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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The Board is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2026, together with the comparative figures for the corresponding period in 2025 as follows. These interim results have been reviewed by the Audit Committee and the Company's management.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group.

SUMMARY OF RESULTS

	Six months ended June 30,		
	2026	2025	Change
	RMB'000	*RMB'000*	
	(unaudited)	(unaudited)	
Number of client visits of direct stores	**1,211,629**	918,069	32.0%
Revenue	**1,881,607**	1,459,013	29.0%
Gross profit	**966,535**	719,788	34.3%
Gross profit margin	**51.4%**	49.3%	2.1%
Net profit	**239,371**	170,772	40.2%
Adjusted net profit (non-HKFRS measure)	**262,551**	187,733	39.9%
	RMB	*RMB*	
Earnings per share			
Basic	**0.91**	0.68	33.8%
Diluted	**0.91**	0.68	33.8%

* *For identification purpose only*

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.

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
Net profit	**239,371**	170,772
Adjusted for:		
Share-based compensation expenses	**4,911**	8,381
Amortisation of intangible assets arising from acquisition and one-off expenses	**24,069**	11,440
Income tax effect	**(5,800)**	(2,860)
Adjusted net profit (non-HKFRS measure)	**262,551**	187,733

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In August 2026, the Group officially announced adoption of "BFG Group (美田集團)" as its group brand, marking a further expansion and upgrade of its brand portfolio in the beauty and health industry. Starting from a single Beauty Farm store in 1993, the Group has progressed through successive stages of multi-store replication, nationwide expansion, expansion into consumer healthcare, and AI-driven digital transformation. Today, with continued internal brand growth, expansion through external acquisitions, and strengthening of systematic capabilities, BFG Group is no longer merely the expression of a single service brand, nor simply a physical collection of multiple brands, but is evolving into an industry-oriented group.

BFG Group is positioned as a beauty and health industry group in China. Its operating cornerstone is "continuously pursuing long-term corporate growth and building long-lasting relationships with customers." Guided by the mission of "Better Future", the Group upholds the core values of "customer orientation, collaborative synergy, continuous innovation and sharing success through joint efforts" and is committed to realizing its vision of becoming a "leading player in the beauty and health industry".

I. Key Performance Highlights

In the first half of 2026, total revenue reached RMB1.882 billion, up 29.0% year-on-year. Gross profit margin reached 51.4%, up 2.1 percentage points year-on-year. Adjusted net profit reached RMB263 million, up 39.9% year-on-year, while adjusted net profit margin was 14.0%, up 1.1 percentage points year-on-year. Client visits at direct stores reached 1.21 million, up 32.0% year-on-year. As of June 30, 2026, annualized active members at direct stores reached 220,000, up 45.6% year-on-year.

The Group's strong cash-generating profile continued to stand out. In the first half of 2026, net cash flow generated from operating activities amounted to RMB551 million, up 34.4% year-on-year, while total cash and cash-like items reached RMB2.4 billion, up 21.5% year-on-year. In terms of store footprint, as of June 30, 2026, the Group operated 706 stores in total, comprising 395 direct stores and 311 franchised stores.

Number of Stores

	Six months ended June 30, 2026	2025
Beauty and Wellness Services	**664**	514
— Direct stores	**353**	238
— Franchised stores	**311**	276
Aesthetic Medical Services	**31**	27
Subhealth Medical Services	**11**	11
Total	**706**	552

Direct Stores Distribution by Cities

	Six months ended June 30, 2026	2025
Tier-one Cities	**202**	157
New Tier-one Cities	**156**	91
Others	**37**	25
Total	**395**	273

II. Dual Engines of Internal Growth and External Acquisitions

At the strategic level, the Group remains committed to the dual engines of "internal growth + external acquisitions", leveraging the advantages of its listed-company platform to advance industry consolidation. On the one hand, the Group continues to refine the operating efficiency of its internal businesses, build systematic capabilities, and establish an industry-leading operating model. On the other hand, it actively explores M&A opportunities across the upstream and downstream value chain to expand the ceiling for revenue growth, while leveraging mature post-acquisition integration capabilities to unlock the full-lifecycle value of its members.

In terms of internal growth, in the first half of 2026, revenue per direct store from Beauty Farm members increased by 5.5% year-on-year on a comparable basis, with both volume and price increasing. Its counter-trend same-store revenue growth and exceptional operating efficiency have set an industry benchmark.

In terms of external acquisitions, Siyanli was formally consolidated into the Group's financial statements in January 2026. Following its consolidation into the Group's financial statements in January 2026, Siyanli contributed RMB380 million in consolidated revenue in the first half of the year, with an adjusted net profit margin of 11%, continuing to improve from 9.5% in 2024. Naturade recorded an adjusted net profit margin of 10.8% in the first half of 2026, up 0.4 percentage points year-on-year. The continued improvement in operating efficiency at both brands further demonstrates the Group's strong post-acquisition integration capabilities.

1. Business Review of the Dual Beauty + Dual Wellness Business Model

BFG Group pioneered the "dual beauty + dual wellness" business model. Through its extensive network of beauty and wellness stores, the Group attracts quality customers, builds brand loyalty, and identifies customers' in-depth beauty and health needs, before providing high-value consumer healthcare services to meet their needs throughout the customer lifecycle.

Beauty and Wellness Services

In the first half of 2026, the Company's beauty and wellness services generated revenue of RMB1.09 billion, up 35.7% year-on-year, with gross profit margin reaching 44.2%, up 2.1 percentage points year-on-year. Among those, direct store beauty and wellness services generated revenue of RMB1.03 billion, up 39.8% year-on-year, with both volume and price increasing. During the Reporting Period, client visits at direct beauty and wellness stores reached 1,130,000, up 33% year-on-year, while average spending per client visit increased by 5.1% year-on-year.

Beauty Farm — Top Brand in High-End Beauty Services in China[1]

Beauty Farm is identified by Frost & Sullivan as the top brand in China's premium beauty service sector. In May 2026, the brand officially unveiled its new brand proposition, "Beauty, Beyond", and jointly released the White Paper on Premium Lifestyle Beauty Services with Ipsos. The brand completed a comprehensive upgrade across four dimensions — core philosophy, visual identity, service experience, and scientific research collaboration — marking a new stage of development. As of June 30, 2026, Beauty Farm had 156 direct stores and 163 franchised stores.

On the supply chain front, the brand pursues a three-pronged strategy of "global curation, international prestige brands, and proprietary R&D" to reinforce its scientific research moat. In February 2026, we entered into a strategic partnership with globally renowned skincare brand, Shiseido. The first jointly launched patented brightening treatment was well received by customers, and the two parties will further broaden the scope of collaboration across brand value, channel value, and scenario integration.

1. Based on the 2023 market share in China and the number of direct stores as of June 2024

In proprietary R&D, Beauty Farm leveraged frontline data accumulated from 300,000 female members and developed 33 years of insights into Chinese women's skin, while collaborating with leading international research institutions to develop an exclusive portfolio of self-developed professional salon products. In May 2026, we entered into collaborations with the Shiseido China Innovation Center Shanghai Fengxian Branch and other leading research institutions, and also commenced cooperation with the Aging Science Innovation Research Center of the Yangtze Delta Region Institute of Tsinghua University, Zhejiang, whose Chief Scientific Advisor is Professor Michael Levitt, the 2013 Nobel Prize laureate in Chemistry, marking Beauty Farm's formal entry into proprietary R&D.

In August 2026, Beauty Farm upgraded Ladmirer, its dedicated research-driven brand. Positioned as a global ultra-premium professional salon brand focused on proprietary R&D, Ladmirer leverages world-class laboratory resources and forward-looking, high-performance formulations featuring premium active ingredients to deliver a high-end skincare experience with rare and precious essences for Chinese women. Its inaugural portfolio comprises five self-developed professional salon products.

