

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)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：02373



CellCare
| 秀 | 可 | 兒 | 醫 | 美 |

NEOLOGY
研 源 醫 疗

贝黎诗
PALAISPA

ANNUAL REPORT
2022 年度報告

*For identification purposes only 僅供識別

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. LI Yang (*Chairman of the Board*)
Mr. LIAN Songyong (*Chief Executive Officer, Vice Chairman of the Board*)

Non-executive Directors

Mr. ZHAI Feng
Mr. GENG Jiaqi
Ms. LI Fangyu

Independent Non-executive Directors

Mr. FAN Mingchao
Mr. LIU Teng
Mr. JIANG Hua

AUDIT COMMITTEE

Mr. LIU Teng (*Chairperson*)
Ms. LI Fangyu
Mr. FAN Mingchao

REMUNERATION COMMITTEE

Mr. FAN Mingchao (*Chairperson*)
Mr. ZHAI Feng
Mr. JIANG Hua

NOMINATION COMMITTEE

Mr. FAN Mingchao (*Chairperson*)
Mr. LIAN Songyong
Mr. JIANG Hua

JOINT COMPANY SECRETARY

Ms. ZHOU Min
Ms. KWOK Siu Ying Sarah (*ACG, HKACG*)

AUTHORIZED REPRESENTATIVES

Mr. LI Yang
Ms. KWOK Siu Ying Sarah

STOCK CODE

2373

COMPANY'S WEBSITE

www.beautyfarm.com.cn

LISTING DATE

January 16, 2023

董事會

執行董事

李陽先生(*董事會主席*)
連松泳先生(*首席執行官、董事會副主席*)

非執行董事

翟鋒先生
耿嘉琦先生
李方雨女士

獨立非執行董事

范銘超先生
劉騰先生
江華先生

審核委員會

劉騰先生(*主席*)
李方雨女士
范銘超先生

薪酬委員會

范銘超先生(*主席*)
翟鋒先生
江華先生

提名委員會

范銘超先生(*主席*)
連松泳先生
江華先生

聯席公司秘書

周敏女士
郭兆瑩女士(*ACG, HKACG*)

授權代表

李陽先生
郭兆瑩女士

股份代號

2373

公司網站

www.beautyfarm.com.cn

上市日期

2023年1月16日

CORPORATE INFORMATION 公司資料

REGISTERED OFFICE

Floor 4, Willow House
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Grand Cayman
KY1-9010
Cayman Islands

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Shanghai
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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Campbells Corporate Services Limited
Floor 4, Willow House, Cricket Square
Grand Cayman KY1-9010
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

HONG KONG LEGAL ADVISERS

O'Melveny & Myers

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong

COMPLIANCE ADVISER

Haitong International Capital Limited
Suites 3001-3006 and 3015-3016
One International Finance Centre
No.1 Harbour View Street
Central, Hong Kong

註冊辦事處

Floor 4, Willow House
Cricket Square
Grand Cayman
KY1-9010
Cayman Islands

總部及中國主要營業地點

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東大名路1089號
12層1206單元

香港主要營業地點

香港銅鑼灣
希慎道33號
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開曼群島股份過戶登記總處

Campbells Corporate Services Limited
Floor 4, Willow House, Cricket Square
Grand Cayman KY1-9010
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

香港法律顧問

美邁斯律師事務所

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公共利益實體核數師
香港中環
太子大廈22樓

合規顧問

海通國際資本有限公司
香港中環
港景街1號
國際金融中心1期
3001-3006室及3015-3016室

CHAIRMAN'S STATEMENT 主席報告書

Dear honourable shareholders,

During the Period, the Group was principally engaged in traditional beauty services, aesthetic medical services and subhealth assessment and intervention services. Over time, the Group has evolved into a comprehensive beauty and health management service platform that offers services to cater to the varying needs of customers.

各位尊敬的股東：

於該期間內，本集團主要從事傳統美容服務、醫療美容服務以及亞健康評估及干預服務。隨著時間的發展，集團已經發展成為一個全面的美容和健康管理服務平台，提供服務以滿足客戶的不同需求。

Mr. Li Yang
Chairman
李陽先生
主席

Dear Shareholders,

It is my great honor to present the annual report for the year ended December 31, 2022, on behalf of the Board of Beauty Farm Medical and Health Industry Inc., to all of our esteemed shareholders.

The year 2022 was a year full of challenges, as the severe external environment and unexpected factors such as the recurring pandemic had a significant impact on the Company's rapid development. However, we remain confident that the sustained implementation of China's supportive economic policies will demonstrate the robust resilience and enormous potential of the Chinese economy, providing solid support for Chinese enterprises' growth in the "post-pandemic" era. Guided by this philosophy and confidence, our business continued to advance with resilience in 2022, with a dynamic and self-improving team that thrived even under external pressures. We are committed to providing customer-oriented, high-quality services that deliver exceptional experiences, as well as offering valuable one-stop solutions for beauty and health needs to each of our customers.

The year 2022 was also a year full of opportunities. During this year, we officially launched and submitted our application for a listing on the Hong Kong Stock Exchange. On January 16, 2023, amid the recovery from the pandemic, we successfully listed on the Main Board of the Stock Exchange, marking a significant milestone in the Company's development and the beginning of a new journey. Leveraging the strength of both domestic and foreign capital, we are committed to seizing the opportunities of the times and becoming the **forefront of the beauty and health industry.**

尊敬的各位股東：

本人非常榮幸地代表美麗田園醫療健康董事會向各位股東提呈本集團截止2022年12月31日止年度報告。

2022年是充滿挑戰的一年，外部環境嚴峻、疫情反復等超預期因素給公司的快速發展帶來較大的影響。然而，我們深信隨著中國扶持經濟的利好政策的持續推出，中國經濟將展現出強大的韌性和巨大的潛力，而這也為中國企業在「後疫情」時代的增長帶來堅實的後盾。基於這一理念和信心，我們業務在2022年持續前進和保持韌勁，團隊充滿活力，在外部環境壓力下依舊不斷自我提升。我們堅定秉承以客戶為本優質服務的理念，為每一位客戶提供優質的體驗，以及更有價值的一站式美與健康的服務。

2022年同樣是充滿機遇的一年，這一年正式啟動和遞交香港上市申請，並於2023年1月16日，於疫情復蘇的同時，成功登陸港交所主板。這不僅是公司發展史上的重要里程碑，也是公司邁向新征程的起點。我們將借助海內外資本的力量，進一步把握時代的機遇，致力於成為行業內美與健康的領航者。

CHAIRMAN'S STATEMENT 主席報告書

Results and Dividends

For the year ended December 31, 2022, the Company's business development was impacted by the recurrent COVID-19 pandemic. However, by fully leveraging internal resources, unifying and energizing our team, and enhancing operational efficiency, we still achieved stable revenues, profits, and healthy operating cash flows, providing a solid foundation for the Company's continued development. In 2022, the Group served nearly a million customers, generating a revenue of RMB1.64 billion and an adjusted net profit of RMB157 million, with cash reserves exceeding RMB900 million.

The Board proposes to distribute a final dividend of HK\$0.39 cents per Share for the year ending December 31, 2022. Subject to Shareholders' approval at the AGM, the proposed final dividend will be distributed on or before Thursday, September 28, 2023 to Shareholders whose names appear on the register of members of the Company on Wednesday, June 28, 2023. Our mission and responsibility is to provide returns to our shareholders. We will capitalize on the opportunities presented by the rising beauty and health management industry as the Chinese economy recovers, steadily grow our business, and meet the needs of our customers while delivering greater value to our shareholders.

業績及股息

截至2022年12月31日止，本公司業務發展受到新冠疫情反復的外部影響，通過充分調動內部資源，凝心聚力，提升運營效能，我們仍然實現了穩健的收入、利潤以及健康充裕的經營現金流，這為公司的持續發展提供了堅實的基礎。2022年年度集團服務人次近百萬，營業收入達到人民幣16.4億元，經調整淨利潤達人民幣1.57億元，現金儲備超過9個億。

董事會提議截至2022年12月31日止年度派發末期股息每股0.39港仙。倘股東於股東周年大會上批准，該等擬派末期股息將於2023年9月28日(星期四)或之前派發於於2023年6月28日(星期三)名列本公司股東名冊的股東。回報股東是我們的使命和責任。我們將抓住中國經濟復蘇下美與健康管理市場上升的機遇，穩步成長，滿足更多客戶需求和更好地回報股東。



CHAIRMAN'S STATEMENT 主席報告書

Revitalizing Core Business Capabilities through Sustained Investment to Forge a Commercial Model of Beauty and Health Portfolio

The BeautyFarm brand is committed to providing high-quality mid-to-high-end lifestyle beauty services. With 30 years of cultivation and accumulation, we have established a vast network of stores and an active and loyal membership base in China's most influential cities and prime locations. Through long-term customer service, we have fostered deep trust and loyalty among our customers, and have continuously met their evolving demands for beauty and health services by diversifying our business offerings. Thirteen years ago, the Group developed the Cellcare aesthetic medical service business, and in 2018, established Neology healthcare centers to expand into subhealth health assessment and intervention services. Through **sustained innovation**, we have transformed from a traditional beauty service company into a comprehensive platform that provides one-stop beauty and health management services. Our comprehensive business portfolio enhances interaction and stickiness with our customers to achieve **synergistic effects** and promote our sustained development.

持續投資核心業務能力，打造美與健康組合商業模式

美麗田園品牌致力於提供優質的中高端生活美容服務，經過30年耕耘和積累，我們在中國最具影響力的城市和黃金地段建立了龐大的門店網絡和活躍忠誠的會員群體。我們長期服務顧客，與顧客建立了深厚的信任，同時洞察且響應了客戶對美麗與健康的需求，逐步拓展了多元化業務。13年前，集團開發了秀可兒醫療美容業務，2018年成立研源醫療佈局亞健康評估與干預服務業務。通過**持續創新**，如今我們已不僅僅是一家傳統美容服務企業，更是提供一站式美與健康管理服務的綜合平台。通過綜合的業務組合使我們不斷加強與客戶之間的互動和黏性，以實現**協同綜效**，並推動企業持續發展。



CHAIRMAN'S STATEMENT 主席報告書

Despite the complex challenges posed by the pandemic, the Group has remained steadfast in its commitment to sustainable development. In 2022, we opened a total of 20 new direct stores, including 17 traditional beauty service stores, 2 Cellcare stores, and 1 Neology healthcare center. Additionally, we also opened 35 new franchised stores for traditional beauty services. Furthermore, we have upgraded 19 existing traditional beauty service stores, 5 Cellcare stores, and 1 Neology healthcare center, all with the goal of continuously improving our customers' service experience.

Furthermore, the Group has focused on research and innovation in new programs and services, addressing the needs and preferences of its customers, and providing services that bring them value. Specifically, in the traditional beauty service business, we have launched a series of popular women's body care and health procedures that have gained immense popularity among our customers. In aesthetic medical service business, we have obtained five national medical utility model patents, including those related to the field of eye bag surgery, which have been applied in our services. Additionally, we continue to explore the subhealth health assessment and intervention services and set up Women's Special Care Center in 2022, which primarily focuses on women's health issues. Our related research programs have received the first place in the National Health Commission's "14th Five-Year Key Topic Research", opening up new avenues in the field of women's health.

In 2022, we temporarily closed 167 direct stores to comply with government measures related to the COVID-19 pandemic. On average, these stores were closed for 75 days. Despite this, we continued to see growth in the number of active members at our direct stores, with an average of nearly 10 visits per member. Additionally, our three business lines maintained a high repeat purchase rate of 83.2%, which demonstrates the strong bond and resilience we have with our customers.

Continued Investment in Digital Operations System to Enhance Customer Satisfaction

As we continue to expand, the role of digitalization in our operations has become increasingly important. Over the past year, we have remained committed to our digital investment, and our continued efforts in digitalization have enabled us to operate our business more efficiently and effectively. Thanks to our sustained investment over the years, we have developed a core competitive advantage.

面對疫情下的複雜形勢，集團並沒有止步不前，仍保持穩健發展的步伐。就2022年而言，全年共新開業20家直營門店，其中生活美容門店17家，2家秀可兒醫美門診，1家研源抗衰中心，還有新開業35家生活美容加盟門店。同時本集團還對19家生活美容門店、5家秀可兒醫美門診和1家研源抗衰中心進行了升級，致力於為客戶帶來更好的服務體驗。

同時，集團專注新項目和新服務的研發與創新，解決客戶痛點，為客戶提供具有價值的服務。具體而言，在生活美容業務方面，我們推出了系列女性身體保健護理項目，深受客戶喜愛；而在醫療美容業務，我們獲得了五項國家醫療實用新型專利，其中包括與眼袋手術領域相關的專利，這些專利已被應用於我們的服務中；還有亞健康評估與干預服務不斷探索，2022年新設了女性特護中心，聚焦女性健康問題，相關研究課題獲得國家衛健委「十四五」重點課題研究成果一等獎，為女性健康領域開拓新的方向。

在2022年，我們為遵守疫情相關的政府防控政策，167家直營店在一定程度上暫時閉店，平均閉店天數為75天，但我們的直營門店的活躍會員數量保持增長，平均到店次數近10次，三條業務線維持83.2%的高複購率，顯示出我們與客戶之間的高黏性，以及業務韌勁。

持續投資數字化運營體系，提升客戶滿意度

隨著企業規模的擴大，數字化建設的作用愈加凸顯。過去一年我們維持了原有數字化投入預算，集團數字化的完善使我們的業務能夠更加高效、穩定地運營，這得益多年來持續投資，使我們切實積累了核心競爭力。

CHAIRMAN'S STATEMENT 主席報告書

We have made significant progress in enhancing our ability to manage and operate customer integration across online and offline channels. This progress is reflected in our adoption of digital technologies, precise analysis of customer needs, and extension of our analytical models to understand customer satisfaction with our services. These capabilities have positioned us as a leader in the industry, with the ability to cultivate and retain customers, providing sustained momentum for the Company's future development. Despite temporary store closures due to the pandemic, we have seen a steady increase in the penetration rate of active members at our direct stores over the past year.

The Group views digitalization as a key long-term strategy for its business development. Going forward, we will continue to invest in digitalizing our operations, business, and customer management. Our focus will be on strengthening multi-business collaboration, standardizing service processes, empowering our employees through OMO training, improving our understanding of customer needs, and enhancing our operational management to further increase customer satisfaction.

Continuously Strengthening Organizational Capacity and Enhancing Corporate Social Responsibility

Our employees are our most valuable asset, and teamwork is the key to our success. We remain committed to strengthening our team's organizational capacity and improving our service capabilities to meet the ever-changing needs of our customers and the market. We ensure our employees receive stable compensation and benefits, as well as opportunities for training, to maintain our team's high cohesion and creativity. Our shared values of **striving for success and sharing rewards** have become deeply ingrained within the Group. Despite the challenges posed by the pandemic, we achieved excellent results over the past year, demonstrating the importance of our organizational capacity. Specifically, the stability of our professional service team is reflected in the stability of employees and increased corporate recognition. Furthermore, the number of talented professionals recommended by employees has reached a record high.

我們對於客戶線上線下融合管理與運營能力的提升都有長足的進步。具體表現為數字化技術的賦能，精準分析客戶的需求，通過模型的延展分析，了解客戶對服務滿意度，使我們具有領先於行業的納新能力，客戶培育和留存的能力，為企業未來的發展提供持續的動力。過去一年，雖然因為疫情暫時關店，但直營門店活躍會員的滲透率仍然穩中有升。

本集團將數字化作為企業的長期發展戰略。未來，我們持續投資業務、運營和客戶管理的數字化方面。重點加強多業務協同、標準化服務流程，通過OMO培訓賦能員工，提高我們了解客戶需求的能力，以增強經營管理，並進一步提升客戶滿意度。

持續夯實團隊組織能力，並提升企業的社會責任

員工是我們寶貴的財富，團隊合作是我們成功的關鍵。我們始終堅持夯實團隊組織力、提升服務力，以滿足客戶和市場的不斷變化需求。我們始終保障員工穩定薪酬與福利及培訓機會，保持團隊高凝聚力與創造力，**同奮鬥共分享**的價值觀深入人心。即使是面對疫情的挑戰，我們在過去一年仍實現了不錯的業績，表明組織能力發揮了重要作用。具體來說，伴隨員工穩定且企業認同感提升，體現出專業服務團隊的穩定，員工推薦帶來的專業人才人數也創歷史新高。

CHAIRMAN'S STATEMENT 主席報告書

Over 90% of the Group's employees are women, and over the past 30 years, we have created a favorable employment environment and provided diverse livelihood benefits for our female employees. We offer multiple career advancement opportunities, enabling our employees to surpass their individual potential. We have established employee stock ownership plans at different levels, and we will continue to strengthen our talent recruitment efforts. By co-creating a shared vision, setting clear career development paths, and offering benefits sharing, we aim to attract and retain talented individuals.

Continuously Deepening Industry Collaboration and Innovation, with a Focus on Establishing Industry Standards

As a leading enterprise in the industry, we actively participate in industry-related work, sharing our professional knowledge and management experience and contributing to the industry's development. Through deepening collaboration with upstream and downstream suppliers and outstanding enterprises, we integrate industry resources, promote industry innovation, and work towards long-term development.

集團的女性員工佔比超九成，近30年的發展，我們為女性員工創造良好就業環境，提供多元生活保障，有著多級晉升通道，不斷實現個人價值超越。我們已經設立了不同層級的員工持股計劃，我們還會繼續加強人才引進，通過共創願景，設定職業發展通道，以及利益共享來實現招募與保留人才。

持續深化行業合作與創新，將以逐步建立行業標準為己任

作為行業的頭部企業，本集團積極的參與行業相關工作，分享我們的專業知識及管理經驗，貢獻企業微薄之力。同時，通過深化與上下游供應商及優秀企業的合作，整合行業資源，推動行業創新，共謀長期發展。



CHAIRMAN'S STATEMENT 主席報告書



For many years, we have been committed to providing **customer-oriented** high-quality services, and as a result, we were honored with the 2022 The Quality Award of The Shanghai Hongkou District Mayor — Gold Prize. This award is a high recognition of the Group's quality service management model and leading position in the industry. We will take this award as a starting point to promote the standardization of the industry and support the development of high-quality peers in the industry.

Appreciation

The market for beauty and health management services in China is growing steadily and has great potential. We are confident in our future market share growth prospects. We believe that 2023 will be a new starting point for the Company's development, as the pandemic recedes and life returns to normal. With the implementation of China's supportive economic policies and people's upgraded aspirations for a better life after the pandemic, new opportunities will emerge for the Group's development.

多年來踐行**以客為本**優質服務，榮獲2022年度上海市虹口區區長質量獎金獎，此獎項是對本集團所提供的優質服務管理模式以及所處的行業領先地位的高度認可。我們將以此獎項為起點，推動行業的標準化制定，為促進同行業高品質發展提供助力。

致謝

中國美與健康管理服務市場長坡厚雪，市場廣闊，增速持續可期，我們對未來市場份額的增長前景充滿信心。我們相信，隨著疫情的消退和生活的恢復，2023年將成為公司發展的新起點，伴隨政府出台各項經濟復蘇政策，以及疫情復蘇後人們對美好生活嚮往的升級，將給集團發展帶來新機遇。

CHAIRMAN'S STATEMENT 主席報告書

We respect the market, comply with the trend, focus on customer needs, actively and steadily expand our business while continuously striving for excellence in our core capabilities. We firmly believe that we can adapt to market changes and promote continuous and stable performance growth.

Finally, on behalf of the Board of Directors, we express our sincere gratitude to all our valued customers and shareholders for their unwavering trust and support throughout the year. We also extend our utmost respect to our dedicated team for their tireless efforts and hard work. As Beauty Farm enters a new era, we, as **a leader in beauty and health industry**, remain **committed to our customer-centric approach, continuous innovation, collaborative teamwork, and comprehensive value sharing**, creating greater value for our shareholders through exceptional performance while making a meaningful contribution to society.

Yours faithfully,
Mr. Li Yang
Chairman

我們敬畏市場，順從大勢，圍繞客戶需求，積極穩健地拓展業務，在核心能力上不斷進取，我們堅信一定能夠適應市場變化，推動持續穩定的業績增長。

最後，本人代表董事會向各位客戶、股東過去一年來的信任和支持表示衷心的感謝和感恩，亦對全體團隊的不懈努力和拼搏付出致以崇高的敬意。企業上市是美麗田園而立之年的標誌，美麗田園將以**美與健康的領航者**為企業的願景，堅持**以客為本、持續創新、協同綜效、同奮鬥共分享**的價值觀，以卓越的業績為股東創造更大的價值，為社會做出更大的貢獻。

李陽先生
主席
謹啟

FINANCIAL SUMMARY

財務概要

Year ended December 31,
截至十二月三十一日止年度

		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收入	1,635,414	1,780,740	1,503,296	1,404,752
Gross Profit	毛利	717,842	833,786	700,024	708,341
Gross profit margin	毛利率	43.9%	46.8%	46.6%	50.4%
Net Profit	淨利潤	110,532	208,341	152,185	147,423
Adjusted net profit (non-HKFRS measure)	經調整淨利潤 (非香港財務報告準則計量)	157,359	226,694	159,173	149,015
Adjusted net profit margin (non-HKFRS measure)	經調整淨利潤率 (非香港財務報告準則計量)	9.6%	12.7%	10.6%	10.6%
Earnings per share	每股盈利				
— Basic (RMB)	— 基本(人民幣元)	0.52	0.97	0.76	0.70
— Diluted (RMB)	— 攤薄(人民幣元)	0.52	0.97	0.76	0.70
Adjusted earnings per share (non-HKFRS measure)	經調整每股盈利 (非香港財務報告準則計量)				
— Basic (RMB)	— 基本(人民幣元)	0.75	1.06	0.79	0.71
— Diluted (RMB)	— 攤薄(人民幣元)	0.75	1.06	0.79	0.71

As of December 31,
於十二月三十一日

		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Total assets	資產總值	2,495,389	2,477,312	2,103,188	1,818,627
Total equity	權益總額	203,109	262,536	140,708	52,755
Total liabilities	負債總額	2,292,280	2,214,776	1,962,480	1,765,872
Cash and cash equivalents	現金及現金等價物	164,120	157,284	143,538	104,819

FINANCIAL SUMMARY

財務概要

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 to evaluate 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.

非香港財務報告準則計量

為補充本集團根據香港財務報告準則呈列之綜合財務報表，本公司已將香港財務報告準則並無規定或並非按香港財務報告準則呈列之經調整淨利潤及經調整淨利率作為非香港財務報告準則財務計量。本公司認為，經調整財務計量為股東及潛在投資者提供有用資料以供其了解及評估本集團的綜合損益表，其作用與其協助本公司管理層的方式無異，且認為通過消除本集團認為並非本集團營運表現指標之項目的影響，有助本公司管理層及投資者參照該等經調整財務計量評估本集團不同年度的財務及營運表現。然而，該等呈列之非香港財務報告準則財務計量不應獨立考慮或作為根據香港財務報告準則編製及呈列的財務資料的替代。股東及潛在投資者不應獨立看待經調整業績，或視其為香港財務報告準則下業績的替代或可與其他公司所申報或預測的業績相比較，因其不具備標準的意義。此外，該等非香港財務報告準則財務計量作為分析工具有其限制，而且可能與其他公司所用的類似詞匯有不同的定義。

本公司提供以下額外資料以對經調整非香港財務報告準則淨利潤進行對賬。

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit for the year	年內利潤	110,532	208,341
Adjusted for:	調整：		
Share-based compensation expenses	以股份支付的報酬開支	14,178	6,290
Listing expenses	上市開支	32,649	12,063
Adjusted profit for the year (non-HKFRS measure) (Note)	經調整年內利潤(非香港財務 報告準則計量)(附註)	157,359	226,694

Notes:

To better reflect the key performance of the Group's current business operations, the adjusted net profit under non-HKFRS is calculated based on net profit, but does not include:

- a) Share-based payment expenses, which are non-cash expenses incurred for the grant of share awards to certain management personnel and do not result in cash outflow.
- b) Listing expenses related to the Listing and Global Offering.

附註：

為更好地反映本集團現有業務營運的關鍵表現，經調整非香港財務報告準則淨利潤乃根據淨利潤計算，惟不包括：

- a) 股份支付開支為授予若干管理人員股份獎勵所產生的非現金開支，並無引致現金流出。
- b) 上市開支為有關上市及全球發售的開支。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

2022 was a challenging year for the Group. On April 22, 2022, the Group submitted a listing application to the Stock Exchange, marking the first step in our journey to the capital market. On January 16, 2023, we successfully completed the Global Offering, which was a significant milestone in the history of the Group. On the other hand, the recurrence of COVID-19 (the "Pandemic") continued, especially in the first half of 2022, when epidemic prevention measures were tightened in various areas and certain cities remained locked down. Consumers' attitudes towards travel and consumption were cautious, which posed challenges to the financial performance of the Group. In 2022, we adhered to our prudent development strategy, maintained our original store-opening plan, and actively promoted continuous employee training, digital construction and product development. This enabled the Group to better cope with external pressures, to seize recovery opportunities in a timely manner, to maintain a high level of competitiveness, and to help the recovery of the Group's profitability as soon as possible in a challenging external environment.

We are the largest provider of traditional beauty services and the fourth largest non-surgical aesthetic medical service provider in China with a market share of 0.2% and 0.6%, respectively, as measured by revenue in 2021. Our diversified service offerings cover traditional beauty services, aesthetic medical services (including both (i) non-surgical aesthetic medical services such as energy-based services and injection services and (ii) surgical aesthetic medical services) as well as subhealth assessment and intervention services that are all personalized to serve our clients' health and beauty desire. The Group operates multiple chain brands in China's beauty and health management service industry, including BeautyFarm (美麗田園), our flagship brand established in 1993, and three other brands, namely, Palaispa (貝黎詩), Neology (研源) and CellCare (秀可兒). The Group has built a national direct store network, which consisted of 189 direct stores including 91 stores in tier-one cities and 76 stores in new tier-one cities, as of December 31, 2022. In addition, our extensive national store network included 189 stores operated by our franchisees as of the same date.

Our clients are at the core of our business. Our comprehensive service offerings have attracted a large base of active clients. They enjoy high spending power, and constantly pursue a healthy lifestyle and physical appeal. In 2022, our direct stores served 78,318 active members, which increased by 1.2% compared with it in 2021. Our active members from direct stores made a total of 947,274 visits with an average of 9.5 visits and an average spending of RMB18,586 in 2022. 83.2% of our active members made multiple purchases of our services in 2022. In addition, 72.3% of our active members in 2019 made multiple purchases of our services from 2020 to 2022, demonstrating the high stickiness of our customers. In addition to our increasing client volume in direct stores, our franchised stores served 29,899 active members in 2022, which increased by 7.1% compared with it in 2021.

業務回顧

2022年是充滿挑戰的一年。本集團於2022年4月22日遞表港交所，開啟我們走向資本市場的第一步，並於2023年1月16日成功完成全球發售，這是本集團歷史上的一項重大里程碑。另一方面，COVID-19疫情（「疫情」）不斷反覆，尤其是2022年上半年，各地防疫措施有所收緊，部分城市持續封城，消費者對出行與消費態度謹慎，對本集團財務表現造成挑戰。在2022年，我們堅持穩健發展戰略，維持原有開店計劃。我們亦積極推進員工持續培訓，數字化建設與產品研發，使得本集團能夠更好地應付外部壓力，及時抓住恢復機遇，保持企業的高競爭力，在充滿挑戰的外界環境下，幫助本集團盈利能力儘快恢復。

按2021年收入計，本集團是中國最大的傳統美容服務提供商和第四大的非外科手術類醫療美容服務提供商，分別佔市場份額的0.2%及0.6%。本集團的多元化服務涵蓋傳統美容服務、醫療美容服務（包括(i)非外科手術類醫療美容服務，如能量儀器服務與注射服務及(ii)外科手術類醫療美容服務）以及亞健康評估及干預服務，這些服務均從每位客戶的個人需求出發，以滿足其追求健康與美麗的願望。本集團在中國美麗與健康管理服務行業經營多個連鎖品牌，包括本集團於1993年建立的旗艦品牌美麗田園及三個其他品牌，即貝黎詩、研源及秀可兒。截至2022年12月31日，本集團已建立由189家直營店組成的全國直營店網絡，包括位於一線城市的91家門店及位於新一線城市的76家門店。此外，截至同日，本集團廣泛的全國門店網絡還包括189家由加盟商經營的門店。

客戶是我們業務的核心。我們的全面服務組合讓我們吸納龐大的活躍客戶群。他們具備高消費能力，並一直尋求健康的生活方式及具吸引力的儀容。於2022年，我們的直營店服務78,318名活躍會員，較2021年上升1.2%。於2022年，來自直營店的活躍會員到店次數達到947,274次，平均到店達到9.5次，平均消費人民幣18,586元，我們活躍會員中的83.2%於2022年多次購買了我們的服務。此外，在我們2019年的活躍會員中72.3%於2020年至2022年間進行了多次購買了我們的服務，顯示出我們與客戶之間的高黏性。除不斷增長的直營店客戶數量外，於2022年，我們的加盟店服務了29,899名活躍會員，較2021年上升7.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For the year ended December 31, 2022, the Group's revenue was RMB1,635.4 million, representing a decrease of 8.2% as compared with RMB1,780.7 million in 2021. For the year ended December 31, 2022, the gross profit was RMB717.8 million, with a gross profit margin of 43.9%.

截至2022年12月31日止年度，本集團的收入為人民幣1,635.4百萬元，較2021年收入人民幣1,780.7百萬元降低8.2%。截至2022年12月31日止年度，毛利為人民幣717.8百萬元，毛利率為43.9%。

The following table sets forth a breakdown of the Group's revenue, gross profit and gross profit margin by business lines for the years indicated:

下表載列所示年度本集團按業務線劃分的收入、毛利及毛利率明細：

		For the year ended December 31							
		2022				2021			
		2022年				2021年			
		Revenue		Gross profit	Gross profit	Revenue		Gross profit	Gross profit
		收入		毛利	毛利率	收入		毛利	毛利率
		RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%	人民幣千元	%	人民幣千元	%
Traditional beauty services	傳統美容服務								
— Direct stores	— 直營店	835,609	51.1	280,141	33.5	941,357	52.9	360,621	38.3
— Franchisee and others	— 加盟商及其他	111,137	6.8	68,507	61.6	105,427	5.9	60,621	57.5
Aesthetic medical services	醫療美容服務	620,199	37.9	342,803	55.3	673,025	37.8	386,360	57.4
Subhealth assessment and intervention services	亞健康評估及干預服務	68,469	4.2	26,391	38.5	60,931	3.4	26,184	43.0
Total	合計	1,635,414	100.0	717,842	43.9	1,780,740	100.0	833,786	46.8

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table sets forth a breakdown of the Group's revenue, gross profit and gross profit margin by brands for the years indicated:

下表載列本集團於所示年度按品牌劃分的收入、毛利及毛利率明細：

		For the year ended December 31							
		截至12月31日止年度							
		2022		2021					
		2022年		2021年					
		Revenue		Gross profit	Gross profit	Revenue		Gross profit	
		收入		毛利	毛利率	收入		毛利	毛利率
		RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%	人民幣千元	%	人民幣千元	%
BeautyFarm (美麗田園)	美麗田園	769,211	47.0	266,237	34.6	855,966	48.1	328,562	38.4
Palaispa (貝黎詩)	貝黎詩	66,398	4.1	13,904	20.9	85,391	4.8	32,059	37.5
CellCare (秀可兒)	秀可兒	620,199	37.9	342,803	55.3	673,025	37.8	386,360	57.4
Neology (研源)	研源	68,469	4.2	26,391	38.5	60,931	3.4	26,184	43.0
Franchisee and others	加盟及其他	111,137	6.8	68,507	61.6	105,427	5.9	60,621	57.5
Total	合計	1,635,414	100.0	717,842	43.9	1,780,740	100.0	833,786	46.8

Traditional Beauty Services

For the year ended December 31, 2022, the revenue generated from the direct stores of traditional beauty services of the Group was RMB835.6 million, representing a decrease of 11.2% as compared to the previous year. The traditional beauty services of the Group primarily include facial and body care service procedures intended to improve skin condition and overall physical well-being of our clients, which are non-medical and non-invasive in nature. Based on the efforts and commitment of the Group, the number of active members of the Group continues to grow. For the year ended December 31, 2022, the number of active members of the Group's traditional beauty services was 75,744, representing an increase of 0.3% as compared to 2021.

傳統美容服務

截至2022年12月31日止年度，本集團的傳統美容服務中直營門店收入為人民幣835.6百萬元，較上年下降11.2%。本集團的傳統美容服務主要包括面部及身體護理服務項目，旨在改善顧客的皮膚狀況和整體身體健康，屬非醫療及非侵入性質。基於本集團的承擔與努力，本集團的會員人數不斷增長，截至2022年12月31日止年度，接受本集團傳統美容服務的會員人數為75,744人，較2021年增加0.3%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table presents the key operational data of the traditional beauty services of the Group: 下表說明本集團傳統美容服務的主要運營數據：

		For the year ended December 31	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
Number of client visits	客流	885,927	993,235
Number of active members served	所服務活躍會員人數	75,744	75,548
Average spending per active member (RMB)	每名活躍會員的平均消費 (人民幣元)	10,383	11,843
Number of visits per active member	每名活躍會員到店次數	9.0	10.2

Aesthetic Medical Services

For the year ended December 31, 2022, the revenue of aesthetic medical services of the Group was RMB620.2 million, representing a decrease of 7.8% as compared to the previous year. We win client trust through our traditional beauty services, and then extend to aesthetic medical services and subhealth assessment and intervention services across the full client lifecycle. Our clients have a long history of trusting our consistent service quality and brand characteristics, based on which more clients are attracted to purchase our aesthetic medical services and subhealth assessment and intervention services to meet their needs on beauty and health. In 2022, 23.7% of the active members of our traditional beauty services purchased aesthetic medical services or subhealth assessment and intervention services, representing an increase of 2 percentage points as compared with 2021, which is expected to further grow in the future. For the year ended December 31, 2022, the number of active members of the Group's aesthetic medical services was 18,735, representing an increase of 10.9% as compared with the previous year.

醫療美容服務

截至2022年12月31日止年度，本集團的醫療美容服務收入為人民幣620.2百萬元，較上年下降7.8%。本集團通過傳統美容服務贏得客戶的信任，進而在客戶全生命周期擴展至醫療美容服務以及亞健康評估及干預服務。客戶對我們始終如一的服務質量及品牌特性信賴已久，越來越多的客戶受此吸引接受醫療美容服務和亞健康評估及干預服務，滿足其對美與健康的需求。於2022年，23.7%的傳統美容服務會員購買了醫療美容服務或亞健康評估及干預服務，較2021年上漲2個百分點，預期這一比例於日後將進一步增長。截至2022年12月31日止年度，接受本集團醫療美容服務的會員人數為18,735人，較上年增加10.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table presents the key operational data of the aesthetic medical services of the Group:

下表說明本集團醫療美容服務的主要運營數據：

		For the year ended December 31 截至12月31日止年度	
		2022 2022年	2021 2021年
Number of client visits	客流	50,735	52,962
Number of active members served	所服務活躍會員人數	18,735	16,896
Average spending per active member (RMB)	每名活躍會員的平均消費 (人民幣元)	33,104	39,833
Number of visits per active member	每名活躍會員到店次數	2.7	3.1

Subhealth Assessment and Intervention Services

For the year ended December 31, 2022, the revenue of subhealth assessment and intervention services of the Group was RMB68.5 million, representing an increase of 12.4% as compared to the previous year. For the year ended December 31, 2022, the number of active members of the Group's subhealth assessment and intervention services was 3,070, representing an increase of 14.8% as compared with the previous year.

