lian Songyong, Ms. Niu Guifen, Mr. Cui Yuanjun and Ms. Yuan Huimin (together as the "Controlling Shareholders"), who are parties acting in concert and have been collectively controlling the Group.

These financial statements are presented in RMB, unless otherwise stated.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention except for the revaluation of financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which are stated at fair value.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2.1 New and amended standards adopted by the Group

The Group has applied the following standards, amendments and interpretation for the first time for its annual reporting period commencing January 1, 2025:

- Amendments to HKAS 21 — Lack of Exchangeability;

The amendments and interpretation listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027

The Group has already commenced an assessment of the impact of these new or amended standards. According to the preliminary assessment made by the directors of the Company, no significant impact on the financial performance and position of the Group is expected when they become effective, except for HKFRS 18 which will mainly impact the presentation of the consolidated statement of profit or loss.

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

  — Foreign exchange differences currently aggregated in the line item "other income and other gains/(losses) — net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

  — The gain or loss of investments measured at fair value through profit or loss currently aggregated in the line item "other gains/(losses) — net" in operating profit and will be presented below operating profit.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  — management-defined performance measures;

  — a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss — this break-down is only required for certain nature expenses; and

  — for the first annual period of application of HKFRS 18, a reconciliation for each line item in the income statement between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

3 REVENUE & CONTRACT LIABILITIES

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the service at a point in time and over time and the transfer of goods at a point in time in the following major revenue streams:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Beauty and wellness services		
—Direct stores (at a point in time)		
—Services	**1,447,616**	1,239,555
—Product Sales	**64,718**	66,190
—Franchised and others		
—Product sales (at a point in time)	**134,993**	130,292
—Franchise fee (over time)	**10,675**	7,264
Subtotal	**1,658,002**	1,443,301
Subhealth medical services		
—Services recognised at a point in time	**292,013**	163,996
—Services recognised over time	**33,906**	36,985
Subtotal	**325,919**	200,981
Aesthetic medical services		
—Services recognised at a point in time	**1,016,618**	927,917
Total	**3,000,539**	2,572,199

(b) Liabilities related to contracts with customers

(i) The Group has recognised the following liabilities related to contracts with customers:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Contract liabilities — services and product sales	**2,094,288**	1,979,245

4 OTHER INCOME AND OTHER EXPENSES

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Other income		
Government grants	**14,770**	9,960
Rental income	**8,633**	8,608
Others	**2,248**	723
	25,651	19,291
Other expenses		
Direct cost in relation to the rental income	**5,123**	5,123

5 OTHER GAINS — NET

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Net fair value gains on financial assets at FVPL	**17,484**	20,928
Net losses on disposal of property, plant and equipment	**(14,575)**	(5,918)
Net foreign exchange gains/(losses)	**459**	(2,551)
Gains/(losses) on disposal of a subsidiary	**611**	(1,158)
Net gains on early termination of lease contracts	**5,520**	384
Others	**(5,979)**	(5,134)
Total	**3,520**	6,551

6 FINANCE COSTS — NET

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Finance income		
Interest income on bank deposits	**22,714**	23,615
Finance costs		
Interest expense		
— Interest charges on borrowings	**(7,312)**	(3,030)
— Interest charges for lease liabilities	**(24,852)**	(24,526)
	(32,164)	(27,556)
Finance costs — net	**(9,450)**	(3,941)

7 INCOME TAX EXPENSES

This note provides an analysis of the Group's income tax expense, presenting how the income tax expense is affected by non-taxable and non-deductible items.

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Current income tax	**75,524**	34,567
Adjustment for current income tax of prior years	**3,305**	1,666
Deferred income tax	**30,962**	29,172
Income tax expense	**109,791**	65,405

(a) Cayman Islands

The Company is incorporated as an exempted company with limited liability under the Companies Law of the Cayman Islands and is not subject to Cayman Islands income tax.

(b) Hong Kong Profits Tax

The subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5% on any estimated assessable profits arising in Hong Kong.

(c) PRC corporate income tax ("CIT")

PRC CIT was calculated on the taxable profit for the years at the rates of taxation prevailing in the PRC.

CIT was levied at the reduced rate of 15% for new/high-tech subsidiaries. Certain subsidiaries of the Group met the definition of STE (Small and Thin-profit Enterprises) and entitled to a reduced corporate income tax rate of 5% (2024: 5%).

The Company and its subsidiaries, except for STE and new/high-tech subsidiaries and those incorporated in Hong Kong, are generally subject to the PRC standard corporate income tax rate of 25% (2024: 25%).

8 BASIC AND DILUTED EARNINGS PER SHARE

(i) Basic

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue, excluding treasury shares during each year.

During the year ended December 31, 2023, the Company cumulatively repurchased 865,500 outstanding ordinary shares with a total consideration of RMB12,012,000, among which 255,500 shares were cancelled on August 31, 2023 and 610,000 shares were cancelled on February 21, 2024.