Siyanli — Premium Tech-powered Beauty Brand in China

2026 marks both Siyanli's 30th anniversary and its first year formally integrated into the listed-company platform, ushering the brand into a new stage of high-quality development. As a premium tech-powered beauty brand in China, Siyanli works with leading global laboratories and focuses on R&D of patented technologies for professional salon skincare, with the aim of providing premium female customers with exclusive and precise skincare solutions.

Since its consolidation into the Group's financial statements in January 2026, Siyanli has contributed RMB380 million in consolidated revenue following integration, with an adjusted net profit margin of over 11%, representing a substantial improvement from 9.5% in 2024. Going forward, it will continue to benchmark against Beauty Farm's mature operating system and further enhance operating efficiency. As of June 30, 2026, Siyanli had 102 direct stores and 45 franchised stores.

Siyanli's high-quality growth is underpinned by the Group's mature M&A integration capabilities, with value enhancement driven by three major initiatives. First, Siyanli has upgraded its premium service system by further developing the "five senses and six awarenesses" experience and expanding into premium commercial locations, thereby reinforcing its positioning as a premium service brand. Second, the Group is integrating consumer healthcare resources and leveraging CellCare Medical's extensive clinic network to fully meet the consumer healthcare needs of Siyanli customers. In the first half of 2026, consumer healthcare accounted for 28% of revenue generated from Siyanli customers, with further improvement targeted through benchmarking against the flagship brand. Third, the Group is advancing the integration of middle- and back-office functions by deploying modularized and productized platform capabilities, enabling resource sharing and synergistic efficiency gains across the supply chain, training, digitalization, and other functions.

Naturade — Top AI-Powered Wellness Brand in China[2]

Naturade is identified by Frost & Sullivan as the "Top AI-Powered Wellness Brand in China". Rooted in traditional Chinese medicine ("TCM") theory, the brand leverages modern technology to deliver precise, efficient, and comfortable wellness treatments. Through spaces inspired by oriental aesthetics, Naturade creates serene and restorative experiences for customers. Keenly attuned to the self-care economy and healing trends, the brand continues in-depth R&D of body-care offerings and responds to modern women's intrinsic need for physical and mental balance through differentiated health solutions.

Naturade's profitability continued to improve steadily. In the first half of 2026, its adjusted net profit margin reached 10.8%, up 0.4 percentage points year-on-year. As of June 30, 2026, Naturade had 83 direct stores and 51 franchised stores.

On the R&D front, Naturade collaborates with authoritative medical institutions including the Guangdong Provincial Hospital of Chinese Medicine to conduct in-depth research tailored to the physiological characteristics of Chinese women. It has established distinctive TCM service systems covering body relaxation, dampness-removal wellness, meridian care, internal organ balancing, and immune enhancement.

Amid the AI wave, Naturade has proactively applied artificial intelligence to health-service scenarios, becoming a benchmark for the Group's commercial application of AI. In 2025, the brand independently developed the industry's frontier large AI model, the Beauty and Wellness Intelligent Brain — "AI Xiaonai", which has now been deployed across 100% of its core programs, reducing staff testing and analysis time by 90%. In 2026, the brand fully rolled out its Intelligent Beauty and Wellness 2.0 system around three core modules — intelligent detection, intelligent conditioning, and intelligent feedback — to provide customers with personalized intelligent wellness plans.

2. Based on the total number of visits (in ten thousands) for testing, diagnosis, and care services at direct stores of AI-powered wellness brand in Chinese Mainland from January 2023 to December 2023

In terms of regional expansion, Naturade has entered the Yangtze River Delta. On August 5, 2026, the Group announced that 10 Naturade stores in Hangzhou would be incorporated into its direct-store network, bringing the total number of direct stores in Hangzhou to 25. Alongside the expansion of the beauty and wellness footprint, a CellCare Medical clinic officially opened in Hangzhou on August 18, 2026, providing aesthetic medical services and adding subhealth medical services. This marks the formal establishment of the "dual beauty + dual wellness" integrated business model in Hangzhou. Hangzhou has become a key strategic foothold for Naturade's expansion into the Yangtze River Delta.

III. Consumer Healthcare Services

According to a report by China Insights Consultancy (CIC), China's consumer healthcare market has exceeded RMB1.6 trillion and is expected to reach RMB4.0 trillion by 2035, representing a compound annual growth rate of 8.6%. A survey by the People's Bank of China indicates that healthcare ranks as the second-largest category in which residents intend to increase spending. Self-care, anti-aging, and healthy longevity are long-term, inelastic needs rooted in human nature, offering broad growth potential.

In August 2026, BFG Group officially launched the consumer healthcare brand "CellCare Medical", positioned as an "expert in beauty and health anti-aging". Targeting customers who pursue long-term quality of life, the brand integrates aesthetic medical and subhealth medical resources to provide one-stop beauty and health anti-aging solutions, representing an important strategic initiative by the Group in the consumer healthcare sector. Over the next decade, BFG Group will deepen its presence in consumer healthcare, focusing on consumers' beauty and health needs and accelerating the translation of innovative advances in frontier pharmaceuticals and medical technologies from R&D into market applications.

Aesthetic Medical Services — CellCare Aesthetic Medical

In March 2026, CellCare, the aesthetic medical brand under CellCare Medical, completed a brand upgrade with a sharper focus on the premium, minimally invasive anti-aging sector. The brand adheres to the positioning of "Experts, Dedication, Devotion to Natural Beauty", embraces the core philosophy of "Subtle Changes, Remarkable Differences", and uses the brand slogan "Natural Beauty — Gracefully Ageless". It remains committed to providing professional, safe, and comfortable aesthetic medical anti-aging services for highly educated, sophisticated, and quality-conscious women.

In the first half of 2026, aesthetic medical services delivered better-than-expected growth, with revenue reaching RMB603 million, up 20.9% year-on-year. VAT-inclusive revenue reaching RMB638 million, up 28.6% year-on-year. Client visits reached 61,000, up 23.7% year-on-year, while average spending per client visit up 3.9%, reflecting dual-driven growth in both volume and price. Gross profit margin was 58.9%, up 2.0 percentage points year-on-year. As of June 30, 2026, CellCare operated 31 aesthetic medical clinics. On August 18, 2026, the Hangzhou CellCare medical clinic was upgraded into a CellCare Medical dual-medical clinic, further enhancing medical resources in the Yangtze River Delta.

CellCare focuses on the specialized field of "Dedicated Anti-Aging" and has developed its proprietary "CELL Natural Beauty Anti-Aging System". It has established a four-part anti-aging methodology comprising "zonal assessment, needs-based root-cause tracing, cause-based diagnosis and treatment, and sequence-based treatment planning". Addressing the anti-aging needs of women across different age groups, CellCare has developed three product series — "Early-Stage Anti-Aging, Maintenance Anti-Aging, and Rejuvenated Anti-Aging" — covering nearly 500 anti-aging services and products and formally ushering in a new era of dedicated anti-aging expertise.

Behind this technical system lies the excellent physician resources accumulated through 17 years of brand development. CellCare brings together more than 150 expert physicians. We have established about 200 medical quality-control standards and 270 service quality-control requirements, applying rigorous controls across both medical delivery and service to combine technical discipline with human-centered care.

Leveraging its strong physician team, CellCare channels frontline clinical experience and cutting-edge aesthetic expertise back into product innovation, creating a distinctive "physician co-R&D" moat. Five new physician co-developed products were launched in the first half and received strong market validation and customer feedback. A further four physician co-developed products were launched in August, jointly developed with 11 physicians. By fully leveraging the strengths of its expert physician resources and its distinctive "Natural Beauty" aesthetic philosophy, CellCare is reshaping the value benchmark for premium aesthetic medical services.