亞健康評估及干預服務

截至2022年12月31日止年度，本集團的亞健康評估及干預服務收入為人民幣68.5百萬元，較上年增加12.4%。截至2022年12月31日止年度，接受本集團亞健康評估及干預服務的會員人數為3,070人，較上年增加14.8%。

The following table presents the key operational data of the subhealth assessment and intervention services¹ of the Group:

下表說明本集團的亞健康評估及干預服務¹的主要運營數據：

		For the year ended December 31 截至12月31日止年度	
		2022 2022年	2021 2021年
Number of client visits	客流	10,612	8,755
Number of active members served	所服務活躍會員人數	3,070	2,675
Average spending per active member (RMB)	每名活躍會員的平均消費 (人民幣元)	15,967	16,364
Number of visits per active member	每名活躍會員到店次數	3.5	3.3

¹ When analyzing per store performance and same-store sales, we exclude the cooperation fee in relation to subhealth assessment and intervention services (namely, RMB19.4 million and RMB17.2 million in 2022 and 2021 respectively) as it cannot be properly attributable to operation of any specific stores

¹ 在分析單店表現及同店銷售額時，我們不計及有關亞健康評估及干預服務的合作費（即2022年和2021年金額分別為人民幣19.4百萬元及人民幣17.2百萬元），原因為其不能適當歸屬於任何特定門店的運營。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Business Development

1. Impact of the Pandemic

During the Reporting Period, economic activities in various cities across the country were weakened due to the impact of the Pandemic, which also had a significant impact on our business operations. To actively comply with relevant government policies for Pandemic prevention and control, 167 of our direct stores were temporarily closed to a certain extent, with an average closure period of approximately 75 days. From March to June, 2022, Shanghai experienced large-scale store closures due to lockdowns, resulting in a 22% year-on-year decline in revenue of the Group. From July to October, 2022, as the Pandemic prevention and control policies eased, stores gradually reopened, and customer flow rebounded, leading to an 11% year-on-year growth in revenue. From November to December, 2022, after the nationwide Pandemic prevention and control policies were lifted, both employees and consumers experienced a slow process of infection and recovery, leading to another 22% year-on-year decline in revenue.

Due to the different characteristics of our three major businesses, their respective impact from the Pandemic varies. Our traditional beauty services, which are mainly focused on multi-frequency services, was hit the hardest, followed by aesthetic medical services. However, as customers' awareness of their health status increased after the Pandemic, our subhealth assessment and intervention services saw an increase in both client visits and revenue. To mitigate the impact of the Pandemic, we took proactive measures during the Pandemic, such as promoting our services through online channels, including live streaming, online interactions among members and community group purchases. As a result, we maintained stable customer and member demand for our prepaid packages during the Pandemic.

Beginning from January 2023, with the gradual lifting of national pandemic control measures, the consumer market in various regions has seen a gradual recovery, and the client visits and revenue of our stores have significantly rebounded. As of March 26, 2023, both our client visits and average spending per visit show a low double digit growth as compared with the same period in 2022. This indicates a rapid rebound in consumer demand for beauty services and at the same time highlights the efficiency of the Group's internal management and the influence of our brands, giving us confidence in the recovery of our business performance in 2023.

業務進展

1. 疫情影響

於報告期間，全國各城市均因疫情影響導致經濟活動減弱，我們的業務經營也受到了很大的影響。為積極遵守疫情相關的政府防控政策，我們的167家直營店在一定程度上暫時閉店，平均閉店天數約為75天。其中2022年3-6月，上海經歷封城大面積門店持續關閉，本集團收入同比下降22%；2022年7-10月隨著疫情防控政策的緩解，門店逐步開門營業，客流反彈，收入同比增長11%；2022年11-12月全國疫情防控政策全面放開後，員工和消費者都經歷了感染和恢復的緩慢過程，導致收入再次同比下降22%。

本集團三大業務由於各自不同的特性，受疫情影響的程度也有所不同。以多頻次服務為主的傳統美容受創影響最大，其次為醫療美容；但隨著疫情後客戶對身體健康狀態的關注度提高，我們亞健康評估及干預服務業務客流和收入均呈現增長趨勢。為盡量減輕疫情的影響，我們採取積極措施，於疫情反覆期間通過直播、會員之間的線上互動及社區團購等線上管道推廣我們的服務，因此，疫情期間仍有穩定的顧客及會員願意向我們購買預付套餐。

自2023年1月起隨著國家疫情管控逐步全面放開，各地消費市場「漸進式回暖」，我們門店的客流量和收入都有較大程度回升。截至2023年3月26日，與2022年同期相比，客流和客單均有低兩位數增長。反彈的力度一方面反映了消費者對追求美與健康的需求，另一方面也體現出集團高效的組織能力和一定的品牌影響力，讓我們對2023年的業績恢復充滿信心。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2. Maintaining operation stability and expanding store network in an orderly manner

In 2022, despite the impact of the Pandemic, the Group continued to steadily expand its store network in order to maintain operation stability. As of December 31, 2022, the Group's extensive store network includes 189 direct stores and 189 franchised stores. During the Reporting Period, the Group opened 20 new direct stores, including 17 traditional beauty service stores, and established new Cellcare stores in Jinan and Xiamen, as well as one Neology healthcare center in Xi'an. In addition, the Group upgraded 19 traditional beauty service stores, five Cellcare stores, and one Neology healthcare center. While actively expanding its direct stores, the Group has also continued to expand its franchisee network. In 2022, the Group opened 35 new franchised stores.

2. 保持業務定力，門店網絡有序擴張

2022年度，本集團雖然受到疫情影響，但為保持業務定力仍平穩有序地進行網路擴張。截至2022年12月31日，本集團龐大的門店網絡包括189家直營店及189家加盟店。於報告期間，集團新開設直營店達到20家，其中傳統美容門店17家，在濟南、廈門兩地新開設醫美門診，在西安新開設研源醫療中心。此外本集團還對19家生美門店、5家醫美門診和1家研源醫療中心進行了升級。本集團在積極擴張直營門店的同時，也在持續拓展加盟商網絡，於2022年，本集團新開設加盟門店達到35家。

For the year ended December 31

截至12月31日止

2022

2022年度

		Direct stores 直營店	Franchised stores 加盟店
At the beginning of the year	於年初	177	160
Opening of new stores	新門店開張	20	35
Acquisition of new stores	收購新門店	—	—
Closure of stores	關閉門店	8	6
Total	總計	189	189

3. Promoting product and service innovation

Due to the impact of the Pandemic and changes in the market, customers' demand for physical healthcare has gradually expanded. The Group's traditional beauty business has continuously gained insight into the needs of modern professional women for physical healthcare, and has further innovated and developed a series of women's physical healthcare products, which focuses on the adjustment of traditional healthcare and subhealth. As a result, the proportion of physical healthcare in the traditional beauty business has been further expanded during the year.

3. 推進產品和服務創新

受疫情影響和市場的變化，客戶對身體保健需求逐步提升，集團傳統美容業務不斷觀察現代職業女性對身體保健的需求，進一步創新和研發了一系列女性身體保健護理項目，致力於生活保健及身體亞健康狀態的調整，使本年度傳統美容業務身體護理佔比有所擴大。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Reporting Period, our aesthetic medical business has devoted more effort in the field of research and innovation. For the year ended December 31, 2022, we have obtained five national medical utility model patents, including “a roller needle with dense needle point arrangement (一種密集針尖排列的滾針) (patent number: 2022204618075)” and “an electrocoagulation knife with adjustment function for eye bag surgery (一種眼袋手術用具有調節功能的電凝刀) (patent number: 2022222350712)”. Two of our national medical technology invention patents have entered the public examination stage, and two of our self-developed technologies are in the patent application stage.

In 2022, we established a Women’s Special Care Center as part of our subhealth assessment and intervention services business. The center focuses on women’s health issues. The “Female Reproductive Mucosa Health and Related Diseases Clinical Diagnosis and Treatment Research” Project declared by our scientific research team was successfully completed and it won first place in the National Health and Medical Commission’s “14th Five-Year Key Topic Research”. The Group is constantly exploring and opening up new directions in the field of women’s health.

4. Professional stabilization and in-house training

The Group has maintained its strong ability to attract, cultivate, and retain employees. As of December 31, 2022, we had a total of 3,707 full-time employees. Our service personnel as well as sales and marketing staff mainly work in our stores throughout China, while other employees primarily work at our Shanghai headquarters. The following table sets forth a breakdown of our full-time employees by function as of December 31, 2022.

報告期間內，我們的醫療美容業務在科研與創新領域努力耕耘。截至2022年12月31日止年度，我們已持有包括「一種密集針尖排列的滾針(專利號2022204618075)」、「一種眼袋手術用具有調節功能的電凝刀(專利號2022222350712)」等在內的5項國家醫療實用新型發明專利；同時，2項國家醫療技術發明專利已進入公開審驗階段，2項自研技術正處於專利申請階段。

我們的亞健康評估及干預服務業務於2022年新設立了女性特護中心，聚焦女性健康問題，我們科研團隊申報的《女性生殖黏膜健康與相關疾病臨床診斷及治療研究》課題圓滿結項並獲得國家衛健委「十四五」重點課題研究成果一等獎，為中國女性健康領域不斷探索並開拓新的方向。

4. 專業人員穩定和內部培訓

本集團在吸引、栽培及留任員工方面依然保持極強的能力。截至2022年12月31日，我們共有3,707名全職員工。我們的服務人員以及銷售及營銷員工主要在我們遍佈全中國的門店工作，其他員工則主要在上海總部辦事處工作。下表載列截至2022年12月31日全職員工按職能劃分的明細。

As of December
31 2022
截至2022年
12月31日

Service personnel	服務人員	1,914
General and administrative staff	一般及行政人員	970
Sales and marketing staff	銷售及營銷人員	733
R&D staff	研究及開發人員	90
Total	總計	3,707

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The qualifications and expertise of our service personnel are crucial to our competitiveness and long-term success. Our physicians and nurses have obtained the requisite qualifications and were registered with local authorities in accordance with applicable laws and regulations. Our trained therapists are not required to be licensed or registered under applicable PRC laws and regulations, but we will provide training to all therapists and require all therapists to pass our internal evaluations before commencing their roles. The following table sets forth a breakdown of the service personnel team members at the Group's stores as of December 31, 2022:

我們的服務人員的資格及專業知識對我們的競爭力及長遠成功至關重要。我們的醫生及護士已取得相關所需資格，並根據適用法律及法規向當地機關註冊。根據中國適用法律及法規，我們經培訓的美療師毋須獲得執照或註冊，惟我們將為所有美療師提供培訓，並要求所有美療師於開始工作前通過我們的內部評估。下表載列截至2022年12月31日本集團門店的服務人員團隊成員的明細：

		As of December 31 2022 截至2022年 12月31日
Registered physicians	註冊醫生	113
Registered nurses	註冊護士	145
Pharmacists	藥劑師	12
Trained therapists providing traditional beauty services	提供傳統美容服務的經培訓的美療師	1,480
Store directors	店長	164
Total	總計	1,914

In 2022, we continued to provide various training programs to enhance the professional capabilities of our employees. Especially during the period of store closures due to the Pandemic, we took the initiative to provide project retraining and pre-learning for new product launches through our internal online education platform and micro-courses to consolidate knowledge, improve skills, and fully prepare to provide excellent customer service upon reopening. Throughout the year, we launched nearly 3,000 learning projects, with over 50,000 cumulative participants and a total of more than 100,000 effective learning hours.

2022年我們仍持續為員工專業能力提升提供各類培訓，尤其在疫情閉店期間，我們主動通過內部線上教育平台、線上微課形式，進行項目複訓、新產品上市前置學習，為鞏固知識、提升技能，開業服務好客人全力準備。全年共開展將近3,000個學習專案，累計學習人次超過5萬次，有效學習時長超過10萬小時。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's aesthetic medical business adheres to technology as the core, and continuously improves the professional technical training of our physicians. For new physicians, the Group carried out the "Elite Physician Technical Training" project. In 2022, we focused on all-round basic training for dermatologists focusing on dermatology clinical practices, practical skills and standardized service consultation procedures. During the year, the Group completed the training of 13 dermatologists who demonstrated excellent practice results in outpatient performance. For in-service physicians, we closely cooperated with upstream suppliers, participated in expert guidance of new technologies and new products, standardized delivery processes, in-depth seminars and technical certification, and continuously improved the practical ability of physicians, so as to improve product efficiency and customer satisfaction. We also continue to provide external training and related academic seminars on new technologies and products in the market, so as to continuously improve the professional ability of physicians and improve customer satisfaction.

During the Pandemic in 2022, the Group took advantage of the opportunity presented by store closures to maintain the stability and retention of its professional staff through measures such as organizing online team building activities, recognizing outstanding employee achievements and implementing a special compensation protection system. In addition, as a result of improved employee morale and identification with the Company, the number of professional talents recommended internally reached a new historical high in 2022.

5. Committing to digital investments in order to yield results

The Group is committed to long-term strategic investment in digital construction and firmly believes that digitalization will continue to enhance the Company's competitiveness and become a new driver of its business growth.

In 2022, our digital construction achieved the research and iterative operation of 10 important self-developed systems, including the store operation management system, the Beautyfarm WeChat applet, the customer management function in Enterprise WeChat, and so on. We have also adopted the latest digital architecture and designed a digital system for the Group. We have built an innovative online-offline integrated operation platform that is unique in the industry. Through the digital collection of customer information in our comprehensive network, we further identify the various needs of customers for different businesses. Combined with the unique customer service process of Beauty Farm, a unique private domain ecological business model has formed, which provides customers with more detailed and tailor-made services, and improves our operational efficiency and customer satisfaction.

本集團醫療美容業務秉承堅持以技術為核心，不斷精進醫生的專業技術實操培訓。對於新晉醫生，集團開展「菁英醫師技術實訓」項目，2022年我們主要對皮膚科醫生聚焦皮膚科臨床，精湛實操技術，規範服務接診流程的全方位基礎培訓。本年度本集團完成了13名皮膚科醫生的培訓，彼等在門診表現中體現出了優秀的實踐成果。對於在職醫生，我們與上游供應商深度合作，參與其新技術新產品的專家指導、規範交付流程、深入研討和技術認證，持續提升醫生的實操能力，提高產品效率和客戶滿意度。我們也不斷提供市場新技術、新產品的外部培訓和相關學術研討，以持續提高醫生的專業能力，提升客戶的滿意度。

於2022年，本集團在疫情期間，充分利用門店閉店之機會，通過組織線上「雲團建」、員工優秀事例表彰、特殊時期薪酬保障制度等措施，維持了專業人員的保留與穩定；此外，伴隨人員穩定且員工企業認同感提升，2022年內部推薦帶來的專業人才人數也創歷史新高。

5. 堅持數字化投入成果顯現

本集團堅持長期戰略性投資數字化建設，並堅信數字化對業務的賦能將持續提升公司的競爭力，以及通過數字化可打開新的業務增長點。

2022年我們的數字化建設在門店運營管理系統、美田線上小程序、企業微信客戶管理功能等10個重要系統實現研發和迭代。同時，我們採用最新的數字化架構，設計本集團的數字系統，建設了在行業內具有獨創性的線上線下一體化融合運營平台。通過覆蓋全渠道鏈路的客戶信息數字化收集，進一步洞察客戶對不同業務的各類需求，結合美麗田園特有的客戶服務流程，從而形成企業獨有的私域生態經營模式，為客戶提供更細緻、周到的服務，提升運營效能和客戶滿意度。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

With the empowerment of digital technology, we have gained a leading position in the industry in terms of acquiring new customers, cultivating and retaining customers, as well as customer contribution and engagement. This has helped us solidify our market leadership and provided sustained momentum for the future development of the Company.

6. Deepening upstream cooperation and establishing industry standards

We value establishing long-term and good collaborative research relationships with quality upstream industry suppliers, as well as scientific research units and organizations that provide professional medical technology and equipment services. In July 2022, CellCare (秀可兒), an aesthetic medical brand under the Group, established the “Super Brand Alliance” with Allergan, a leading global medical aesthetic biopharmaceutical enterprise, and won the title of “China Leading Enterprise of Juvederm Family” with their first “Super Brand Day” event, “Go With Allergan”. At the end of 2022, we reached a strategic cooperation with IMEIKE, a leading domestic provider of innovative aesthetic medical products. We enriched and improved a number of medical service technologies that have industry differentiation through mutual sharing of technical resources, so as to launch a number of new product and treatment service co-creation R&D initiatives.

During the year, we were honored with the 2022 Shanghai District Mayor’s Quality Award (2022年度上海市區長質量獎金獎), which is a high recognition and affirmation of the quality service management model, leading position in the industry and social benefits achieved by the Group. Taking this award as a starting point, we will promote the standardization of the industry and provide assistance for the quality development of peer companies.

Future Outlook

1. Strategically expanding service network and marketing channels to expand customer base and enhance brand awareness

We will continue to strategically expand our service network and plan to open over 50 new direct and franchised stores for our traditional beauty services in 2023. We will also continue to open new Cellcare stores in regions not yet covered by our aesthetic medical services, and expand our Neology healthcare centers in suitable regions as customer numbers increase. In addition, we will continuously upgrade our operations at both traditional beauty stores and Cellcare stores to enhance customer comfort.

通過數字技術的賦能，我們具備領先於行業的納新客能力、客戶培育和留存表現、以及客戶平均貢獻和活躍度等，進而鞏固我們的市場領導地位，為企業未來的發展提供持續的動力。

6. 深化上游合作，樹立行業標準

我們重視與行業優質上游廠商、提供專業醫療技術及設備服務的科研單位和組織建立長期良好的合作共研關係。2022年7月，本集團旗下醫美品牌秀可兒與全球醫美生物製藥領先企業艾爾建公司建立了「超品聯盟」合作關係，在首屆超級品牌日「與艾同行」活動中，榮獲喬雅登家族中國領航機構稱號。2022年末與國內領先的醫療美容創新產品提供商愛美客公司達成戰略合作，通過雙方技術資源互享，進一步充實提升多項具有行業差異化的醫療服務技術，並以此啟動多項全新產品及治療服務的共創研發。

本年度，我們榮獲2022年度上海市區長質量獎金獎。此獎項是對本集團所提供的優質服務管理模式，所處的行業領先地位以及所取得的社會效益的高度認可和肯定。我們將以此獎項為起點，推動行業的標準化制定，為促進同行企業高品質發展提供助力。

未來展望

1. 策略性擴張服務網路及行銷管道，以擴大客戶群及提升品牌知名度

我們將繼續策略性地拓張服務網路，2023年預計通過自建及加盟的方式新開設傳統傳統美容服務門店超過50家。我們亦將繼續在醫美尚未覆蓋的區域不斷開設秀可兒門診，隨著客戶數量的增加，在合適的地區也會繼續開拓研源醫療中心。同時也將不斷升級迭代傳統美容門店和秀可兒門診，提升客戶的舒適度。

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Mergers and acquisitions will also serve as an important measure for the Group to expand its scale, bringing rapid growth to the Group. We will actively pay attention to the leading chain brands in the direct sales areas. We will consolidate our market position in such areas through mergers and acquisitions or strategic investments, effectively expanding our customer base and further developing such regions. In addition, we are considering acquiring franchised regions with excellent performance, empowering such regions through direct operation, and driving the acceleration of growth for our three beauty businesses. We will also cooperate with peer companies that appear in the post-Pandemic era and intend to be disposed of to undertake their customer resources.

In 2023, we will fully promote the integrated online and offline operation model, and create a new situation of integrated operation by integrating and complementing online and offline resources, strengthening user stickiness and precise marketing. We will also focus on the penetration rate of aesthetic medical business customers and the empowerment of dual-beauty institutions. We will continue to explore opportunities for innovative cross-industry cooperation to expand our customer base and enhance brand awareness.

2. Further improving operational efficiency and customer experience through standardization and digitalization

In 2023, the Group will continue to focus on digitalization around business operations, customers and organization, in order to enhance overall business management capability, customer marketing capability, decision-making ability and operational efficiency.

We will establish a new professional operational system for medical institutions, incorporating the nationwide chain management of Cellcare stores and Neology healthcare centers as well as our entire medical professional management process into the system. This upgrade to the existing medical system will include the integration of medical testing equipment data, standardized clinical process management and optimization of clinic operational efficiency.

We will further improve our management ability to identify customers' needs through out our entire business network, and comprehensively collect customer behavior data around their touchpoints online, offline and in a full range of scenarios. With the assistance of enterprise WeChat, we are able to provide personalized services.

併購亦會作為集團拓展規模的一項重要舉措，為集團帶來快速發展的增量。我們將積極關注直營區域的龍頭連鎖品牌，通過收併購或戰略投資，鞏固我們在該區域的市場地位，有效擴充客戶基礎，佈局區域的進一步發展；同時我們也考慮收購業績優秀的加盟區域，通過直營化為該區域賦能，驅動三美業務提速增長。我們也與後疫情時代市場出現的欲轉手出清的同行企業協同合作，承接客戶資源。

2023年我們將全力推進線上線下融合運營的模式，通過線上線下的資源整合、優勢互補，進一步加強用戶黏性和精準行銷，開創融合運營新局面。同時我們將更加關注醫美業務客戶的滲透率和對行業雙美機構的賦能，持續挖掘創新領域的異業合作機會，以擴大客戶群及提升品牌知名度。

2. 通過標準化及數字化體系，進一步提高運營效率及客戶體驗

2023年本集團將持續圍繞業務在線、客戶在線和組織在線，建設數字化系統，全面提升業務經營能力，客戶管理能力，經營決策能力以及運營效率。

我們將建立全新的醫療機構專業的運營系統，將全國醫美門診以及研源醫療中心的連鎖化經營，以及醫療專業管理流程全部納入該系統管理，在現有的醫療系統基礎上升級包括：對接醫療檢測設備實現資料打通、標準的診療流程管理、優化門診運營管理效率等方面。

我們將進一步提升對覆蓋全業務管道的客戶需求洞察的管理能力，圍繞客戶線上線下全場景的觸點，全面打通客戶的行為資料，並依託企業微信連結客戶，實現運營個性化的服務。

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To enhance the vitality of our employee organization, we will create a digital system around “value creation, value evaluation and value distribution” to quantify employees’ abilities and evaluate their value realization. This will help improve employees’ work initiative and increase their productivity per capita.

3. Improving customer loyalty and meeting the changing needs of customers by introducing new technologies, new equipment, new products and expanding service portfolio

In 2023, our traditional beauty business will continue to promote the R&D and innovation of women’s healthcare projects, and launch targeted basic healthcare projects aimed at women’s chronic fatigue, improving sleep quality and relieving gastrointestinal pressure and eye fatigue.

We will continue to innovate and specialize in the safety, comfort and satisfaction of our aesthetic medical products and services. Based on the management philosophy of “small changes, big differences”, we will refine and scientifically manage the product technologies and marketing levels. We will continuously launch new projects to improve and treat neck skin tone and texture, improve and treat facial skin inflammation, and improve and solve facial sagging problems. In addition, we will continue to independently research and apply for national invention patents, further constructing professional barriers for the aesthetic medical products of the Group.

Our subhealth assessment and intervention services will continue to focus on the development of functional medical detection and Women’s Special Care Center. By integrating global advanced biotechnology, professional and comprehensive diagnosis and treatment methods and quality medical services, women’s physical health problems will be improved and a personalized women’s health management system will be established. Furthermore, we will also pay attention to the endocrine disorders and metabolic risks of customers in different ages and health states, and use advanced technologies, such as hormone supplementation, removal of circulatory metabolic waste and maintenance of intestinal microecological balance, to systematically and comprehensively improve customers’ subhealth problems and recover body function and vitality to enjoy a healthy life.

針對員工組織活力的提升，我們將圍繞「價值創造、價值評價、價值分配」打造數字化系統，量化員工的能力項，對員工的價值實現可評價，將助力於提高員工的工作自發主動性、提高員工的人均產出。

3. 通過引進新技術、新設備、新產品及擴大服務組合，提高客戶忠誠度及滿足客戶多變的需要

2023年度，我們的傳統美容業務將繼續推動女性身體保健護理專案的研發和創新，針對女性慢性疲勞、提升睡眠品質、舒緩腸胃壓力及用眼疲勞等問題，推出針對性的基礎保健護理專案。

我們所提供的醫美產品和服務在安全性、舒適性、效果滿意度等各方面將會持續專研創新。圍繞在「微改變，大不同」的經營理念下，對產品技術等級、產品行銷等級做精細化的打磨和科學管理。針對改善和治療頸部膚色膚質、改善和治療面部皮膚炎症、改善和解決面部鬆弛問題等方面不斷推出新專案；同時繼續自研並申請國家級發明專利，進一步築構本集團醫美產品的專業壁壘。

我們的亞健康評估及干預服務業務將持續在功能醫學及女性特護中心深耕通過整合全球先進生物科技、專業全面化診療手段及高品質醫療服務，來改善女性生理健康問題，構建女性個性化健康管理體系。同時我們也將關注客戶在不同年齡及健康狀態下的內分泌失調和代謝風險，利用荷爾蒙補充、清除迴圈代謝廢物、維持腸道微生態平衡等先進技術，系統全面的改善客戶亞健康問題，恢復機體功能和活力，享受健康生活。

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4. Continuing to cultivate, recruit and retain quality talents, and strengthening the Group's human resources management mechanism

We have built "BeautyFarm Training Centers (美麗田園培訓中心)" in Shanghai and Wuhan, where our service personnel could learn service procedures and improve their service quality. Our employees are required to participate in pre-work training and will participate in another session prior to their promotion or when we introduce new services. Since its establishment, our BeautyFarm Training Centers have provided over 13,000 courses to our service personnel. In addition to the two training centers, inspired by the Pandemic, we have introduced advanced digital training technology and innovatively established an online-offline integrated learning platform, which allows our employees to effectively improve their professional capabilities through various choices of learning methods, including AI training, interactive micro-lessons, and others.

In 2023, we will continue to strengthen the recruitment of technical and professional talent, including but not limited to medical experts, product R&D personnel and digitalization talent, in order to expand its professional talent team. In addition, for executives and core medical professionals, the Group aims to achieve more recruitment and retention through co-creation of vision, setting career development channels and mechanisms for sharing benefits.

5. By deepening cooperation with upstream suppliers, sharing the Group's industry and management experience, integrating industry resources and promoting the development of industry standards

The Group will strengthen cooperation with leading upstream enterprises and excellent emerging businesses, and is committed to providing customers with cutting-edge technologies and products through joint R&D of technical materials, sharing technical information and establishing R&D bases, so as to further enhance the core competitiveness of the Company.

The Group has nearly 30 years of extensive experience in the beauty and health industry, and in the past year alone, we have exchanged ideas with over 200 organizations. We hope to increase the openness and transparency of the industry, continuously improve our influence in the industry and further devote ourselves to establishing industry standardization and leading the healthy and sustainable development of the entire industry.

4. 繼續培養、招聘及保留高素質人才，加強本集團的人力資源管理機制

我們已經在上海市及武漢市建立了「美麗田園培訓中心」，我們的服務人員可於其中學習服務專案及提高服務品質。員工均須參與崗前培訓，並於晉升或新服務推出前參與另一次培訓。自成立以來，我們的美麗田園培訓中心已向我們的服務人員提供逾13,000節課程。除了兩大培訓中心，受疫情啟示，我們引進先進的數字化培訓技術，創新建立OMO線上線下融合學習形式，通過人工智能訓練，互動微課教學等豐富多樣性形式，支持員工多種自主選擇，有效提升專業能力。

2023年我們還會繼續加強技術型專業人才的引進，包括但不限於醫療領域專家、產品研發人才和數字化人才，持續擴大本集團專業人才隊伍。同時針對高管及核心醫療專業人才，本集團旨在通過共塑願景、設定職業發展通道以及利益共用的機制來實現更多的招募和保留。

5. 通過深化與上游供應商的合作，分享本集團的行業及管理經驗，整合行業資源，促進行業標準發展

本集團將加強與上游龍頭企業及新興優秀業務的合作，通過技術材料聯合研發、共用技術資訊、成立研發基地等方式致力於為顧客提供最前沿的技術和產品，進一步提升企業的核心競爭力。

本集團在美麗與健康行業有近30年的豐富經驗，在近一年時間裡，我們已與超200家機構進行同業交流。我們希望能夠通過加大對於行業的開放度和透明度，持續提升自身在行業的影響力；同時我們將進一步致力於建立行業標準化，引領整個行業健康持續的發展。

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Financial Review

Revenue

The Group generates revenue primarily from three service offerings: (i) traditional beauty services to individual customers at our direct stores. The Group also generates revenue from sales of skincare products (including product sales to consumers in direct stores, and to franchisee stores and others). Additionally, the Group earns franchise fees from our franchisees; (ii) aesthetic medical services (including both (i) non-surgical aesthetic medical services such as energy-based services and injection services and (ii) surgical aesthetic medical services); and (iii) subhealth assessment and intervention services. In addition, the Group earns cooperation fee in relation to subhealth assessment and intervention services. The following table sets forth a breakdown of the Group's revenue by service offerings for the periods indicated:

財務回顧

收入

本集團的收入主要來自三個服務項目：(i)於直營店向個人客戶提供傳統美容服務。本集團亦從銷售護膚產品(包括向直營店消費者以及向加盟店及其他銷售產品)中產生收入。此外，本集團從加盟商賺取加盟費；(ii)醫療美容服務(包括(i)非外科手術類醫療美容服務，如能量儀器服務與注射服務及(ii)外科手術類醫療美容服務)；及(iii)亞健康評估及干預服務。此外，本集團就亞健康評估及干預服務賺取合作費。下表載列本集團於所示期間按服務項目劃分的收入明細：

		For the year ended December 31 截至12月31日止年度			
		2022 2022年 Revenue 收入		2021 2021年 Revenue 收入	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Traditional beauty services	傳統美容服務				
— Direct stores	— 直營店	835,609	51.1	941,357	52.9
— Franchisee and others	— 加盟商及其他	111,137	6.8	105,427	5.9
Aesthetic medical services	醫療美容服務	620,199	37.9	673,025	37.8
Subhealth assessment and intervention services	亞健康評估及干預服務	68,469	4.2	60,931	3.4
Total	合計	1,635,414	100.0	1,780,740	100.0

Due to the Pandemic in 2022, the Group's revenue decreased by 8.2% from RMB1,780.7 million in 2021 to RMB1,635.4 million in 2022.

由於2022年疫情反覆，本集團的收入由2021年的人民幣1,780.7百萬元下降8.2%至2022年的人民幣1,635.4百萬元。

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Traditional Beauty Services — Direct Stores

The revenue of traditional beauty services of the Group generated from direct stores decreased from RMB941.4 million in 2021 to RMB835.6 million, which is primarily attributable to the negative impact of the Pandemic in 2022. To protect the health and well-being of our employees and clients and in support of the efforts to control the spread of the Pandemic, the Group closed or reduced working hours of certain direct stores. As a result, the client visits decreased in 2022.

Traditional Beauty Services — Franchisee and Others

The revenue of traditional beauty services of the Group generated from franchised stores and others increased from RMB105.4 million in 2021 to RMB111.1 million in 2022, primarily due to the expansion of franchisee network of the Group.

Aesthetic Medical Services

The revenue of aesthetic medical services of the Group decreased from RMB673.0 million in 2021 to RMB620.2 million in 2022, primarily due to the negative impact of the Pandemic in 2022, which caused temporary store closures to certain of our CellCare (秀可兒) stores, particularly in cities such as Shanghai, Changchun, Beijing and Shenzhen. As a result, the client visits decreased in 2022.

Subhealth Assessment and Intervention Services

The revenue from subhealth assessment and intervention services of the Group increased from RMB60.9 million in 2021 to RMB68.5 million in 2022, primarily due to continued business expansion of subhealth assessment and intervention services under our continuous monitoring of the demands of the clients, partially offset by the negative impact of temporary closure of our Neology (研源) healthcare center in Shanghai and Beijing due to the Pandemic.

傳統美容服務 — 直營店

本集團來自直營店的傳統美容服務的收入由2021年的人民幣941.4百萬元減少至2022年的人民幣835.6百萬元，主要歸因於2022年疫情反覆的負面影響，為了保護員工及顧客的健康及福祉，並支持控制疫情蔓延的工作，本集團關閉若干直營店或縮短營業時間。因此，客流於2022年有所減少。

傳統美容服務 — 加盟商及其他

本集團來自加盟店及其他的傳統美容服務收入由2021年的人民幣105.4百萬元增加至2022年的人民幣111.1百萬元，收入增加主要由於本集團的加盟店網絡擴張導致。

醫療美容服務

本集團來自醫療美容服務的收入由2021年的人民幣673.0百萬元減少至2022年的人民幣620.2百萬元，主要歸因於2022年疫情反覆的負面影響，導致若干秀可兒門店暫時關閉，尤其是上海市、長春市、北京市及深圳市等城市。因此，客流於2022年有所減少。

亞健康評估及干預服務

本集團來自亞健康評估及干預服務的收入由2021年的人民幣60.9百萬元增加至2022年的人民幣68.5百萬元，主要由於我們持續洞察客戶的需求，使得亞健康評估及干預服務保持業務擴張。然而部分增長被疫情反覆引致上海市及北京市研源醫療中心暫時關閉的負面影響所抵銷。

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Same-Store Sales

The Group closely tracks the revenue generated by our direct stores and our same-store sales growth, to monitor how matured stores have performed over time. The following table sets forth details of the Group's same-store sales for the periods indicated:

同店銷售

本集團密切記錄直營店產生的收入及同店銷售增長變動，以觀察成熟門店在一段時間內的表現。下表載列本集團於所示期間的同店銷售詳情：

		For the year ended December 31 截至12月31日止年度			
		2022 2022年	2021 2021年		
	Number of same- stores (a) 同店數目(a)	Revenue 銷售額 RMB'000 人民幣千元	Revenue 銷售額 RMB'000 人民幣千元	Growth rate 同店增長率	
Traditional beauty service stores	傳統美容服務門店				
— Newly-established stores	— 新成立門店	21	76,409	84,058	-9.1%
— Developing stores	— 發展中門店	51	229,704	259,905	-11.6%
— Matured stores	— 成熟門店	61	475,494	557,651	-14.7%
CellCare stores	秀可兒門店	17	611,533	671,365	-8.9%
Neology healthcare centers	研源醫療中心	4	45,387	43,592	4.1%
Total	總計	154	1,438,527	1,616,571	-11.0%

(a) Referring to stores that were open for more than 300 days in both of the two years under comparison.

(a) 指於兩個比較年度均已開張超過300日的門店。

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Cost of Sales and Services

The cost of sales and services of the Group primarily consists of (i) costs of products and consumables used, representing the costs of procuring skincare products, injection materials and other service consumables; (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 beauty equipment; and (iv) operation related expenses, which primarily include property management fees, rental expenses for short-term leases and costs for utilities. The following table sets forth a breakdown of the Group's cost of sales and services by nature for the periods indicated:

銷售及服務成本

本集團的銷售及服務成本主要包括(i)已用產品及耗用品成本，即採購護膚產品、注射材料及其他服務耗用品的成本；(ii)員工成本，指業務運營人員的工資、福利及花紅；(iii)折舊及攤銷費用，主要包括租賃物業及美容設備的折舊及攤銷；及(iv)營運相關開支，主要包括物業管理費、短期租賃租金開支及公用服務成本。下表載列本集團於所示期間按性質劃分的銷售及服務成本明細：

		For the year ended December 31	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Products and consumables used	已用產品及耗用品	280,981	306,832
Staff costs	員工成本	292,161	298,724
Depreciation and amortization charges	折舊及攤銷費用	263,484	246,702
Operation related expenses	營運相關開支	72,723	85,219
Others	其他	8,223	9,477
Total	總計	917,572	946,954

The costs of sales and services of the Group decreased from RMB947.0 million in 2021 to RMB917.6 million in 2022, mainly due to a decrease in products and consumables used and staff costs, which were related to a decrease in services provided due to the Pandemic. In addition, the cost of products and consumables purchased overseas decreased due to exchange rate fluctuations during the same period.