During the year ended December 31, 2025, the Company cumulatively repurchased 940,000 outstanding ordinary shares with a total consideration of RMB24,888,000.

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company *(RMB'000)*	**317,558**	228,460
Weighted average number of ordinary shares in issue *('000)*	**229,440**	229,610
Basic earnings per share for profit attributable to the owners of the Company during the year *(expressed in RMB per share)*	**1.38**	0.99

(ii) Diluted

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account of share options granted to the employees that would have been outstanding assuming the vesting of all dilutive potential ordinary shares.

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company *(RMB'000)*	**317,558**	228,460
Weighted average number of ordinary shares in issue *('000)*	**229,440**	229,610
Adjustments for calculation of diluted earnings per share:	**2,432**	143
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share *('000)*	**231,872**	229,753
Diluted earnings per share for profit attributable to the owners of the Company during the year *(expressed in RMB per share)*	**1.37**	0.99

9 DIVIDENDS

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Dividends declared to the shareholders *(a)*	**111,885**	101,151
Proposed final dividend of HK$0.72 (2024: HK$0.52) per share *(b)*	**159,126**	113,182

Notes:

(a) On June 27, 2025, the Company declared a cash dividend of approximately HK$122.61 million (equivalent to RMB111.89 million) from share premium, being HK$0.52 per share. The dividend has been paid on September 25, 2025 amounting to approximately HK$119.40 million (equivalent to RMB108.95 million).

(b) A dividend in respect of the year ended December 31, 2025 of HK$0.72 (equivalent to RMB0.63) per share, amounting to a total dividend of approximately HK$180.38 million (equivalent to RMB159.13 million), is to be approved at the AGM of the Company. These consolidated financial statements do not reflect this dividend payable.

10 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade receivables *(i)*		
Trade receivables	**58,160**	55,208
Less: provision for impairment	**(7,362)**	(6,320)
Total trade receivables	**50,798**	48,888
Included in current assets		
Prepayments, deposits and other receivables		
Prepayments for procurement of inventories and operating expenses	**47,944**	55,352
Amount due from related parties	**23,202**	7,963
Deposits — current portion	**41,018**	36,194
Other current assets	**5,214**	8,642
Other receivables	**13,448**	18,397
Less: provision for impairment	**(2,245)**	(470)
Total prepayments, deposits and other receivables — current portion	**128,581**	126,078
Included in non-current assets		
Deposits and other receivables		
Advance payment for an acquisition	**125,000**	—
Deposits paid to a related party	**728**	792
Deposits — non-current portion	**60,862**	66,833
Less: provision for impairment	**(71)**	(79)
Total	**186,519**	67,546

(i) Aging analysis of trade receivables

The majority of the Group's sales are settled through credit cards or third-party electronic payment platforms. At 31 December, the aging analysis of the trade receivables from contracts with customers receivables as at the balance sheet dates based on invoice date was as follows:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Up to 1 year	**49,128**	47,394
Between 1 and 2 years	**3,519**	4,781
Between 2 and 3 years	**3,907**	2,456
Over 3 years	**1,606**	577
	58,160	55,208

11 CASH AND BANK BALANCES

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Cash and bank balances		
— Cash on hand	**174**	169
— Cash at bank	**1,663,483**	947,995
	1,663,657	948,164
Less: restricted cash *(a)*	**(28,987)**	(28,449)
term deposits with initial terms of over three months	**(524,801)**	(463,557)
Cash and cash equivalents	**1,109,869**	456,158

(a) Restricted cash represents bank deposits placed by the Group with banks as a security for prepaid cards issued to customers and is not available for other use by the Group.

(b) The cash and bank balances are denominated in the following currencies:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
RMB	**1,354,357**	583,693
USD	**261,082**	268,450
HKD	**48,182**	95,536
EUR	**36**	485
	1,663,657	948,164

12 BORROWINGS

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Current		
Bank loans-secured	**89,493**	19,836
Non-current		
Bank loans-secured	**642,636**	129,938
Total	**732,129**	149,774

In April 2024, the Group signed a merger and acquisition loan contract with China Merchants Bank. The total amount of the loan is RMB210,000,000 with variable interest rate, of which RMB157,500,000 were drawn down and RMB7,875,000 were repaid as of December 31, 2024. On January 2, 2025, the Group drew down the remaining loan of RMB52,500,000 and all the loan was fully drawn down. As of December 31, 2025, the loan of RMB36,750,000 was repaid and RMB31,500,000 of the outstanding loan was repayable within 1 year.

In June 2025, the Group signed a merger and acquisition loan contract with China Merchants Bank. The total amount of the loan is RMB60,000,000 with variable interest rate. The loan was fully drawn down on June 23, 2025. As of December 31, 2025, the amount of RMB3,000,000 were repaid and RMB7,500,000 of the outstanding loan was repayable within 1 year.