Subhealth Medical Services — Neology

Neology is the subhealth medical services brand under CellCare Medical. It integrates international frontier medical technology resources with a multi-disciplinary team of medical experts, specializing in functional medicine and women's gynecological anti-aging. As one of the earliest brands in China to focus on endogenous anti-aging, the Group made a forward-looking move by establishing its regenerative medicine and anti-aging base in Boao, Hainan ten years ago and established Neology on the Bund in Shanghai eight years ago, giving the brand a significant first-mover advantage.

In the first half of 2026, revenue from subhealth medical services reached RMB184 million, up 20.1% year-on-year. Client visits at direct subhealth medical stores reached 20,000, up 8.3% year-on-year, average spending per client visit increased by 11.1% year-on-year, while gross profit margin reached 69.0%, representing a substantial year-on-year increase of 5.9 percentage points. Following the opening of CellCare Medical in Hangzhou in August 2026, Neology's nationwide network expands to 12 clinics.

Neology has two core business pillars: functional medicine and women's gynecological anti-aging. In terms of medical resources, Neology has built a professional medical team of more than 130 people, with 10 patents granted or accepted in China and overseas and more than 100 academic papers published, continuously strengthening its clinical and academic foundations. In August 2026, in recognition of its continued development in subhealth management and women's health, Neology received Frost & Sullivan's "China Preventive Medicine and Health Management Innovation Award", recognizing its forward-looking and socially valuable innovation in preventive medicine.

The functional medicine division focuses on subhealth intervention and early disease prevention, further extending its customer reach into family settings. In line with advances in AI technology, the Company is driving the transformation from experience-based medicine to personalized healthcare. By deeply integrating precise testing data, expert diagnostic pathways, and clinical cases through proprietary AI models, it provides highly individualized 24/7 services.

Supported by a professional team of gynecologists, the women's gynecological anti-aging business continues to enrich its service portfolio, extending from existing gynecological anti-aging services into ovarian wellness, while reproductive function treatment services are also set to be launched. This will build a full-chain women's healthcare service covering "prevention, treatment, and anti-aging". In women's health research, a project submitted by Neology received the First Prize for Research Achievements under a National Key Research Project of the National Health Commission's 14th Five-Year Plan, demonstrating the depth of its academic research and professional capabilities in women's health.

The anti-aging and longevity sector is still at an early stage of development, and we remain firmly optimistic about its potential to become the next major growth sector. To this end, BFG Group established a Consumer Healthcare Technology R&D Center to accelerate the application and commercialization of innovative pharmaceuticals and medical devices in consumer healthcare scenarios, reinforcing the technology foundation for its long-term strategy. As AI technology advances rapidly, functional medicine is naturally highly compatible with AI. We will continue to invest in R&D for AI-assisted diagnostics to further improve the precision of medical services.

IV. Core Competitiveness

Over the past 33 years, the Group has consistently remained customer-centric, focusing on premium customers in China's high-tier cities and gradually building comprehensive capabilities that cover the full lifecycle of beauty and health needs. Leveraging its unique "dual beauty + dual wellness" business model, the dual engines of "internal growth + external acquisitions", a sector-leading portfolio of premium brands, and a nationwide store network concentrated in premium commercial districts of core cities, the Group has forged core competitive strengths that can withstand market cycles, providing a solid foundation for sustained business growth and cash generation.

1. Diversified Premium Beauty and Health Brand Portfolio

BFG Group has established a matrix comprising six brands across two major businesses. In beauty and wellness services, Beauty Farm is identified by Frost & Sullivan as the top brand in China's premium beauty service sector; Naturade is identified by Frost & Sullivan as the "Top AI-Powered Wellness Brand in China"; Siyanli occupies the premium hi-tech beauty segment; and Palaispa is positioned in the premium dual-beauty franchise segment. Together, these brands occupy the top three positions among beauty service chains in China. CellCare and Neology extend the Group deeper into consumer healthcare, covering premium minimally invasive anti-aging and subhealth medical services. Each of the six brands has established a leading position in its respective niche, while at the Group level, cross-brand customer connectivity, data sharing, and service integration aggregate these individual strengths into a systematic strength.

From an industry competitive perspective, BFG Group spans both beauty and wellness and consumer healthcare, with each of its brands holding a leading position in its respective sub-sector. This competitive position reflects the combined advantages of more than three decades of brand accumulation, forward-looking strategic deployment, membership assets, and first-mover advantages. The Group has accumulated a base of 300,000 premium female customers, creating a hard-to-replicate competitive advantage.

2. Strong Nationwide Store Network

BFG Group has established a nationwide store network covering 20 economically developed tier-one and new tier-one cities in China, using premium commercial locations to precisely reach mid-to-high-end female customers. This represents the Group's deepest offline barrier to entry. According to Frost & Sullivan, these 20 high-tier cities account for nearly 40% of China's beauty service market, with Beijing, Shanghai, Guangzhou, and Shenzhen contributing nearly 20%. The Group strategically focuses on these 20 high-tier cities, which contribute more than 90% of Group revenue, including 63% from Beijing, Shanghai, Guangzhou, and Shenzhen. These 20 cities represent the concentration of wealth and industry consumption power in China and form the Group's most resilient core market.

Premium commercial locations in core cities are critical battlegrounds for offline brand store networks. According to Winshang Data, BFG Group's brands have a 42% coverage rate in premium commercial locations across the 20 high-tier cities, approaching half. This combination of network density and breadth enables deep access to premium women's lifestyle and consumption scenarios, while fully unleashing organizational efficiency, brand momentum, and consumer healthcare synergies, generating a network effect greater than the sum of its parts.

3. Industry-Leading AI and Data-Intelligence Capabilities

Super Digitalization is one of the Group's Three Super Strategies. The Group has progressively evolved along the path of "informatization — digitalization — data intelligence", investing more than RMB500 million cumulatively over the past decade, accumulating extensive data assets, and building a dedicated IT team of more than 100 professionals. It is a digitalization leader in the beauty and health sector. Keeping pace with the AI wave, the Group has now formally entered the third stage of its data-intelligence development.

The Group's data-intelligence capabilities comprehensively empower business operations. At the front end, the Group conducts refined customer-value management through a detailed operating system based on customer segmentation, store typology, and project classification, while leveraging full-domain user data to enhance a panoramic "beauty and health" customer profile and maximize full-lifecycle customer value. In the middle and back office, the Group strengthens systematic capability building by connecting core modules including supply chain, training, and digitalization, enabling capability integration and resource sharing and fully releasing economies of scale. In M&A integration, the Group deploys its data-intelligence systems in a "productized and modularized" manner, realizing the synergistic vision of "integration upon acquisition, value enhancement upon integration".

V. Capital Market Value Enhancement

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. In terms of dividends, the Group has committed to a stable dividend payout ratio of no less than 50% of the net profit attributable to the parent for the next three years. The Company announced an annual dividend of HK$0.72 per Share for the year ended December 31, 2025, up

38% year over year. In terms of management incentives, the Group has closely linked future revenue and profit targets with equity incentives. The first-year performance targets have already been exceeded, fully demonstrating the effectiveness of the incentive mechanism. In addition, the Group continues to conduct share buybacks, demonstrating its firm confidence in the Company's long-term development through tangible capital commitment.

VI. Outlook

Our long-term vision is to become a leading player in China's beauty and health industry. Around this vision, we have established clear medium-term targets supported by corresponding management incentive plans. Accordingly, the Group continues to strengthen three core competitive advantages: a premium beauty and health brand portfolio, a strong nationwide store network, and industry-leading data-intelligence capabilities. The "Three Super Strategies" will guide the Group's high-quality development over the next five years.

Super Brand: Continuously enhance product strength and service standards to craft "exceptional experiences that exceed expectations" and reshape the value proposition of the beauty and health industry. Build a beauty and health brand portfolio and develop distinctive competitive strengths for each brand. Formulate and lead industry standards, elevate the Beauty Farm Standard into widely adopted industry consensus, and enhance consumer trust and brand influence.