本集團的銷售及服務成本由2021年的人民幣947.0百萬元減少至2022年的人民幣917.6百萬元，主要由於已用產品及耗用品和員工成本減少所致，兩者均與疫情反覆導致減少提供服務相關。此外，由於匯率波動，海外採購產品及耗用品的成本於同期有所減少。

Gross Profit and Gross Profit Margin

The gross profit decreased from RMB833.8 million in 2021 to RMB717.8 million in 2022, and the overall gross profit margin decreased from 46.8% in 2021 to 43.9% in 2022. The decrease was mainly due to the negative impact of the Pandemic in 2022, which resulted in temporary closure of stores in various cities across China, including Beijing, Shanghai, Xi'an, Shenzhen and Changchun. The overall gross profit margin decreased because the Group continue to incur fixed costs such as staff costs and depreciation and amortization charges during the period of temporary closure.

毛利及毛利率

毛利由2021年的人民幣833.8百萬元減少至2022年的人民幣717.8百萬元；整體毛利率由2021年的46.8%下降至2022年的43.9%。該等減少主要由於2022年疫情反覆的負面影響，導致北京市、上海市、西安市、深圳市及長春市等全國多個城市的門店暫時停業，而同期繼續產生員工成本、折舊及攤銷費用等其他固定成本，導致毛利率下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Selling Expenses

The selling expenses primarily consist of (i) staff costs, representing wages, benefits and bonuses for our in-house sales and marketing team; (ii) promotion and marketing expenses, primarily include service fees paid to the third-party marketing service providers and celebrities to promote brands and services of the Group; (iii) travelling and office expenses incurred by our in-house sales and marketing team; (iv) miscellaneous expenses incurred to greet customers; and (v) others, primarily represent miscellaneous costs in relation to general sales and marketing activities. The following table sets forth a breakdown of the Group's selling expenses for the periods indicated:

		For the year ended December 31	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Staff costs	員工成本	162,335	173,338
Promotion and marketing related expenses	推廣及營銷相關開支	36,547	33,433
Travelling and office expenses	差旅及辦公開支	25,317	31,433
Miscellaneous expenses related to customer services	客戶服務相關雜項開支	26,335	25,211
Depreciation and amortization charges	折舊及攤銷	14,144	11,089
Others	其他	22,550	24,960
Total	總計	287,228	299,464

The selling expenses of the Group decreased from RMB299.5 million in 2021 to RMB287.2 million in 2022, primarily due to the reduction in staff costs and travelling and office expenses, which are related to the impact of the Pandemic.

R&D Expenses

The R&D expenses primarily consist of (i) staff costs, representing wages, benefits and bonuses for our R&D staff; and (ii) depreciation and amortization charges. The R&D expenses increased from RMB18.0 million in 2021 to RMB31.2 million in 2022, primarily due to an increase in staff costs resulting from an increase in our R&D personnel headcount as we continued our R&D efforts.

銷售開支

銷售開支主要包括：(i)員工成本，指內部銷售及營銷團隊的工資、福利及花紅；(ii)推廣及營銷開支，主要包括已付予第三方營銷服務供應商及名人的服務費，以推廣本集團的品牌及服務；(iii)內部銷售及營銷團隊的差旅及辦公開支；(iv)就購買提供予客戶的迎賓所需的雜項開支；及(v)其他，主要指有關一般銷售及營銷活動的雜項成本。下表載列本集團於所示期間的銷售開支明細：

		For the year ended December 31	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Staff costs	員工成本	162,335	173,338
Promotion and marketing related expenses	推廣及營銷相關開支	36,547	33,433
Travelling and office expenses	差旅及辦公開支	25,317	31,433
Miscellaneous expenses related to customer services	客戶服務相關雜項開支	26,335	25,211
Depreciation and amortization charges	折舊及攤銷	14,144	11,089
Others	其他	22,550	24,960
Total	總計	287,228	299,464

本集團的銷售開支由2021年的人民幣299.5百萬元減少至2022年的人民幣287.2百萬元，主要是由於員工成本和差旅及辦公開支減少，金額減少均與疫情反覆的影響有關。

研發開支

研發開支主要包括：(i)員工成本，指研發員工的工資、福利及花紅；及(ii)折舊及攤銷費用。研發開支從2021年的人民幣18.0百萬元上漲至2022年的人民幣31.2百萬元，主要是由於隨著本集團繼續進行研發工作而增加研發人員，導致員工成本增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

General and Administrative Expenses

The general and administrative expenses primarily consist of (i) staff costs, representing share-based compensation expenses, wages, benefits and bonuses for our general and administrative staff; (ii) listing expenses; (iii) consulting and management expenses incurred in relation to audit services, legal services, IT and back office management system as well as other evaluation services; (iv) depreciation and amortization charges in relation to our properties and equipment; (v) reorganization costs; and (vi) others. The following table sets forth a breakdown of the Group's general and administrative expenses for the periods indicated:

一般及行政開支

一般及行政開支主要包括(i)員工成本，指一般及行政員工的以股份支付的報酬開支、工資、福利及花紅；(ii)上市開支；(iii)就審計服務、法律服務、資訊技術及後台管理系統以及其他評估服務產生的諮詢及管理開支；(iv)與物業及設備相關的折舊及攤銷費用；(v)重組成本；及(vi)其他。下表載列本集團於所示期間的一般及行政開支明細：

		For the year ended December 31	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Staff costs	員工成本	214,438	226,873
Listing expenses	上市開支	32,649	12,063
Consulting and management expenses	諮詢及管理開支	14,731	9,913
Depreciation and amortization	折舊及攤銷	13,347	12,043
Reorganization costs	重組成本	7,279	—
Others	其他	12,988	11,558
Total	總計	295,432	272,450

The general and administrative expenses increased from RMB272.5 million in 2021 to RMB295.4 million in 2022 primarily because the Group recorded listing expenses of RMB32.6 million in relation to the Listing and the Global Offering in 2022.

一般及行政開支由2021年的人民幣272.5百萬元增加至截至2022年的人民幣295.4百萬元，主要由於本集團於2022年錄得與上市及全球發售有關的上市開支人民幣32.6百萬元。

Other Income

The other income primarily consists of (i) government grants, representing short-term subsidies received from the local governments in connection with the business development, rewards for financial and employment contribution as well as tax refund; and (ii) rental income primarily derived from the owned properties in Hainan province. The increase in other income from RMB20.7 million in 2021 to RMB29.1 million in 2022 was primarily due to an increase in government grants in relation to the value-added tax additional deduction.

其他收入

其他收入主要包括(i)政府補助，指自地方政府獲得與業務發展相關的短期補貼、財政及就業貢獻獎勵以及退稅；及(ii)主要源自海南省自有物業的租金收入。2022年其他收入為人民幣29.1百萬元，較2021年的人民幣20.7百萬元有所上漲，主要是由於有關增值稅加計扣除的政府補助增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Income Tax Expenses

The income tax expenses of the Group decreased from RMB46.8 million in 2021 to RMB19.9 million in 2022, primarily due to the decrease in the profit before income tax resulting from the negative impact of the Pandemic in 2022.

Profit for the Year

As a result of the above, net profit of the Group decreased from RMB208.3 million in 2021 to RMB110.5 million in 2022. Adjusted net profit decreased from RMB226.7 million in 2021 to RMB157.4 million in 2022.

LIQUIDITY AND CAPITAL RESOURCES

The Group's principal use of cash was for working capital purposes as well as for store expansion and acquisition. The main source of the Group's liquidity was generated from cash flows from operations. Going forward, the Group believes that its liquidity requirements will be satisfied with a combination of cash flows generated from operating activities, bank facilities and net proceeds from the Global Offering. As of December 31, 2022, the Group had cash and cash equivalents of RMB164.1 million and term deposits with initial terms of over three months of RMB119.6 million. A significant portion of the Group's cash and cash equivalents and term deposits are held in RMB. As of December 31, 2022, the Group had unutilized bank facility of RMB100.0 million.

CASH FLOWS

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

所得稅開支

本集團的所得稅開支由2021年的人民幣46.8百萬元減少至2022年的人民幣19.9百萬元，主要由於2022年疫情反覆的負面影響導致除所得稅前利潤減少。

年內利潤

由於上述原因，本集團的淨利潤由2021年的人民幣208.3百萬元減少至2022年的人民幣110.5百萬元。經調整淨利潤由2021年的人民幣226.7百萬元減少至2022年的人民幣157.4百萬元。

流動資金及資本資源

本集團的現金主要用作營運資金以及門店擴張及收購。本集團的流動資金主要來自經營所得現金流量。展望未來，本集團相信，本集團的流動資金需求將由經營活動所得現金流量、銀行融資及全球發售所得款項淨額共同滿足。截至2022年12月31日，本集團的現金及現金等價物和初始為期超過三個月的定期存款分別為人民幣164.1百萬元和人民幣119.6百萬元。本集團大部分現金及現金等價物及定期存款以人民幣持有。截至2022年12月31日，本集團的未動用銀行融資為人民幣100.0百萬元。

現金流量

下表載列本集團於所示年度的合併現金流量表的特定數據：

For the year ended December 31

截至12月31日止年度

		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net cash generated from operating activities	經營活動所得現金淨額	382,000	669,933
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額	53,626	(385,347)
Net cash used in financing activities	融資活動所用現金淨額	(432,820)	(271,065)
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	157,284	143,538
Cash and cash equivalents at the end of the year	年末現金及現金等價物	164,120	157,284

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INDEBTEDNESS

As of December 31, 2022, the indebtedness of the Group mainly included lease liabilities. The Group did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities.

GEARING RATIO

The gearing ratio is calculated by dividing the total bank loans and other borrowings by the total equity as at the end of the year. As of December 31, 2022, the gearing ratio of the Group was 54% (as of December 31, 2021: 58%).

CAPITAL COMMITMENTS

As of December 31, 2022, the Group had capital commitments of RMB25.2 million, primarily in connection with leasehold improvements.

ASSETS PLEDGED

As of December 31, 2022, the Group did not have any major assets pledged.

CONTINGENT LIABILITIES

As of December 31, 2022, the Group did not have any material contingent liabilities.

SIGNIFICANT ACQUISITIONS AND DISPOSALS

For the year ended December 31, 2022, the Group did not make any significant acquisitions or disposals of any subsidiaries, associated companies or joint ventures.

EXCHANGE RATES AND RELATED HEDGING

The Group mainly operates in mainland China and is exposed to foreign exchange risk arising from currency exposures with respect to U.S. 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.

債務

截至2022年12月31日，本集團的債務主要包括租賃負債，本集團並無任何重大按揭、抵押、債權證、貸款資本、債務證券、貸款、銀行透支或其他類似債務、融資租賃或租購承擔、承兌負債（一般貿易票據除外）、承兌信貸（有擔保、無擔保、有抵押或無抵押）或擔保或其他或然負債。

資本負債比率

資本負債比率是將銀行貸款及其他借款除以於該年年末的權益總額計算得出。於2022年12月31日，本集團的資本負債比率為54%（於2021年12月31日：58%）。

資本承擔

截至2022年12月31日，本集團的資本承擔為人民幣25.2百萬元，主要與租賃物業裝修有關。

資產抵押

截至2022年12月31日，本集團並無任何重大資產抵押。

或然負債

截至2022年12月31日，本集團並無任何重大或然負債。

重大收購及出售事項

截至2022年12月31日止年度，本集團並無重大收購或出售任何其他子公司、聯營公司或合營企業。

匯率及任何相關對沖

本集團主要在中國內地運營，並面臨美元有關的貨幣風險產生的匯兌風險。匯兌風險自未來商業交易以及已確認資產及負債產生。本集團並無對沖外幣的任何波動。

MANAGEMENT DISCUSSION AND ANALYSIS

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FUTURE PLAN OF SIGNIFICANT INVESTMENT OR ACQUISITION OF ASSETS

Save as disclosed in the Prospectus, during the year ended December 31, 2022, the Group had no plans for any significant investment or acquisition of capital assets in the future.

EMPLOYEES AND REMUNERATION POLICIES

As of December 31, 2022, the Group had a total of 3,707 full-time employees. In 2022, the total employee welfare expenses amounted to RMB697.1 million, slightly lower than RMB715.1 million in 2021, primarily due to the impact of the Pandemic. In 2022, the Group's equity-settled share-based compensation expenses increased to RMB14.2 million from RMB6.3 million in 2021.

The remuneration package of our employees includes basic salaries, allowances and bonuses. In particular, our physicians, therapists and other service personnel may be remunerated with a bonus that is assessed mainly based on their performance. We have also adopted a number of employee restricted share plans to provide long-term incentives for our employees who have provided outstanding services to us, in order to incentivize and reward the eligible persons who have contributed to our success. We have established various "BeautyFarm Training Centers (美麗田園培訓中心)" where our service personnel could learn service procedures and improve their service quality. Our employees are required to participate pre-work training and will participate in another session prior to their promotion or when we introduce new services. In addition, our employee development model enables us to track the career path of our employees and recognize staff talent through comprehensive analysis generated from clients' feedback.

未來作重大投資或購入資本資產的計劃

除招股章程所披露者外，截至2022年12月31日止年度，本集團並無任何未來作重大投資或購入資本資產的計劃。

僱員及薪酬政策

截至2022年12月31日，本集團共有3,707名全職員工。於2022年，員工福利開支總額共發生人民幣697.1百萬元，相較2021年的人民幣715.1百萬元略有下降，主要是與疫情反覆的影響有關。於2022年，本集團以權益結算以股份支付的報酬開支為人民幣14.2百萬元，相較2021年的人民幣6.3百萬元有所上漲。

我們員工的薪酬待遇包括基本薪金、津貼及獎金。具體而言，我們的醫生、美療師及其他服務人員或會獲得獎金，其主要基於他們的表現作出評估。我們亦採納多項員工受限制股份計劃，為我們的員工提供長期獎勵，以表彰他們向我們提供的優質服務，並激勵及獎勵為我們的成功作出貢獻的合資格人士。我們已建立多個「美麗田園培訓中心」，我們的服務人員可於其中學習服務項目及提高服務質量。員工均須參與崗前培訓，並於晉升或新服務推出前參與另一次培訓。此外，我們的員工發展模型使我們能夠追蹤員工的職業道路，通過對客戶反饋的綜合分析來識別員工中的人才。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS

Executive Directors

Mr. Li Yang (李陽), aged 64, joined our Group in January 2003. He was appointed as our Director in February 2022 and was redesignated as our executive Director in March 2022, and as the chairman of our Board in March 2022. Mr. Li is primarily responsible for the overall management, business, and strategy of our Group and oversight of the commercial suitability and sustainability of our Group.

Prior to joining our Group, from April 1987 to March 1992, Mr. Li was the deputy general manager at Hainan Development Construction General Company (海南省開發總公司). From April 1992 to August 1996, he was the general manager at Hainan Real Estate Development General Company (海南省房地產總公司). Immediately prior to joining the Group, he was the deputy director at the State-owned Assets Management Office of Hainan Province (海南省國有資產管理辦公室).

Mr. Li has also served as a director for a number of our principal subsidiaries. Since August 2006, he has been an executive director of Shanghai Beauty Farm Development Co., Ltd. (上海美麗田園美容發展有限公司, "Shanghai Beauty Farm Development") (PRC). Since April 2004, he has been the chairman of the board of Shanghai Beauty Farm. Since July 2010, he has been an executive director of Shanghai Yigao Industrial Co., Ltd. (上海逸高實業有限公司, "Shanghai Yigao"). Since November 2017, he has been an executive director of Shanghai Xiukeer Clinic Co., Ltd. (上海秀可兒門診部有限公司, "Shanghai Xiukeer").

In May 1987, Mr. Li obtained his master's degree in engineering from the Department of Electronic Engineering of RWTH Aachen University (亞琛工業大學) in Aachen, Germany. Mr. Li is the father of Ms. Li Fangyu, the non-executive Director of the Company.

Mr. LIAN Songyong (連松泳), aged 52, joined our Group as our director and general manager of Shanghai Beauty Farm in November 2015. Mr. Lian was appointed as our Director in February 2022 and was redesignated as our executive Director in March 2022, and as vice chairman of our Board in March 2022. He is primarily responsible for the overall management of our Group, and decision-making in respect of major matters such as overall strategies.

Mr. Lian has over ten years of experience in the cosmetics industry. Prior to joining our Group, from October 2004 to December 2008, Mr. Lian was the deputy general manager at Henan Plastic Surgery Hospital Co., Ltd. (河南整形美容醫院有限公司). From January 2009 to August 2015, he was the general manager at Beijing Mansimeit Medical Technology Co., Ltd. (北京曼思美醫療技術有限公司).

董事

執行董事

李陽先生，64歲，於2003年1月加入本集團。他於2022年2月獲委任為董事，於2022年3月獲調任為執行董事，並於2022年3月獲委任為董事會主席。李先生主要負責本集團的整體管理、業務及戰略以及監督本集團的商業適用性和可持續性。

加入本集團前，於1987年4月至1992年3月，李先生為海南省開發總公司的副總經理。於1992年4月至1996年8月，他為海南省房地產總公司的總經理。緊接加入本集團之前，他為海南省國有資產管理辦公室的副局長。

李先生亦於我們多家的主要附屬公司出任董事。自2006年8月起，他為上海美麗田園美容發展有限公司(「上海美麗田園發展」)(中國)的執行董事。自2004年4月起，他為上海美麗田園的董事會主席。自2010年7月起，他為上海逸高實業有限公司(「上海逸高」)的執行董事。

自2017年11月起，他為上海秀可兒門診部有限公司(「上海秀可兒」)的執行董事。於1987年5月，李先生獲取德國亞琛的亞琛工業大學電子工程系工程學碩士學位。李先生為本公司非執行董事李方雨女士之父親。

連松泳先生，52歲，於2015年11月加入本集團擔任上海美麗田園董事兼總經理。連先生於2022年2月獲委任為董事，於2022年3月獲調任為執行董事，並於2022年3月獲委任為董事會副主席。他主要負責本集團的整體管理及整體戰略等重大事項的決策。

連先生於化妝品行業擁有逾十年經驗。於加入本集團前，於2004年10月至2008年12月，連先生為河南整形美容醫院有限公司的副總經理。於2009年1月至2015年8月，他為北京曼思美醫療技術有限公司的總經理。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Lian has also served in various roles for a number of our principal subsidiaries. Since September 2015, he has been the vice chairman of the board of directors and general manager of Shanghai Beauty Farm. He is also currently a manager of Shanghai Yigao and Shanghai Xiukeer.

Mr. Lian obtained his master's degree in business management from Tsinghua University (清華大學) in Beijing, PRC in January 2003.

Non-executive Directors

Mr. ZHAI Feng (翟鋒), aged 56, was appointed as our Director in February 2022 and was redesignated as our non-executive Director since March 2022. Mr. Zhai joined our Group in December 2013 as a director of Shanghai Beauty Farm. In this capacity, he is primarily responsible for formulating the Company's strategies and supervising the Company's operations and development.

Mr. Zhai has over 29 years of experience in investment and management industry. From July 1991 to November 2012, Mr. Zhai worked at Procter & Gamble (China) Sales Co. Ltd. (寶潔(中國)有限公司) with his last position as a president of sales in Greater China. Mr. Zhai was a managing director at Shanghai Panxin Mezzanine Investment Management Company Limited (上海磐信夾層投資管理有限公司) from January 2013 to December 2018. From October 2014 to July 2019, he served as director of Weihai Guangwei Composites Co., Ltd. (威海光威複合材料股份有限公司), which is listed on the Shenzhen Stock Exchange (stock code: 300699). From December 2015 to March 2020, Mr. Zhai was a director of Shaanxi Tourism Culture Industry Holding Co. Ltd. (陝西旅遊文化產業股份有限公司) ("Shaanxi Tourism"), a company listed on the National Equities Exchange and Quotations Co., Ltd. (stock code: 870432). From June 2018 to January 2020, he served as director of Beijing Hualian Department Store Co., Ltd (北京華聯商廈股份有限公司), which is listed on the Shenzhen Stock Exchange (stock code: 000882). Mr. Zhai has served as a director of CIIC Guanaitong (Shanghai) Technology Co., Ltd. (中智關愛通(上海)科技股份有限公司) (stock code: 871282), listed on the National Equities Exchange and Quotations Co., Ltd., since November 2016. Since August 2015, Mr. Zhai has been a director of Manpowergroup Greater China Limited, which is listed on the Stock Exchange (stock code: 2180), and was subsequently re-designated as a non-executive director in January 2019. Since September 2020, Mr. Zhai has been a director of Yonghe Medical Group Co., Ltd. (雍禾醫療集團有限公司), a hair transplant and treatment healthcare service provider which is listed on the Stock Exchange (stock code: 2279), and was subsequently re-designated as a non-executive director in June 2021. Mr. Zhai has been employed by companies affiliated with CITIC PE and does not participate in the day-to-day operations and management of the Group.

連先生亦於我們多家的主要附屬公司出任不同要職。自2015年9月起，他為上海美麗田園的董事會副主席兼總經理。他現時亦為上海逸高及上海秀可兒的經理。

連先生於2003年1月在中國北京清華大學獲取工商管理碩士學位。

非執行董事

翟鋒先生，56歲，於2022年2月獲委任為董事，自2022年3月起獲調任為非執行董事。翟先生於2013年12月加入本集團擔任上海美麗田園董事。任職期間，他主要負責制定本公司戰略以及監督本公司的營運及發展。

翟先生於投資與管理行業擁有逾29年經驗。於1991年7月至2012年11月，翟先生於寶潔(中國)有限公司工作，其最後職位為大中華區的銷售總裁。於2013年1月至2018年12月，翟先生為上海磐信夾層投資管理有限公司的董事總經理。於2014年10月至2019年7月，他為威海光威複合材料股份有限公司的董事，該公司於深圳證券交易所上市(股票代碼：300699)。自2015年12月至2020年3月，翟先生為陝西旅遊文化產業股份有限公司(「陝西旅遊」)的董事，該公司於全國中小企業股份轉讓系統有限責任公司上市(股票代碼：870432)。於2018年6月至2020年1月，他為北京華聯商廈股份有限公司的董事，該公司於深圳證券交易所上市(股票代碼：000882)。自2016年11月起，翟先生為中智關愛通(上海)科技股份有限公司的董事，該公司於全國中小企業股份轉讓系統有限責任公司上市(股票代碼：871282)。自2015年8月起，翟先生為萬寶盛華大中華有限公司董事，該公司於聯交所上市(股份代號：2180)，其後於2019年1月調任為非執行董事。自2020年9月起，翟先生為雍禾醫療集團有限公司的董事，該公司為於聯交所上市的植髮及醫療保健服務供應商(股份代號：2279)，其後於2021年6月調任為非執行董事。翟先生一直受僱於CITIC PE的附屬公司，且並無參與本集團的日常運作及管理。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Zhai obtained his bachelor's degree in environmental engineering from Tongji University (同濟大學), the PRC, in July 1991.

Mr. Zhai was a director of Shaanxi Tourism Cultural Industry Development Co. Ltd (陝西旅遊文化產業發展股份有限公司), a company established in the PRC which was deregistered on June 30, 2016 as a result of merger by absorption by Shaanxi Tourism. Mr. Zhai was a director of Panxin Rongtai (Shanghai) Asset Management Co., Ltd. (磐信鎔泰(上海)資產管理有限公司), a company established in the PRC and was deregistered on January 29, 2019. Mr. Zhai confirmed that each of the above companies was solvent prior to its deregistration and was deregistered as it had not commenced business since establishment or had ceased to conduct business. He further confirmed that, as of the Latest Practicable Date, no claims have been made against him and he was not aware of any threatened or potential claims made against him and there are no outstanding claims and/or liabilities as a result of the deregistration of each of the above companies.

Mr. GENG Jiaqi (耿嘉琦), aged 52, joined our Group in December 2013 and was subsequently appointed as our Director in February 2022 and was redesignated as our non-executive Director in March 2022. He is primarily responsible for decision-making in respect of major matters such as formulating overall strategies, hiring Company executives, advancing mergers and acquisitions, as well as managing corporate financing.

Mr. Geng has over 19 years of experience in investment and management industry. Since October 2020, Mr. Geng has been an investment director of Beijing Panmao Investment Management Co., Ltd. (北京磐茂投資管理有限公司). In addition, since September 2020, he has been a director of Yonghe Medical Group Co., Ltd. (雍禾醫療集團有限公司), a hair transplant and treatment healthcare service provider which is listed on the Stock Exchange (stock code: 2279), and was subsequently re-designated as a non-executive director in June 2021. Since September 2022, he has been a director of Inner Mongolia Prairie Red Sun Food Co., Ltd. (內蒙古草原紅太陽食品股份有限公司), a company primarily engaged in the R&D, production, and sale of condiments. Mr. Geng has been employed by companies affiliated with CITIC PE and does not participate in the day-to-day operations and management of the Group.

翟先生於1991年7月在中國同濟大學獲取環境工程學士學位。

翟先生曾任陝西旅遊文化產業發展股份有限公司的董事，該公司為於中國成立的公司，其因陝西旅遊通過吸納併購而於2016年6月30日撤銷註冊。翟先生曾任磐信鎔泰(上海)資產管理有限公司的董事，該公司於中國成立並於2019年1月29日撤銷註冊。翟先生確認上述各間公司在其撤銷註冊前有償付能力，因自成立以來並無開展業務或已停止進行業務而撤銷註冊。他進一步確認，截至最後可行日期，概無針對他提出的索償，而他並不知悉有任何針對他威脅或可能提出的索償，亦無因上述各間公司撤銷註冊而有尚未償還的索償及／或負債。

耿嘉琦先生，52歲，於2013年12月加入本集團，其後於2022年2月獲委任為董事，於2022年3月獲調任為非執行董事。他主要負責制定整體戰略等重大事項的決策、聘請公司行政人員、推動併購以及管理公司融資。

耿先生於投資與管理行業擁有逾19年經驗。自2020年10月起，耿先生為北京磐茂投資管理有限公司的投資總監。此外，自2020年9月起，他於雍禾醫療集團有限公司擔任董事，其後於2021年6月調任為非執行董事，該公司為於聯交所上市的植髮及醫療保健服務供應商(股份代號：2279)。自2022年9月起，他於內蒙古草原紅太陽食品股份有限公司擔任董事，該公司主要從事研發、生產及銷售調味品。耿先生一直受僱於CITIC PE的聯屬公司，且並無參與本集團的日常運作及管理。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

From April 2005 to August 2008, Mr. Geng was an investment manager at Actis Investment Beijing Representative Office (英聯投資北京代表處). From September 2008 to March 2010, Mr. Geng was a senior investment manager of Beijing Hony Future Investment Advisor Ltd. (北京弘毅遠方投資顧問有限公司). From December 2011 to December 2018, he was an investment director of Shanghai Panxin Equity Investment Management Limited (上海磐信股權投資管理有限公司). He was a director of Wangfujing Group Co., Ltd., (北京王府井百貨(集團)股份有限公司), a company listed on Shanghai Stock Exchange (stock code: 600859), from December 2016 to December 2019. From January 2019 to September 2020, Mr. Geng has also been an investment director of Tianjin Panmao Enterprise Management Limited Liability Partnership (天津磐茂企業管理合夥企業(有限合夥)).

Mr. Geng obtained his bachelor's degree in accounting & finance and business administration & management from Oxford Brookes University, the United Kingdom, in 1996 and his master's degree in business administration from State University of New Jersey, the U.S., in January 2001.

Ms. Li Fangyu (李方雨) (with former name LI Fangqian (李芳芊)), aged 33, joined our Group as a business manager in May 2016. She was appointed as our Director in February 2022 and was redesignated as our non-executive Director in March 2022, and in this capacity she is primarily responsible for the overall management, business, and strategy of our Group and oversight of the commercial suitability and sustainability of our Group.

Ms. Li obtained her undergraduate degree in science majoring in management from the London School of Economics and Political Science (倫敦政治經濟學院) in London, United Kingdom in July 2012.

Ms. Li is the daughter of Mr. Li Yang, the Chairman of the Company.

於2005年4月至2008年8月，耿先生為英聯投資北京代表處的投資經理。於2008年9月至2010年3月，耿先生為北京弘毅遠方投資顧問有限公司的高級投資經理。於2011年12月至2018年12月，他為上海磐信股權投資管理有限公司的投資總監。於2016年12月至2019年12月，他為北京王府井百貨(集團)股份有限公司的董事，該公司於上海證券交易所上市(股票代碼：600859)。於2019年1月至2020年9月，耿先生亦為天津磐茂企業管理合夥企業(有限合夥)的投資總監。

耿先生於1996年在英國牛津布魯克斯大學獲取會計及金融以及工商管理及管理學士學位，並於2001年1月在美國新澤西州立大學獲取工商管理碩士學位。

李方雨女士(原名李芳芊)，33歲，於2016年5月加入本集團擔任業務經理。她於2022年2月獲委任為董事，於2022年3月獲調任為非執行董事，任職期間，主要負責本集團的整體管理、業務及戰略以及監督本集團的商業適用性和可持續性。

李女士於2012年7月在英國倫敦的倫敦政治經濟學院獲取理學學士學位，主修管理學。

李女士為本公司董事長李陽先生之女兒。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Independent Non-executive Directors

Mr. FAN Mingchao (范銘超), aged 45, was duly appointed as the independent non-executive Director of the Company since the Listing in January 2023 and is primarily responsible for supervising and providing independent advice to our Board.

Mr. Fan has over 15 years of experience in arbitration and institutional management. Prior to joining our Group, Mr. Fan has been a lecturer and an associate professor for over 10 years, and once served as the deputy director of the International Affairs Office at Shanghai University of Political Science and Law (上海政法學院), primarily responsible for teaching international private law, international commercial arbitration and other courses, as well as for the planning, design and implementation of international exchange projects. From February 2016 to June 2021, he was served as the Director of Arbitration and ADR for North Asia of the International Chamber of Commerce, and was the chief representative of its Shanghai Representative Office, primarily responsible for the promotion of ICC arbitration and ADR in 19 countries and regions, as well as for coordination with the ICC national and regional committees in the aforementioned jurisdictions. Since July 2021, he has been the general deputy director of the Shanghai Arbitration Commission (上海仲裁委員會). Since August 2019, he has served as chairman of the Arbitration Commission of the Chinese Football Association (中國足球協會仲裁委員會). He is also currently an arbitrator of the Court of Arbitration for Sports (國際體育仲裁院), the chairman of the Mainland China Committee of the Chartered Institute of Arbitrators (英國特許仲裁員學會中國大陸委員會) and a member of The Chartered Institute of Arbitrators.

Mr. Fan obtained his bachelor's degree in international law from East China University of Politics and Law (華東政法大學) in Shanghai, PRC in July 2000. He further obtained his master's degree in international commercial law from the University of Manchester in the United Kingdom in November 2002. He obtained his doctor's degree in international law from East China University of Politics and Law (華東政法大學) in Shanghai, PRC in December 2012.

獨立非執行董事

范銘超先生，45歲，自本公司2023年1月上市後正式獲委任擔任本公司獨立非執行董事，主要負責監督董事會及向董事會提供獨立建議。

范先生於仲裁及機構管理上擁有逾15年經驗。加入本集團前，范先生任講師及副教授超過10年，並曾擔任上海政法學院國際交流處的副總監，主要負責教授國際私法、國際商業仲裁及其他課程，以及策劃、設計及實施國際交流計劃。於2016年2月至2021年6月，他為國際商會仲裁及替代性爭議解決程序北亞地區主任及其上海代表處首席代表，主要負責於19個國家及地區推動國際商會仲裁及替代性爭議解決程序，以及與上述司法權區的國際商會國家及地區委員會協調。自2021年7月起，他為上海仲裁委員會副會長。自2019年8月起，他為中國足球協會仲裁委員會主席。他目前亦為國際體育仲裁院的仲裁員、英國特許仲裁員學會中國大陸委員會主席及特許仲裁人學會成員。

范先生於2000年7月在中國上海華東政法大學獲得國際法學士學位。他其後於2002年11月在英國曼徹斯特大學獲取國際商業法碩士學位。他於2012年12月在中國上海華東政法大學獲取國際法博士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. LIU Teng (劉騰), aged 54, was duly appointed as the independent non-executive Director of the Company since the Listing in January 2023 and is primarily responsible for supervising and providing independent advice to our Board.

Mr. Liu has extensive experience in financial management and investment banking. He worked at China Ping An Insurance (Hong Kong) Co., Ltd. from June 1999 to September 2007. He worked at Taikang Asset Management (Hong Kong) Company Limited from August 2008 to October 2010. He then worked as an executive director in China Orient International Asset Management Limited from February 2012 to March 2015. From October 2015 to September 2018, he worked at China Universal Asset Management (Hong Kong) Company Limited with his last position held as a deputy chief executive officer. Since September 2018, he has been the chairman and SFC licensed responsible officer at China Eagle Asset Management Limited, primarily responsible for overall investment research, compliance risk control, and financial operations.

Since December 2020, Mr. Liu has also been an independent non-executive director at Raily Aesthetic Medicine International Holdings, a medical beauty company listed on the Stock Exchange (stock code: 2135), where he is the chairman of the audit committee and a member of the remuneration committee.

Mr. Liu obtained a Master of Arts in Professional Accounting and Information Systems from the City University of Hong Kong in November 2004. He was admitted as a member of the Association of Chartered Certified Accountants in October 2006, and became a certified public accountant of Hong Kong Institute of Certified Public Accountants in February 2007.

Mr. JIANG Hua (江華), aged 61, was duly appointed as the independent non-executive Director of the Company since the Listing in January 2023 and is primarily responsible for supervising and providing independent advice to our Board.

Mr. Jiang has over 30 years of experience in academics and plastic surgery. Prior to joining the Group, he was the director of plastic surgery at The Second Affiliated Hospital of the Second Military Medical University (第二軍醫大學第二附屬醫院) (currently known as Shanghai Changzheng Hospital (上海長征醫院)). Since 2019, Mr. Jiang has been a chief physician and professor at Shanghai East Hospital (上海市東方醫院).

Mr. Jiang received his bachelor's degree in clinical medicine from the Second Military Medical University of the Chinese People's Liberation Army (第二軍醫大學) in Shanghai, PRC in July 1985. He further received his postgraduate's degree in medicine from the National University of Singapore in Singapore in January 2000. Since May 1999, he has been certified as a qualified surgeon by the People's Liberation Army General Logistics Department.

劉騰先生，54歲，自本公司2023年1月上市後正式獲委任擔任本公司獨立非執行董事，主要負責監督董事會及向董事會提供獨立建議。

劉先生在財務管理及投資銀行方面擁有豐富經驗。於1999年6月至2007年9月，他於中國平安保險(香港)有限公司任職。於2008年8月至2010年10月，他於泰康資產管理(香港)有限公司任職。其後於2012年2月至2015年3月，他於中國東方國際資產管理有限公司任職，擔任執行董事。於2015年10月至2018年9月，他於匯添富資產管理(香港)有限公司任職，離職前為副行政總裁。自2018年9月起，他於華鷹資產管理有限公司出任主席及證監會持牌負責人員，主要負責整體投資研究、合規風控及財務運營。

自2020年12月起，劉先生亦為瑞麗醫美國際控股有限公司(聯交所上市醫療美容公司，股份代號：2135)的獨立非執行董事，擔任該公司的審核委員會主席及薪酬委員會成員。

劉先生於2004年11月取得香港城市大學專業會計及資訊系統文學碩士學位。他於2006年10月獲準成為英國特許公認會計師公會會員，並於2007年2月成為香港會計師公會會計師。

江華先生，61歲，自本公司2023年1月上市後正式獲委任擔任本公司獨立非執行董事，主要負責監督董事會及向董事會提供獨立建議。

江先生於學術及整形外科方面擁有逾30年經驗。加入本集團前，他擔任第二軍醫大學第二附屬醫院(現稱上海長征醫院)整形外科主任。自2019年以來，江先生一直為上海市東方醫院主任醫生及教授。

江先生於1985年7月在中國上海第二軍醫大學獲得臨床醫學學士學位。他於2000年1月在新加坡獲得新加坡國立大學醫學研究生學位。自1999年5月起，他獲中國人民解放軍總後勤部認證為合資格外科醫生。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

SENIOR MANAGEMENT

Mr. Li Yang (李陽), aged 64, is our executive Director and chairman of the Board of Directors. For further details, please see the paragraphs headed “Directors and Senior Management — Directors — Executive Directors” in this section.