Theses two loans are guaranteed by Guangzhou Beauty Farm and pledged aggregately by 100% and 90% of Group's equity interests in Guangzhou Beauty Farm and Guangzhou Naturade Health Management Co., Ltd., respectively.

Under the terms of the bank loans, which have a total carrying amount of RMB230,250,000 as of 31 December 2025, the Group is required to comply with the following financial covenant:

- The ratio of interest-bearing liabilities less cash and cash equivalents and financial assets at FVPL divided by earnings before interest, tax, depreciation and amortization, shall not exceed 400%.

The Group has complied with the covenant throughout the reporting period. There are no indications that the Group would have difficulties complying with the covenant when it tested.

In November 2025, the Group signed a merger and acquisition loan contract with Industrial and Commercial Bank of China for the acquisition of Shanghai Siyanli Industrial Co., Ltd. The total amount of the loan was RMB501,540,000 with variable interest rate. The loan was fully drawn down on 27 December 2025. It has been subsequently pledged by 66.9% of Group's equity interests in Shanghai Siyanli Industrial Co., Ltd. and guaranteed by Shanghai Siyanli Industrial Co., Ltd. after completion of the related acquisition. As of 31 December 2025, RMB50,154,000 of the loan was repayable within 1 year.

At December 31, 2025 and December 31, 2024, the Group's borrowings were repayables as follows:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**89,493**	19,836
Between 1 and 2 years	**90,654**	23,625
Between 2 and 5 years	**322,116**	70,875
Over 5 years	**229,866**	35,438
	732,129	149,774

13 TRADE AND OTHER PAYABLES AND ACCRUALS

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade payables		
—Third parties	**36,370**	29,886
Other payables and accruals		
Employee benefits payables	**157,555**	149,573
Payables for purchasing of property, plant and equipment	**9,685**	7,400
Acquisition payable		
—Amount due to a related party	**—**	87,500
—Others	**720**	990
Amount due to a related party — Others	**36**	37
Franchisee deposits	**23,797**	24,591
Accrual expenses	**35,414**	17,855
Taxes payables	**17,965**	12,901
Dividend payable	**5,332**	358
Individual income tax refund	**2,889**	2,735
Other deposits	**2,261**	2,344
Others	**25,060**	19,242
Total other payables and accruals	**280,714**	325,526

Trade payables are usually paid within 30 days of recognition. The Group's trade payables mainly include payments for finished goods. The credit term for finished goods is usually within 30 days.

The aging analysis of trade payables as at December 31, 2025 and 2024 based on invoice date was follows:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**32,349**	25,898
1–2 years	**1,414**	1,810
Over 2 years	**2,607**	2,178
	36,370	29,886

OTHER INFORMATION

Final Dividend

The Board has resolved to recommend a final dividend of HK$0.72 per Share for the year ended December 31, 2025, amounting to a total of HK$180 million (2024: HK$0.52 per Share). The proposed final dividend is subject to the approval of the Shareholders at the AGM and is expected to be paid at or prior to the end of the third quarter of 2026. Additional information on the closure period of the register of members of the Company in relation to the Proposed Final Dividend distribution, the record date for determining entitlements of the Shareholders to the Proposed Final Dividend and payment date will be announced in due course.

Annual General Meeting

The Company will hold the AGM on Friday, June 26, 2026. A notice convening the AGM will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Investor Relations of the Company at https://ir.beautyfarm.com.cn.

Closure of Register of Members

In order to determine the entitlement of the Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, June 23, 2026 to Friday, June 26, 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, June 22, 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Friday, June 26, 2026.

Corporate Governance Practices

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. Guided by the above corporate culture, the Company has adopted the code provisions of the CG Code as its own corporate governance practices.

The Company had complied with all code provisions set out in Part 2 of the CG Code during the Reporting Period. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Model Code for Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to Company or its securities.

Having made specific enquiries of all the Directors, they have confirmed that they have complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance with the Model Code by the senior management of the Group during the Reporting Period.

Sufficiency of Public Float

According to the information that is available to the Company and within the knowledge of the Board, as at the date of this announcement, the Company has maintained the public float as required under the Listing Rules.

Purchase, Sale or Redemption of Listed Securities of the Company

During the Reporting Period, the Company repurchased a total of 940,000 Shares on the Stock Exchange at a total consideration of approximately HK$27.3 million (equivalent to RMB24.9 million) (including expenses). The repurchased shares are currently held as treasury shares (as defined under the Listing Rules). Particulars of the shares of the Company repurchased are as follows:

	Number of Shares	**Highest per share** *(HK$)*	**Lowest per share** *(HK$)*	**Aggregate consideration** *(HK$)*
July 2025	90,500	29.95	28.20	2,653,000
October 2025	515,000	34.30	29.74	16,298,000
November 2025	180,000	25.34	22.80	4,398,000
December 2025	154,500	26.10	24.60	3,953,000

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

Audit Committee

The Company has established an Audit Committee with terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code. The Audit Committee consists of one non-executive Director and two independent non-executive Directors being Mr. LIU Teng, Mr. FAN Mingchao and Ms. LI Fangyu, with Mr. LIU Teng being the chairperson of the Audit Committee, who has the professional qualification and experience in financial matters in compliance with the requirements of the Listing Rules.