Super Chain: Strengthen the advantages of the "dual beauty + dual wellness" business model and drive the Group's value enhancement through the dual engines of "internal growth + external acquisitions". Cultivate 20 super cities each generating more than RMB100 million in revenue. Build a platform-based organization to enable efficient Group-wide resource allocation and maximize value, providing differentiated beauty and wellness and consumer healthcare services to premium females in top tier cities.

Super Digitalization: Strengthen the construction of a data-intelligence and AI infrastructure, construct a data-intelligence-driven enterprise management system, and become a benchmark for data-intelligence-led beauty and health service chains.

Looking ahead, BFG Group will remain steadfast in its customer-centric philosophy, strengthen its three core competitive advantages, and build a multi-dimensional growth matrix guided by the "Three Super Strategies". Horizontally, the Group will broaden its cornerstone businesses through the dual engines of "internal growth + external acquisitions"; vertically, it will continue to explore growth opportunities within the consumer healthcare sector. Through simultaneous advancement across these dimensions, the Group is committed to creating a sustainable and win-win future for all stakeholders.

FINANCIAL REVIEW

REVENUE

The Group generates revenue primarily from two service segments including beauty and wellness services and consumer healthcare, of which consumer healthcare includes aesthetic medical services and subhealth medical services. The Group has consistently pursued the dual-engine strategy of "internal growth + external acquisitions". It has now grown into one of China's largest beauty and health management service platforms. Leveraging its distinctive "dual beauty + dual wellness" business model, the Group has effectively navigated economic cycles and, through steady performance growth and strong profitability, fully demonstrated its strong operating resilience and growth potential. In the first half of 2026, the revenue of the Group amounted to RMB1,882 million, representing an increase of 29.0% year-over-year.

Increase in revenue was primarily attributable to the following factors:

(i) Expansion through external mergers and acquisitions: The Group has consolidated results of Siyanli, the third-ranked beauty service brand in China, into the Group's consolidated financial statements since January 2026. In the first half of 2026, Siyanli's integration is progressing smoothly, with synergies becoming increasingly evident and providing growth momentum for the Group's revenue and profit; and

(ii) Quality improvement and efficiency gains in internal growth: In the first half of the year, the Group achieved steady organic growth. Benefiting from the expanded brand influence of Beauty Farm and digitally-driven refined operations, our direct stores delivered "volume-and-price growth" in the customer visits and the average selling price, driving continued increases in same-store revenue at our direct stores.

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

	For the six months ended June 30,				
	2026		2025		
	Revenue		Revenue		Change
	RMB'000	*%*	*RMB'000*	*%*	*%*
Beauty and wellness services	**1,094,528**	**58.2**	806,753	55.3	35.7
—Direct stores	**1,033,452**	**54.9**	739,290	50.7	39.8
—Franchisee and others	**61,076**	**3.2**	67,463	4.6	–9.5
Aesthetic medical services	**602,616**	**32.0**	498,613	34.2	20.9
Subhealth medical services	**184,463**	**9.8**	153,647	10.5	20.1
Total	**1,881,607**	**100.0**	1,459,013	100.0	29.0

Beauty and Wellness Services — Direct Stores

In the first half of 2026, revenue from beauty and wellness services of direct stores amounted to RMB1,033 million, representing an increase of 39.8% year-over-year. Such increase in revenue was mainly attributable to the dual growth in the customer visits and the average selling price at direct stores, the acquisition of the Siyanli brand and its consolidation into the Group's financial statements, and evident synergies from integration, driving sustained growth in business revenue.

Beauty and Wellness Services — Franchisee and Others

In the first half of 2026, revenue from beauty and wellness services generated from franchised stores and others amounted to RMB61 million, while revenue for the same period of 2025 was RMB67 million. This was mainly due to the acquisition of certain Naturade franchised stores and their conversion into the direct-store system.

Aesthetic Medical Services

In the first half of 2026, revenue from aesthetic medical services amounted to RMB603 million, representing an increase of 20.9% year-over-year. Such increase was mainly due to: (i) the Group's acquisition and integration of Siyanli, which expanded the member base of its core business, and the continuous conversion of customers from beauty and wellness service entry points to consumer healthcare services further drove the growth of customer visits and member scale in the aesthetic medical business; (ii) CellCare, the Group's aesthetic medical brand, made a major brand upgrade and launched expert-developed anti-aging solutions, driving growth in revenue of the aesthetic medical services.

Subhealth Medical Services

In the first half of 2026, revenue from subhealth medical services amounted to RMB184 million, representing an increase of 20.1% year-over-year. Such increase was mainly due to the continued expansion of the member base and the ongoing diversification of the product and service portfolio, which drove sustained growth in both the customer visits and the average selling price 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, which primarily include the purchase of skincare products and 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 equipment; and (iv) operation related expenses, which primarily include property management fees, rental expenses for short-term leases and costs for utilities.

In the first half of 2026, cost of sales and services amounted to RMB915 million, compared with RMB739 million in the corresponding period of last year, and cost ratio in the first half of 2026 was 48.6%, reflecting a year-over-year decrease of 2.1 percentage points.

The decrease in cost ratio was mainly because:

(i) ongoing improvement in supply chain procurement bargaining power, coupled with tangible results from product research and development, has driven a decline in the product procurement cost ratio; and

(ii) business scale expansion and improved brand influence both enhanced the Group's bargaining power in leasing properties.

The following table sets forth a breakdown of the Group's cost of sales and services by nature for the periods indicated:

	For the six months ended June 30,					
	2026		2025		Change	
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	Amount	Percentage of revenue
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Costs of products	**270,662**	**14.4**	260,846	17.9	9,816	−3.5
Staff costs	**290,392**	**15.4**	221,374	15.2	69,018	0.2
Depreciation and amortization charges	**204,958**	**10.9**	173,034	11.9	31,924	−1.0
Operation related expenses	**138,988**	**7.4**	76,298	5.2	62,690	2.2
Others	**10,072**	**0.5**	7,673	0.5	2,399	0.0
Total	**915,072**	**48.6**	739,225	50.7	175,847	−2.1

GROSS PROFIT AND GROSS PROFIT MARGIN

In the first half of 2026, the Group's gross profit amounted to RMB967 million, representing an increase of 34.3% year-over-year. The Group's gross profit margin reached 51.4%, representing a significant increase of 2.1 percentage points.

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

(i) the gross profit margin of the beauty and wellness business improved, benefiting from the supply-chain scale effects, which have boosted bargaining power in procurement, and effectively reduced the product cost ratio;

(ii) the gross profit margin of the aesthetic medical services increased, on the one hand, the Group leverages its professional physician team and in-depth product selection capabilities to launch multiple co-developed, expert-customised medical research solutions; meanwhile, increased bargaining power in the upstream market has driven down unit procurement prices, jointly lifting profitability from both fronts; and

(iii) the gross profit margin of the subhealth medical services increased, primarily driven by the continuous launch of high-value new products, as well as improvements in labour costs and premises utilisation efficiency resulting from economies of scale.

	For the six months ended June 30,					
	2026		2025		Change	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	**%**	*RMB'000*	%	*RMB'000*	%
Beauty and wellness services	**484,012**	**44.2**	339,274	42.1	144,738	2.1
—Direct stores	**447,213**	**43.3**	301,218	40.7	145,995	2.6
—Franchisee and others	**36,799**	**60.3**	38,056	56.4	−1,257	3.9
Aesthetic medical services	**355,205**	**58.9**	283,634	56.9	71,571	2.0
Subhealth medical services	**127,318**	**69.0**	96,880	63.1	30,438	5.9
Total	**966,535**	**51.4**	719,788	49.3	246,747	2.1

SELLING EXPENSES

In the first half of 2026, the selling expenses of the Group amounted to RMB331 million, while selling expenses amounted to RMB251 million in the first half of 2025, accounting for 17.6% of revenue, compared with 17.2% in the first half of 2025. This increase was primarily due to higher promotion and marketing related expenses resulting from multi-brand upgrades, which have driven the continuous expansion of brand influence.