Mr. LIAN Songyong (連松泳), aged 52, is our executive Director, vice chairman of the Board of Directors, and our chief executive officer. For further details, please see the paragraphs headed “Directors and Senior Management — Directors — Executive Directors” in this section.

Ms. ZHOU Min (周敏), aged 54, joined our Group as our chief financial officer since March 2015 and has served as a joint company secretary since March 2021. She is primarily responsible for financial planning of our Group, including financial accounting and management of the Company’s financial and legal affairs, merger and acquisitions, as well as management of various departments, such as the listing department.

Ms. Zhou has over 20 years of experience in financial management of chain enterprises, investment and acquisitions. Prior to joining our Group, Ms. Zhou Min served in the supermarket business department of Bailian Group Co., Ltd. as well as the head of the financial department of Lianhua Supermarket Holdings Co., Ltd. for more than ten years. Bailian Group Co., Ltd. was at the time listed on the Shanghai Stock Exchange (600827.SH), and Lianhua Supermarket Holdings Co., Ltd. is listed on the Stock Exchange (stock code: 980).

Ms. Zhou obtained her master’s degree in business administration from the Arizona State University W.P. Carey School of Business (亞利桑那州立大學凱瑞商學院) in July 2013. Since December 2004, she has been a certified public accountant, recognized by the Provincial Department of Finance (省財政廳). Since April 2007, she has been certified as a senior accountant by the Provincial Human Resources and Social Security Department (省級人社部門). Since June 2009, Ms. Zhou has been certified as a tax agent by the State Administration of Taxation (國家稅務總局).

高級管理層

李陽先生，64歲，執行董事兼董事會主席。有關詳情，見本節「董事及高級管理層 — 董事 — 執行董事」各段。

連松泳先生，52歲，執行董事、董事會副主席及首席執行官。有關詳情，見本節「董事及高級管理層 — 董事 — 執行董事」各段。

周敏女士，54歲，自2015年3月加入本集團擔任首席財務官，並自2021年3月起擔任聯席公司秘書。她主要負責本集團的財務規劃，包括財務會計以及管理本公司的財務及法律事務、併購以及各個部門（如上市部門）的管理。

周女士有超過20年連鎖企業財務管理、投資及併購經驗。加入本集團前，周敏女士擔任百聯集團有限公司超商業部以及聯華超市股份有限公司財務部主管超過十年。百聯集團有限公司當時於上海證券交易所上市(600827.SH)，而聯華超市股份有限公司於聯交所上市(股份代號：980)。

周女士於2013年7月獲得亞利桑那州立大學凱瑞商學院頒授的工商管理碩士學位。自2004年12月起，她獲省財政廳認可為註冊會計師。自2007年4月起，她獲省級人社部門認可為高級會計師。自2009年6月起，周女士已獲國家稅務總局認可為註冊稅務師。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

JOINT COMPANY SECRETARIES

Ms. ZHOU Min (周敏), aged 54, was appointed as a joint company secretary of our Company on March 24, 2022. Ms. Zhou is also a member of the senior management of our Company. For further details, please see the paragraphs headed “Directors and Senior Management — Senior Management” in this section.

Ms. KWOK Siu Ying Sarah (郭兆瑩), aged 39, was appointed as a joint company secretary of our Company on March 24, 2022. Ms. Kwok is currently a manager of corporate services of Vistra Corporate Services (HK) Limited. She has over seven years of experience in the corporate services industry.

Ms. Kwok obtained a bachelor’s degree in Business Studies from University College Dublin, National University of Ireland in June 2012 and a master’s degree in Corporate Governance from Hong Kong Metropolitan University (香港都會大學) in November 2017. She has been an associate member of The Hong Kong Chartered Governance Institute and an associate member of The Chartered Governance Institute in the United Kingdom since 2018. She is also an affiliate member of The Society of Trust and Estate Practitioners.

Ms. Kwok is currently the company secretary of NVC International Holdings Limited, a Main Board listed company in Hong Kong (stock code: 2222) and the joint company secretary of Shanghai Bio-heart Biological Technology Co., Ltd., a Main Board listed company in Hong Kong (stock code: 2185) and Shanghai HeartCare Medical Technology Corporation Limited, a Main Board listed company in Hong Kong (stock code: 6609).

CHANGES IN DIRECTORS’ INFORMATION

Save as disclosed herein, as at the date of this annual report, the Directors confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

聯席公司秘書

周敏女士，54歲，於2022年3月24日獲委任為本公司的聯席公司秘書。周女士亦為本公司高級管理成員。有關詳情，見本節「董事及高級管理層 — 高級管理層」各段。

郭兆瑩女士，39歲，於2022年3月24日獲委任為本公司聯席公司秘書。郭女士現任Vistra Corporate Services (HK) Limited企業服務經理。她於企業服務方面積逾七年經驗。

郭女士於2012年6月於愛爾蘭國立大學都柏林大學學院(University College Dublin, National University of Ireland)獲得商業研究學士學位及於2017年11月於香港都會大學獲得企業管治碩士學位。她自2018年起為香港公司治理公會會員及英國特許公司治理公會會員。她亦為國際信託與資產規劃學會附屬會員。

郭女士目前擔任香港主板上市公司雷士國際控股有限公司(股份代號：2222)的公司秘書以及香港主板上市公司上海百心安生物技術股份有限公司(股份代號：2185)及香港主板上市公司上海心璋醫療科技股份有限公司(股份代號：6609)的聯席公司秘書。

董事資料變更

除本節所披露者外，於本年報日期，董事確認概無資料須根據上市規則第13.51B(1)條予以披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the corporate governance report for the Company for the year ended December 31, 2022.

COMPANY'S CULTURE

The Board firmly believes that corporate culture is the foundation for the Group's long-term business, economic success, and sustainable growth. A strong culture enables the Company to deliver sustained performance and fulfill its role as a responsible corporate citizen. By promoting its operating cornerstone, vision, and core values, the Company has continuously strengthened its organizational capacity, providing a robust organizational guarantee for its business development.

During 2022, the Company continued to strengthen its cultural framework by focusing on the following:

- Vision: Leading the way in beauty and health!
- Operating Cornerstone: Continuously pursuing the long-term growth of the Company, we remain committed to fostering long-lasting relationships with our valued customers.

We firmly believe that building long-term relationships requires trust as its foundation. We are against providing customers with unsuitable products and services for the sake of meeting KPIs, and we do not pursue short-term or one-time large sales. Instead, we focus on customer needs and work with them to provide products and services that meet their requirements. By establishing long-term customer relationships in this way, we increase customer loyalty and achieve sustainable growth for the Company's business and performance.

- Core Values: The core values of our Group are customer orientation, collaborative synergy, continuous innovation as well as sharing success through joint efforts!

Customer orientation: also known as customer demand orientation, it means that our products, operations and services all focus on satisfying the needs of our customers or users, and we can provide our customers with customized and differentiated services.

董事會欣然提呈本公司截至2022年12月31日止年度的企業管治報告。

公司文化

董事會堅信，企業文化是集團長期業務、經濟成功和可持續增長的基礎。穩健的文化使本公司能夠提供長期可持續的業績，並履行其作為一個負責任的企業公民的角色。通過推廣其經營核心、願景和核心價值觀，本公司不斷加強其組織能力，為公司的業務發展提供了強有力的組織保障。

於2022年，本公司繼續加強文化框架，專注以下方面：

- 願景：美與健康的領航者！
- 經營基石：始終追求企業長期增長；致力與客戶構建長期關係

我們堅信建立長期關係需以信任為基礎。我們反對為了KPI而向客戶提供不合適的產品和服務，我們不追求短期或單次的大額銷售，而是以客戶為導向，與客戶共同了解其需求，並向其提供符合需求的產品及服務。通過這樣的方式建立長期的客戶關係，使客戶與公司具有更高的黏性，從而實現公司業務和業績的可持續增長。

- 核心價值觀：本集團的核心價值觀，即客戶導向、協同綜效、持續創新、同奮鬥共分享！

客戶導向：又叫客戶需求導向，是指我們產品、運營、服務都以滿足客戶或用戶需求為核心，能為客戶提供定制化及差異化的服務。

CORPORATE GOVERNANCE REPORT

企業管治報告

Synergy: The most important synergy of Beauty Farm is the synergy between the three major businesses of traditional beauty services, aesthetic medical services, and subhealth assessment and intervention services. The Company continues to improve the effective coordination of the three business teams to provide customers with one-stop services and comprehensive beauty and health management.

Continuous innovation: It means that as the external environment and internal resources change, the Company has to upgrade and iterate in all aspects in order to match the internal and external changes, including innovation in products and services, business model, organizational structure and many other aspects.

Working and sharing together: It refers to the struggler-oriented, and the Company allocates resources to the outstanding employees and successful teams with excellent performance.

The Board sets and promotes corporate culture and expects and requires all employees to reinforce. All of our new employees are required to attend orientation and training programs so that they may better understand our corporate culture, structure and policies, learn relevant laws and regulations, and raise their quality awareness. In addition, from time to time, the Company will invite external experts to provide training to our management personnel to improve their relevant knowledge and management skills. In addition, in order to better realize the Company's organizational management and decision-making implementation through the above-mentioned corporate culture, the Company will implement its corporate culture in remuneration determination, assessment and evaluation and vocational training.

The Company regularly holds employee representative meetings, seminars, annual meetings and monthly work meetings. Through its online announcements and other means, the Company conveys its values, development direction, performance expectations and strategic goals to its core employees, and delivers expected results, evaluation criteria and information and resources required to achieve the expected results to its employees.

In addition, in order to ensure a dual way communication, the Company's senior managers regularly visit the front-line stores in various regions to communicate face-to-face with its employees, understand their thoughts, listen to their suggestions for the Company's development, and encourage them to share ideas. Employees who make actual achievements will be rewarded to form a cyclical process of bottom-up participation, improvement and continuous development.

協同綜效：美麗田園最重要的協同綜效是傳統美容服務、醫療美容服務和亞健康評估與干預服務三大業務之間的協同。公司持續提升三個業務團隊有效協同，為顧客提供一站式服務，提供綜合的顏值及健康管理。

持續創新：是指企業隨著外部環境，內部資源的變化，要在各個方面，也要升級迭代，才能與內外部變化的情況相匹配，包括產品和服務創新、業務模式創新、組織創新等諸多方面。

同奮鬥共分享：是指以奮鬥者為本，企業分配資源向超越平均績效的優秀員工和成功團隊傾斜。

董事會制定及推廣企業文化，期望並要求全體員工加強實行。我們的所有新僱員都必須參加入職培訓和培訓計劃，以便他們更好地了解我們的企業文化、結構和政策、學習相關法律法規，以及提高他們的質量意識。此外，本公司將不時邀請外部專家向我們的管理人員進行培訓，以提高他們的相關知識及管理技能。同時，為了更好的通過上述企業文化來實現公司的組織管理和決策執行，公司將在薪酬設計、考核評優、職業培訓等方面關聯企業文化的執行。

公司定期召開員工代表大會、研討會、公司年會、月度工作例會，並通過公司在線通告等途徑，向公司核心員工傳遞公司的價值觀、發展方向、績效期望和戰略目標，傳達對員工的期望結果、評價標準以及達到期望結果所需的信息和資源。

同時，為確保雙向溝通，公司高層管理者定期下訪到各地區一線門店和員工面對面溝通，了解員工的思想，聽取員工對公司發展的建議，鼓勵員工獻計獻策，對意見被採納、並取得實際成效的員工進行獎勵，形成自下而上參與、改進提高、持續發展的循環過程。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board considers that the corporate culture and the operating cornerstone, vision, core values and strategy of the Group are aligned.

More information about the Company's vision, mission and values is available in the section headed "Management Discussion and Analysis — Business Review", "Corporate Governance Report" and "Environmental, Social and Governance Report" of this annual report.

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 Corporate Governance Code as its own corporate governance practices.

In order to strengthen information disclosure and transparency, the Company regularly publishes financial reports, operating conditions and other information, fully discloses them to Shareholders, employees, business partners and the public, in order to improve information transparency.

Since the Shares were listed on the Main Board of the Stock Exchange on January 16, 2023, the CG Code was not applicable to the Company during the Reporting Period. To the best knowledge of the Directors, the Company had complied with all code provisions set out in the CG Code since the Listing Date and up to the date of this annual report.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

BOARD MEETINGS

Code provision C.2.7 of the CG Code stipulates that the chairperson should at least annually hold one meeting with the independent non-executive Directors without the presence of other Directors.

Due to the fact that the Company was listed on January 16, 2023, there had not been any meeting held by the chairman with the independent non-executive Directors without the presence of other Directors during the Reporting Period.

The chairman intends to hold at least one meeting per year with the independent non-executive Directors without the presence of other Directors.

董事會認為企業文化與本集團的經營基石、願景、核心價值觀及策略一致。

有關公司願景、使命及價值的更多資料，請參閱本年報的「管理層討論及分析 — 業務回顧」、「企業管治報告」及「環境、社會及管治報告」。

企業管治慣例

本集團致力維持高水平的企業管治，以保障股東權益以及提升企業價值及問責性。在以上企業文化的指導下，本公司已採納企業管治守則的守則條文作為本身的企業管治慣例。

為加強信息披露與透明度，公司定期發佈財務報告、經營狀況等信息，向股東、員工、合作夥伴和社會公眾充分披露，提高信息透明度。

由於股份於2023年1月16日於聯交所主板上市，企業管治守則於報告期間並不適用於本公司。據董事所知，本公司自上市日期起至本年報日期一直遵守企業管治守則項下所有適用守則條文。

本公司將繼續審閱及改善其企業管治慣例，以確保遵守企業管治守則。

董事會會議

企業管治守則的守則條文第C.2.7條規定，主席須與獨立非執行董事每年至少舉行一次並無其他董事出席的會議。

由於本公司於2023年1月16日上市，因此於報告期間主席與獨立非執行董事並無舉行一次並無其他董事出席的會議。

主席擬與獨立非執行董事每年至少舉行一次並無其他董事出席的會議。

CORPORATE GOVERNANCE REPORT 企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Having made specific enquiries of all the Directors, they have confirmed that they have complied with the Model Code since the Listing Date and up to the date of this annual report. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group since the Listing Date and up to the date of this annual report.

BOARD OF DIRECTORS

As of the date of this annual report, the Board comprises two executive Directors, three non-executive Directors, and three independent non-executive Directors.

Executive Directors

Mr. LI Yang (*Chairman of the Board*)
Mr. LIAN Songyong (*Chief Executive Officer,
Vice Chairman of the Board*)

Non-executive Directors

Mr. ZHAI Feng
Mr. GENG Jiaqi
Ms. LI Fangyu

Independent Non-executive Directors

Mr. FAN Mingchao
Mr. LIU Teng
Mr. JIANG Hua

The biographical details of the current Directors are set out in the section headed "Directors and Senior Management" of this annual report.

Save as disclosed in this annual report, there is no any relationship (including, financial, business, family or other material/relevant relationship(s)) between the Board members.

證券交易標準守則

本公司已採納標準守則作為其本身有關董事及本集團高級管理人員買賣本公司證券的行為守則，而該等董事及本集團高級管理人員因其職務或工作而可能擁有有關本公司或其證券的內幕消息。

經向全體董事作出具體查詢後，他們已確認自上市日期起直至本年報日期一直遵守標準守則。此外，自上市日期起直至本年報日期，就本公司所知，本集團高級管理層並無任何不遵守標準守則的情況。

董事會

截至本年報日期，董事會由兩名執行董事、三名非執行董事及三名獨立非執行董事組成。

執行董事

李陽先生(*董事會主席*)
連松泳先生(*首席執行官、董事會副主席*)

非執行董事

翟鋒先生
耿嘉琦先生
李方雨女士

獨立非執行董事

范銘超先生
劉騰先生
江華先生

現任董事的履歷詳情載於本年報「董事及高級管理層」一節。

除本年報所披露者外，董事會成員之間概無任何關係(包括財務、業務、家屬或其他重大／相關關係)。

CORPORATE GOVERNANCE REPORT 企業管治報告

Since the Listing Date and up to the date of this annual report, the Board at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise and the appointment of independent non-executive Directors representing at least one-third of the Board. Among the three independent non-executive Directors, Mr. LIU Teng has appropriate professional qualifications or accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Since the Listing Date and up to the date of this annual report, Mr. Li Yang serves as the chairman of the Company and Mr. Lian Songyong serves as the chief executive officer of the Company. The Company had fully complied with the principles and Code Provision C.2.1 as set out in the CG Code.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for, and has general powers for, the management and conduct of our business. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established three Board committees including the Audit Committee, the Remuneration Committee and the Nomination Committee. The Company plans to establish the Environmental, Social, and Governance ("ESG") Committee under the Board to guide and manage ESG related matters of the Company. The Board has delegated to the Board committees responsibilities as set out in their respective terms of reference. All Board committees are provided with sufficient resources to perform their duties.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the Shareholders at all times.

自上市日期起至本年報日期，本公司均遵守上市規則第3.10(1)、3.10(2)及3.10A條中須委任最少三名獨立非執行董事的規定，而當中最少須有一名獨立非執行董事具備合適的專業資格，或會計或相關財務管理專業知識，佔董事會成員人數不少於三分之一。在三名獨立非執行董事中，劉騰先生具備上市規則第3.10(2)條規定合適的專業資格，或會計或相關財務管理專業知識。

董事長及首席執行官

企業管治守則的守則條文第C.2.1條規定主席及行政總裁的角色應分開及不應由同一個人擔任。

自上市日期起至本年報日期，李陽先生擔任本公司董事長，而連松泳先生則擔任本公司首席執行官。本公司已全面遵守企業管治守則所載的原則和守則條文第C.2.1條。

董事會責任

董事會負責並擁有一般權力管理及開展業務。董事會已向本集團高級管理層轉授處理本集團日常管理及營運的授權及責任。為監督本公司事務的各個具體範疇，董事會已成立三個董事委員會，包括審核委員會、提名委員會及薪酬委員會。公司擬進一步在董事會下設環境、社會及管治委員會，指導及管理公司環境、社會及管治相關事項。董事會已向董事委員會轉授各委員會相關職權範圍所載的責任。所有董事委員會均已獲提供足夠資源以履行其職責。

全體董事須確保本著真誠並遵守適用法例及法規以及於任何時候均須按本公司及其股東的利益履行職責。

CORPORATE GOVERNANCE REPORT 企業管治報告

BOARD INDEPENDENCE

The Company recognizes that Board independence is key to good corporate governance. The Company has in place effective mechanisms that underpin an independent Board and independent views. The current composition of the Board, comprising more than one third of the of the independent non-executive Directors and more than two third of the members of the Audit Committee are independent non-executive Directors, which comply with the independence requirements under the Listing Rules. The Nomination Committee, Remuneration Committee and Audit Committee are all chaired by independent non-executive Directors.

The Nomination Committee of the Company must strictly abide by the Nomination Policy and the independence assessment criteria for the nomination and appointment of independent non-executive Directors set out in the Listing Rules. Each independent non-executive Director is also required to notify the Company as soon as possible of any changes in his personal information that may have a material impact on his independence. The Nomination Committee is authorized to assess the independence of all independent non-executive Directors annually in accordance with the independence criteria set out in the Listing Rules to ensure that they can continue to make independent judgments.

The remuneration of independent non-executive Directors are subject to a regular review to maintain competitiveness and commensurate with their responsibilities and workload. The independence of each independent non-executive Director is assessed upon his/her appointment and annually.

Directors are requested to declare their direct or indirect interests, if any, in proposals or transactions to be considered by the Board at the Board meetings and abstain from voting, where appropriate. External independent professional advice is available to all Directors, including independent non-executive Directors, whenever deemed necessary. The independent non-executive Directors have consistently demonstrated strong commitment and the ability to devote sufficient time to discharge their responsibilities at the Board.

The Company has also established channels through formal and informal means whereby independent non-executive Directors can express their views in an open manner, and in a confidential manner, should circumstances requires.

董事會獨立性

本公司深明董事會獨立性是良好企業管治的關鍵。本公司擁有有效的機制支持獨立董事會及獨立意見。董事會現時由包括超過三分之一的獨立非執行董事及審核委員會成員超過三分之二獨立非執行董事組成，符合上市規則的獨立性要求。提名委員會、薪酬委員會及審核委員會均由獨立非執行董事擔任主席。

公司提名委員會必須嚴格遵守提名政策及《上市規則》所載有關提名及委任獨立非執行董事的獨立性評估準則。每名獨立非執行董事亦須在其個人資料有任何變更而可能對其獨立性造成重大影響時，儘快通知本公司。提名委員會獲授權按《上市規則》所載獨立性準則，每年評估所有獨立非執行董事之獨立性，確保彼等能持續作出獨立判斷。

獨立非執行董事的薪酬會定期檢討，以保持競爭力並與其職責及工作量相稱。每名獨立非執行董事的獨立性在他／她被任命時及每年評估一次。

董事須申報其在董事會會議上將審議的提案或交易中的直接或間接利益(如有)，並在適當情況下放棄投票。如有需要，所有董事(包括獨立非執行董事)均可獲得外部獨立專業意見。獨立非執行董事一貫展示對董事會的堅定承諾，以及投入足夠時間以履行其在董事會職責的能力。

本公司亦已建立正式及非正式渠道，獨立非執行董事可公開表達意見，並於情況所需時以保密方式發表意見。

CORPORATE GOVERNANCE REPORT 企業管治報告

CONFIRMATION OF INDEPENDENCE BY THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

Since the Listing Date and up to the date of this annual report, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing over one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

DIRECTORS' AND SENIOR MANAGEMENT'S LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate liability insurance to indemnify the Directors and senior management of the Company for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

All Directors should participate in continuous professional development and attend related trainings as required to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant.

Every newly appointed Director should receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

During the Reporting Period, all Directors, namely Mr. Li Yang, Mr. Lian Songyong, Mr. Zhai Feng, Mr. Geng Jiaqi, Ms. Li Fangyu, Mr. Fan Mingchao, Mr. Liu Teng and Mr. Jiang Hua were regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. All Directors have been updated with the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. In addition, continuing briefing and professional development to Directors will be arranged whenever necessary. All Directors are encouraged to attend relevant training courses at the Company's expenses and required to submit a signed training records to the Company on an annual basis.

獨立非執行董事對獨立性的確認

本公司已收到獨立非執行董事各自按照上市規則第3.13條所載的獨立性指引發出有關其獨立性的年度書面確認書。本公司認為全體獨立非執行董事均為獨立人士。

自上市日期起及直至本年報日期，董事會一直遵守上市規則有關委任至少三名獨立非執行董事的規定，彼等佔董事會成員至少三分之一，其中一名擁有適當的專業資格或會計或相關財務管理專業知識。

董事及高級管理層的責任保險及彌償保證

本公司已安排適當的責任保險以彌償本公司董事及高級管理層因企業活動所引致的責任。有關保險範圍將每年進行審查。

董事的持續專業發展

全體董事應參與持續專業進展，按要求參與相關培訓，發展並更新其知識及技能，以確保其繼續在具備全面資料及切合所需的情況下對董事會作出貢獻。

每名新委任的董事均應在首次接受委任時獲得正式、全面及特為其而設的就任須知，以確保其對本公司的業務及運作均有適當的理解，以及完全知悉上市規則及相關法定規定下的董事責任及義務。

於報告期間，全體董事（即李陽先生、連松泳先生、翟鋒先生、耿嘉琦先生、李方雨女士、范銘超先生、劉騰先生及江華先生）定期聽取有關法律、規則及法規的修訂或更新的簡報。所有董事均已獲悉有關上市規則及其他適用監管規定的最新發展，以確保合規並提高其對良好企業管治常規的認識。此外，如有需要，亦會為董事安排持續簡報及專業發展。鼓勵所有董事參加相關培訓課程，費用由本公司承擔，並要求每年向本公司提交簽署的培訓記錄。

CORPORATE GOVERNANCE REPORT 企業管治報告

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors, non-executive Directors and independent non-executive Directors of the Company has entered into a contract with the Company which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observance of the Articles of Association and provisions on arbitration.

The initial term for their respective appointment letters shall commence from the Listing Date and continue for a period of three years subject always to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than 30 days' prior notice in writing.

None of the Directors has or is proposed to have entered into any service contract with any member of the Group (excluding agreements expiring or determinable by any member of the Group within one year without payment of compensation other than statutory compensation).

All the Directors are subject to retirement by rotation and re-election at an annual general meeting of the Company. In accordance with the Articles of Association, all Directors are subject to retirement by rotation at least once every three years and any new Director appointed to fill a casual vacancy shall submit himself/herself for election by Shareholders at the next following general meeting of the Company after appointment and any new Director appointed as an addition to the Board shall submit himself/herself for re-election by the Shareholders at the next following annual general meeting of the Company after appointment. The procedures and process of appointment, re-election and removal of directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, monitoring and make recommendations to the Board on the appointment, re-election and succession planning of Directors, in particular the chairman of the Board and the chief executive officer of the Company and assessing the independence of independent non-executive directors.

Mr. Geng Jiaqi, Ms. Li Fangyu and Mr. Fan Mingchao will retire at the forthcoming annual general meeting and being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事委任及重選

本公司各執行董事、非執行董事及獨立非執行董事已與本公司就(其中包括)遵守相關法律及法規、遵守組織章程細則及仲裁條文訂立合約。

彼等各自的委任書的初始期限均自上市日期起為期三年，但在任何情況下都須按組織章程細則的規定膺選連任，直至根據委任書的條款及條件或由其中一方向另一方發出不少於30日的事先書面通知予以終止為止。

概無董事與本集團任何成員公司已訂立或擬訂立任何服務合約(於一年內屆滿或可由本集團任何成員公司免付賠償(法定賠償除外)而終止的協議除外)。

所有董事均須於本公司股東週年大會上輪席告退及重選連任。根據組織章程細則，全體董事均須最少每三年輪席告退一次，而任何填補臨時空缺的新任董事須於獲委任後於本公司下一次股東大會上接受股東重選，而任何獲委任出任董事會增補董事的新任董事，須於獲委任後於本公司下一個股東週年大會上接受股東重選。董事委任、重選及罷免程序與過程載於組織章程細則。提名委員會負責檢討董事會的組成，並就董事委任、重選及繼任計劃作出監察並向董事會作出推薦，特別是關於董事會主席及本公司首席執行官的委任、重選及繼任計劃以及評估獨立非執行董事的獨立性。

耿嘉琦先生、李方雨女士及范銘超先生將於應屆股東週年大會退任董事職務，且合資格亦願意於應屆股東週年大會上膺選連任。

擬於應屆股東週年大會重選連任的董事概無訂立本集團不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

CORPORATE GOVERNANCE REPORT 企業管治報告

BOARD COMMITTEES

The Board delegates certain responsibilities to various Board committees. In accordance with the relevant applicable laws and regulations, the Articles of Association and the Listing Rules, we have established an Audit Committee (the “Audit Committee”), a Remuneration Committee (the “Remuneration Committee”), and a Nomination Committee (the “Nomination Committee”), for overseeing particular aspects of the Company’s affairs. Each of these committees is established with defined written terms of reference. The terms of reference of each of these committees are available on the websites of the Company and the Stock Exchange.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee consists of Mr. Liu Teng, Mr. Fan Mingchao and Ms. Li Fangyu, with Mr. Liu Teng being the chairperson of the committee.

The primary function of the Audit Committee is to assist our Board in providing an independent view of our financial reporting process, internal control and risk management system, overseeing the audit process and performing other duties and responsibilities as assigned by our Board which includes, amongst other things:

- proposing to our Board the appointment and replacement of external audit firms;
- supervising the implementation of our internal audit system;
- liaising between our internal audit department and external auditors;
- reviewing our financial information and related disclosures; and
- other duties conferred by our Board.

董事委員會

董事會指派若干職責予多個董事委員會。根據相關適用法律及法規、組織章程細則及上市規則，我們已成立審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」），旨在監察本公司事務的特定方面。委員會各自均有明確的書面職權範圍，可於本公司及聯交所網站查閱。

審核委員會

本公司已根據上市規則第3.21條及企業管治守則成立審核委員會，並制訂其職權範圍。審核委員會由劉騰先生、范銘超先生及李方雨女士組成，其中劉騰先生擔任委員會主席。

審核委員會的主要職能為協助董事會就我們的財務報告流程、內部控制及風險管理制度提供獨立意見，監督審核流程並履行董事會指派的其他職務及職責，其中包括：

- 向董事會建議委任及更換外部審計公司；
- 監督我們內部審計系統的實施；
- 於內部審計部門及外部審計師之間進行聯絡；
- 審閱我們的財務資料及相關披露；及
- 董事會授予的其他職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The Company has established a Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The Remuneration Committee consists of Mr. Fan Mingchao, Mr. Jiang Hua and Mr. Zhai Feng with Mr. Fan Mingchao being the chairperson of the committee.

The primary function of the Remuneration Committee is to develop remuneration policies of our Directors, evaluate the performance, make recommendations to the Board on the remuneration packages of our individual executive Directors and senior management and evaluate and make recommendations on employee benefit arrangements which includes, amongst other things:

- establishing, reviewing and making recommendations to our Directors on our policy and structure concerning remuneration of our Directors and senior management;
- determining the terms of the specific remuneration package of each Director and members of senior management;
- reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Directors from time to time; and
- other duties conferred by our Board.

The emoluments of the Directors and senior management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the individual performance and comparable market statistics. The emoluments payable to each Director and senior management of the Group are covered by their respective service contracts.

Details of the remuneration payable to each Director for the Reporting Period are set out in Note 36 to the consolidated financial statements.

薪酬委員會

本公司已成立薪酬委員會並遵照上市規則第3.25條及企業管治報告制定其職權範圍。薪酬委員會由范銘超先生、江華先生及翟鋒先生組成，其中范銘超先生擔任委員會主席。

薪酬委員會的主要職能為制定董事的薪酬政策、評估表現、向董事會建議個別執行董事及高級管理人員的薪酬待遇提出建議，以及對員工福利安排進行評估及提出建議，其中包括：

- 制定、檢討董事及高級管理人員的薪酬政策及架構，並向董事提出建議；
- 確定各董事及高級管理層成員的具體薪酬待遇條款；
- 參考董事不時決定的企業目標及宗旨，檢討及批准與表現掛鈎的薪酬；及
- 董事會授予的其他職責。

本集團董事及高級管理人員的酬金由董事會參考薪酬委員會的建議，並考慮個別人士的表現及可比較市場統計數據後釐定。本集團應付各董事及高級管理人員的酬金由彼等各自的服務合約涵蓋。

於報告期間，應付各董事薪酬的詳情載於綜合財務報表附註36。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration by band of the senior management (including the executive Directors) of the Group for the Reporting Period are set out below:

於報告期間按薪酬等級劃分的本集團高級管理層(包括執行董事)薪酬載列如下：

REMUNERATION BANDS (RMB) 薪酬等級(人民幣元)	NUMBER OF SENIOR MANAGEMENT 高級管理層人數
2,000,001–3,000,000	2
3,000,001–4,000,000	1
TOTAL 總計	3

NOMINATION COMMITTEE

Our Company has established a Nomination Committee with written terms of reference in compliance with Rule 3.27 of the Listing Rules and the CG Code. The Nomination Committee consists of Mr. Fan Mingchao, Mr. Jiang Hua and Mr. Lian Songyong, with Mr. Fan Mingchao being the chairperson of the committee.

提名委員會

本公司已成立提名委員會並遵照上市規則第3.27條及企業管治報告制定其職權範圍。提名委員會由范銘超先生、江華先生及連松泳先生組成，其中范銘超先生擔任委員會主席。

The primary function of the Nomination Committee is to make recommendations to our Board in relation to the appointment and removal of Directors which includes, amongst other things:

提名委員會的主要職能為就董事的任命及罷免向董事會提出推薦建議，其中包括：

- reviewing the structure, size and composition of our Board on a regular basis and making recommendations to our Board regarding any proposed changes;
- identifying, selecting or making recommendations to our Board on the selection of individuals nominated for directorships;
- assessing the independence of our independent non-executive Directors;
- making recommendations to our Board on relevant matters relating to the appointment, re-appointment and removal of our Directors; and
- other duties conferred by our Board.
- 定期檢討董事會的架構、規模及組成，並就任何建議變更向董事會提出推薦建議；
- 物色、甄選提名出任董事的人選或向董事會推薦有關人選的選擇；
- 評估獨立非執行董事的獨立性；
- 就委任、重新委任及罷免董事的相關事宜向董事會提出推薦建議；及
- 董事會授予的其他職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning board diversity as set out in the Company's Board Diversity Policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Nomination Policy that are necessary to complement the corporate strategy and achieve board diversity, where appropriate, before making recommendation to the Board.

NOMINATION POLICY

The Company has adopted a director nomination policy (the "Director Nomination Policy") in accordance with the CG Code. The Director Nomination Policy sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

The Nomination Committee shall identify, consider and recommend to the Board appropriate candidates to serve as Directors and to make recommendations to the Shareholders. The ultimate responsibility for selection and appointment of Directors rests with the entire Board.

The Nomination Committee will recommend to the Board for the nomination, appointment of new Directors in accordance with the following procedures and process: (a) the Nomination Committee shall first review and assess factors relating to the diversity of the Board, including but not limited to professional experience, skill, knowledge and length of service, gender, age, cultural and education background, and give consideration to the candidate's willingness to devote adequate time to the Board and independence of each independent non-executive directors based on the requirements of the Listing Rules as amended from time to time; and (b) the Nomination Committee shall then nominate suitable candidates to the Board based on the then-current and anticipated future leadership needs of the Company, with a view to achieving a sustainable and balanced development of the Company.

於評估董事會組成時，提名委員會會考慮本公司董事會多元化政策載列的各個方面以及有關董事會多元化的因素。提名委員會會討論及協定達致董事會多元化的可計量目標(如必要)，並推薦董事會採納。於物色及挑選合適董事人選時，提名委員會在向董事會作出推薦前將考慮配合企業策略及達致董事會多元化(倘適當)所需的董事提名政策所載候選人相關標準。

提名政策

本公司已根據企業管治守則採納董事提名政策(「董事提名政策」)。董事提名政策載有關於提名及委任本公司董事的甄選準則及程序以及董事會繼任計劃考量，旨在確保董事會具備切合本公司業務所需的技能、經驗及多元觀點。

提名委員會應物色、考慮及向董事會推薦合適人選出任董事，以及向股東作出推薦建議。董事會全體負有最終選擇和委任董事的責任。

提名委員會將根據下列程序及流程，就提名及委任新董事向董事會作出推薦建議：(a)提名委員會須首先審查及評估與董事會多元化相關的因素，包括但不限於專業經驗、技能、知識及服務年期、性別、年齡、文化及教育背景以及考慮候選人為董事會投入足夠時間的意願及各獨立非執行董事基於不時經修訂的上市規則規定的獨立性；及(b)其後，提名委員會應基於本公司當前及預期未來領導需要向董事會提名合適人選以實現本公司可持續平衡發展。

CORPORATE GOVERNANCE REPORT 企業管治報告

For the re-election of Directors at the general meeting, the Nomination Committee shall review the overall contribution and service to the Company of the retiring Directors, including its attendance at Board meetings, Board committee meetings and general meetings (if applicable), and his/her level of participation and performance on the Board. The Nominating Committee shall require the nominee to submit updated biographical information and the consent to be re-elected as a Director; and should review and determine whether retiring Directors still meet the criteria for Director selection.

The Nominating Committee shall then make recommendations to the Board on the re-election of Directors. The Nomination Committee shall also monitor and review the implementation of the nomination policy, as appropriate from time to time, and will report to the Board annually.

BOARD DIVERSITY POLICY

Pursuant to Rule 13.92 of the Listing Rules, the Nomination Committee (or the Board) shall have a policy concerning diversity of board members, and shall disclose the policy on diversity or a summary of the policy in the corporate governance report.

The Board seek to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. We have adopted a board diversity policy (the "Board Diversity Policy") to enhance the effectiveness of our Board and to maintain a high standard of corporate governance. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director of the Company, our nomination committee will consider a range of diversity perspectives with reference to our Company's business model and specific needs, including but not limited to gender, age, cultural and educational background and professional experience and knowledge. Furthermore, our nomination committee is responsible for reviewing the diversity of our Board, reviewing the Board Diversity Policy from time to time, developing and reviewing measurable objectives for implementing the Board Diversity Policy, and monitoring the progress on achieving these measurable objectives in order to ensure that the Board Diversity Policy remains effective. The board diversity policy will be reviewed by the Nomination Committee annually.