The primary function of the Audit Committee is to assist the Board in providing an independent view of the Company's financial reporting process, internal control and risk management system, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

The Audit Committee, together with the management and external auditor of the Company, has reviewed the accounting principles and policies adopted by the Group and discussed internal control and financial reporting matters, including a review of the audited consolidated financial statements , the annual results and the annual report of the Group for the Reporting Period, and is of the view that the annual results of the Group have been prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

Scope of Work of the Auditor

The figures in respect of the Group's consolidated balance sheet, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this results announcement for the year ended December 31, 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the Reporting Period. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on this results announcement.

Subsequent Events after the Reporting Period

Completion of Acquisition of Siyanli

On January 7, 2026, the Group completed the acquisition of 100% of the issued shares in Siyanli for a total cash consideration of approximately RMB816,913,000, and the allotment and issuance of 15,798,147 Shares at an issue price of HK$28.71 per share.

Siyanli has become an indirect wholly-owned subsidiary of the Company and accordingly, its operating performance and the financial position will be consolidated into the consolidated financial statements of the Group.

For details, please refer to the Company's announcements dated October 15, 2025 and January 7, 2026 and the circular dated November 17, 2025, respectively.

Share Repurchases

Between January 8, 2026 and January 28, 2026, the Company repurchased a total of 125,000 Shares on the Stock Exchange at a total consideration of approximately HK$3,294,000 (including expenses). The repurchased shares are currently held as treasury shares (as defined under the Listing Rules).

Save as disclosed above, the Company or the Group has not undertaken any material events after the Reporting Period and up to the date of this announcement.

Publication of the Annual Results and 2025 Annual Report

This announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Investor Relations of the Company at https://ir.beautyfarm.com.cn. The annual report of the Company for the year ended December 31, 2025 containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Investor Relations of the Company in due course.

Appreciation

The Board would like to express its sincere gratitude to the Shareholders, management, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the meanings set out below.

"AGM"	the forthcoming annual general meeting to be held on Friday, June 26, 2026
"Audit Committee"	the audit committee of the Board
"Beauty Farm", "Group", "our", "we", or "us"	the Company and its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"Board"	the board of directors of the Company
"CG Code"	the "Corporate Governance Code" as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau and Taiwan

"Company" or "our Company"	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
"Director(s)"	the director(s) of the Company or any one of them
"dual beauty model"	a unique business model developed by Beauty Farm over the past 30 years, whereby the Group attracts quality customers through its nationwide beauty & wellness network, builds customer brand loyalty and discovers in-depth customer needs. The Company provides aesthetic medical services and subhealth medical services to meet its customers' upgraded needs throughout their customer life cycle
"dual beauty + dual wellness business model"	the Group's latest upgraded and iterative business model, whereby the Group attracts quality customers through premium beauty services 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 subhealth medical services to meet the escalating needs of customers throughout their lifecycle
"premium beauty services"	the services offered to customers by the Group's beauty service stores under the Beauty Farm brand and Palaispa brand
"premium AI-powered wellness services"	the services offered to customers by the beauty service stores under the Naturade brand
"consumer healthcare services"	aesthetic medical services and subhealth medical services
"internal growth and external acquisitions strategy"	a dual-engine model fueled by the strategy of "internal growth and external acquisitions"
"EUR"	Euro, the lawful currency of the member states of the European Union
"Global Offering"	the Hong Kong Public Offering and the International Offering, details of which are set forth in the Prospectus
"HKFRS"	Hong Kong Financial Reporting Standards

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK dollars", "HKD" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Listing"	listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix C3 to the Listing Rules
"Naturade"	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
"Siyanli"	Shanghai Siyanli Industrial Co., Ltd.* (上海思妍麗實業股份有限公司), a wholly-owned subsidiary of the Group after its acquisition in January 2026, which together with its subsidiaries operate premium beauty services under the SIYANLI brand
"Prospectus"	the prospectus of the Company dated December 30, 2022
"R&D"	research and development
"Reporting Period"	the year ended December 31, 2025
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of US$0.000005 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary"	has the meaning ascribed thereto under the Listing Rules

“U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“U.S. dollars”, “USD” or “US$”	United States dollars, the lawful currency of the United States
“%”	per cent

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

Hong Kong, March 27, 2026

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.