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

	Six months ended June 30,					
	2026		2025		Change	
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	Amount	Percentage of revenue
	RMB'000	***%***	*RMB'000*	*%*	*RMB'000*	*%*
Staff costs	**206,274**	**11.0**	162,598	11.1	43,676	−0.1
Promotion and marketing related expenses	**38,910**	**2.1**	26,996	1.9	11,914	0.2
Travelling and office expenses	**20,618**	**1.1**	19,254	1.3	1,364	−0.2
Miscellaneous expenses related to customer services	**18,489**	**1.0**	14,205	1.0	4,284	0.0
Depreciation and amortization	**25,495**	**1.4**	14,014	1.0	11,481	0.4
Others	**21,378**	**1.1**	13,734	0.9	7,644	0.2
Total	**331,164**	**17.6**	250,801	17.2	80,363	0.4

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. In the first half of 2026, the R&D expenses of the Group reached RMB21 million, representing a year-on-year increase of 1.26%, benefiting from the improved R&D efficiency resulting from the synergistic effects arising from the replication of the Group's digital and intelligent capabilities to Siyanli.

GENERAL AND ADMINISTRATIVE EXPENSES

In the first half of 2026, the general and administrative expenses of the Group amounted to RMB296 million, while general and administrative expenses were RMB237 million in the first half of 2025. General and administrative expenses accounted for 15.8% of revenue, representing a year-over-year decrease of 0.4 percentage points. This decrease was primarily attributable to: a decline in the ratio of staff costs to revenue, benefiting from quality improvement in internal growth, and synergy efficiency of mid- and back-office resources acquired through external mergers and acquisitions.

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

	Six months ended June 30,					
	2026		2025		Change	
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	Amount	Percentage of revenue
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Staff costs	**246,151**	**13.1**	198,498	13.6	47,653	−0.5
Consulting expenses	**12,666**	**0.7**	12,701	0.9	−35	−0.2
Depreciation and amortization	**10,047**	**0.5**	10,152	0.7	−105	−0.2
Others	**27,583**	**1.5**	15,356	1.1	12,227	0.4
Total	**296,447**	**15.8**	236,707	16.2	59,740	−0.4

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. In the first half of 2026, other income amounted to RMB11.2 million, representing an increase from RMB6.6 million in the same period of 2025, primarily due to an increase in government grants.

PROFIT FOR THE PERIOD

As a result of the above, in the first half of 2026, net profit of the Group amounted to RMB239 million, representing a year-over-year increase of 40.2%. In the first half of 2026, adjusted net profit amounted to RMB263 million, representing a year-over-year increase of 39.9%. The increase in profit was mainly due to:

(i) the Group continued to advance its dual-engine development strategy of "internal growth + external acquisitions". Same-store revenue continued to increase, while the effectiveness of the external acquisition and integration continued to emerge, driving the continuous expansion of revenue scale;

(ii) the gross profit margins of beauty and wellness services and consumer healthcare services continued to improve; and

(iii) the Group's continuous efforts in quality improvement and efficiency enhancement enabled by digital and intelligent empowerment and lean management.

LIQUIDITY AND CAPITAL RESOURCES

The Group's principal uses of cash were for working capital and store expansion and acquisition. The Group's liquidity is primarily derived from cash flows generated from operating activities. Going forward, the Group believes that its liquidity requirements will be satisfied with a combination of cash flows generated from operating activities and bank facilities. As of June 30, 2026, cash and cash-like items reached RMB2,427 million 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 RMB712 million, RMB765 million and RMB950 million, respectively), representing an increase of RMB430 million or 21.5%, as compared with RMB1,997 million as at June 30, 2025. 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 statement of cash flows for the periods indicated:

	Six months ended June 30,		
	2026	2025	Change
	RMB'000	*RMB'000*	%
Net cash generated from operating activities	**551,253**	410,098	34.4
Net cash used in investing activities	**(642,633)**	(249,427)	157.6
Net cash used in financing activities	**(307,457)**	(156,595)	96.3
Cash and cash equivalents at the beginning of the period	**1,109,869**	456,158	143.3
Cash and cash equivalents at the end of the period	**711,938**	459,741	54.9

The Group's net cash generated from operating activities increased by 34.4% from RMB410 million in the first half of 2025 to RMB551 million in the first half of 2026. This increase was primarily attributable to the sustained trust of customers and the Group's enhanced profitability, further validating the robustness of the Group's business model and its cash generation capability.

Net cash used in investing activities in the first half of 2026 amounted to approximately RMB643 million, representing an increase of 157.6% compared with RMB249 million in the first half of 2025. This growth was mainly driven by the higher consideration paid for the acquisition of Siyanli.

In terms of financing activities, the Group recorded a net cash outflow of RMB307 million in the first half of 2026, representing an increase of 96.3% compared with a net outflow of RMB157 million in the first half of 2025. Such change was primarily attributable to (i) increased repayment of loan and interest; (ii) increased payment for lease liabilities; and (iii) increased payment for the repurchase of ordinary shares.

INDEBTEDNESS

The indebtedness of the Group mainly includes lease liabilities and bank borrowings. As of June 30, 2026, the Group had lease liabilities and outstanding interest-bearing bank borrowings of approximately RMB652 million and RMB666 million, respectively. The net decrease in bank borrowings of RMB66 million compared to as of December 31, 2025 was mainly due to the repayment of borrowings in accordance with the contractual terms.

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 period. As at June 30, 2026 and December 31, 2025, 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 June 30, 2026, the Group had capital commitments of RMB11.6 million, primarily in connection with leasehold improvements (as of December 31, 2025: RMB7.1 million).

MORTGAGE AND PLEDGE OF ASSETS

As of June 30, 2026, the equity interests in certain subsidiaries were pledged to secure bank loans of RMB666 million incurred in connection with the acquisitions of Naturade and Siyanli. Save as disclosed in this announcement, the Group has not mortgaged or pledged other major assets during the Reporting Period.

CONTINGENT LIABILITIES

As of June 30, 2026, the Company's subsidiaries had provided guarantees and equity pledge with respect to the borrowings for acquisition of Naturade and Siyanli. 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.

SIGNIFICANT ACQUISITIONS OR DISPOSALS

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 have been 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.

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

EXCHANGE RATES AND ANY RELATED HEDGING

The Group mainly operates in Chinese Mainland 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, the Group's prospectus or otherwise disclosed by the Company, as of June 30, 2026 and up to the date of this announcement, the Group had no future plans for any material investments or acquisition of capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2026, the Group had a total of 6,975 employees. In the first half of 2026, the total employee welfare expense amounted to RMB759 million (including Directors' emoluments and equity settled share based payments), higher than RMB600 million in the first half of 2025. Employee welfare expense accounted for approximately 40.3% of revenue in the first half of 2026, representing a decrease of 0.8 percentage points from the same period of 2025.