就於股東大會重選董事而言，提名委員會應檢討退任董事對本公司的整體貢獻及服務，包括其出席董事會會議、董事委員會會議及股東大會（如適用）的出席率，以及在董事會的參與程度及表現。提名委員會應要求被提名人提交最新履歷資料及將重選為董事的同意書；並應檢討及確定退任董事是否仍然符合董事甄選原則。

提名委員會隨後應就重選董事一事向董事會提出推薦建議。提名委員會亦應適時及不時監察及檢討提名政策的實施情況，並每年向董事會匯報。

董事會多元化政策

根據上市規則第13.92條，提名委員會（或董事會）須設有關於董事會成員多元化的政策，並且須在企業管治報告內披露該多元化政策或該政策的概要。

董事會通過考慮多項因素力求實現董事會多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。我們已採納董事會多元化政策（「董事會多元化政策」），以提高董事會效率及維持高水準的企業管治。根據董事會多元化政策，於審核及評估合適人選擔任本公司董事時，提名委員會將考慮一系列多元化觀點，並參考本公司的業務模式及特定需要，包括但不限於性別、年齡、文化及教育背景以及專業經驗及知識。此外，提名委員會負責檢討董事會的多元化，不時審視董事會多元化政策，制定及檢討落實董事會多元化政策的可衡量目標，並監督實現該等可衡量目標的進展，以確保董事會多元化政策維持有效。董事會多元化政策將由提名委員會每年進行檢討。

CORPORATE GOVERNANCE REPORT

企業管治報告

Our Directors have a balanced mix of knowledge and skills, including but not limited to overall business management, finance and accounting, research and development, and investment. They obtained degrees in various majors including engineering, business management, science, accounting and finance, international law, and clinical medicine.

As at the date of this annual report, our Board consists of seven male members and one female member with 1 Director of age 31 to 40 years old, 1 Director of age 41 to 50 years old, 5 Directors of age 51 to 60 years old and 1 Director of age 61 to 70 years old. Our Company has reviewed the membership, structure and composition of the Board, and is of the opinion that the structure of the Board is reasonable, and the experiences and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operation.

The Board targets to maintain at least the current level of female representation and will continue to take steps to promote gender diversity at the Board of our Company. Going forward, we will strive to achieve gender balance of the Board through certain measures to be implemented by our nomination committee in accordance with our board diversity policy. In particular, we will actively identify female individuals suitably qualified to become our Board members and we aim to achieve a target of 20% female representation in our Board based on the actual needs of our Board and when suitable candidates are available. To further ensure gender diversity of our Board in a long run, our Group will also identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be reviewed by our nomination committee periodically in order to develop a pipeline of potential successors to our Board to promote gender diversity of our Board.

我們的董事具備各方面的知識及技能，包括但不限於整體業務管理、財務及會計、研發及投資。他們已獲多項專業學位，包括工程、工商管理、科學、會計及金融、國際法以及臨床醫學。

截至本年報日期，董事會由七名男性成員及一名女性成員組成，1名董事介乎31歲至40歲，1名董事介乎41歲至50歲，5名董事介乎51歲至60歲及1名董事介乎61歲至70歲。本公司已審閱董事會成員、架構及組成，並認為董事會架構屬合理，且董事在各個方面及領域的經驗及技能可使本公司維持高標準運作。

董事會希望其女性成員比例至少維持在現時的水平，並將繼續採取措施促進本公司董事會的性別多元化。展望將來，我們將致力根據董事會多元化政策透過提名委員會實施的若干措施達致董事會性別平衡。具體而言，我們將積極根據董事會的實際需要物色具備合適資格成為董事會成員的女性候選人並致力在有適合人選時實現董事會中女性代表佔20%的目標。為進一步確保董事會長期性別多元化，本集團亦將不時物色及選擇於不同領域具有廣泛技能、經驗及知識的女性候選人及設定擁有成為董事會成員資格的女性候選人名單（將由提名委員會定期審閱），以發展董事會潛在繼任者渠道以促進董事會性別多元化。

CORPORATE GOVERNANCE REPORT 企業管治報告

WORKFORCE DIVERSITY

As a beauty company, the proportion of female employees of Beauty Farm is as high as over 90%. The Group has made continuous efforts to pursue equal opportunities, diversity and anti-discrimination, and is committed to creating a fair, respectful and inclusive working environment. We make decisions on hiring, training, opportunities for advancement, dismissal and retirement policies without regard to the age, sex, marital status, pregnancy, family status, disability, race, color, ancestry, national or ethnic origin, national origin, religion or any other non-work related factors. Even though the nature of the industry and the business scope of the Company generally employ more female employees, gender does not affect how we treat our employees. Both male and female employees receive corresponding treatment according to their rank, seniority and performance.

The construction of female leadership is a core mission that Beauty Farm has always adhered to. Through its business growth, Beauty Farm continues to drive the development of female employees, helping them to complete self-improvement and build a sense of self-identity. On the basis of helping them achieve good career development and economic independence, they can obtain family and social status, delivering positive influence to wider female group in the society. The Group will aim to achieve the gender diversity in workforce. For further details of gender ratio, please refer to the disclosure in the ESG report.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the functions set out in code provision A.2.1 of the CG Code.

The Board had reviewed:

- the Company's policies and practices on corporate governance, compliance with legal and regulatory requirements;
- code of conduct and compliance manual (if any) applicable to employees and Directors;
- the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- training and continuous professional development of Directors and senior management relating to the roles, functions and duties of a director of a company listed on the Stock Exchange.

員工多元化

作為一家美容企業，美麗田園員工中的女性佔比高達90%以上。本集團為追求平等機會、多元化和反歧視作出持續努力，致力營造公平、尊重和包容的工作環境。我們在作出僱用、培訓、晉升機會、解僱和退休政策的決定時，不受其僱員的年齡、性別、婚姻狀況、懷孕、家庭狀況、殘疾、種族、膚色、血統、民族或人種、國籍、宗教或任何其他與工作無關的因素影響。縱使行業性質以及企業業務範圍，僱用的女性員工普遍較多，但性別絕不影響我們如何對待員工，男性女性員工均根據其職級、年資、表現獲得相應待遇。

女性領導力建設是美麗田園始終堅持的一項核心內容。通過企業的發展，美麗田園不斷帶動女性員工的發展，幫助女性員工完成自我提升、塑造自我認同感，在助力其獲得良好的職業發展實現經濟獨立的基礎上，獲得家庭和社會地位的提升，向社會更廣泛的女性群體傳遞正向影響力。本集團將致力實現員工的性別多元化。有關性別比例的進一步詳情，請參閱環境、社會及管治報告的披露。

企業管治職能

董事會負責履行企業管治守則的守則條文第 A.2.1 條所載的職能。

董事會已審閱：

- 本公司的企業管治政策及常規、遵守法律及監管規定的狀況；
- 適用於僱員及董事的行為守則及合規手冊（如有）；
- 本公司遵守企業管治守則的情況及在企業管治報告內的披露；及
- 董事及高級管理層有關聯交所上市公司董事的角色、職能及職責的培訓及持續專業發展。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD MEETINGS, COMMITTEE MEETINGS

The Company became listed on January 16, 2023. The Company adopts the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Both the Nomination Committee and the Remuneration Committee shall meet at least once every year; and the Audit Committee shall meet at least twice a year. Notices of not less than fourteen days are given for all Board and committee meetings to provide all Directors or committee members with an opportunity to attend and include matters in the agenda for a regular meeting. The agenda and accompanying board papers are dispatched to the Directors or committee members at least three days before the intended date of the meeting to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting. When Directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairperson of the board or the committee members prior to the meeting.

Minutes of meetings are kept by the Joint Company Secretaries with copies circulated to relevant Board or Board Committee for comments and records. Minutes of the Board meetings and committee meetings are recorded in sufficient detail the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Board or committee members and dissenting views expressed. Draft minutes of each Board meeting and committee meeting are sent to the relevant board or committee members for comments within a reasonable time after the date on which the meeting is held. The minutes of the Board meetings are open for inspection by Directors.

Due to the fact that the Company was listed on January 16, 2023, two Board meetings, no Audit Committee meeting and no Remuneration Committee meeting were held during the Reporting Period.

GENERAL MEETING

Due to the fact that the Company was listed on January 16, 2023, no general meeting was held during the Reporting Period.

董事會會議及委員會會議

本公司於2023年1月16日上市。本公司採納定期、至少每年四次及大致每季度舉行董事會會議的慣例。提名委員會及薪酬委員會須至少每年舉行一次會議，而審核委員會須至少每年舉行兩次會議。所有定期董事會會議須於會議舉行前至少十四天發出通知，供全體董事有機會出席並提出事項以納入定期會議議程。議程及相關董事會文件在大會擬定日期前至少三天寄送予董事或委員會成員，以確保彼等有足夠時間審閱有關文件及為會議作充分準備。倘董事或委員會成員無法出席會議，彼等將會在會議之前獲告知將予討論的事宜及獲得機會告知董事會主席或委員會成員有關彼等的意見。

聯席公司秘書保存會議記錄，並向相關董事會或董事委員會傳閱以供其發表意見及記錄。董事會及委員會會議紀要詳細記錄董事會及委員會所考慮的事項及所達成的決定，包括董事會或委員會成員所提出的任何問題及所表達的反對意見。各董事會會議及委員會會議的記錄草稿在會議舉行日期後的合理時間內發送予相關董事會或委員會成員以便其發表意見。董事會會議記錄公開供董事查閱。

由於本公司乃於2023年1月16日上市，於報告期間僅進行兩次董事會會議，概無舉行審核委員會會議及薪酬委員會會議。

股東大會

由於本公司乃於2023年1月16日上市，於報告期間概無舉行股東大會。

CORPORATE GOVERNANCE REPORT 企業管治報告

INTERNAL CONTROL AND RISK MANAGEMENT

It is the responsibility of the Board of Directors to ensure that the Group maintains sound and effective risk management and internal control systems, and make annual review on the effectiveness of such systems, in order to safeguard the Shareholders' investment and the Group's assets at all times. The Audit Committee assists the Board of Directors in leading management and supervising the design, implementation, and monitoring of the risk management and internal control systems.

The Company has a clearly defined organizational structure for its risk management and internal control systems, with appropriate division of responsibilities, authority limits, reporting mechanisms, and accountability to identify and manage potential risks and safeguard the assets of the Group. The Company has developed and adopted multiple risk management procedures and guidelines. It also regularly reviews the implementation of its major business processes, including procurement and sales, operational management, financial reporting, medical safety, and information security, among others.

The Company's internal audit department is responsible for independently auditing the adequacy and effectiveness of our risk management and internal control systems and providing findings and improvement suggestions to the Audit Committee. As of the date of this annual report, the Audit Committee has reviewed and confirmed to the Board of Directors that the Group's risk management and internal control systems are effective and sufficient. With the support of the Audit Committee and its report, the Board of Directors has reviewed these systems for the year ended December 31, 2022, and believes they are effective.

內部控制及風險管理

董事會有責任確保本集團始終保持健全有效的風險管理及內部控制系統並對該等系統的有效性進行年度審查，以隨時保障股東投資及本集團資產。審核委員會協助董事會領導管理層並監督其設計、實施及監察風險管理及內部控制系統。

本公司的風險管理及內部控制系統具有明確的組織架構，並設有適當的職責劃分、權力限制、彙報方式及責任，以識別及管理潛在風險並保障本集團的資產。本公司已制定及採納多項風險管理程序指引，並定期檢討主要業務流程實施情況，包括採購與銷售、營運管理、財務報告、醫療安全、信息安全等等的實施情況。

本公司的內部審計部負責對風險管理及內部控制系統的充足性及有效性進行獨立審計，並向審核委員會提供其發現及改進建議。截至本年度報告日期，審核委員會已進行審查並向董事會確認，本集團的風險管理及內部控制系統是有效及足夠的。董事會在審核委員會及其報告的支持下，審閱截至2022年12月31日止年度的風險管理及內部控制系統，並認為該等系統是有效的。

CORPORATE GOVERNANCE REPORT

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In the future, we will continue to regularly review and improve such internal control policies, measures and procedures. In order to further improve our corporate governance practices and the effectiveness of our internal control procedures, we will further monitor internal controls that are highly relevant to our business development, such as medical compliance, franchise control, information confidentiality and data security.

In respect of system construction, the Company will continue to take the following measures: 1) refining the Articles of Association, and adjusting the organizational structure, division of powers and responsibilities, and decision-making procedures in a timely manner; 2) establishing and improving internal rules and regulations, formulating various management systems, clarifying the responsibilities, work procedures and assessment standards of each position according to its actual business needs to ensure the standardization of management processes; 3) establishing a risk management and internal control system, including the formulation of risk identification, assessment, early warning and response mechanisms to ensure the stability of the Group's business activities, and establishing an internal control system to standardize business behavior and prevent manipulation and fraud.

In respect of anti-corruption, we have formulated specific policies and procedures. The management and Audit Committee oversees the design and implementation of anti-corruption policies and procedures. Relevant policies are set out in the Employee Handbook and Code of Conduct. We do not tolerate bribery of any kind. We have also established whistleblower procedures, dedicated hotlines and email addresses to receive named or anonymous corruption reports and rigorous investigation procedures. If employees are found to violate relevant anti-corruption policies, their employment will be terminated.

未來，我們將繼續定期審視及改善該等內部控制政策、措施及程序。為進一步改善我們的企業管治慣例及我們的內部控制程序有效性，我們將進一步關注醫療合規、加盟管控、信息保密及數據安全等與公司業務發展高度相關的內控。

在制度建設層面，本公司將繼續採取如下措施：1) 完善組織章程細則，適時調整組織結構、權責劃分、決策程序等內容。2) 建立健全內部規章制度：根據實際業務需要，制定各類管理制度，明確各崗位職責、工作程序和考核標準，確保管理流程的規範化、標準化。3) 建立風險管理與內部控制制度：包括建立風險識別、評估、預警和應對機制，確保集團經營活動的穩健性；同時，建立內部控制制度，規範經營行為，防範操縱、舞弊等行為。

就反貪污而言，我們已制定具體政策及程序。管理層及審核委員會監督反貪污政策及程序的設計及實施情況。有關政策載於員工手冊及行為守則。我們絕不容忍收受任何形式的賄賂。我們亦已設立舉報程序、專用熱線及電郵地址，以接收具名或匿名的貪污舉報及嚴格的調查程序。員工如被發現違反相關反貪污政策，將被終止僱傭關係。

CORPORATE GOVERNANCE REPORT 企業管治報告

In respect of process control, we will further improve the store opening, new franchisee selection, franchisee exit, information data acquisition, transfer and use process, and control the above processes through the information system, and make timely adjustments.

In respect of organizational construction, we will further optimize the organizational structure. By adjusting the functions and structures of the established Medical Quality Department, Medical Development Support Department, Franchise Operation, Franchise Integration and Data Support Center, we will strengthen our internal management and risk control while maintaining stable business growth.

Our Directors are of the view that our enhanced internal control system is adequate and effective for our current operations. For the year ended December 31, 2022, the Company was not subject to any government investigation or litigation with respect to claims or allegations of monetary and non-monetary bribery activities, and to the best knowledge of the Directors, none of our employees were involved in any bribery or kickback arrangements.

The Company has designated responsible personnel to monitor our ongoing compliance with relevant laws and regulations that govern our business operations, and to oversee the implementation of any necessary measures. Meanwhile, we plan to provide our Directors, senior management and relevant employees with continuing training programs and updates regarding the relevant laws and regulations on a regular basis, with a view to proactively identifying any concerns or issues relating to any potential non-compliance. We believe that we have established adequate internal procedures, systems and controls in relation to anti-corruption and anti-bribery law compliance.

在流程控制方面，我們將進一步完善門店開業、新加盟商選任、加盟商退出、信息數據獲取、流轉及使用流程，利用信息系統對上述流程進行管控，並適時調整。

在組織建設方面，我們將進一步優化組織結構，通過調整已設立的醫療質量部、醫療發展支持部、加盟運營、加盟綜合、數據支持中心等組織的職能和結構，在保持業務穩定發展的同時加強內部管理和風險控制。

董事認為，加強內部控制制度對現時業務屬充分有效。截至2022年12月31日止年度，本公司並未因金錢及非金錢賄賂活動的申索或指控而受到任何政府調查或起訴，而據董事所深知，概無董事涉及任何賄賂或回佣安排。

本公司已指定負責人監察我們對規範我們業務運營的相關法律及法規的持續遵守情況，並監督任何必要措施的實施情況。同時，我們計劃定期向我們的董事、高級管理層及相關員工提供有關法律法規的持續培訓課程及更新，旨在主動識別與任何潛在不合規有關的任何關注事件或問題。我們相信，我們已就遵守反腐敗及反賄賂法律制定充分的內部程序、制度及控制措施。

CORPORATE GOVERNANCE REPORT 企業管治報告

DISSEMINATION OF INSIDE INFORMATION

The Group regulates the handling and dissemination of inside information according to internal procedures and policy so as to ensure inside information remains confidential until the disclosure and publication of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

The Board is responsible for approving the policy on disclosure of inside information which aims at providing guiding principles, practices and procedures to assist employees and officers of the Group in (i) relaying inside information to the Board to enable it to make timely decisions on disclosure, if necessary; and (ii) communicating with the Group's stakeholders, in ways which are in compliance with the SFO and the Listing Rules.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for reviewing the consolidated financial statements of the Company for the Reporting Period.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

發佈內幕消息

本集團根據內部程序及政策規範內幕消息的處理及發佈，確保內幕消息在獲適當批准可予披露前一直保密，並確保有效及一致地發佈有關消息。

董事會負責審批有關披露內幕消息的政策，有關政策旨在提供指導原則、慣例及程序，以協助本集團僱員及高級職員以符合證券及期貨條例以及上市規則的方法：(i)向董事會匯報內幕消息，以便董事會及時作出披露決定(倘需要)；及(ii)與本集團的持份者溝通。

董事就財務報表的責任

董事知悉彼等須負責審核本公司於報告期間的綜合財務報表。

董事並未注意到可能對本集團持續經營的能力產生重大疑問的事項或情況的任何重大不確定性。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDITORS' REMUNERATION

The Company appointed PricewaterhouseCoopers, Certified Public Accountants and Registered Public Interest Entity Auditor as the auditors for the Reporting Period. A statement by PricewaterhouseCoopers about their reporting responsibilities for the financial statements is included in the Independent Auditors' Report of this annual report.

Details of the fees paid or payable to the Company's auditors, in respect of the audit and non-audit services for the Reporting Period are set out in the table below:

Service category 服務類別	RMB'000 人民幣千元
IPO reporting accountant and related services: IPO核數及相關服務：	12,002
Annual audit services: 年度審計服務：	2,700
Non-audit services:⁽¹⁾ 非審計服務： ⁽¹⁾	980
Total 總計	15,682

(1) The non-audit services conducted by the auditor mainly include tax related services.

核數師酬金

本公司委任執業會計師及註冊公眾利益實體核數師羅兵咸永道會計師事務所為報告期間的核數師。羅兵咸永道關於其對財務報表申報責任的聲明載於本年報的獨立核數師報告。

於報告期間就審計及非審計服務已付或應付給本公司核數師的費用明細載於下表：

(1) 核數師提供的非審計服務主要包括稅務相關服務。

COMPANY SECRETARY AND PRIMARY CONTACT OF THE COMPANY

The Company engaged Ms. Kwok Siu Ying Sarah, the manager of Corporate Services of Vistra Corporate Services (HK) Limited (a company secretarial service provider), as a joint company secretary of the Company. Ms. Zhou Min, is another joint company secretary of the Company.

Ms. Zhou, the chief financial officer and a joint company secretary of the Company, is the primary corporate contact person of Ms. Kwok at the Company.

In compliance with Rule 3.29 of the Listing Rules, each of Ms. Zhou Min and Ms. Kwok Siu Ying Sarah undertook not less than 15 hours of relevant professional training to update their skills and knowledge during the Reporting Period.

本公司公司秘書及主要聯繫人

本公司聘請Vistra Corporate Services (HK) Limited (一家公司秘書服務供應商)的企業服務部經理郭兆瑩女士為本公司的聯席公司秘書。周敏女士為本公司另一位聯席公司秘書。

本公司首席財務官兼聯席公司秘書周女士為郭女士於本公司的主要企業聯絡人。

為遵守上市規則第3.29條，於報告期間，周敏女士及郭兆瑩女士均已參與不少於15小時的相關專業培訓，以更新彼等的技能及知識。

CORPORATE GOVERNANCE REPORT 企業管治報告

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed by the chairman of that meeting for each substantially separate issue at Shareholder meetings, including nomination and election of individual directors. All resolutions put forward at Shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each Shareholder meeting in accordance with the Listing Rules.

Procedures for Shareholders to convene an extraordinary general meeting

Pursuant to Article 12.3 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

股東權利

為保障股東權益及權利，包括提名及選舉各董事在內的各項實際獨立事宜均會於股東大會上由該會議主席提呈獨立決議案。於股東大會上提呈的所有決議案將根據上市規則以投票方式進行表決，投票結果將於各股東大會舉行後根據上市規則及時於本公司及聯交所網站刊登。

股東召開股東特別大會的程序

根據組織章程細則第12.3條，董事會可酌情召開股東特別大會。股東大會亦須應任何一名或以上股東向本公司於香港的總辦事處（或倘本公司不再設置總辦事處，則註冊辦事處）送遞提請書要求召開，有關提請書須註明召開大會的目的並由提出請求人士簽署，惟該等提出請求人士於送遞提請書當日須持有不少於附帶本公司股東大會表決權的本公司繳足股本的十分之一。股東大會亦可由任何一名股東（其為認可結算所，或其代名人）向本公司於香港的總辦事處（或倘本公司不再設置總辦事處，則註冊辦事處）送遞提請書要求召開，有關提請書須註明召開大會的目的並由提出請求人士簽署，惟該提出請求人士於送遞提請書當日須持有不少於附帶本公司股東大會表決權的本公司繳足股本十分之一。倘董事會並於提請書送遞日期後21日內正式安排召開將於其後21日內舉行的大會，提出請求人士本人或任何代表超過所有提出請求人士二分之一總表決權的提出請求人士可按盡可能接近董事會可能召開大會的相同方式召開股東大會，惟任何按此召開的大會不得於提請書送遞日期起計三個月屆滿後舉行，而本公司則須向提出請求人士償付因董事會未能召開大會而產生的所有合理開支。

CORPORATE GOVERNANCE REPORT 企業管治報告

Procedures for putting forward proposals at general meeting

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Companies Law of the Cayman Islands. However, Shareholders who wish to propose resolutions may follow Article 12.3 of the Articles of Association for requisitioning an extraordinary general meeting and including a resolution at such meeting. The requirements and procedures of Article 12.3 are set out above.

For proposal of a person for election as Director, pursuant to Article 16.4 of the Articles of Association, no person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Secretary notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

Inquiries to the Board

Shareholders and investors may send written enquiries or requests to the Company as follows:

Address: Unit 1206, 12th Floor, No. 1089 Dongdaming Road,
Hongkou District, Shanghai, PRC
Email: ir@beautyfarm.com.cn
Telephone: 021-60953299

Enquiries will be dealt with in a timely and informative manner.

於股東大會提呈議案的程序

開曼群島公司法下並無條文允許股東於股東大會提呈新決議案。然而，欲提出決議案的股東可以根據組織章程細則第12.3條，要求召開股東特別大會並於大會中提呈決議案。組織章程細則第12.3條的要求及程序已載於上文。

就動議一名人士參選董事而言，根據組織章程細則第16.4條，除非獲董事會推薦參選，概無任何人士合資格於任何股東大會上參選董事一職，惟可由有權出席大會並於會上投票的本公司股東（不可為擬參選的人士）於最少七日期間內（由有關選舉召開大會通知發出後當日開始，至不遲於有關會議當日前七日）以書面通知秘書，表示建議該名人士參選董事並就此發出通知，而該名人士以書面簽署表明參選意願的通知須提交予秘書。

向董事會作出查詢

股東及投資者可透過以下方式向本公司發送書面查詢或要求：

地址：中國上海市虹口區東大名路1089號12層
1206單元
電郵：ir@beautyfarm.com.cn
電話：021-60953299

所有查詢將以適時及提供有用資料的形式處理。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business performance and strategies. The Company recognizes the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

The Company adopted the shareholders communication policy, which set out the framework the Company has put in place to promote effective communication with Shareholders so as to enable them to engage actively with the Company and exercise their rights as Shareholders in an informed manner. The shareholders communication policy will be reviewed on a regular basis by the Board of the Company.

The Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. These include (i) the publication of interim and annual reports and/or dispatching circulars, notices, and other announcements; (ii) the annual general meeting or extraordinary general meeting providing a forum for Shareholders to raise comments and exchanging views with the Board; (iii) updated and key information of the Group available on the Company's website and the Stock Exchange's website; (iv) the Company's website offering communication channel between the Company and its stakeholders; (v) the Company's share registrar in Hong Kong serving the Shareholders in respect of all share registration matters; and (vi) convening investor meeting and/or analyst briefings, which led by our investor relations team with existing and potential investors. The Company considers that the shareholders' communication policy was effectively conducted since the Listing Date and up to the date of this annual report.

DIVIDEND POLICY

We currently do not have a formal dividend policy or a fixed dividend payout ratio. Our Board may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the Cayman Companies Law. In addition, our Directors may from time to time pay such interim dividends as our Board considers to be justified by our profits and overall financial requirements, or special dividends of such amounts and on such dates as they deem appropriate. No dividend shall be declared or payable except out of our profits, retained earnings or share premium, subject to a solvency test being satisfied.

與股東溝通及投資者關係

本公司認為與股東之間有效溝通就提升投資者關係以及理解本集團業務表現及策略而言至關重要。本公司亦肯定及時及不經篩選地披露資料的重要性，可讓股東及投資者作出知情投資決定。

本公司採納股東通訊政策，其載列本公司現有的框架以促進與股東之間的有效溝通，從而讓股東積極與本公司溝通並以知情方式行使其股東權利。本公司董事會將定期審查股東通訊政策。

本公司已就其本身與其股東、投資者及其他利益相關方設立多個溝通渠道。當中包括(i)刊發中報及年報及／或寄發通函、通告及其他公告；(ii)股東週年大會或股東特別大會為股東提供向董事會提出意見及交流觀點的平台；(iii)於本公司網站及聯交所網站可供查閱的本集團最新及主要資料；(iv)本公司網站提供本公司與其利益相關方之間的溝通渠道；(v)本公司於香港的股份過戶登記處就所有股份登記事宜為股東提供服務；及(vi)召開由我們的投資者關係團隊與現有及潛在投資者主持的投資者會議及／或分析師簡介會。本公司認為股東溝通政策自上市日期起至本年報日期內有效執行。

股息政策

我們現時並無正式股息政策或固定派息比率。日後，董事會可在考慮我們的經營業績、財務狀況、現金需求及可動用現金以及其當時可能認為相關的其他因素後宣派股息。任何宣派及派付以及股息金額均須符合我們的組織章程文件及開曼公司法。此外，董事可不時派付其認為就我們的利潤及整體財務需求而言屬合理的中期股息，或於其認為適當的日期派付適當金額的特別股息。股息須從我們的利潤、保留盈利或股份溢價中宣派或派付，但須通過償債能力測試。

CORPORATE GOVERNANCE REPORT 企業管治報告

Future dividend payments will also depend upon the availability of dividends received from our subsidiaries in China. PRC laws require that dividends be paid only out of net profits calculated according to PRC accounting principles, which differ in many aspects from generally accepted accounting principles in other jurisdictions, including HKFRS. PRC laws also require enterprises incorporated in the PRC to set aside at least 10% of their after-tax profits based on the relevant accounting standards set out by the PRC regulatory authorities at the end of each year to fund certain statutory reserves until the statutory reserves reach and remain at or above 50% of the relevant PRC entity's registered capital. Distributions from our subsidiaries may also be restricted if they incur debt or losses, or in accordance with any restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future.

CHANGES IN CONSTITUTIONAL DOCUMENTS

The Articles of Association has been amended and restated with effect from the Listing Date, and are available on the respective websites of the Stock Exchange and the Company.

There is no change in constitutional documents of the Company after the Listing.

未來派付股息亦將取決於我們能否自中國附屬公司收取股息。中國法律規定，股息僅可從根據中國會計原則計算的淨利潤中派付，而中國會計原則與其他司法權區的公認會計原則（包括香港財務報告準則）在多方面存在差異。中國法律亦規定，在中國註冊成立的企業須根據中國監管機構制定的相關會計準則，於每年年底撥出至少10%的除稅後利潤為若干法定公積金提供資金，直至法定公積金達到並維持在相關中國實體註冊資本的50%或以上為止。若我們的附屬公司產生債務或虧損，或須遵守我們或我們的附屬公司日後可能訂立的銀行信貸融資或其他協議的任何限制性契諾，則我們附屬公司的分派亦可能受到限制。

憲章文件變動

組織章程細則已經修訂及重列，自上市日期起生效，並可於聯交所及本公司各自的網站查閱。

本公司於上市後並無憲章文件變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1. ABOUT THIS REPORT

This Report is the first Environmental, Social and Governance (“ESG”) Report issued by Beauty Farm Medical and Health Industry Inc. (2373.HK). Based on objective, comprehensive, regulative and transparent principles, this Report presents management ideas, key practices and annual achievements for environmental, social and governance work of Beauty Farm Medical and Health Industry Inc.

Reporting Scope

The Report covers the period from 1 January 2022 to 31 December 2022 (“the current year” or “the Reporting Period”). To make the Report more informative, some contents or data related to years before 2022.

This Report mainly covers the information and key performance in respect of the fulfilment of the environmental, social and governance responsibilities of Beauty Farm Medical and Health Industry Inc. and its subsidiaries in 2022, including the Group offices, stores and two Beauty Farm Training Centres, etc. Since the daily operations of the franchised stores are independent of the Group’s management, they are excluded from the reporting scope.

Reference Standards

This Report is prepared mainly with reference to the Environmental, Social and Governance Reporting Guide (the ESG Guide) under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and is reported in accordance with the principles of materiality, quantitative, balance and consistency included in the Guide. The contents are in accordance with the disclosure principles set out in the ESG Guidelines and have complied with the “mandatory disclosure requirements” and “comply or explain” provisions set out in the ESG Guidelines to address the environmental and social impacts of the Company’s business and operational activities. Part of the report content also refers to the requirements of the “Guidance on Social Responsibility” (GB/T 36000-2015)/“Guidance on Social Responsibility Reporting” (GB/T 36001-2015).

1. 關於本報告

本報告是美麗田園醫療健康產業有限公司 (2373.HK) 首份發佈的環境、社會及管治 (Environmental, Social and Governance, 「ESG」) 報告，本著客觀全面、規範透明的原則，詳細闡述2022年度本集團環境、社會及管治工作的管理理念、亮點實踐及年度績效。

報告範圍

本報告披露時間範圍為2022年1月1日至2022年12月31日(下稱「本年度」或「報告期內」)，為使報告更具參考價值，其中部份內容延伸至2022年或之前。

本報告重點披露2022年美麗田園醫療健康產業有限公司及其附屬公司在履行環境、社會及管治責任方面的信息和關鍵績效，當中包括集團各地辦公室、品牌門店及兩所培訓學校等，而由於加盟店的日常營運未由我們進行管理，故未有包含於本報告範圍內。

參考標準

本報告主要參照香港聯合交易所有限公司頒佈的《香港聯合交易所有限公司證券上市規則》附錄二十七《環境、社會及管治報告指引》(ESG指引)編製而成，根據《指引》中重要性、量化性、平衡性及一致性原則進行匯報，並遵守《指引》載列的「強制披露」和「不遵守就解釋」條文闡述公司各業務及營運活動對環境和社會帶來的影響。部份報告內容亦參考《社會責任指南》(GB/T 36000-2015)/《社會責任報告編寫指南》(GB/T 36001-2015)的要求所編製。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The content of this Report is determined according to a set of systematic procedures, which include identifying major stakeholders, identifying and assessing the materiality of ESG-related issues, defining the coverage of the ESG Report, collecting relevant materials and data, conducting data collation and aggregation, examining the figures in this Report, preparing this report and reviewing by the management.

Reporting Principles

Materiality: We continuously communicate with our stakeholders, regularly review the materiality of each sustainable development area, and conduct materiality assessments to determine critical environmental, social and governance issues. The assessment result is being approved by The Board of Directors.

Quantitative: This Report explains the criteria and methodology for calculating the relevant data, accompanied by the associated assumptions. The ESG key performance indicators (KPIs) are supplemented by explanatory notes to establish benchmarks where feasible.

Consistency: Unless otherwise specified, this Report applies a consistent methodology in preparing and presenting ESG information to allow for meaningful comparisons over time.

Balance: We appointed external sustainability consultants to provide an unbiased disclosure of all our positive and potentially negative data in this Report, describing the ESG performance of the Group fairly and ensuring that accurate information is available to the public and that the data presented has no selections, omissions, or other forms of manipulation that may inappropriately influence readers' decisions or judgments.

本報告內容是按照一套有系統的程序而釐定的。有關程序包括：識別重要的利益相關方、識別和評估ESG相關重要議題、決定ESG報告的界限、收集相關材料和數據、對數據進行整理和匯總、對報告中的數據進行檢視、編製報告、管理層審定等。

匯報原則

重要性：我們持續與利益相關方溝通，定期檢視各個可持續發展範疇的重要性，進行重要性評估以釐定重要環境、社會及管治事宜，且評估結果獲董事會批准。

量化：本報告根據《指引》闡述了相關數據計算的標準和方法，以及相關假設，關鍵績效指標由解釋性說明補充，以在可行的情況下建立基準。

一致性：除另有指明外，本報告使用一致的方法編製及呈列環境、社會及管治數據，以便進行有意義的比較。

平衡：我們委任外部可持續發展顧問準備報告，不偏不倚地披露我們的所有正面及潛在負面數據，公正描述本集團ESG績效，確保大眾能接獲準確數據以及所呈列之數據數據並無不恰當使用影響讀者決策或判斷的選擇、遺漏或其他形式的操縱。

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Data Sources and Reliability Guarantee

Data and cases in this Report are primarily extracted from the statistical reports and internal documents of the Group. The Group undertakes that the Report contains no false representations or misleading statements, and assumes responsibility for the truthfulness, accuracy and completeness of its contents.

Acknowledgement and Approval

Upon confirmation by the management, this Report was passed by the Board on March 29 2023.

Contact Us

We attach great importance to the views of stakeholders and the public in this Report. If you have any inquiries or suggestions, please feel free to contact the Company through email ir@beautyfarm.com.cn.

Reporting Specification

For the convenience of presentation and reading, the “Beauty Farm”, “Group” and “we”/“us”/“our” all refer to “Beauty Farm Medical and Health Industry Inc.” and its subsidiaries in this Report. Unless otherwise specified, all types of currencies disclosed in this report refer to RMB.

2. ABOUT US

Beauty Farm is a one-stop provider of health and beauty management services and is a leading company in China. Since the establishment of its first store in Hainan Province in 1993, the company has been focusing on providing body and skin care services and expanded to anti-aging medical services in 2018. The one-stop service is based on the individual needs of customers to meet their desire to maintain health and attractiveness. The company offers body and skin care services through the Beauty Farm, Palaispa, and CellCare, and anti-aging medical services through Neology, covering a wide range of high-end consumers in China’s body and skin care service industry.

數據說明及可靠性保證

本報告的數據和案例主要來源於集團統計報告、內部文件等。集團承諾本報告不存在任何虛假記載、誤導性陳述或重大遺漏，並對其內容真實性、準確性和完整性負責。

確認及批准

本報告經管理層確認後，於2023年3月29日獲董事會通過。

聯繫方式

集團十分重視各利益相關方及公眾對此報告的看法，如對此報告有任何查詢或建議，歡迎通過電子郵箱 ir@beautyfarm.com.cn與我們聯絡。

稱謂說明

為了方便表述和閱讀，本報告中的「美麗田園」「本集團」「集團」「我們」均指代美麗田園醫療健康產業有限公司及其附屬公司。除特別說明外，本報告中所有涉及資金貨幣種類均指人民幣。

2. 關於我們

美麗田園是一站式健康與美麗管理服務提供商，在中國居於領先地位。公司自1993年在海南省成立首家門店起，專注於提供身體及皮膚護理服務，並於2018年擴展至抗衰醫學服務。一站式服務從客戶個人需求出發，滿足客戶保持健康及具吸引力儀容的願望。公司以美麗田園、貝黎詩及秀可兒品牌提供身體及皮膚護理服務以及以研源品牌提供抗衰醫學服務，覆蓋中國廣泛的身體及皮膚護理服務中高端消費者。

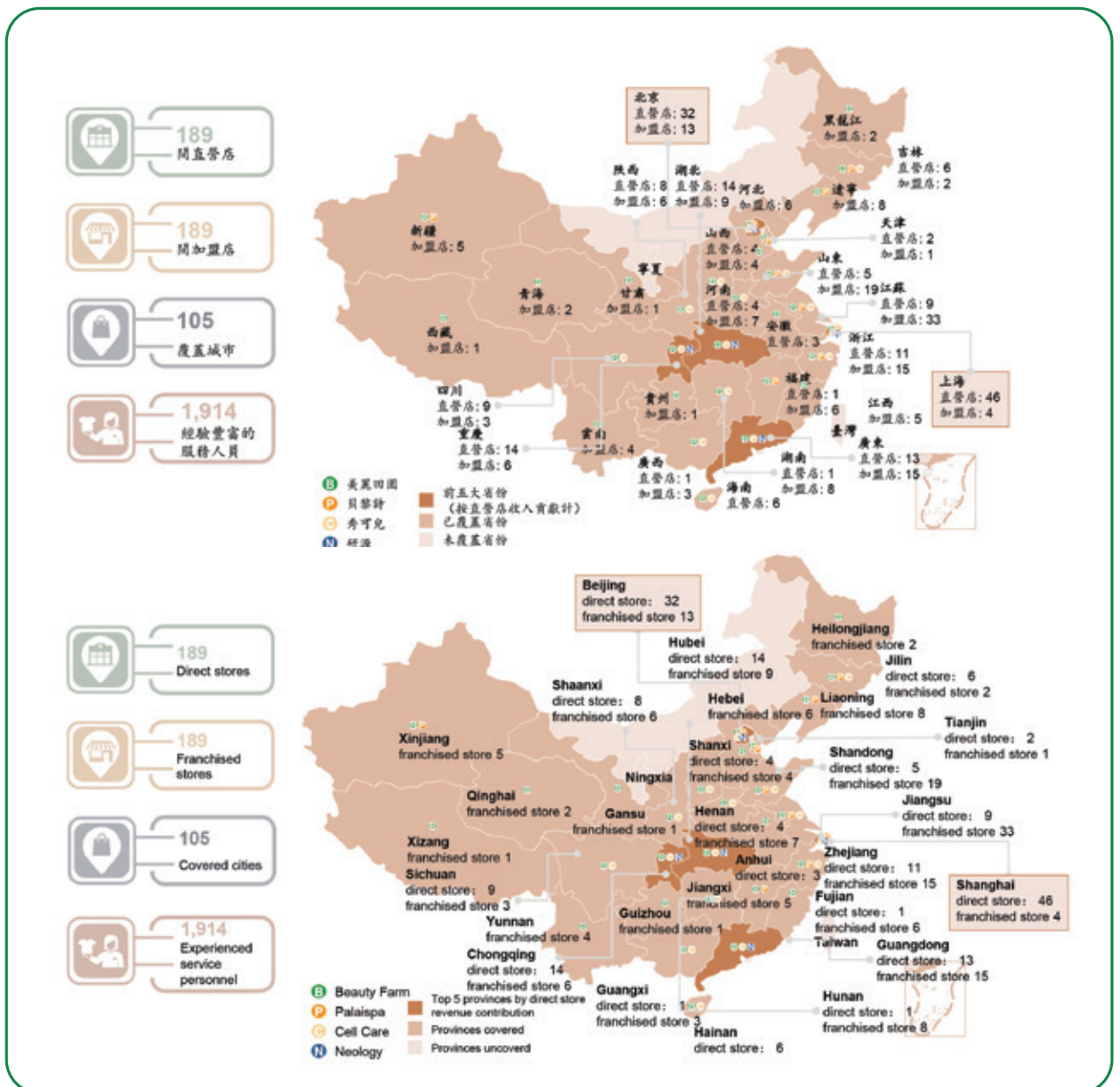
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Company Overview

We operate multiple chain brands in China's beauty and health management service industry, including Beauty Farm (美麗田園), our flagship brand established in 1993, and three other brands, namely, Palaispa (貝黎詩), Neology (研源) and CellCare (秀可兒). We have built a national direct store network of 378 stores, which consisted of 189 direct stores and 189 franchise stores. In our 189 direct stores, 91 stores located in tier-one cities and 76 stores in new tier-one cities, as of December 31, 2022. Our direct stores and franchise stores cover a total of 121 cities in China.

公司概念

我們於1993年建立旗艦品牌美麗田園，該品牌是中國美麗與健康管理服務行業中成立已久的國內連鎖品牌之一。我們還建立了三個新興品牌，即貝黎詩、研源及秀可兒。截至2022年12月31日，我們整體服務網絡涵蓋378家門店，包括189家直營店及189家加盟店。於我們直接擁有的189家門店中，91家門店位於一線城市及76家門店位於新一線城市。我們的直營店與加盟店共覆蓋全國121座城市。

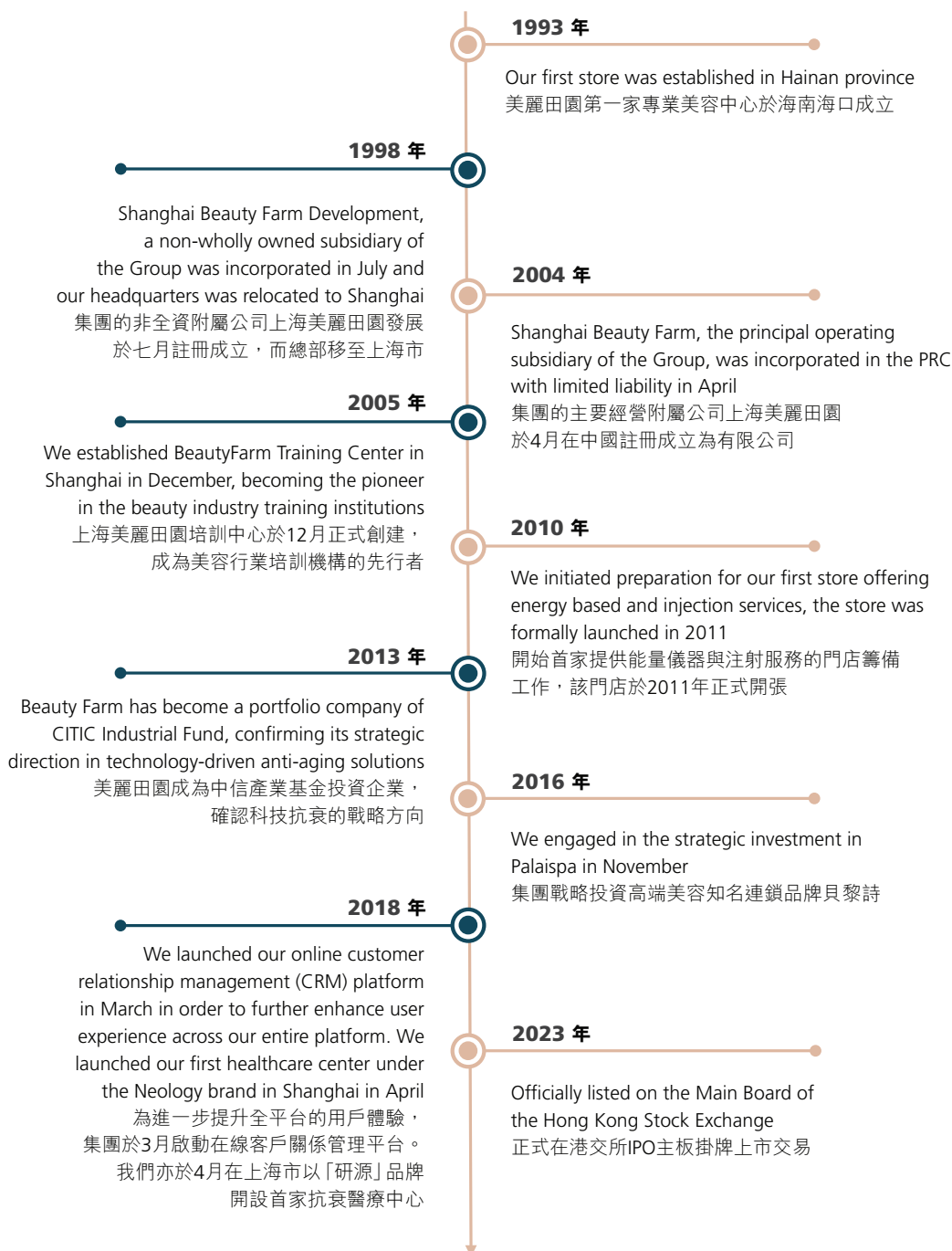


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Business Milestones

集團發展里程碑



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Brand Introduction



品牌介紹

Beauty Farm has introduced international beauty concepts and uses advanced care technology, products, equipment, quality control processes, and service standards to provide comfortable beauty and body care services for each client. We established our flagship brand, Beauty Farm, in 1993 and are one of the well-established domestic chain brands in China's beauty and health management service industry. Beauty Farm stores are mainly located in first-tier and new first-tier cities. As of December 31, 2022, Beauty Farm has a total of 147 direct stores and 144 franchise stores.

美麗田園引進國際美容理念，並使用先進的護理技術、產品儀器、質控流程、服務標準，為每位客人帶來舒適的美容美體護理服務。我們於1993年建立旗艦品牌美麗田園，我們是中國美麗與健康管理服務行業中成立已久的國內連鎖品牌之一。美麗田園門店主要位於一線城市及新一線城市，截至2022年12月31日，美麗田園共擁有147間直營店及144間加盟門店。

PALAISPA is a beauty brand under Beijing Palaispa Commercial Management Co., Ltd. Palaispa stores mainly focus on providing high-end facial care and European imported products to customers. Palaispa stores are mostly located in Beijing and Shanghai. As of December 31, 2022, Palaispa has a total of 16 direct stores and 45 franchise stores.

貝黎詩(PALAISPA)是北京貝黎詩商業管理有限公司旗下美容品牌，貝黎詩門店主要專注於利用高端面部護理及歐洲進口產品向顧客提供服務。貝黎詩門店大多位於北京市及上海市，截至2022年12月31日，貝黎詩共擁有16間直營店及45間加盟門店。



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NEOLOGY 研源医疗

Neology mainly provides sub-health assessment and intervention services, including sub-health condition testing, assessment, and intervention. Neology aims to improve the health status of customers by applying functional medicine to regulate and enhance the function of customers' organ systems. As of December 31, 2022, Neology has a total of 6 direct stores.

研源醫療主要提供亞健康評估及干預服務包括亞健康狀況檢測、評估及干預。研源旨在通過應用功能醫學調節及加強顧客身體器官系統的功能，從而改善顧客健康狀況。截至2022年12月31日，研源共擁有6間直營門店。

CellCare is committed to integrating and exploring cutting-edge medical technology and medical resources from around the world. It is located in landmark commercial centers in first and second-tier cities, focusing on serving high-quality female customers and addressing both their internal and external needs. CellCare provides a professional, safe, and comfortable medical beauty treatment experience throughout the entire process. CellCare covers professional disciplines such as skin texture management, skin color management, composite micro-plastic surgery, non-invasive lifting, body sculpting, and surgical refinement. It brings together dozens of authoritative experts, focuses on the medical essence, adheres to the technical high ground, and continuously improves product and technological innovation. As of December 31, 2022, CellCare has a total of 20 direct stores.

秀可兒致力於整合和探索世界前沿醫學技術、醫療資源，矗立於全國一二線城市的地標性商業中心，專注服務高質量女性客戶，關注女性內外需求，傾力呈現專業、安全、舒適的醫美診療全流程體驗。CellCare秀可兒覆蓋了膚質管理、膚色管理、複合微整、無創提拉、體雕塑形、手術精雕等專業學科領域，匯聚數十名權威專家，專注醫療本質，堅守技術高地，持續打磨產品和技術創新。截至2022年12月31日，秀可兒共擁有20間直營門店。

CellCare
| 秀 | 可 | 兒 | 醫 | 美 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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3. SUSTAINABILITY MANAGEMENT

We are committed to building a lasting brand, and we believe our long-term success rests on our ability to make positive impacts on the environment and society. Corporate social responsibility is a core part of our business philosophy and will be pivotal to creating sustainable value for our Shareholders. Accordingly, we have adopted a policy on environmental, social and corporate governance responsibilities (the “ESG Policy”) in accordance with the Listing Rules, which sets forth our corporate social responsibility objectives and provides guidance on practicing corporate social responsibility in our daily operations.

Under our ESG Policy, we aim to build a sustainable community with our employees, clients and business partners by supporting local initiatives that aim to create effective and lasting benefits to the local community through various initiatives that may include corporate philanthropy, establishing community partnerships, and mobilizing our employees to participate in volunteer work. Meanwhile, we strive to minimizing the environmental impact during the business operation of the Group. Under the oversight of our management, we actively identify and monitor actual and potential impact of environmental, social and climate-related risks on our business, strategy and financial performance, and incorporate considerations of these issues into our business, strategic and financial planning. Our chief executive officer also assesses the likelihood of ESG related risks and the estimated magnitude of any potential impact. At the same time, our relevant business units are responsible for promoting and implementing various sustainable development measures.

The Board is responsible for establishing, adopting, and reviewing the Group’s environmental, social, and governance (ESG) vision, policies, and objectives, as well as evaluating, identifying, and addressing ESG-related risks at least once a year. The Board may assess or engage an independent third party to evaluate ESG risks, review our existing strategies, objectives, and internal controls, and implement necessary improvements to mitigate risks.

3. 可持續發展管理

我們致力建立悠久的品牌，且認為長期成功有賴我們能否對環境及社會帶來正面影響。企業社會責任是我們經營理念的核心部分，對我們為股東締造可持續價值至關重要。因此，我們已根據上市規則採納有關環境、社會及企業管治責任的政策，當中載列我們的企業社會責任目標，併為日常運作中實踐企業社會責任提供指引。

根據環境、社會及管治政策，我們的目標是通過支持本地計劃與員工、客戶及業務合作伙伴建立可持續發展的社區，旨在通過各種舉措，包括企業慈善事業、建立社區合作伙伴關係及動員員工參加義工活動，為本地社區創造有效且長遠的利益，同時減低集團自身營運對環境的影響。在管理層的監督下，我們積極識別及監測環境、社會及氣候相關風險對我們的業務、戰略及財務表現的實際及潛在影響，並將該等事宜的考慮因素納入業務、戰略及財務規劃；評估出現環境、社會及管治相關風險的可能性及任何潛在影響的影響程度。同時，相關業務單位負責推廣及實施各項可持續發展措施。

董事會對建立、採用及檢討本集團的環境、社會及管治願景、政策及目標，以及至少每年一次評估、釐定及處理我們的環境、社會及管治相關風險負有集體及整體責任。董事會可評估或委聘獨立第三方評估環境、社會及管治風險，檢討我們現有的戰略、目標及內部控制，然後實施所需改進的措施以降低風險。

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To further systematize the implementation of ESG work, the Group has established an ESG Committee consisting of representatives from the company's management and cross-departmental teams. The committee is responsible for the overall ESG governance of the group and reports directly to the board of directors. The members of the committee include representatives from our various brands, such as the Operations Director from Beauty Farm, the Medical Aesthetics Operations Manager, the Operations Manager from Neology, the Executive Director from Palaispa, as well as heads of different functional departments, such as Operation, Human Resources, Finance, Legal, CRM, and so on. The ESG Committee reports on significant ESG-related matters and the achievement of the group's ESG goals to the board of directors through regular meetings. This allows the board to understand that all functional departments and operating centers of the group are operating and practicing according to the strategy, and can adjust the targets and details of the execution of each ESG measure reasonably. This ensures that the group operates in a responsible and sustainable manner, while creating value for stakeholders and maintaining its competitive position in the market.

During the reporting year, the Board conducted one strategic meeting on ESG and engaged a sustainable development consultant to provide training on the importance of ESG, the regulatory and disclosure requirements for ESG, the impact of ESG on corporate strategy, how to implement ESG initiatives and write ESG reports, and how to transition towards carbon neutrality. Through this training, we aim to provide the Board with valuable insights and information on ESG, and support them in driving orderly ESG governance within the Group. We will appropriately adjust the development strategies of our various business operations to ensure that ESG considerations become an integral part of our daily business decision-making process.

為進一步系統化地推進ESG工作的落實，本集團特設一個由公司管理層代表及跨部門團隊代表組成的ESG委員會，專責集團整體ESG管治工作及直接向董事會匯報。委員會的成員組成包括旗下各品牌，由美麗田園直營營運總監、醫美運營負責人；研源運營負責人和貝黎詩行政總裁，同時包含不同職能部門負責人，如營建部、人力資源、財務、法務、CRM等部門。ESG委員會透過定期會議向集團董事會匯報關於集團ESG的重大相關事宜及集團的ESG目標的達成情況，讓董事會了解集團各職能部門及運營中心營運和實務均按照策略執行，並能夠合理調整目標與各ESG措施的執行細節，確保集團以負責任和可持續的方式運作，同時能夠為利益相關者創造價值，維持其在市場中的競爭地位。

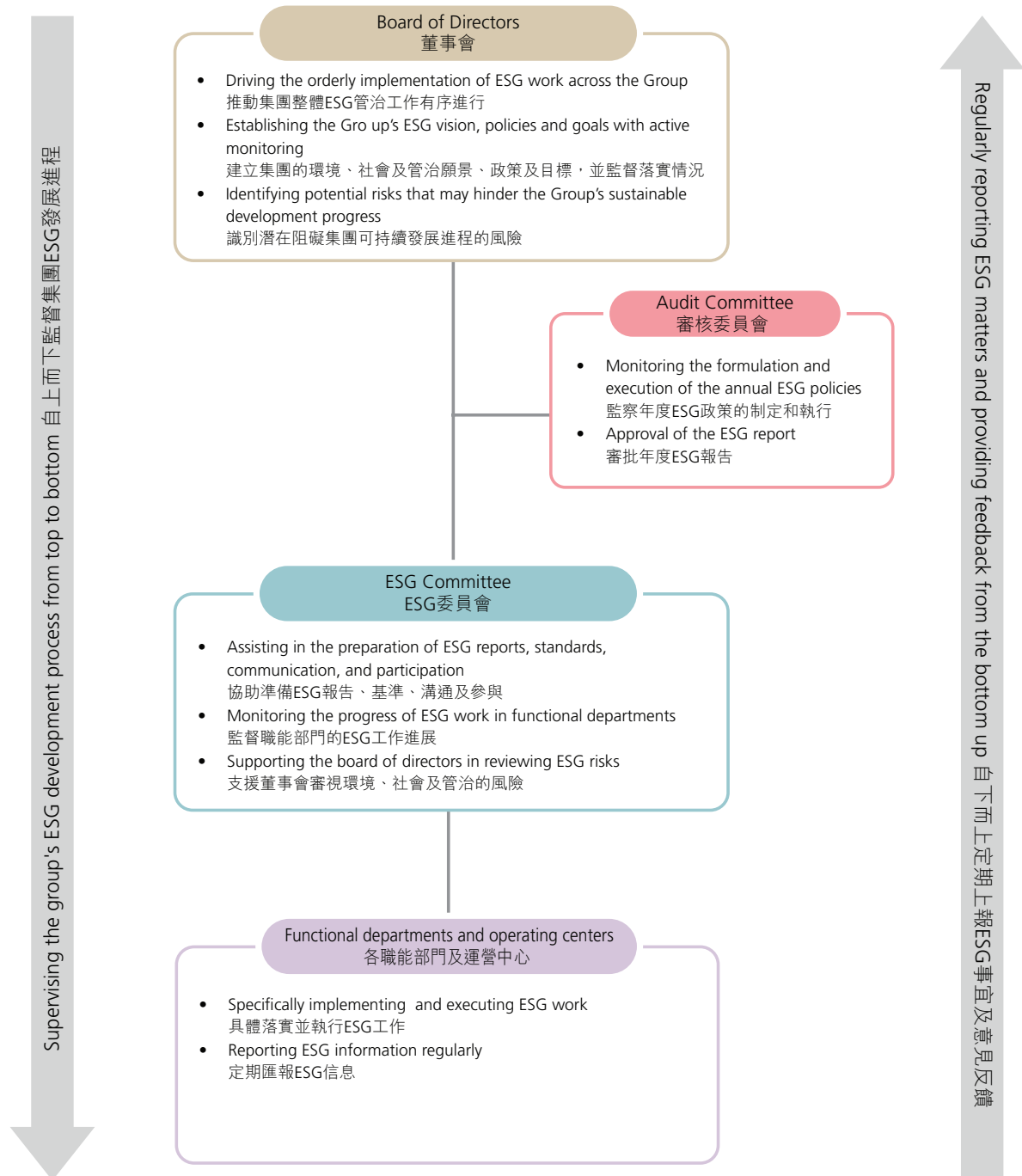
而於本年度，董事會已進行1次有關ESG方面的戰略會議，並委聘第三方可持續發展顧問進行一場培訓，內容包含ESG的重要性、ESG監管和披露要求、ESG對公司戰略的影響、企業如何開展ESG工作和編寫ESG報告、企業如何邁向碳中和等等，我們希望藉此培訓有效為董事會帶來更多ESG信息及洞察，支持董事會推動集團內部ESG管治工作能夠有序進行，適當地調整各業務營運的發展策略，確保ESG考慮成為集團日常業務決策中不可或缺的一部份。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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ESG Governance Structure

ESG管治架構



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Supporting Sustainable Development Goals (SDGs)

We are committed to becoming a responsible enterprise and making positive contributions to building sustainable communities. We support and use the United Nations Sustainable Development Goals (SDGs) as a guiding framework for our sustainable development measures, with a focus on areas that are critical to our business and stakeholders. We aim to make contributions to the selected SDGs by making efficient use of resources. The following are our current efforts towards achieving these goals:

支持可持續發展目標(「SDGs」)

我們致力成為負責任的企業，竭力為構建可持續發展的社區作出積極貢獻。我們支持並以聯合國可持續發展目標作為本集團可持續發展措施的指導框架，優先將注意力集中在對我們業務和利益相關方至關重要的領域上，以善用資源為所選定的可持續發展目標作出貢獻。以下為我們現時對目標所作出的努力：

UN Sustainable Development Goals

聯合國可持續發展目標

Measures

舉措



No Poverty 消除貧困

Founded in 2010, "Beauty Farm Love Fund" adheres to the purpose of caring for and assisting people in need. As of the end of the Reporting year, the fund has accumulated over 660 thousand yuan and supported 40 employees and their families who have suffered from diseases and earthquakes and lost their homes. Love donation has exceeded 180 thousand yuan. In addition, the foundation actively contacted the local government to help the school improve its hardware and facilities after learning about the remote terrain, lack of water and dangerous buildings in Guizhou Panshui Beauty Farm Love Primary School.



秉承著關愛和援助受困人群的宗旨，本集團於2010年成立了愛心基金會。截至本報告年底，愛心基金會儲備達66萬元人民幣，共資助了40位身患疾病、遭遇地震而失去家園的員工，愛心捐款超過人民幣18萬元。此外，在了解到貴州泮水美麗田園愛心小學地勢偏僻、不通水、學校已成危房情況後，愛心基金會積極與當地政府取得了聯繫，幫助學校對道路、用水設施和校舍環境進行了改善，為孩子們創造了一個安全衛生的學習環境。



Ensuring Inclusive and Equal Quality Education and Providing Continuous Learning

With nearly 20 years of development, Beauty Farm has gained rich experience in training applied professional talents. To cultivate and gather elite talents in beauty industry, Beauty Farm has established two training schools, Wuhan Beauty Farm Beauty Training School and Shanghai Beauty Farm Beauty Training School, to provide a learning and development platform for students across the country who are eager to master excellent skills in beauty industry. As of the end of the Reporting year, the schools have not only trained more than 3816 employees and franchisees, but also trained more than 47 students, laying a solid foundation for them to successfully satisfy the professional qualifications of beauticians.



Opportunities for Employees 確保包容和 平等的優質教育， 為員工提供持續 的學習機會

近二十年的發展，美麗田園積累了豐富的應用性專業人才的培訓經驗。為了培養和凝聚美容行業的精英人才，本集團利用自身的專業優勢，創辦了武漢美麗田園美容培訓學校和上海美麗田園美容培訓學校，為全國各地渴望在美容行業掌握出色技能的學子們提供了一個學習和發展的平台。截至報告年底，兩所培訓學校不僅培訓了逾3,816名員工和加盟商，還培養了逾47名社會學員，為他們順利考取美容師職業資格打下夯實基礎。

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UN Sustainable Development Goals 聯合國可持續發展目標

Measures 舉措



Achieving Gender Equality and Energizing Women's Career Development 實現性別平等， 為女性職業發展 賦能

As a beauty company, women account for 95% of the employees. Therefore, the development of women's leadership is a core value of Beauty Farm. We want to promote development of female employees through development of enterprises, help female employees to achieve self-improvement and self-identity, and help them to gain sustainable career development and economic independence. This will not only improve family and social status of female staffs, but also transmit positive influence to a wider female community. To facilitate people development, we have established an up-to-date and systematic training system. Over 90% female staffs in life and beauty division for example, have got promotions through the systematic training and practice system.

作為一家美容企業，美麗田園員工中的女性佔比高達90%以上。因此，女性領導力建設是美麗田園始終堅持的一項核心價值觀。通過企業的發展，美麗田園不斷帶動女性員工的發展，幫助女性員工完成自我提升、塑造自我認同感，在助力其獲得良好的職業發展實現經濟獨立的基礎上，獲得家庭和社會地位的提升，向社會更廣泛的女性群體傳遞正向影響力。為支持員工的職業發展，美麗田園針對員工按照不同職級建立了一套系統的培訓制度，並堅持對培訓課程推陳出新。通過系統化的培訓與實踐，以生活美容板塊為例，90%以上的員工能夠快速獲得內部的職業晉升。

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Stakeholders Engagement

利益相 參與

Stakeholders Groups

利益相關方組別

Concerns and Expectations

關注和期望

Communication Channels

溝通與參與管道



Management and
Employees
管理層及員工

- Ensuring the legitimate rights and interests of employees
保障僱員的合法權益
- Occupational health and safety
職業健康和安安全
- Diversified promotion and development channels
多元化的晉升與發展管道
- Competitive salary and benefits
有競爭力的薪酬和福利
- Diversity and inclusiveness
多元化和包容性

- Regular meetings
定期會議
- Internal notices
內部通告
- Store meetings/monthly regional manager meetings/quarterly director meetings
門店例會／月度區域經理會議／季度主任大會
- Monthly staff discussions
月度員工座談
- Beauty Farm Training Centers
美麗田園大學
- Appeal channels as stipulated in the "Employee Handbook"
《員工手冊》中規定的申訴管道
- Annual performance appraisal
年度績效考核
- Employee satisfaction survey
員工滿意度調查
- Employee activities
員工活動
- Beauty Farm Love Fund
美麗田園愛心基金



Government/Regulatory
Authorities
政府／監管機構

- Compliance with laws and regulations
遵守法律和法規
- Comprehensive internal control and risk management
全面的內部控制和風險管理
- Promoting the local economy
促進地方經濟
- Annual report/interim report
年報／中期報告
- Regular visits/inspections
定期走訪／巡查

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Stakeholders Groups 利益相關方組別



Shareholders/Investors
股東／投資者



Clients/Consumers
顧客／消費者



Franchisees
加盟商

Concerns and Expectations 關注和期望

- Complying with laws and regulations, conducting business with integrity
遵紀守法，誠信經營
- Protecting the interests of investors
維護投資者的利益
- Stable investment returns
穩定的投資回報
- Accurate and transparent information disclosure
準確、透明的信息披露

- Conducting business with integrity
誠信經營
- Reputation, brand, and market demand
信譽、品牌和市場需求
- High-quality products and services
高質量的產品和服務
- Protection of consumer rights
消費者權益保障
- Protection of customer privacy
客戶隱私保護

- Win-win franchise model
加盟共贏
- Talent development
人才培養
- Management and operational empowerment
管理與營運賦能
- Product price discounts
產品價格優惠

Communication Channels 溝通與參與管道

- Annual general meeting of shareholders
年度股東大會
- Annual report/interim report
年報／中期報告
- Company/brand website
公司／品牌網站
- Investor communications
投資者通函

- Social media
社交媒體
- Company/brand website
公司／品牌網站
- Surveys
問卷
- Customer service hotline
客戶服務熱線
- Beauty Farm mini-program
美麗田園小程序
- Store activities and promotions
門店活動與促銷
- Online consultation
在線諮詢

- Annual franchise conference
年度加盟大會
- Beauty Farm Training Centers
美麗田園大學
- Franchise hotline
加盟熱線
- Regular visits to franchise stores
定期走訪加盟店
- Mystery shopper inspection mechanism
神秘顧客檢查機制

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Stakeholders Groups 利益相關方組別



Suppliers
供貨商



Community
社區組織



Media
媒體

Concerns and Expectations 關注和期望

- Fair and transparent procurement
公平、公開的採購
- Quality assurance for products and services
產品和服務質量保障
- Establishing sustainable partnerships
建立可持續的夥伴關係
- Faithful fulfillment of contracts
忠實履行合同

- Community investment
社區投資
- Career opportunities
職業機會
- Promoting community relations
促進社區關係
- Green business practices
綠色經營

- Accuracy and responsibility in advertising
廣告中的準確性和責任感
- Care and attention in social media
社交媒體中的關懷

Communication Channels 溝通與參與管道

- Open bidding
公開投標
- Annual on-site supplier audit
年度供貨商實地審核
- Supplier training
供貨商培訓
- Product promotion meetings/trade shows
產品推廣會／會議展覽

- Community partnership programs
社區方案合作
- Volunteer services
志願服務
- Sponsorship of community events/projects
活動贊助項目

- Press releases
新聞發佈
- Interviews
採訪
- Press conferences
新聞發佈會
- Company/brand website
公司／品牌網站
- Roadshows
路演
- Performance announcement conferences
業績發佈會

Materiality Assessment

The level of interest from stakeholders and their judgments on the importance of various ESG issues form the basis for the company's assessment of the importance of these issues. In 2022, the Board commissioned an independent third-party consulting company to objectively assess the importance of these issues by surveying target stakeholders, reviewing our existing strategies, goals, and internal controls, and establishing improvement measures to reduce risks and strengthen our ability to respond to risks.

重要性議題評估

利益相關方對ESG各類議題的關注度和判定議題的重要性程度是公司重要性議題評定的基礎。於2022年，董事會委聘獨立第三方顧問公司透過調查目標利益相關方進行客觀重要性評估，檢討我們現有的戰略、目標及內部控制，定立改進措施以降低風險和加強應對風險的能力。

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The Group firmly believes that maintaining sustainable development of the business is of paramount importance to stakeholders and is committed to maintaining close relationships with stakeholders. To promote ongoing communication, we conducted a questionnaire survey for stakeholders, including management, employees, customers, investors/shareholders, and suppliers to understand the views and changing demands of key groups.

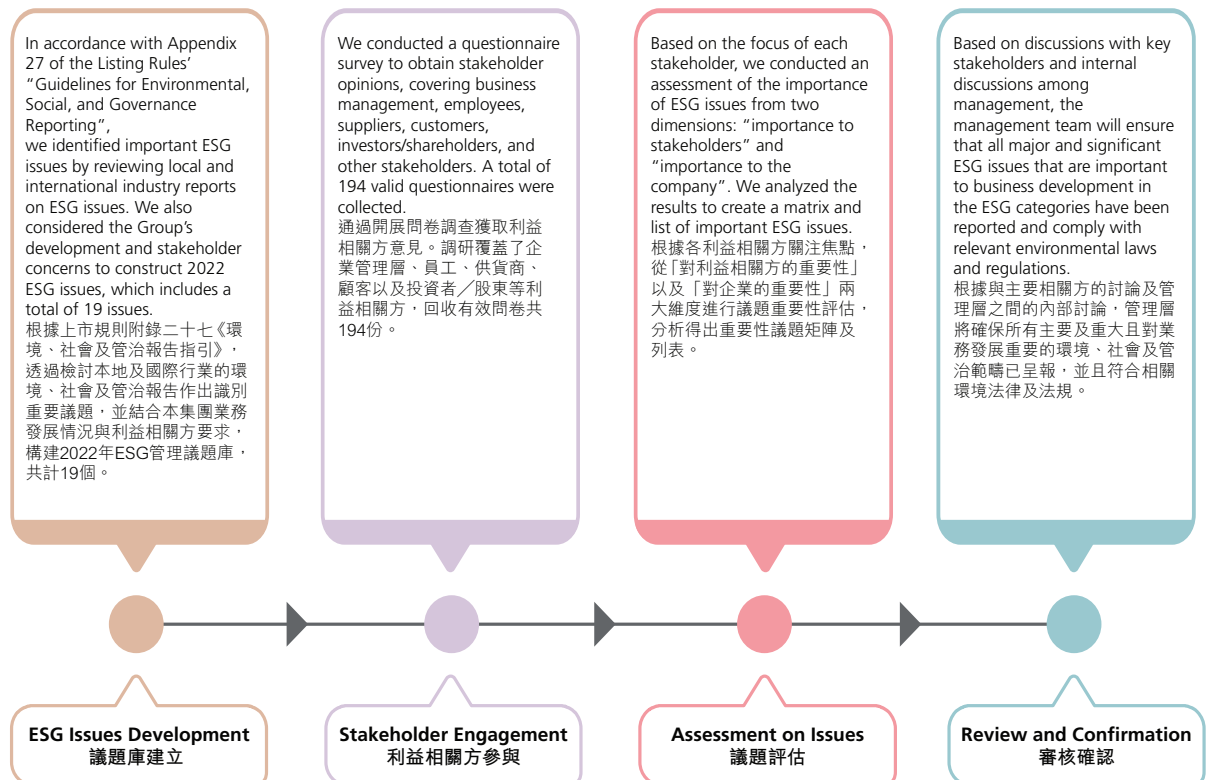
The evaluation and expectations of stakeholders on the Group's ESG performance have been an important reference material for this assessment of ESG issues. At the same time, we are focusing on the concerns and requirements of stakeholders and systematically optimizing the company's ESG strategy and management policies.