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 STATEMENTS OF PROFIT OR LOSS

		Six months ended June 30,	
		2026	2025
		(Unaudited)	(Unaudited)
	Note	***RMB'000***	*RMB'000*
Revenue	*5*	**1,881,607**	1,459,013
Cost of sales and services		**(915,072)**	(739,225)
Gross profit		**966,535**	719,788
Selling expenses		**(331,164)**	(250,801)
Research and development expenses		**(21,260)**	(20,996)
General and administrative expenses		**(296,447)**	(236,707)
Other income	*6*	**11,204**	6,615
Other expenses	*6*	**(2,562)**	(2,562)
Other gains	*7*	**7,982**	9,419
Provision for impairment losses on financial assets		**247**	(633)
Operating profit		**334,535**	224,123
Finance income	*8*	**10,479**	12,436
Finance costs	*8*	**(24,832)**	(15,847)
Finance costs — net	*8*	**(14,353)**	(3,411)
Profit before income tax		**320,182**	220,712
Income tax expenses	*9*	**(80,811)**	(49,940)
Profit for the period		**239,371**	170,772
Profit attributable to:			
Owners of the Company		**222,156**	155,682
Non-controlling interests		**17,215**	15,090
		239,371	170,772
Earnings per share for profit attributable to owners of the Company			
Basic earnings per share *(RMB)*	*10*	**0.91**	0.68
Diluted earnings per share *(RMB)*	*10*	**0.91**	0.68

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Six months ended June 30,	
		2026	2025
		(Unaudited)	(Unaudited)
	Note	***RMB'000***	*RMB'000*
Profit for the period		**239,371**	170,772
Other comprehensive loss			
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		—	(6)
Exchange differences on translation of financial statements		**(13,339)**	(6,681)
Other comprehensive loss for the period, net of tax		**(13,339)**	(6,687)
Total comprehensive income for the period		**226,032**	164,085
Total comprehensive income attributable to:			
Owners of the Company		**208,817**	148,995
Non-controlling interests		**17,215**	15,090
		226,032	164,085

CONSOLIDATED BALANCE SHEETS

	Note	**As at June 30, 2026 (Unaudited)** *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**329,954**	287,004
Investment properties		**59,280**	60,975
Right-of-use assets		**610,092**	523,195
Intangible assets		**775,353**	338,938
Goodwill		**1,633,942**	709,869
Prepayments, deposits and other receivables	*12*	**92,634**	186,519
Other non-current assets		**4,825**	1,090
Financial assets at fair value through other comprehensive income		**32**	32
Financial assets at fair value through profit or loss		**27,334**	57,984
Deferred income tax assets		**50,721**	22,689
Total non-current assets		**3,584,167**	2,188,295
Current assets			
Inventories		**169,658**	107,661
Trade receivables	*12*	**50,994**	50,798
Prepayments, deposits and other receivables	*12*	**190,296**	128,581
Financial assets at fair value through profit or loss		**930,191**	907,214
Restricted cash	*13*	**28,706**	28,987
Cash and cash equivalents	*13*	**711,938**	1,109,869
Term deposits with initial terms of over three months	*13*	**765,289**	524,801
Total current assets		**2,847,072**	2,857,911
Total assets		**6,431,239**	5,046,206
EQUITY			
Share capital		**8**	8
Treasury stock		**(63,327)**	(24,888)
Share premium		**456,382**	247,917
Other reserves		**(73,655)**	(64,980)
Retained earnings		**1,086,119**	863,963
Equity attributable to owners of the Company		**1,405,527**	1,022,020
Non-controlling interests		**61,383**	44,908
Total equity		**1,466,910**	1,066,928

	Note	As at June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
LIABILITIES			
Non-current liabilities			
Borrowings	*14*	**597,309**	642,636
Lease liabilities		**364,175**	352,692
Deferred tax liabilities		**187,334**	74,413
Total non-current liabilities		**1,148,818**	1,069,741
Current liabilities			
Trade payables	*15*	**50,185**	36,370
Other payables and accruals	*16*	**487,469**	280,714
Contract liabilities	*5*	**2,686,844**	2,094,288
Current tax liabilities		**73,570**	73,511
Borrowings	*14*	**68,992**	89,493
Lease liabilities		**287,707**	209,608
Other current liabilities		**160,744**	125,553
Total current liabilities		**3,815,511**	2,909,537
Total liabilities		**4,964,329**	3,979,278
Total equity and liabilities		**6,431,239**	5,046,206
Net current liabilities		**968,439**	51,626
Total assets less current liabilities		**2,615,728**	2,136,669

NOTES CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION OF THE GROUP AND BASIS OF PRESENTATION

1.1 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.

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on January 16, 2023 (the "Listing").

These condensed consolidated financial statements are presented in thousands of Renminbi ("RMB"), unless otherwise stated, and have been approved for issue by the Board of Directors of the Company on August 27, 2026.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides a list of material accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied throughout the six months ended June 30, 2026, unless otherwise stated.

2.1 Basis of preparation

The unaudited interim condensed consolidated financial information for the six months ended June 30, 2026 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting". The unaudited interim condensed consolidated financial information should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) and the disclosure requirements of the Hong Kong Companies Ordinance Cap.

2.2 New standards and interpretations adopted by the Group

The Group has applied the following new accounting standards, amendments to accounting standards and interpretations for the first time for their interim reporting period commencing January 1, 2026:

- Amendments to HKFRS 9 and HKFRS 7 — Amendments to the Classification and Measurement of Financial Instruments

- Amendments to HKFRS 9 and HKFRS 7 — Contracts Referencing Nature-dependent Electricity

The adoption of the new standards and amendments listed above did not have material impact on the Group's accounting policies and consolidated financial statements.

2.3 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 the six months ended June 30, 2026 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
HKFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027

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 January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with HKFRS 18.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2025.

4 SEGMENT INFORMATION

In line with the Group's organisational upgrades during the six months ended June 30, 2026, certain measures in relation to the financial performance of Beauty and wellness services operations and Consumer Healthcare services operations are reported to the Chief Operating Decision-Maker (together as "CODM") on a separate basis. As a result, there has been a change in the composition of the reportable segments of the Group during the current reporting period and the comparative segment and revenue information for the six months ended June 30, 2025 has been re-presented to conform with the current presentation. As at June 30, 2026, the Group had two reportable segments:

— Beauty and wellness services, including revenue from direct stores, franchisee and others

— Consumer Healthcare services, including Aesthetic Medical Services and Subhealth Medical Services

The CODM has been identified as the executive committee, which comprises all executive directors and chief financial officer. The executive committee reviews the Group's internal reporting in order to assess performance and allocate resources.

The CODM assesses the performance of the operating segments mainly based on segment revenue and segment results. The revenue including inter-segment revenue reported to CODM is measured as segment revenue. Segment results represent the operating profit earned by each segment, except that certain unallocated items are not allocated to each segment, which mainly include certain expenses attributable to corporate functions of the Group.

Information relating to segment assets and liabilities is not disclosed as such information is not regularly reported to the CODM who assesses the performance of the reportable segments.

	Six months ended June 30, 2026		
	Beauty and wellness services (Unaudited)	**Consumer healthcare services (Unaudited)**	**Total (Unaudited)**
	RMB'000	***RMB'000***	***RMB'000***
Segment Revenue			
Segment revenue	**1,282,041**	**787,079**	**2,069,120**
Inter-segment revenue	**(187,513)**	**—**	**(187,513)**
Revenue from external customers	**1,094,528**	**787,079**	**1,881,607**
Cost of sales and services	**610,516**	**(304,556)**	**(915,072)**
Gross profit	**484,012**	**482,523**	**966,535**
Segment results	**287,255**	**187,183**	**474,438**
Reconciliation:			
Share-based payments			**(4,911)**
Unallocated expenses			**(166,782)**
Unallocated other income			**5,222**
Unallocated other gains			**12,100**
Unallocated financial income			**10,479**
Unallocated financial expense			**(10,364)**
Profit before tax			**320,182**

	Six months ended June 30, 2025		
	Beauty and wellness services (Unaudited) *RMB'000*	Consumer healthcare services (Unaudited) *RMB'000*	Total (Unaudited) *RMB'000*
Segment Revenue			
Segment revenue	957,298	652,260	1,609,558
Inter-segment revenue	(150,545)	—	(150,545)
Revenue from external customers	806,753	652,260	1,459,013
Cost of sales and services	(467,479)	(271,746)	(739,225)
Gross profit	339,274	380,514	719,788
Segment results	218,777	143,002	361,779
Reconciliation:			
Share-based payments			(8,381)
Unallocated expenses			(153,993)
Unallocated other income			1,375
Unallocated other gains			10,718
Unallocated financial income			12,436
Unallocated financial expense			(3,222)
Profit before tax			220,712

5 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:

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Beauty and wellness services		
— Direct stores (at a point in time)		
— Services	**983,152**	710,203
— Product Sales	**50,301**	29,087
— Franchised and others		
— Product sales (at a point in time)	**57,093**	61,303
— Franchise fee (over time)	**3,982**	6,160
Subtotal	**1,094,528**	806,753
Subhealth medical services		
— Services recognised at a point in time	**165,491**	137,467
— Services recognised over time	**18,972**	16,180
Subtotal	**184,463**	153,647
Aesthetic medical services		
— recognised at a point in time	**602,616**	498,613
Total	**1,881,607**	1,459,013

Revenues from external customers come from the rendering of service and sales of the products including beauty and wellness services, aesthetic medical services and subhealth medical services.