集團深信利益相關方對於維持業務的可持續發展至關重要，亦致力與業務相關方維持密切關係。為了促進持續溝通，我們面向管理層、員工、顧客、投資者／股東、供貨商等利益相關方開展了問卷調查，以了解關鍵群體的觀點及要求變化。

我們將利益相關方對集團ESG表現的評價和期望，組成了本次重要性議題評定的重要參考材料。同時，我們緊扣利益相關方的關注與要求，有序優化公司的ESG策略與管理政策。

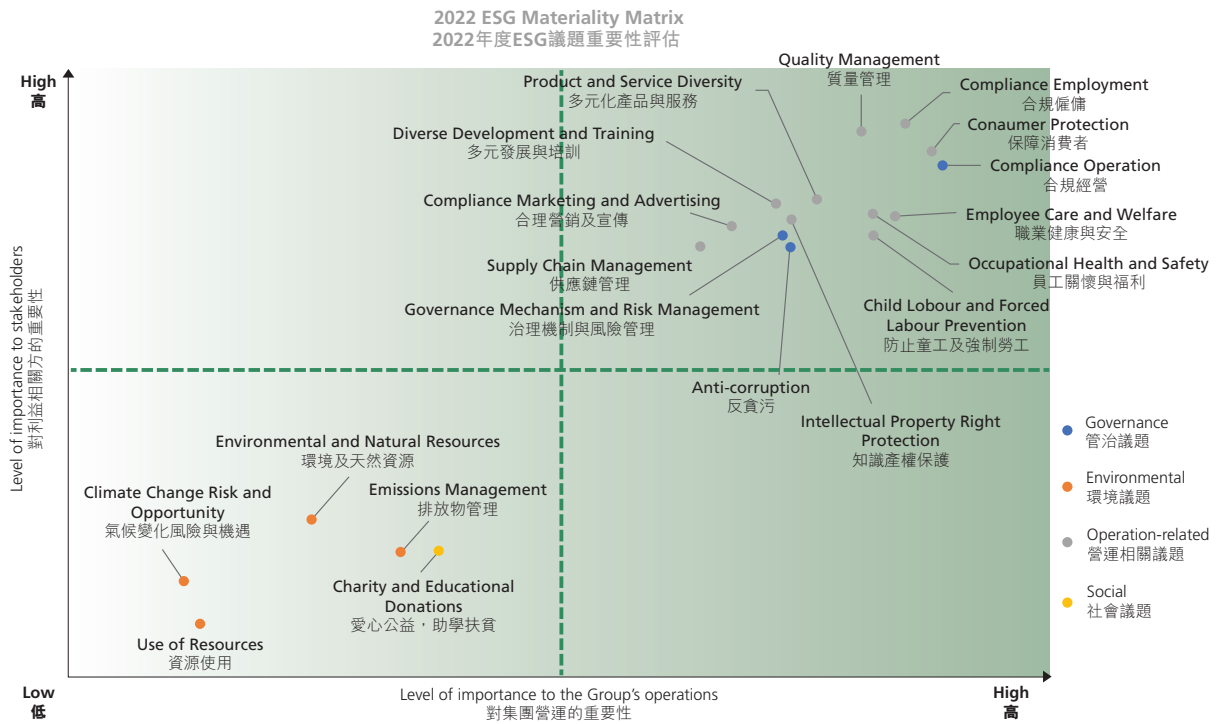
Procedures on Materiality Assessment

議題重要性評估程序



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Beauty Farm ESG Issues 美麗田園ESG議題庫

Governance 管治議題	Environmental 環境議題	Operation-related 營運相關議題	Social 社會議題
<ul style="list-style-type: none"> • Governance Mechanism and Risk Management* 治理機制與風險管理* • Compliance Operation* 合規經營* • Anti-corruption 反貪污 	<ul style="list-style-type: none"> • Climate Change Risk and Opportunity 氣候變化風險與機遇 • Use of Resources 資源使用 • Emissions Management 排放物管理 • Environmental and Natural Resources 環境及天然資源 	<ul style="list-style-type: none"> • Compliance Employment* 合規僱傭* • Child Labour and Forced Labour Prevention* 防止童工及強制勞工* • Employee Care and Welfare* 員工關懷與福利* • Occupational Health and Safety* 職業健康與安全* • Diverse Development and Training* 多元發展與培訓* • Supply Chain Management 供應鏈管理 • Quality Management* 質量管理* • Product and Service Diversity* 多元化產品與服務* • Consumer Protection* 保障消費者* • Compliance Marketing and Advertising 合理營銷及宣傳 • Intellectual Property Right Protection 知識產權保護 	<ul style="list-style-type: none"> • Charity and Educational Donations 愛心公益，助學扶貧

* Top ten ESG issues from internal and external stakeholders' view

* 均被內部及外部利益相關方視為最重要的前十ESG議題

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4. REGULATING GOVERNANCE IN STRICT MANNER

4.1. Governance Mechanism

Beauty Farm complies with the laws and regulations in the places where we operate. Based on the “Corporate Governance Code” in Appendix 14 to the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited”, we have formulated the Corporate Governance System, as well as established a scientific, standardized and reasonable governance structure and procedural rules in consideration of our own production and operation situation. Concurrently, we have consistently refined our internal management systems to align with the Group’s development objectives by specifying the scope of duties and authorities on decision-making, implementation, supervision and other aspects. Through these efforts, we have elevated corporate governance standards of the Group, providing vital organizational support and institutional assurances for sustainable growth.

The chairman of the Group provides the ultimate leadership to the Board by ensuring the effective functioning and discharging responsibilities. The Board serves as the cornerstone of the Group’s governance structure, responsible for managing and operating our business. We firmly believe that Board diversity can effectively enhance the efficiency and maintain high standards of corporate governance. As such, we have adopted a “Board Diversity Policy” that takes into consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service when constituting the Board of Directors. The Board comprises eight members, including two executive Directors, three non-executive Directors, and three independent non-executive Directors, responsible for steering the direction and overseeing the development of the Group. The Board is responsible for the overall governance, supervision and regular review of the Group and guarantees the long-term interests of the Group and stakeholders. The Board has established three committees, namely the Audit Committee, Remuneration Committee, and Nomination Committee, to ensure the proper operation of the Group. These committees are responsible for evaluating and advising on significant decisions, providing oversight, and maintaining a high level of governance standards. Through their efforts, the Group aims to enhance transparency, credibility, and accountability, thereby strengthening stakeholder confidence.

4. 規範治理內控從嚴

4.1. 治理機制

美麗田園嚴格遵守經營所在地的法律法規，以《香港聯合交易所有限公司證券上市規則》附錄十四《企業管治守則》為基準，結合自身生產經營實際情況，建立科學、規範、合理的治理結構和議事規則。與此同時，我們持續完善符合集團發展的內部管理制度，明確決策、執行、監督等方面的職責權限，提升集團治理水平，為集團發展提供組織支持和制度保障。

美麗田園以集團主席為最高領導人，負責領導及確保董事會有效運作並及時履行其職責。董事會則是作為公司管治架構的核心，負責管理及經營我們的業務。本集團深信董事會多元化能夠有效提高董事會效率及維持高水平的企業管治，故我們採納「董事會多元化政策」，通過考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期構成董事會。目前董事會由八名董事組成，當中包括兩名執行董事、三名非執行董事及三名獨立非執行董事，負責本集團業務的發展方向及控制，對本集團整體治理、監督和定期檢討負有責任，保障集團和利益相關方的長遠利益。董事會下設三個董事委員會，分別為審核委員會、薪酬委員會及提名委員會，負責規範公司運作，對公司重大決策作出審議、評價及諮詢，致力維護高水平的管治制度，提高透明度、公信力和問責性以贏取利益相關方的信心。

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4.2. Risk Control

In order to strengthen internal control and risk management, the Group has developed a comprehensive "Risk Management System" in accordance with the "Securities and Futures ordinance" of the Securities and Futures Commission and the "Listing Rules" of The Stock Exchange of Hong Kong, while taking into consideration of the actual circumstances of the Group. The Group has established a robust risk control framework, identifying and evaluating various uncertainties that may impact the Group in realizing our objectives, and implementing response measures to mitigate their impacts within acceptable limits. The Board upholds full responsibility for the overall risk management of the Group, evaluating and determining the nature and extent of risks to be assumed in pursuit of the Group's strategic objectives. Meanwhile, the Group Chairman and functional departments oversee the management of risks within their respective areas. The Group has devised a "Risk Management System" comprising of a three-tiered risk management process that encompasses risk identification, assessment, and response. This system outlines well-defined risk management protocols and standardizes relevant workflows to promote governance excellence. The Board and relevant functional departments are required to submit risk management reports every six months, covering risk identification, assessment, and response measures, and other aspects. They are also expected to regularly review and refine risk management guidelines and internal control mechanisms. The Audit Committee and Internal Audit Department of the Group will report on the results of their review and evaluation of the risk management process to the Board and provide recommendations for improvements.

4.2. 風險管控

為強化內部控制及風險管控，本集團根據香港證監會《證券及期貨條例》、香港聯合交易所《上市規則》等上市地監管法規和公司章程規定，結合公司實際情況，制定了集團的《風險管理制度》，構建完善的風險管控體系，對影響集團實現目標的各種不確定性事件進行風險識別與評估，並採取應對措施將其影響控制在可接受範圍內。集團董事會全面負責集團整體的風險管控，評估及擬定為達成集團戰略目標所願承擔的風險性質及程度，而集團主席及其下部門則負責職能部門風險管理。本集團制定的《風險管理制度》建立了三級風險管理流程，涵蓋風險識別、風險評估及風險應對，明確風險管理規程，以及規範相關工作流程。董事會及相關的職能部門需要每半年提交風險管理報告，涵蓋風險識別、評估及應對措施等內容，定期對風險管理及內部監控相關工作中進行討論及完善制度。集團審核委員會及內部審計部定期向董事會報告審查和評價風險管理過程的結果，提出改進建議。

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Risk Identification 風險識別

Pay close attention to external and internal risks faced by the organization. External risks include changes in national laws, regulations, and policies, shifts in economic conditions, industry competition, and fluctuations in resources and markets. Meanwhile, internal risks are influenced by factors such as governance structure deficiencies, operational activities, and employee competencies.

關注組織面臨的外部風險及內部風險。外部風險包括國家法律、法規及政策的變化、經濟環境的變化、行業競爭、資源及市場變化等。內部風險則受公司治理結構缺陷、企業經營活動和員工業務素質等因素影響。



Risk Assessment 風險評估

The Board and relevant functional departments evaluate risks based on two main aspects: the likelihood of risk occurrence and the severity of its impact on the organization's objectives. A comprehensive assessment is conducted using both qualitative and quantitative methods.

董事會以及相關職能部門針對風險發生的可能性和風險對組織目標的實現產生影響的嚴重程度兩大導向進行評估，並採用定性和定量的方法全面進行評估。



Risk Response 風險應對

Based on the results of risk assessment, the Board and the Group Chairman develop appropriate risk response measures to ensure that risks are managed within acceptable limits. In consideration of the Group's business and operational characteristics, we ensure the suitability and effectiveness of risk response measures.

董事會及集團主席根據風險評估結果制定相應的風險應對措施以確保風險在集團可接受範圍內，同時結合集團的業務和營運特點，確保風險應對措施的適當性和有效性。

4.3. Compliance operation

Beauty Farm adheres to the principle of legal and compliance operation, treating it as a cornerstone of sustainable development. When conducting business operations, the Group strictly abides by relevant laws and regulations concerning compliance operation, environmental protection, employment, occupational health, fire safety, product liability, consumer rights protection, and advertising. The Group also upholds high standards of business ethics, guided by the principles of honesty, professionalism, adherence to laws and regulations, fair competition, and integrity in management.

4.3. 合規經營

美麗田園始終秉承合規經營的原則，並將其視為可持續發展的基石。在開展各類業務時，恪守所在地區有關合規經營、環境保護、僱傭、職業健康、消防安全、產品責任、消費者權益保障、廣告宣傳等相關法律法規的規定，嚴格遵從商業道德規範，秉承誠實敬業、遵紀守法、公平競爭、誠信經營的原則。

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The Group has established an “Internal Audit Management System” that adheres to national audit regulations and formulates internal audit implementation guidelines suitable for the Group to safeguard shareholder investments and Group assets. Meanwhile, the system also conducts regular checks, evaluations, and feedback on the soundness, reasonableness, and effectiveness of the Group’s internal control system. Each year, the internal audit department develops an annual internal audit plan for the Group and its subsidiaries based on the annual work plan of the Group. The department conducts checks, evaluations, and feedback on the soundness, reasonableness, and effectiveness of the internal control system of the Group and its subsidiaries and submits an annual internal audit report to the Board. If the internal audit department discovers any significant defects or risks in the internal control system during the audit process, it will promptly report to the Board to ensure that the relevant issues are monitored and rectified in a timely manner, effectively reducing or eliminating the Group’s compliance risks. Throughout the internal audit process, the internal audit department alerts management of the risks of fraud and corruption, and implements special rectification and improvement measures for any defects found, promoting the participation of all employees in supervision, and improving internal controls to effectively mitigate various operational risks.

In 2022, the Group continued to deepen our internal control work, regularly reviewing the Group’s operating procedures, strictly complying with relevant laws and regulations, and regulating employee behavior to prevent any behavior that could harm the legitimate rights and interests of the Group, shareholders, and employees. We also worked with third-party internal audit consultants to conduct internal audits of different business processes. In 2022, we conducted a total of 7 internal audit projects on different business cycles, including sales operations, procurement operations, inventory management, fixed asset management, financial reporting, warehousing, and general controls for computer information environments. The internal control issues within each business process have been followed up and rectified by the relevant department.

本集團亦有設立《內部審計制度》，貫徹執行國家審計法規，制定適合集團公司內部審計工作實施細則，以保障股東投資及本集團資產。同時，對集團的內部控制系統健全性、合理性和有效性進行定期檢查、評價和意見回饋。每年，內部審計部門根據集團公司年度各項工作的計劃安排，制定集團公司年度內部審計工作計劃，對集團公司及各分公司內部控制系統的健全性、合理性和有效性進行檢查、評價和意見回饋，並向董事會提交年度內部審計工作報告。審計部門如在審查過程中如發現內部控制存在重大缺陷或者重大風險，亦會及時向董事會報告，確保有關情況得到實時跟進及整改，有效降低或消除集團的不合規風險。而在整個內部審計工作中，內部審計部門亦會提醒管理層是否存在欺詐與貪腐風險，並針對所發現的缺陷進行專項整改和提升，推進全體員工參與監督，完善內部控制及有效規避各種營運風險。

於2022年，集團繼續深化內控工作，定期審核集團作業流程，嚴格遵守相關法律法規，規範員工的個人行為，防止任何損害集團、股東及員工合法權益的行為。我們亦與第三方內部審計顧問合作，對公司不同的業務流程開展內部稽核工作。於2022年，我們共開展7項不同業務循環的內部審計工作，包括銷售作業、採購作業、存貨管理、固定資產管理、財務匯報、庫務、計算機信息環境一般控制等的稽核項目，各個業務流程內部控制問題亦已由相關部門管理層跟進並完成整改。

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4.4. Anti-Corruption and Anti-Money Laundering

In response to fraudulent and bribery behavior, the Group has formulated the “Anti-Fraud and Anti-Bribery Management System” in accordance with the “Law of the People’s Republic of China Against Unfair Competition”, the “Interim Provisions on Prohibiting Commercial Bribery”, and other relevant laws and regulations. The system strengthens the long-term warning mechanism for company governance fraud and bribery and establishes a culture of integrity, diligence, and dedication. The Board leads the anti-fraud and anti-bribery work of the Group, supervising the management in establishing and improving the company’s anti-fraud and anti-bribery culture and environment, and establishes a sound internal control system, including preventing fraud and bribery. The company also formed an “Integrity Leadership Group” to continuously oversee the Group’s anti-fraud and anti-bribery work. Members of the Leadership Group are chaired by the Chairman and senior management personnel of the company. Our finance department, legal department, audit department, and other relevant functional departments actively participate in compliance management work and perform their respective duties to avoid any non-compliance situations. The relevant responsibilities and work processes are also detailed in the system, and department heads bear management responsibility for fraudulent and bribery behavior, serving as the “first responsible person” for anti-fraud and anti-bribery work. We do not tolerate any form of bribery, and employees who are found to violate relevant anti-corruption policies may be terminated in serious cases.

In accordance with the “Anti-Money Laundering Law of the People’s Republic of China”, the People’s Bank of China’s “Anti-Money Laundering Regulations for Financial Institutions”, and the “Guidelines on Anti-Money Laundering and Counter-Financing of Terrorism for Payment and Settlement Organizations” and other relevant laws and administrative regulations. Combined with the actual situation of the company, the Group has formulated the “Anti-Money Laundering and Counter-Financing of Terrorism Management System” to strengthen and regulate the work of anti-money laundering and counter-terrorist financing. At the same time, we also further regulate the work of anti-money laundering through the use of Prepaid Cards.

4.4. 反貪污與反洗錢

針對舞弊、賄賂等行為，本集團根據《中華人民共和國反不正當競爭法》、《關於禁止商業賄賂行為的暫行規定》及其他有關法律法規，制定了《反舞弊、反賄賂管理制度》，強化公司治理舞弊、賄賂的長效預警機制，並且樹立廉潔、勤勉、敬業的工作作風。董事會領導公司反舞弊、反賄賂工作，督促管理層建立和完善公司的反舞弊、反賄賂文化環境，建立健全包括預防舞弊、賄賂在內的內部控制體系。公司亦組建「廉潔領導小組」對公司反舞弊、反賄賂工作進行持續監督。領導小組成員由董事長和公司高級管理人員擔任，本集團的財務部、法務部、審計部及其他相關職能部門均積極參與合規管理工作，各施其職以規避一切不合規情況，相關職責及工作流程亦在制度中詳細列明，而各部門負責人對舞弊、賄賂行為的發生承擔管理責任，是反舞弊、反賄賂的「第一責任人」。我們絕不容忍收受任何形式的賄賂，員工如被發現違反相關反貪污政策，嚴重情況下將被終止僱傭關係。

根據《中華人民共和國反洗錢法》、中國人民銀行《金融機構反洗錢規定》、《支付清算組織反洗錢和反恐怖融資指引》等有關法律、行政法規結合公司實際情況，集團制定了《反洗錢、反恐怖融資管理制度》，加強規範反洗錢和反恐怖融資的工作。同時，我們亦透過預付卡的使用進一步規範反洗錢的工作。

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The Group encourages employees and department heads to actively report any violations in their daily work. We have set up various reporting channels and established the "Internal Reporting Operating Procedures". Relevant personnel can report information regarding any actual or suspected cases of violation through reporting hotlines, email, letters, and other means, and protect the identity of the whistleblower and their data. To encourage employees to monitor each other and proactively report illegal acts, the Group has established a reporting reward system. If a report is verified to be true after investigation, the whistleblower may be given a bonus as a recognition and to promote a culture of integrity. For each anonymous report, the Group's audit department must undertake investigation, and the results of the investigation must be kept confidential.

During the reporting year, the Group had no litigation involving corruption, bribery, blackmail, fraud and money laundering.

Reporting Channels

舉報渠道

If aware of or suspect any cases of corruption or money laundering, please report it through the following channels. We will conduct a thorough investigation into the matter, and the investigation results will be communicated to you in a timely manner.

如知曉或懷疑出現貪污與洗黑錢的情況，請透過以下渠道舉報，我們將對有關情況進行深入調查，調查結果將會向您適時溝通。

Reporting email: shenjibu@beautyfarm.com.cn

檢舉受理郵箱：shenjibu@beautyfarm.com.cn

Reporting hotline: 021-60953299 (extension 8159)

檢舉受理電話：021-60953299 (分機8159)

Reporting department: Audit Department of Beauty Farm

檢舉受理部門：美麗田園審計部

Reporting Address: 12th Floor, Raffles East Tower, No.1089 Dongdaming Road Hongkou District, Shanghai, PRC

檢舉受理地址：中國上海市虹口區東大名路1089號來福士東塔12層

公司鼓勵員工、各部門負責人在日常工作中積極檢舉，為此我們開設各類舉報通道並設立《內部檢舉作業辦法》，相關人員可通過舉報電話熱線、電子信箱、信函等途徑舉報公司及其人員實際或疑似違規違法事件的信息，並對舉報人及其數據進行保護。為鼓勵員工互相監督，主動檢舉違法事件，集團特意設立檢舉獎勵，若檢舉經查核後屬實，舉報人可以酌情給予獎金，予以肯定，亦端正廉潔風氣。針對每一起實名舉報，集團審計部均需立案調查，相關調查結果亦需保密控管。

於本報告期內，本集團未有發生涉及貪污、賄賂、舞弊、欺詐及洗黑錢的訴訟案件。

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Highlights of the Group's measures in 2022 2022年集團亮點措施

Signing the “Letter of Integrity”
簽署《廉潔告知書》

Beauty Farm has set up the “Letter of Integrity” as an attachment to the construction and design agreement, which specifies anti-corruption regulations together with reports channels, responsible departments, and other relevant information. In 2022, all eight construction partners of the Group have signed the “Integrity Statement” with a 100% compliance rate. This ensures that both parties carry out economic activities based on the principles of fairness, impartiality, openness, and integrity, and protects the legitimate rights and interests of both parties.

美麗田園在工程施工協議及設計委託協議中專設《廉潔告知書》作為協議附件，規定反貪污相關規定，並公佈舉報管道，負責部門等。於2022年，美麗田園全部8家工程施工合作方100%簽署了《廉潔告知書》，確保雙方在公平、公正、公開、誠信的原則下開展經濟活動，維護雙方合法權益。

Prepaid Card Registration
預付卡備案

By registering with government agencies, the payment system is connected to the government system, which enables government departments to be aware of the corresponding amount, balance, and details of prepaid deposits collected. In addition, there are limits on the amount of individual prepaid deposits, which effectively prevents money laundering activities.

通過在政府部門進行備案登記，將收款的系統與政府系統相連，使政府部門知曉了相應收取的預存款的金額、餘額和明細，並且對於單筆預存款金額也有所限制，從而能有效的防止洗錢行為。

Establishing “Integrity Leadership Group”
組建「廉潔領導小組」

Members of the Leadership Group are chaired by the Chairman and senior management personnel of the Group, who actively supervise the management team to establish and improve the Group's anti-fraud and anti-bribery cultural environment, establish and improve internal control systems, including the prevention of fraud and bribery. They are also responsible for approving proposals for handling anti-fraud and anti-bribery cases, and accepting appeals against the handling decisions.

領導小組成員由董事長和公司高級管理人員擔任，積極督促管理層建立和完善公司的反舞弊、反賄賂文化環境，建立健全包括預防舞弊、賄賂在內的內部控制體系，而且負責審批反舞弊、反賄賂案件處理意見，接受對處理意見的申訴。

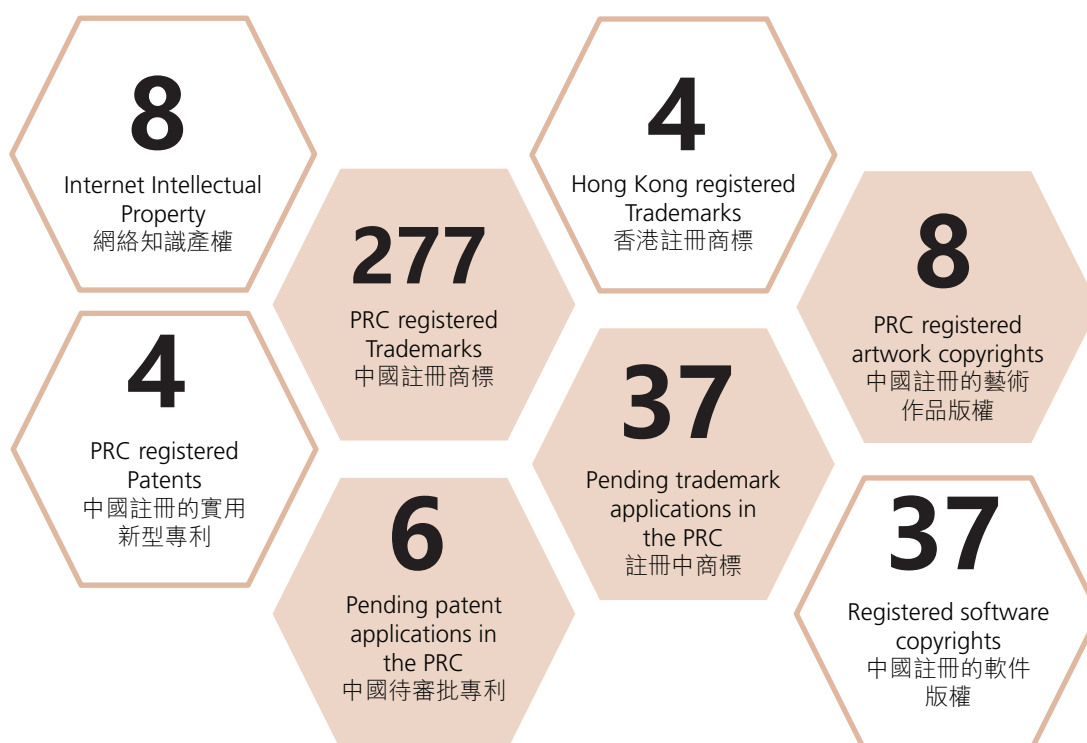
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4.5. Protection of Intellectual Property Rights

We firmly believe that a comprehensive intellectual property protection system is an important component of our continued success and competitiveness. Therefore, the Group is committed to establishing a comprehensive intellectual property management system. We strictly comply with laws and regulations related to intellectual property, such as the “Trademark Law of the People’s Republic of China”, “Patent Law of the People’s Republic of China”, and “Internet Domain Name Management Measures”, and resolutely defend our own rights in accordance with the law. We systematically manage our trademarks, patents, and domain names, establish the “Intellectual Property Application System” within the Group, clarify the application process and principles of intellectual property, and orderly maintain and ensure the validity of the Group’s intellectual property. During the reporting year, the Group did not have any significant infringement of third-party intellectual property rights, nor did we become aware of any major infringements or disputes related to the Group’s violation of intellectual property protection laws and regulations.

Summary of Intellectual Property Right in year 2022



4.5. 知識產權保護

本集團堅信完善的知識產權保護體系是為集團持續成功並保持競爭力的重要組成部分，故集團致力於建構全面的知識產權管理系統。我們嚴格遵守與知識產權有關的法律及法規，如《中華人民共和國商標法》、《中華人民共和國專利法》及《互聯網域名管理辦法》等，堅決依法維護自身權益。我們對商標、專利及域名等知識產權進行規範管理，於集團內部建立《知識產權申請制度》，明確知識產權的申請流程及原則，有序地維護及確保集團知識產權的有效性。而在報告期間，本集團並無嚴重侵犯第三方知識產權，亦未獲悉出現任何有關本集團違反保護知識產權相關法例的任何重大侵權或糾紛。

2022年知識產權總匯

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5. Awards and Honours

5. 獎項及榮譽

Year 年份	Issuing Authority 頒授機構	Awards/Recognitions 認證／獎項
2022	Quality Award Appraisal Committee Office of The Shanghai Hongkou District Mayor 上海市虹口區區長質量獎審定委員會辦公室	The Quality Award of The Shanghai Hongkou District Mayor — Gold Prize 上海市虹口區區長質量獎金獎
2022	Shanghai High-Tech Enterprise Certification Office 上海市高新技術企業認定辦公室	Shanghai High-Tech Enterprise Certificate 上海市高新技術企業
2022	Institute of Organization and Talent Development 組織與人才發展研究院	The 4th Yuntu Award — Talent Development Benchmark — Gold Award 第四屆雲圖獎人才發展標桿 — 金獎
2022	Institute of Organization and Talent Development 組織與人才發展研究院	The 4th Yuntu Award — Value Creation Benchmark — Excellence Award 第四屆雲圖獎價值創造標桿 — 卓越獎
2022	Allergan Aesthetics 艾爾建美學	“Go with Allergan” Brand Award 與「艾」同行品牌大獎
2021	Shanghai Hairdressing and Beauty Association 上海美髮美容行業協會	2018–2021 Shanghai Hair and Beauty Five Star Enterprise 2018–2021上海美髮美容五星級企業
2021	Shanghai Municipal Commission of Commerce 上海市商務委員會	2021 Private Enterprise Headquarters 2021民營企業總部
2021	Shanghai Single-Use Prepaid Card Association 上海單用途預付卡協會	2020 Golden Tripod Cup — Shanghai Single-Use Prepaid Card Five-star Demonstration Enterprise 2020金鼎杯上海市單用途預付卡五星級示範企業
2020	Shanghai Hongkou District People’s Government 上海市虹口區人民政府	Key Enterprise Contribution Award 重點企業貢獻獎
2019	Shanghai Jiao Tong University Overseas Education College 上海交通大學海外教育學院	Most Growing Corporate University of the Year, Best Learning Program for Chinese Companies of the Year 年度最具成長性企業大學、中國企業大學最佳 學習項目
2019	China Commercial Real Estate Annual Convention 中國商業地產年會	New Classic Brand of the Year 年度煥新經典品牌
2019	Hongdian Culture 宏點文化	Most Popular Brands for Women 最受女性歡迎品牌

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6. Green and Sustainable Future

6.1. Emissions Management

The Group's core business is mainly to provide a variety of beauty, health, and medical aesthetic services and products. In our daily business operations, the main emissions produced include greenhouse gases generated from the use of electricity in offices and stores, exhaust gases and greenhouse gases generated during the use of company vehicles or employee travel, medical waste generated during the provision of medical aesthetic services to customers, construction waste generated during the opening of new stores, renovation, or closure, various hazardous and non-hazardous waste generated during daily office and store operations (such as waste paper, waste lamps, waste toner cartridges, packaging materials of used beauty products) and domestic wastewater. The Group strictly complies with all applicable major environmental protection laws and regulations, as well as pollution control measures in all operating regions, such as the "Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste", the "Law of the People's Republic of China on Prevention and Control of Water Pollution", the "Law of the People's Republic of China on Evaluation of Environmental Effects", "Regulation on the Administration of Permitting of Pollutant Discharges", "Regulations on the Management of Medical Waste", "Law of the People's Republic of China on the Prevention and Treatment of Infectious Diseases" and "Regulations on Urban Drainage and Sewage Treatment", etc. The Group has always handled emissions in accordance with relevant regulations and is committed to reducing waste and emissions generated in all business operations to achieve the goal of reducing environmental pollution and achieving ecological development.

6. 綠色田園永續未來

6.1. 排放物管理

本集團的核心業務主要為提供不同系列的美容、保健與醫療美容的服務及產品，在日常業務營運當中，主要產生的排放物包括辦公室與門店使用電力而產生的溫室氣體、使用公司汽車或員工差旅期間所產生的廢氣與溫室氣體、在為顧客提供醫療美容服務時所產生的醫療廢物、在開設新門店、進行裝修、閉店時所產生的建築廢物、日常辦公室與門店營運所產生的各種有害與無害廢物（如廢紙、廢燈管、廢碳粉盒、已用美容產品的包裝物）及生活廢水等等。本集團嚴格遵守各經營所在地區所有適用的重大環境保護法律及法規以及污染控制措施，如《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國水污染防治法》、《中華人民共和國環境影響評價法》、《排污許可管理條例》、《醫療廢物管理條例》、《中華人民共和國傳染病防治法》、《城鎮排水與污水處理條例》等。本集團一直按照相關規定處理排放物，並致力於減少於各業務營運所產生的廢棄物及排放，以達到降低環境污染、實現與生態共同發展的目的。

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Due to the nature of the Group's business, apart from greenhouse gas emissions, we do not generate a significant amount of pollutants. Therefore, we have not yet set any specific emission reduction targets. However, we will continue to monitor our own emissions and review the effectiveness of our emission management policies. When necessary, such as when the cost of pollution treatment accounts for a certain proportion of our operating expenses, we will set emission reduction targets accordingly. Additionally, since most of our greenhouse gas emissions come from the consumption of purchased electricity, our greenhouse gas emission reduction targets will be consistent with our energy consumption reduction targets (please refer to the "Resources Management" section for more details).

During the reporting period, the Group's greenhouse gas emissions¹ from electricity consumption and vehicle fuel consumption amounted to approximately 5,166.53 tonnes of CO₂ equivalent ("tCO₂e"), with an emission intensity of 0.03 tCO₂e per ten thousand RMB in revenue. The exhaust emissions¹ from our vehicles amounted to approximately 6.99 kg of pollutants (nitrogen oxides: 6.44 kg, sulfur oxides: 0.08 kg, suspended particles: 0.47 kg).

During this reporting period, the Group's business operations strictly complied with environmental laws and regulations of various local governments, and there were no confirmed illegal or non-compliant events related to emissions that had a significant impact on the Group.

Note:

- 1 The calculation methods for greenhouse gas emissions (Scope 1 and 2) and vehicle emissions from gasoline and electricity mainly refer to the "Reporting Guidance on Environmental KPIs" issued by the Hong Kong Stock Exchange.

由於本集團業務性質，除了溫室氣體排放外，本集團基本不會產生大量污染物，故我們暫未有制定相關排污目標。然而，集團會持續監測自身的排污情況，審視自身排放物管理政策的執行力度，在必要時，例如：排污處理費佔集團營運支出的一定比例將制定有關排放目標。另外，由於集團主要產生的溫室氣體來自外購電力的消耗，減少集團溫室氣體的目標將與減少能耗的目標保持一致（詳請參考「資源使用」部份）。

於本報告期內，本集團在消耗電力及車輛消耗汽油所產生的溫室氣體排放量¹共約5,166.53噸二氧化碳當量，排放密度為每萬元營業收入0.03噸二氧化碳當量；因使用車輛所產生的廢氣¹共約6.99千克（氮氧化物：6.44千克，硫氧化物：0.08千克，懸浮粒子：0.47千克）。

於本報告期內，本集團的業務皆嚴格遵守各地方政府的環境法律法規，沒有涉及任何與排放相關並對本集團有重大影響的已確認違法、違規事件。

附註：

- 1 汽油及電力產生的溫室氣體排放（範圍一及二）及車輛廢氣的計算方法主要參考香港聯交所發佈的《環境關鍵績效指標匯報指引》作計算。

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6.1.1. Medical Waste Management

The Group's business operations do not involve the use of harmful or hazardous substances. During our service provision to customers, we handle medical waste and materials generated from medical aesthetic operations, such as disposable medical supplies and equipment, including injection needles, cotton pads, and other wound dressings. The Group strictly complies with relevant laws and regulations, and commissions third-party waste management companies that hold a valid "Medical Waste Management License" issued by the local Ecological Environment Bureau to collect and dispose of medical waste generated from each store on a regular basis. To effectively prevent and control the possibility of environmental damage, medical waste is generally stored in the stores for no more than 48 hours, and is placed in dedicated packaging and sealed containers that are leak-proof and puncture-resistant, with clear warning signs, and temporary storage facilities are regularly disinfected and cleaned to ensure the health and safety of customers and employees in the stores and surrounding communities. As waste management companies have an annual permitted disposal volume, we also regularly enter contracts with waste management companies for the collection and disposal of medical waste and pay medical waste disposal fees on time to ensure that medical waste is handled in compliance with regulations.

6.1.1. 醫療廢物管理

本集團業務營運中並不涉及使用有害或危險物質。而我們向顧客提供服務期間，將處置若干由醫療美容業務運營過程中產生的醫療廢物及物質，例如已用一次性醫療用品及器材，包括注射針、化妝棉及其他傷口敷料。本集團嚴格遵守相關法律法規，委聘持有當地生態環境局批發《醫療廢物經營許可證》合資格的第三方廢物處理公司，定期收集於各門店所產生醫療廢物並進行分類運輸及處置。為有效預防及控制破壞環境的可能性，醫療廢物一般於門店的存放時間不超過48小時，而門店亦按照規定分別置於防滲漏、防銳器穿透的專用包裝物與密閉的容器當中，貼有明顯警示標識並定期消毒和清潔暫時貯存設施，以確保門店及周邊小區的客戶及員工的健康及安全。由於廢物管理公司均設有每年許可處理量，因此，我們亦定期與廢物管理公司就收集及處理醫療廢物訂立合約，並按時向廢物管理公司支付醫療廢物處理費，確保醫療廢物均合規處理。

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Although medical waste is inevitably generated in our daily business processes, we are committed to reducing its generation, teaching employees how to handle medical waste properly, and constantly reminding them to avoid excessive use of materials in daily operations and treatment processes. In the future, we plan to regularly assign personnel from the Legal Department to monitor the implementation of guidelines related to the disposal of medical waste to ensure that the above measures are effectively implemented.

During this reporting period, the Group generated a total of 11,279.53 kg of medical waste¹, with an emission intensity of 0.07 kg per ten thousand RMB in revenue all of which were disposed of by qualified third-party waste management companies.

Notes:

- 1 Medical waste is generated from two brands of clinics that provide medical aesthetic products and services, namely Neology and CellCare.