Subhealth medical services recognised over time are cooperation fee received from Hainan Qiyan Stem Cell Anti-aging Hospital Co., Ltd. Such services include customer referral and consulting services, logistics arrangement services, customer post-treatment caring services rendered to Hainan Qiyan Stem Cell Anti-aging Hospital Co., Ltd.

No significant revenue comes from a single external customer. There is no customer contributing more than 10% of revenue. Most of the Group's customers are individuals, which are widely distributed.

The Group is domiciled in the PRC. The majority of its sales from external customers are generated in the PRC.

(b) Liabilities related to contracts with customers

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

	As at June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
Contract liabilities — services and product sales	**2,686,844**	2,094,288

The Group classified these contract liabilities as current because the Group does not have an unconditional right to defer for at least 12 months after the reporting period.

The products are sold on a prepaid basis. When the franchised stores prepay for a product, the relevant payment is recorded as contract liabilities in the consolidated balance sheets until the Group recognizes revenue upon delivery of products to the franchised stores.

6 OTHER INCOME AND OTHER EXPENSE

	Six months ended June 30,	
	2026	2025
	(Unaudited) *RMB'000*	(Unaudited) *RMB'000*
Other income		
Rental income	**4,496**	4,293
Government grants	**5,222**	1,375
Others	**1,486**	947
	11,204	6,615
Other expenses		
Direct cost in relation to the rental income	**2,562**	2,562

Government grants mainly represent subsidies from governments as industry support, contributions to employment stabilization and exemption on valued-added tax granted by the government authority in the PRC. There are no unfulfilled conditions or other contingencies attaching to these grants.

7 OTHER GAINS — NET

	Six months ended June 30, 2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Net fair value gains on financial assets at FVPL	**9,418**	7,621
Net foreign exchange gains	**2,682**	3,097
(Loss)/gains on disposal of subsidiaries	**(466)**	611
Others	**(3,652)**	(1,910)
	7,982	9,419

8 FINANCE COSTS — NET

	Six months ended June 30, 2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Finance income		
Interest income on bank deposits	**10,479**	12,436
Finance costs		
Interest expense		
— Interest charges on borrowings	**(10,364)**	(3,222)
— Interest charges on lease liabilities	**(14,468)**	(12,625)
Finance costs — net	**(14,353)**	(3,411)

9 INCOME TAX EXPENSES

	Six months ended June 30, 2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current income tax	**78,276**	32,050
Deferred income tax	**2,535**	17,890
Income tax expense	**80,811**	49,940

10 BASIC AND DILUTED EARNINGS PER SHARE

(a) 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 during each period.

During the Reporting Period, the Company repurchased a total of 2,269,000 Shares on the Stock Exchange with the aggregate consideration of RMB38.4 million. In addition, the Company issued 15,798,147 shares to SYL Holding Limited in January 2026.

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to Owners of the Company *(RMB'000)*	**222,156**	155,682
Weighted average number of ordinary shares in issue *('000)*	**243,315**	229,610
Basic earnings per share for profit attributable to the Owners of the Company during the period *(expressed in RMB per share)*	**0.91**	0.68

(b) 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.

	Six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to Owners of the Company *(RMB'000)*	**222,156**	155,682
Weighted average number of ordinary shares in issue	**243,315**	229,610
Adjustments for calculation of diluted earnings per share:	**2,011**	891
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**245,326**	230,501
Diluted earnings per share for profit attributable to the Owners of the Company during the period *(expressed in RMB per share)*	**0.91**	0.68

11 DIVIDENDS

	Six months ended June 30, 2026 (Unaudited) *RMB'000*	2025 (Unaudited) *RMB'000*
Dividends declared to the shareholders (a)	**155,484**	111,885

(a) On May 28, 2026, the shareholders of the Company approved a final cash dividend of HK$0.72 per share (2025: HK$0.52 per share), with an aggregate value of HK$178.84 million (equivalent to RMB155.48 million).

12 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
Trade receivables		
Trade receivables (a)	**58,058**	58,160
Less: provision for impairment	**(7,064)**	(7,362)
Total trade receivables	**50,994**	50,798
Included in current assets		
Prepayments, deposits and other receivables		
Prepayments for procurement of inventories and operating expenses	**73,520**	47,944
Advance payment for an acquisition	**4,050**	—
Amount due from related parties	**40,377**	23,202
Deposits — current portion	**55,724**	41,018
Other current assets	**9,256**	5,214
Other receivables	**9,657**	13,448
Less: provision for impairment	**(2,288)**	(2,245)
Total prepayments, deposits and other receivables — current portion	**190,296**	128,581
Included in non-current assets		
Deposits and other receivables		
Advance payment for an acquisition	**—**	125,000
Deposits paid to a related party	**1,087**	728
Deposits — non-current portion	**91,626**	60,862
Less: provision for impairment	**(79)**	(71)
Total	**92,634**	186,519

(a) Aging analysis of trade receivables

The majority of the Group's sales are settled through credit cards or e-pay applications against payment. At June 30, 2026 and December 31, 2025, 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 June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
Up to 1 year	**43,411**	49,128
Between 1 and 2 years	**8,258**	3,519
Between 2 and 3 years	**3,568**	3,907
Over 3 years	**2,821**	1,606
	58,058	58,160

13 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	As at June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
Cash and bank balances		
— Cash on hand	**167**	174
— Cash at bank	**1,505,766**	1,663,483
	1,505,933	1,663,657
Less: — restricted cash (a)	**(28,706)**	(28,987)
— term deposits with initial terms of over three months	**(765,289)**	(524,801)
Cash and cash equivalents	**711,938**	1,109,869

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

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

	As at June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
RMB	**1,218,114**	1,354,357
USD	**114,698**	261,082
HKD	**173,087**	48,182
EUR	**34**	36
	1,505,933	1,663,657

14 BORROWINGS

	As at June 30, 2026 (Unaudited) *RMB'000*	As at December 31, 2025 (Audited) *RMB'000*
Current		
Bank loans — secured	**68,992**	89,493
Non-current		
Bank loans — secured	**597,309**	642,636
Total	**666,301**	732,129

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. As of June 30, 2026, all the loan was fully drawn down with the loan of RMB52,500,000 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. As of June 30, 2026, all the loan was fully drawn down with the loan of RMB6,000,000 was repaid and RMB9,000,000 of the outstanding loan was repayable within 1 year.

These 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 these bank loans, which have a total carrying amount of RMB211,500,000 as of June 30, 2026, 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.

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. 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. As of June 30, 2026, all the loan was fully drawn down with the loan of RMB47,277,000 was repaid and RMB27,954,000 of the outstanding loan was repayable within 1 year.

At June 30, 2026 and December 31, 2025, the Group's borrowings were repayable as follows:

	As at June 30, 2026 (Unaudited) ***RMB'000***	As at December 31, 2025 (Audited) *RMB'000*
Within 1 year	**68,992**	89,493
Between 1 and 2 years	**90,654**	90,654
Between 2 and 5 years	**347,193**	322,116
Over 5 years	**159,462**	229,866
	666,301	732,129

15 TRADE PAYABLES

	As at June 30, 2026 (Unaudited) ***RMB'000***	As at December 31, 2025 (Audited) *RMB'000*
Trade payables		
— Third parties (a)	**50,185**	36,370

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.

(a) The aging analysis of trade payables as at June 30, 2026 and December 31, 2025 based on invoice date was as follows:

	As at June 30, 2026	As at December 31, 2025
	RMB'000	*RMB'000*
Within 1 year	**45,190**	32,349
Between 1 and 2 years	**2,304**	1,414
Over 2 years	**2,691**	2,607
	50,185	36,370

16 OTHER PAYABLES AND ACCRUALS

	As at June 30, 2026 (Unaudited)	As at December 31, 2025 (Audited)
	RMB'000	*RMB'000*
Other payables and accruals		
Employee benefits payables (a)	**165,920**	157,555
Payables for purchasing of property, plant and equipment	**8,088**	9,685
Acquisition payable	**18,000**	720
Amount due to a related party — Others	**36**	36
Franchisee deposits	**23,800**	23,797
Accrual expenses	**64,159**	35,414
Taxes payables	**14,789**	17,965
Dividend payable	**160,816**	5,332
Others	**31,861**	30,210
Total other payables and accruals	**487,469**	280,714

(a) Employee benefits payables

The employee benefits payables represented payables for employee salaries for December 2025 and for June 2026, and accrual for bonuses and social welfare benefits.

The carrying amounts of trade and other payables and accruals are considered to approximate their fair values due to their short-term nature.

17 BUSINESS COMBINATION

(a) Summary of acquisition

During the six months ended June 30, 2026, the Group acquired business to enlarge the Group's market share in the industry.

During the six months ended June 30, 2026, the Group completed the acquisition of 100% equity interest in Siyanli for a total cash consideration of approximately RMB834,387,000 and the allotment and issuance of 15,798,147 ordinary shares of the Company, valued at the opening price as at the acquisition date.

Details of the purchase consideration, the net liabilities acquired and goodwill are as follows:

	2026 ***RMB'000***
Purchase consideration *(refer to (b) below)*:	
Cash paid	
— Siyanli	**834,387**
New shares issued	**363,949**
Total purchase consideration	**1,198,336**

The assets and liabilities recognised as a result of the acquisition are as follows:

2026	**Siyanli**
	RMB'000
Cash and cash equivalents	**71,564**
Term deposits with initial terms of over three months	**192,863**
Financial assets at fair value through profit or loss	**67,891**
Trade receivables	**8,187**
Inventories	**45,873**
Property, plant and equipment	**89,453**
Other receivables	**79,727**
Right-of-use assets	**198,690**
Intangible assets	**463,031**
Deferred income tax assets	**36,335**
Contract liabilities	**(549,751)**
Trade Payables	**(2,066)**
Current income tax liabilities	**(9,151)**
Other current liabilities	**(32,985)**
Other payables	**(65,004)**
Lease liabilities	**(198,690)**
Deferred income tax liabilities	**(118,689)**
Net identifiable assets acquired	**277,278**
Less: non-controlling interests	**(3,015)**
Add: goodwill	**924,073**
Net assets acquired	**1,198,336**

The goodwill of approximately RMB924,073,000 arising from the acquisition for the year 2026 is attributable to the synergy of business expansion through Siyanli and respective cities. None of the goodwill recognised is expected to be deductible for income tax purpose.

(b) Purchase consideration — cash outflow

	2026
	RMB'000
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	**834,387**
Less: Cash balances acquired	**(71,564)**
Less: Consideration paid in prior year	**(125,000)**
Less: Consideration unpaid as of the end of the year	**(18,000)**
Add: Payment of prior year's unpaid consideration	**720**
Net outflow of cash — investing activities	**620,543**

OTHER INFORMATION

Interim Dividend

The Board did not declare the payment of an interim dividend to the Shareholders for the Reporting Period (six months ended June 30, 2025: Nil).

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 has 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 the 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.

Purchase, Sale or Redemption of Listed Securities of the Company

During the Reporting Period, the Company repurchased a total of 2,269,000 Shares on the Stock Exchange with the aggregate consideration of approximately HK$43.8 million (equivalent to RMB38.4 million) (including expenses). The repurchased Shares are currently held as treasury shares (as defined in 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$)*
January 2026	125,000	27.22	25.24	3,285,700
March 2026	90,000	20.38	19.03	1,754,320
April 2026	603,000	21.50	19.16	12,308,245
May 2026	564,500	20.50	18.53	11,055,595
June 2026	886,500	18.64	15.84	15,406,210

As at June 30, 2026, the Company held total 3,209,000 treasury shares (as defined in the Listing Rules). The Company intends to use treasury shares for the purposes of future resales, transfers or cancellation.

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 the sale of treasury shares (if any)).

Events after the Reporting Period

Acquisition of Equity Interest in Subsidiaries operating the Naturade Brand

On August 5, 2026, the Company, through its non-wholly owned subsidiaries, Guangzhou Naturade Medical Instrument Co., Ltd. and Guangzhou Naturade Health Management Co., Ltd., entered into an equity transfer agreement to acquire 100% equity interests of each of Hangzhou Xiaoshan Naturade Medical Beauty Clinic Co., Ltd (杭州蕭山奈瑞兒醫療美容門診部有限公司) and Hangzhou Naturade Health Technology Company Limited (杭州奈瑞兒健康科技有限公司) at a total consideration of RMB10 million (the "Hangzhou Acquisition"). These two companies operate medical clinics and beauty and wellness service stores under the Naturade brand in Hangzhou. Following the completion of the Hangzhou Acquisition, the Company owns Hangzhou Xiaoshan Naturade Medical Beauty Clinic Co., Ltd (杭州蕭山奈瑞兒醫療美容門診部有限公司) and Hangzhou Naturade Health Technology Company Limited (杭州奈瑞兒健康科技有限公司), both of which became non-wholly owned subsidiaries of the Company. For further details, please refer to the Company's announcement dated August 5, 2026.

Share Repurchases

Between July 2, 2026 to July 27, 2026, the Company repurchased a total of 294,000 Shares on the Stock Exchange for an aggregate consideration of approximately HK$5.2 million (equivalent to RMB4.5 million) (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 subsequent events after the Reporting Period and up to the date of this announcement.

Review of Interim Results and Interim Report

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

Publication of the Condensed Consolidated Interim Results and 2026 Interim Report

This announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the website of the Investor Relations of the Company at https://ir.beautyfarm.com.cn/cn/. The interim report of the Company for the six months ended June 30, 2026 containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and 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:

"Audit Committee"	the audit committee of the Board
"Beauty Farm", "BFG Group", "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, 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 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

"EUR"	Euro, the lawful currency of the member states of the European Union
"HK dollars", "HKD" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"internal growth and external acquisition strategy"	a dual-engine model fueled by the strategy of "internal growth and external expansion through acquisitions"
"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
"premium AI-powered wellness services"	the services offered to customers by the beauty service stores under the Naturade brand
"premium beauty services"	the services offered to customers by the Group's beauty service stores under the Beauty Farm brand and Palaispa brand
"R&D"	research and development
"Reporting Period"	the six months ended June 30, 2026
"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$0.000005 each
"Shareholder(s)"	holder(s) of the Share(s)
"Siyanli"	Shanghai Siyanli Industrial Co., Ltd.* (上海思妍麗實業股份有限公司), a joint stock company incorporated in the PRC with limited liability on December 31, 2009 and a wholly owned subsidiary of the Group, which together with its subsidiaries operate the Group's premium tech-powered beauty services under the Siyanli brand
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary"	has the meaning ascribed thereto under the Listing Rules
"U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. dollars", "USD" or "US$"	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, August 28, 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.