雖然我們的日常業務過程不可避免地產生醫療廢物，我們仍致力減少其產生量，教導員工正確處理醫療廢棄物，並不斷提醒員工於日常營運及療程過程中避免過度使用材料。未來，我們計劃定期指派法律職能部門的人員不時監察有關醫療廢物處置的指引的執行情況，確保上述措施有效執行。

於本報告期內，本集團共產生11,279.53公斤的醫療廢物¹，排放密度為每萬元營業收入0.07公斤，均由合資格的第三方廢物處理公司所處置。

附註：

- 1 醫療廢物均來自研源及秀可兒等兩個提供醫美產品服務品牌的門店。

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6.1.2. Other Waste and Wastewater Management

Most of the Group's stores are located in shopping centers, and various waste and wastewater generated by the business and office operations (such as waste paper, packaging materials of used beauty products, waste lamps, waste toner cartridges, domestic wastewater) are collected and disposed of by the property management company. For construction waste generated from opening new stores, renovation, or closure, it is collected and disposed of by the construction contractors. Although the Group is not directly involved in the collection and disposal of waste, waste management is an integral part of preventing environmental pollution. We are committed to implementing measures such as waste reduction, classification and recycling, and promoting the reuse of waste and improving employees' environmental awareness, to minimize the impact of our daily operations on the environment. For example, we include provisions for civilized construction in our contracts with construction contractors to ensure that noise, dust, and other construction waste generated during construction are effectively controlled or eliminated. The Strategic Development Department regularly inspects the waste disposal practices of the construction contractors during the construction progress review to ensure effective implementation. In accordance with the requirements of the property management company, various waste generated by the stores are collected, sorted, and placed in the corresponding garbage recycling bins. During the reporting period, the Group generated a total of 6,432.10 kg of non-hazardous waste¹, with an emission intensity of 0.04 kg per ten thousand RMB in revenue. All of the waste was disposed of by qualified third-party waste management companies.

Notes:

- 1 The non-hazardous waste data currently reported mainly includes wastepaper generated from the offices and stores. The Group has to yet establish a system for collecting and compiling data on other non-hazardous waste (such as used beauty products packaging materials, cardboard boxes, shopping bags, etc.). The Group will discuss with third parties on various effective and feasible methods for data collection to ensure that more comprehensive non-hazardous waste data can be provided in future reports.

6.1.2. 其他廢物廢水管理

本集團的門店大部份設於購物中心，在各品牌業務與辦公室營運中所產生的各種廢物廢水(如廢紙、已用美容產品的包裝物、廢燈管、廢碳粉盒、生活廢水)，均由該物業管理公司集中收集與處置；而對於開設新門店、裝修或閉店所產生的建築廢物，均由工程施工方集中收集及處置。廢棄物管理作為防治環境污染不可或缺的部分，儘管集團並不涉及於廢物的集中收集與處置過程當中，但我們亦致力實施各種減量、分類回收、循環使用的措施，達到源頭減廢，促進廢物回收再造與提高員工環保意識的目的，盡力減少集團日常營運對環境所造成的影響。例如與工程施工方簽署合同時，加入文明施工條款，確保施工期間所產生噪聲、粉塵及其他建築廢物均得到有效措施控制或消除，並會由策略發展部門定期巡檢工程進度時，視察施工方廢物處置的執行情況，確保措施有效進行；按照物業管理的要求，對門店所產生的各種廢物分類收集與放置與相應垃圾回收箱等。於本報告期內，本集團共產生6,432.10公斤的無害廢物¹，排放密度為每萬元營業收入0.04公斤，均由合資格的第三方廢物處理公司所處置。

附註：

- 1 現時所統計的無害廢物量數據主要為於辦公室及門店所產生的廢紙。集團暫時未有對其餘無害廢物(如已用美容產品的包裝物、紙箱、購物袋等)數據進行統計，集團將與第三方討論各種有效及可行的數據統計方法，確保於未來的報告中能提供更完善的無害廢棄物數據。

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6.2. Resources Management

The resources mainly consumed by the Group in daily operations include electricity and water resources used in offices and stores, gasoline used by company vehicles, and paper products and packaging materials for beauty products used in daily office and promotional activities (such as paper bags and packaging boxes). The Group actively implements various resource-saving measures to improve resource utilization efficiency. During the reporting period, the Group consumed a total of approximately 8,917,088.68 kWh of energy¹, including electricity and gasoline, with an intensity of 54.52 kWh per ten thousand RMB in revenue. The Group also used approximately 60,234.97 kg of packaging materials², with an intensity of 0.37 kg per ten thousand RMB in revenue.

As a responsible company, the Group recognizes our environmental responsibility that comes with our operations. We constantly emphasize the importance of environmental protection internally and with our partners. We actively implement a green and low-carbon development strategy to achieve sustainable development in harmony with the environment. To ensure the proper implementation of our environmental policies, we conduct regular inspections of each store and provide training to our employees on internal standards, procedures, and the latest information on relevant environmental laws and regulations to ensure compliance. We have also implemented policies for the efficient use of water and electricity to reduce waste of resources.

Notes:

- 1 The calculation method for total energy consumption mainly refers to the "GB/T 2589-2020 Comprehensive Energy Calculation Guide" issued by the National Standardization Management Committee and the State Administration for Market Regulation.
- 2 The packaging data only includes packaging materials directly purchased by the Group and does not currently include packaging brought by the product suppliers.

6.2. 資源使用

本集團於日常營運中主要所消耗的資源包括於辦公室及門店使用電力與水資源、公司車輛所使用的汽油、日常辦公與活動宣傳推廣時使用紙類製品及美容產品的包裝物(如紙袋、包裝盒)等。本集團積極實施各種資源節約措施，提升資源使用效率。於本報告期內，本集團共消耗電力及汽油等能源¹共約8,917,088.68千瓦時，排放密度為每萬元營業收入54.52千瓦時；包裝材料²共使用約60,234.97公斤，密度為每萬元營業收入0.37公斤。

作為負責任的企業，集團深知需要承擔的環保責任，在日常運營和發展過程中，在企業內和合作夥伴間不斷強調環境保護的重要性，積極踐行綠色低碳發展戰略，不斷實現集團與環境和諧共處的可持續發展。為確保環保政策得到妥善執行，我們不定期在企業微信大群中對節能減排進行宣導和倡議，並對辦公室下班後的電源等關閉情況進行抽查，確保他們遵守該等規定。我們亦已採納有效利用水電的政策，從而減少浪費資源。

附註：

- 1 能源總耗量的計算方法主要參考國家標準化管理委員會及國家市場監督管理總局所發佈的《GB/T2589-2020—綜合能耗計算通則》作計算。
- 2 包裝物數據僅為直接採購的包裝物，暫時不含產品方(即供貨商)自帶包裝。

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Environmental Targets

環境目標



Electricity Usage

用電量

We expect that our total electricity and water consumption to increase during the next three years as we will expand our store network and the total client visits are expected to increase. We will continue to increase energy and water efficiency in our operations to fulfill our environmental and social responsibility and we intend to reduce energy and water consumption per client visit during the next three years. For example, we will continue to consolidate inventory orders from our stores in Beijing and Shanghai and deliver inventory on a weekly basis to reduce shipping frequencies and will continue to use recyclable shipping boxes, which could reduce energy consumptions and reduce unnecessary waste. We plan to foster a paperless working environment and promote utilization of nature light and ventilation. We also strive to foster energy and water conservation culture in the Group such as raising awareness of water and energy conservation through employee trainings and encouraging employees to turn off lights and computers during off-business hours. We also intend to frequently promote knowledge of low-carbon development and resource conservation to our employees.

我們預期，未來三年的總耗電及耗水量將隨著我們擴展門店網絡及預期顧客到店總次數增加而有所上升。我們將繼續提高運營中的能源及水效率，以履行我們的環境及社會責任，並擬於未來三年內減低顧客每次到店的能源及水用量。例如，我們將繼續整合北京市及上海市門店的庫存訂單，每週交付庫存以減少發貨的次數，並將繼續使用可循環再用的付運箱，減少能源消耗及不必要的廢物。我們計劃營造無紙化的工作環境，倡導利用自然光及通風。我們亦努力於本集團內培養節能及節約用水的文化，提高節約用水及節能意識，鼓勵員工於非辦公時間關燈及關計算機。我們亦計劃經常向員工宣傳低碳發展及節約資源的知識。



Water Usage

用水量

Due to our business nature, we do not consume a large amount of water in our daily operation, but we intend to reduce the level of our average annual water usage per store over the next three years by 1%. We plan to keep monitoring water consumption level and upgrade our wastewater processing capability to increase our usage of recycled water if necessary. We expect to continue to explore potential energy-saving solutions within our production process as well as improve the efficiency of energy and resource usage. Further, we expect to improve our employees' awareness of environmental protection and resource conservation through continuous training efforts.

由於我們的業務性質使然，我們於日常運營中不會耗用大量水源，但有意於未來三年將每家門店的平均每年用水量降低1%。我們計劃繼續監測用水量，並升級廢水處理容量，以在必要時增加使用循環再用水。我們預期在生產過程中繼續探索潛在節能解決方案，並提升能源及資源的使用效率。此外，我們預期通過持續培訓工作提高員工的環保及節約資源意識。

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6.2.1. Management on Electricity and Other Energy Use

The Group's electricity consumption is also a main source of our indirect greenhouse gas emissions. To improve energy efficiency and reduce related greenhouse gas emissions, we have implemented the following energy-saving measures in our stores and offices:

Offices 辦公室

- Install LED lights
安裝LED燈
- Turn off idle lights and appliances
關閉閑置燈光及電器
- Prioritize the purchase of energy-efficient equipment with energy labels
於採購時優先選擇具有能源標籤的節能設備
- Implement measures where the last colleague leaving the office needs to turn off the lights and air conditioning when there is no one in the office
在辦公室沒有人的時候，實行最後離開的同事需要關掉電燈及空調的措施
- Provide energy-saving tips and recognition to encourage employees to change daily habits, such as turning off appliances that are not in use in their own workspaces
提供節約能源小秘方及表揚，旨在影響員工改變日常習慣，如關閉自己辦公位置中不使用的電器

During the reporting period, we used approximately 8,866,161.20 kWh of electricity, with an intensity of 54.21 kWh per ten thousand RMB in revenue, and approximately 5,748.33 liters of gasoline, with an intensity of 0.04 liters per ten thousand RMB in revenue.

6.2.1. 電力及其他能源使用管理

本集團的電力消耗亦為我們間接溫室氣體排放的主要來源。因此，我們為提高能源效率，並從而降低相關溫室氣體排放，本集團於門店與辦公室已採取以下電力節能措施：

Stores 門店

- Install LED lights
安裝LED燈
- Implement regional lighting
實施區域照明
- Turn off unnecessary advertising light boxes outside the store during non-business hours
於非營業時間關閉店外不必要的廣告燈箱
- Regularly maintain and repair air conditioning equipment to ensure optimal performance
定期維修保養空調設備以確保發揮最佳效能

於本報告期內，本集團共使用電力約8,866,161.20千瓦時，密度為每萬元營業收入54.21千瓦時，以及汽油約5,748.33升，密度為每萬元營業收入0.04升。

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6.2.2. Management on Water Resources

The Group's offices and stores use water from the municipal water supply, and during the reporting period, the Group did not encounter any issues related to obtaining water resources. To effectively use water resources, we have implemented water conservation measures throughout various aspects of our daily operations. We actively encourage water conservation and educate our employees to establish a correct concept of water usage, strengthen their environmental awareness, and ensure proper water usage while eliminating waste. For example, we have posted water conservation slogans in our offices and stores to strengthen employees' awareness of water conservation in public places, regularly inspect and maintain water facilities and pipelines, and minimize water consumption to the greatest extent possible. During the reporting period, the Group used approximately 178,385.88 m³ of water resources, with an intensity of 1.09 m³ per ten thousand RMB in revenue.

6.3. Environment and Natural Resources

As the Group does not involve factory operations or the use of any hazardous chemicals in its business processes, we believe that the Group has no significant impact on the environment and natural resources. However, the main impact is the greenhouse gas emissions generated by the use of electricity in our stores and offices. Since some of our beauty equipment and product suppliers are located outside of China, it may create emissions during transportation. Also, the improper disposal of waste packaging generated during the Group's operations and supplier products may exacerbate global warming. Therefore, the Group not only aims to reduce energy consumption, water usage, greenhouse gas emissions, and waste, but also hopes to explore innovative technologies in the market and cooperate with suppliers to launch emission and waste reduction projects to develop our business in a more environmentally

6.2.2. 水資源使用管理

本集團辦公室與門店用水均取自市政供水，於本報告期內，本集團並無遇到任何有關取得水資源方面的問題。為了有效使用水資源，我們將節水行動貫穿日常營運的各環節，積極實施不同的節約用水措施，從教育員工節約用水應從日常生活開始，建立正確的用水觀念，加強員工的環保意識，保障企業的正常用水和杜絕浪費，例如：於辦公室與門店的張貼節水倡導語以加強員工公共場所節約用水意識、定期檢查並維護用水設施和管道等，最大程度地降低水資源消耗。於本報告期內，本集團共使用水資源約178,385.88立方米，其為密度為每萬元營業收入1.09立方米。

6.3. 環境及天然資源

本集團並不涉及工廠營運或於業務流程中食用任何危險化學品，因此，我們認為在集團營運當中並無對環境及天然資源產生重大影響。而主要所產生的影響主要為門店及辦公室使用電力時所產生的溫室氣體；部份美容設備及產品供貨商位於中國境外，而在運輸途中產生溫室氣體以及集團營運期間及供應商產品中所產生的廢包裝物在未有有效進行分類回收而導致錯誤處置等等，或會加劇全球暖化現象。因此，本集團不僅旨在減低能源消耗、減少用水量、減少溫室氣體排放及減少廢棄物，更希望於市場上探索創新技術，與供應商合作開展減排減廢項目，以更具環境可持續性的方式

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sustainable manner. In addition to the environmental measures disclosed above, the Group has taken the following measures to minimize its impact on the environment:

發展其業務。除了上述各部份所披露的環保措施外，集團亦已採取下列措施，盡力減低集團對環境的影響：

Key measures on waste reduction and carbon reduction

集團亮點減廢與減排措施

Green Plan of Delivery Process in Supply Chain

供應鏈交付環節的綠色計劃

The Group's supply chain is committed to promoting healthy living and environmental friendliness, and strives to reduce its impact on the environment:

美麗田園集團供應鏈兼持健康生活、環境友好為宗旨，致力於減少對環境的影響與破壞：

- 1) Beijing and Shanghai business centers implemented a roaster system, delivery is only made once a week, greatly reducing the frequency of transportation and the carbon emissions caused by transportation;
於北京及上海兩大業務中心採取班車制度，及每週只配送一次，大大降低運輸配送頻次，減少運輸的碳排放；
- 2) In Beijing and Shanghai, a crate delivery system is implemented to reduce the use of cardboard boxes and contribute to a green supply chain. In the situation of ensuring customer satisfaction, the reduction in the use of cardboard boxes could result in cost savings;
北京及上海兩地實行週轉箱配送，減少紙箱使用，綠色供應鏈為環保做貢獻。在不影響門店滿意度的情況下，降低紙箱使用，節約成本；
- 3) We strive to choose suppliers located in the same area where we operate as much as possible, in order to reduce unnecessary long-distance transportation. This not only helps to reduce greenhouse gas emissions, but also generates income for qualified local suppliers, achieving a win-win situation for ecological, economic, and social benefits.
儘可能地選擇運營所在地的供貨商，以減少不必要的長途運輸，此舉除了能減低溫室氣體的排放外，並能為當地的合格供貨商創造了收入，有效實現生態、經濟、社會效益的共贏發展
- 4) All stores, including direct and franchised stores, consumables such as towels, bed sheets, and slippers are reused after strict sterilization.
包括直營及加盟在內的全國門店，如毛巾、床單、妥協等低值易耗品在進行嚴格消毒的基礎上循環利用。

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Key measures on waste reduction and carbon reduction

集團亮點減廢與減排措施

Environmental-friendly and energy saving materials in stores

門店環保及節能材料

- 1) The Group has implemented a sustainable approach to interior decoration in direct stores, utilizing E0 grade environmentally friendly wood and incorporating energy-saving bathroom facilities and air conditioning systems, thereby minimizing energy consumption and mitigating the environmental impact on both employees and customers ;
直營門店裝修統一使用E0級環保木料，並配備節能衛浴及節能空調，以減少能源的損耗以及裝修對環境及員工、顧客的影響；
- 2) After the decoration is completed, a professional environmental testing department is invited to test the indoor air quality to ensure that all indicators are qualified before use. If harmful substances are found to exceed the standard during the inspection, timely measures will be taken to rectify the situation.
裝修完成後，並請專業環境檢測部門檢測裝修後的室內空氣質量，確保各項指針合格後再使用。如在進行檢測，發現有害物質超標，會及時進行治理。

Employee vehicle use and business travel

員工用車及出差

- 1) To reduce fuel consumption during travel, we require drivers to plan their routes before departure and choose the shortest and most efficient route.
為減少旅途帶來的燃料消耗，我們要求司機出行前規劃路線，儘量以最短最快速的路線到達目的地
- 2) We encourage communication through video, phone conferences, and electronic means to reduce exhaust gas and greenhouse gas emissions.
提倡通過視頻、電話會議、電子通訊等方式進行溝通，以減少廢氣與溫室氣體的排放
- 3) The group actively encourages employees to use public transportation or co-sharing vehicles for commuting.
集團亦積極鼓勵員工搭乘公共交通或共乘通勤

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Looking to the future, in order to more effectively implement and evaluate our environmental, social, and governance policies, we plan to implement environmental protection measures in monitoring and reducing the medical waste generated during our service provision process. For example, we plan to conduct regular checks and provide training to our employees at each store on how to reduce medical waste every month. We also expect to strengthen monitoring and implementation of guidelines for the handling, use, storage, treatment, and disposal of medical waste. For instance, we intend to engage in regular independent assessments of the sufficiency and efficacy of our medical waste handling guidelines, as well as the extent to which these guidelines are being implemented through our internal audit functions. These evaluations will be conducted by the Board to ensure that we maintain the highest standards of environmental stewardship, regulatory compliance, and corporate responsibility.

6.4. Responding to the Climate Change

The Group believes that we are less vulnerable to the impacts of climate change due to the fact that our operations are primarily located in first and second-tier cities, which have a high level of resilience to extreme weather events such as typhoons, storms, and heavy rainfall, in terms of rainwater drainage, building structure, communication infrastructure, and power grid facilities. Therefore, we believe that our business operations are relatively immune to the impact of extreme weather conditions. As of the end of the reporting year, our business operations and financial performance have not been significantly affected by climate change or extreme weather conditions. However, the Group recognizes the need to identify and mitigate risks associated with climate change, including those arising from changes in policy, law, technology, and market demand. We are in the preliminary stages of identifying the relevant risks and implementing appropriate measures to mitigate them. We understand that a sound governance framework is critical to effectively manage climate-related risks, and we will continue to work with third-party ESG consultants to incorporate climate risks into our enterprise risk management mechanism, set climate-related goals and indicators, and disclose our progress in achieving these key performance indicators in our annual ESG report to the Board and stakeholders.

展望未來，為更妥善實施及評估環境、社會及管治政策，我們預期將實施環保措施，以監測及減少我們在提供服務的過程中產生的醫療廢物。舉例而言，我們擬每月於各門店進行檢查及定期為我們的員工提供培訓以提升他們減少醫療廢物的知識。我們預期加強監測及實施有關搬運、使用、儲存、處理及處置醫療廢物的指引。例如，我們計劃由董事會就指引的充分性及有效性以及透過內部審查職能實施該等指引的情況定期進行獨立評估。

6.4. 應對氣候變化

本集團認為，我們不易受氣候變化所影響，而我們進行業務所在地大多位於一線及新一線城市，該等城市無論對雨水疏導、樓宇結構、通信基礎設施、電網設施均就極端天氣(如颱風、風暴和暴雨)的影響韌性較高，因此，我們認為集團營運受到極端天氣的影響有限。截至報告年底，我們的業務營運或財務業績並無因氣候變化或極端天氣狀況而受到任何重大影響。而對於市場或監管機構為緩解和適應氣候變遷的需求，在政策、法律、技術和市場所採取的變化所帶來的風險(過渡風險)，本集團仍處於識別相關風險的初步階段，並以識別以下風險及作出相應緩解措施。本集團明白健全的管治安排對於有效管理氣候相關風險至關重要，我們將繼續與第三方ESG顧問合作，將氣候風險納入至集團的企業風險管理機制當中，並儘快設定與氣候相關的目標及指針，通過年度ESG報告向董事會與利益相關方披露集團就每個指定關鍵績效指標項下的量化指標用於監控達成的進展情況。

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Risk 風險	Physical risk/ Transition risk 實體風險/ 過渡風險	Risk Description 風險描述	Measures 緩解措施
More stringent regulatory disclosure requirements on climate change 關於氣候變化的更嚴格的監管披露要求	Transition risk 過渡風險	<p>The more stringent ESG disclosure requirements will increase the risk for the Group of non-compliance with relevant laws and regulations, such as the ESG guidelines provided by the Hong Kong Stock Exchange. Failure to comply with these guidelines could result in legal or regulatory actions, business interruption, reputational and/or financial losses, or increased capital investment and compliance costs.</p> <p>更加嚴格的ESG披露要求將增加集團未能遵守相關法律和法規(如香港交易所ESG指引)的風險,使集團面臨法律或監管行動、業務中斷、聲譽和/或財務損失,或資本投資和合規成本增加。</p>	<p>1) regularly monitor existing and emerging trends, policies, and regulations related to climate change and alert senior management as necessary to avoid cost increases, regulatory fines, or reputational risks due to delayed response. 定期監測與氣候有關的現有和新出現的趨勢、政策和法規,並準備在必要時提醒最高管理層,以避免因反應遲緩而導致成本增加、違規罰款或聲譽風險。</p> <p>2) engage third-party ESG professionals to provide ESG reporting services to ensure the quality and accuracy of our ESG reporting and compliance with relevant regulations. 聘請第三方ESG專業人士提供ESG報告服務,以確保集團ESG報告內容的質量和準確性,並遵守相關法規。</p> <p>3) meet regularly with ESG professionals to stay informed of the latest ESG news and regulatory updates and take appropriate actions in a timely manner. 定期與ESG專業人士會面,了解最新的ESG新聞和法規更新,以便及時採取適當措施。</p>

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Increasing stakeholders' expectations for sustainability achievements 利益相關者對可持續性成就的期望越來越高	Transition risk 過渡風險	<p>The increasing expectations of stakeholders for sustainability achievements will increase the risk for the Group of not meeting the growing concern on our ESG performance, which could result in reputational and/or financial losses, or increased capital investment and marketing costs.</p> <p>利益相關者對可持續發展成就的期望越來越高，這將增加集團的風險，即不能滿足對集團ESG表現的日益關注，使集團面臨聲譽和/或財務損失，或資本投資和營銷成本增加。</p>	<p>1) promote the Group's sustainable development efforts through online and offline channels. 線上線下宣傳集團的可持續發展努力。</p> <p>2) engage with stakeholders to understand their changing demands and perspectives on the Group, and disclose relevant information in our annual ESG report. 透過利益相關方參與工作，了解其對集團要求與觀點的變化，並於每年ESG報告中，作出對應內容的披露。</p>
Extreme weather 極端天氣	Physical risk 實體風險	<p>The frequency and severity of extreme weather events such as typhoons, storms, and heavy rain have increased, which may disrupt the power grid, communication infrastructure, or cause flooding, hindering and endangering our employees' work, resulting in decreased capacity and productivity, or exposing the Group to risks associated with non-performance and delayed performance, resulting in business interruption, financial losses, employee injury, or increased capital investment.</p> <p>颱風、風暴和暴雨等極端天氣的頻率和嚴重程度增加，可能會破壞電網、通信基礎設施或造成洪水，妨礙和傷害我們員工的工作，導致能力下降和生產率降低，或使本集團面臨與不履行和延遲履行有關的風險，導致業務中斷、財務損失、員工受傷或資本投資增加。</p>	<p>To minimize potential risks and hazards, the Group has adopted flexible work arrangements and preventive measures during adverse or extreme weather conditions.</p> <p>為了最大限度地減少潛在的風險和危險，本集團在惡劣或極端天氣條件下採取了靈活的工作安排和預防措施。</p>

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7. SUMMARY OF KEY ENVIRONMENTAL PERFORMANCE

7. 環境績效數據匯總

ESG Indicator ESG指標	Unit 單位	2022 ¹ 2022年 ¹
A1 Emissions 排放物		
A1.1 The types of emissions and respective emissions 排放物種類及相關排放數據		
Nitrogen Oxides (NO _x) 氮氧化物(NO _x)	kg 千克	6.44 6.44
Sulfur Oxides (SO _x) 硫氧化物(SO _x)	kg 千克	0.08 0.08
Particulate Matter (PM) 懸浮粒子(PM)	kg 千克	0.47 0.47
A1.2 Greenhouse gas emissions and intensity 溫室氣體排放量及密度		
Greenhouse gas emissions (Scope 1) ^{2, 8} 溫室氣體排放量(範圍一) ^{2, 8}	tCO ₂ e/RMB'0,000 revenue 噸二氧化碳當量	15.29 15.29
Greenhouse gas emissions (Scope 2) ^{3, 8} 溫室氣體排放量(範圍二) ^{3, 8}	tCO ₂ e/RMB'0,000 revenue 噸二氧化碳當量	5,151.24 5,151.24
Total emission of greenhouse gas 總溫室氣體排放量	tCO ₂ e/RMB'0,000 revenue 噸二氧化碳當量	5,165.53 5,166.53
Intensity 密度	tCO ₂ e/RMB'0,000 revenue 噸二氧化碳當量/萬元營業收入	0.03 0.03
A1.3 Total hazardous waste produced and intensity 有害廢棄物總量及密度		
Medical Waste ⁵ 醫療廢物 ⁵	kg 公斤	11,279.53 11,279.53
Intensity 密度	kg/RMB'0,000 revenue 公斤/萬元營業收入	0.07 0.07
A1.4 Total non-hazardous waste produced and intensity 無害廢棄物總量及密度		
Total non-hazardous waste ⁶ 無害廢棄物總量 ⁶	kg 公斤	6,432.10 6,432.10
Intensity 密度	kg/RMB'0,000 revenue 公斤/萬元營業收入	0.04 0.04

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ESG Indicator ESG指標	Unit 單位	2022 ¹ 2022年 ¹
A2 Use of resources 資源使用		
A2.1 Direct and indirect energy consumption by type in total and intensity 按類型劃分的直接及／或間接能源總耗量及密度		
Total energy consumption ^{4, 8} 總能源消耗 ^{4, 8}	kWh 千瓦時	8,917,088.68
Intensity 密度	kWh/RMB'0,000 revenue 千瓦時／萬元營業收入	54.52
Direct energy consumption 直接能源消耗	kWh 千瓦時	50,927.48
Gasoline 汽油	Liter 升	5,748.33
Indirect energy consumption 間接能源消耗	kWh 千瓦時	8,866,161.20
Electricity 電力	kWh 千瓦時	8,866,161.20
A2.2 Water consumption in total and intensity 總耗水量及密度		
Total water consumption 耗水量	m ³ 立方米	178,385.88
Intensity 密度	m ³ /RMB'0,000 revenue 立方米／萬元營業收入	1.09
A2.5 Total packaging material used for finished products and intensity 製成品所用包裝材料的總量		
Total packaging material ⁷ 包裝物 ⁷	kg 公斤	60,234.97
Intensity 密度	kg/RMB'0,000 revenue 公斤／萬元營業收入	0.37

Notes:

- The scope of environmental KPIs data collection for the whole year of 2022 includes: 34 offices, 189 direct stores, 1 warehouse and 2 training centres, excluding any franchised stores. As the Group has yet to establish a systematic procedure for collecting most environmental data, the environmental data currently disclosed (excluding medical waste and wastepaper) is calculated by dividing financial data with the average unit price.
- Greenhouse gas emissions (Scope 1) including direct emission of CO₂ produced by gasoline in vehicles.
- Greenhouse gas emissions (Scope 2) including indirect emission of CO₂ generated from purchase of electricity.

附註：

- 2022年度全年環境關鍵績效指標數據收集範圍為：34間辦公室、189間直營門店、1間倉庫、2所培訓學校；並不包含任何加盟店。而由於集團暫時未有對大部份環境數據定期進行收集統計，現時所披露的環境數據（除醫療廢物及廢紙張外）均以財務數據除以平均單價作統計。
- 溫室氣體排放量（範圍一）是包含車輛使用汽油所產生的直接二氧化碳排放。
- 溫室氣體排放量（範圍二）是包含使用外購電力所產生的間接二氧化碳排放。

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| 4 | Total energy consumption includes the total amount of energy consumed from sources such as gasoline and purchased electricity. | 4 | 能源總耗量包括汽油及外購電力等產生的能源消耗總量。 |
| 5 | Medical waste is generated from two brands of clinics that provide medical aesthetic products and services, namely Neology and CellCare. | 5 | 醫療廢物均來自研源及秀可兒等兩個提供醫美產品服務品牌的門店。 |
| 6 | The non-hazardous waste data currently reported mainly includes wastepaper generated from the offices and stores. The Group has to yet establish a system for collecting and compiling data on other non-hazardous waste (such as used beauty products packaging materials, cardboard boxes, shopping bags, etc.). The Group will discuss with third parties on various effective and feasible methods for data collection to ensure that more comprehensive non-hazardous waste data can be provided in future reports. | 6 | 現時所統計的無害廢物量數據主要為於辦公室及門店所產生的廢紙。集團暫時未有對其餘無害廢物(如已用美容產品的包裝物、紙箱、購物袋等)數據進行統計,集團將與第三方討論各種有效及可行的數據統計方法,確保於未來的報告中能提供更完善的無害廢棄物數據。 |
| 7 | The packaging data only includes packaging materials directly purchased by the Group and does not currently include packaging brought by the product suppliers. | 7 | 包裝物數據僅為直接採購的包裝物,暫時不含產品方(即供貨商)自帶包裝。 |
| 8 | The calculation methods for Scope 1 and 2 greenhouse gas emissions from gasoline and electricity mainly refer to the "Reporting Guidance on Environmental KPIs" issued by the Hong Kong Stock Exchange. The calculation method for total energy consumption mainly refers to the "GB/T 2589-2020 Comprehensive Energy Calculation Guide" issued by the National Standardization Management Committee and the State Administration for Market Regulation. | 8 | 汽油及電力產生的溫室氣體排放(範圍一及二)的計算方法主要參考香港聯交所發佈的《環境關鍵績效指標匯報指引》作計算。能源總耗量的計算方法主要參考國家標準化管理委員會及國家市場監督管理總局所發佈的《GB/T2589-2020 — 綜合能耗計算通則》作計算。 |

8. TALENTS EMPOWERING

We firmly believe in the "people-oriented" principle and regard talents as the core competitiveness to support the sustainable development of the Group. We have established a comprehensive human resources management system to support the implementation of company strategies and achieve strategic planning and goals. Beauty Farm values the construction and improvement of the talent system, standardizes talent management, protects employee rights, cares for employee physical and mental health, and develops a scientific employee training plan to create a platform for employees to realize their self-worth and achieve mutual growth with the Group. At the same time, the Group has established an efficient talent pool, providing employment opportunities, various skills-related training courses, and clear promotion ladders for employees.

8. 強基固本人才賦能

我們始終堅信「以人為本」的理念,視人才為助力集團可持續發展的核心競爭力,建立了綜合的人力資源管理體系來支撐公司戰略落地,實現戰略規劃及目標。美麗田園重視建設和完善人才體系,規範人才管理,保障員工權益,關愛員工身心健康,並制定科學的員工培訓計劃,打造員工實現自我價值的平台,實現員工與企業的共同成長。同時,本集團建立高效的人才梯隊,提供就業機會以及各項技能相關培訓課程,並設有明確的晉升階梯。

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8.1. Compliance Employment

We strictly comply with the “Labor Law of the People’s Republic of China”, “Labor Contract Law of the People’s Republic of China”, “Social Insurance Law of the People’s Republic of China” and other laws and regulations to employ labor legally and compliantly. The Group continues to optimize our employee structure and has formulated a recruitment management system to unify recruitment standards, standardize recruitment management, ensure fair and transparent recruitment processes, and meet the talent needs for development. Our recruitment standards mainly consist of professional knowledge, leadership, work experience, and personality traits to ensure that the selected candidates meet the needs of the Group. According to business development needs, we efficiently utilize diverse recruitment channels to adapt to the industry’s high demand and high turnover rate for front-line service positions. The main channels include campus recruitment, online recruitment, headhunting companies, internal recommendations, and so on. Meanwhile, we have established a system of avoidance for relatives. When an employee and their relatives are employed in Beauty Farm at the same time, they are not allowed to have direct or indirect relationships with subordinates or work in the same stores, further reducing management risks. During this reporting period, the Group’s labour contract signing rate and social insurance coverage rate both reached 100%.

Management Trainee Programme 管培生招募計劃

The Group focuses on direct recruitment from universities and has established long-term and good cooperative relationships with multiple schools to ensure the quality and skill level of employees. In order to select new employees that are suitable for the company’s needs, we have developed a personnel recruitment evaluation system with Beauty Farm characteristics, and job applicants need to undergo three rounds of interviews to rigorously select suitable talents. To attract talent, we have specially established a series of training plans, such as closed-course training, one-on-one mentoring system, and regular team building and experience sharing, to cultivate future talents for the Group and prepare for sustainable business development, breaking through the problem of frontline employee shortage and high turnover rate in the beauty industry.

集團注重從大專院校直接進行招聘和儲備，並與多個學校建立了長期良好的合作關係，以保證門店員工的素質技能水平。為了甄選出適合公司需要的新員工，目前已經形成了具有美麗田園特色的人員招聘測評體系，應聘人員需要經過三輪面試選拔，嚴謹地選出合適人才。為了吸引人才，我們特別設立了一系列的培訓計劃，如封閉式課程培訓、一對一帶教體制和定期團建經驗分享等等，多方面培養集團未來人才，為持續經營發展早作準備，突破了美容行業一線操作員工短缺及流失率高的難題。

8.1. 合規僱傭

我們嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》等法律法規，合法合規地僱傭勞工。集團持續優化員工結構，並制定《招聘管理制度》以統一招聘標準，規範招聘管理，保證公平且透明的招聘流程，滿足發展所需要的人才。我們的招聘標準主要由專業知識、領導力、工作經歷、個性特徵四部分組成，以確保錄用人員符合集團需求。根據業務發展需要，我們高效地運用多樣性招聘渠道，以適應行業對一線服務崗位員工需求大但流動性高的特點，主要管道包括校園招聘、網絡招聘、獵頭公司、內部推薦等。同時，我們設立了親屬迴避制度，員工及其親屬同時在美麗田園體系內任職時，不得從事存在直接或間接向下級關係，或者不得在同一個門店、門診就職，進一步降低管理風險。於本報告期內，本集團勞動合同簽訂率及社會保險覆蓋率均達到100%。

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The Group continuously makes efforts to pursue equal opportunities, diversity, and anti-discrimination, and is committed to creating a fair, respectful, and inclusive work environment. The decision process of employment, training, promotion opportunities, dismissal, and retirement policies, is regardless of age, gender, marital status, pregnancy, family status, disability, race, color, ancestry, ethnicity, national origin, religion, or any other non-work-related factors. Although the beauty industry and the business scope of the company generally have more female employees, gender does not affect how we treat employees. Both male and female employees receive appropriate treatment according to their job level, seniority, and performance.

The Group adopts a zero-tolerance policy towards any form of discrimination, harassment, bullying, or any form of verbal abuse. The Group encourages employees to report any discrimination or harassment encountered in the workplace. Any behaviour that violates the equal opportunity policy will result in disciplinary action. The Group takes all complaints involving criminal offenses seriously and will handle them appropriately.

As of the end of this reporting period, the Group employed a total of 3,749 employees, including 3,707 full-time employees and 42 part-time employees. Most of the Group's employees are located in China, with only one employee in Hong Kong and three employees in overseas regions. We also respect diverse employment and provide re-employment opportunities for employees who have reached retirement age. We employed a total of 74 retired employees who returned to work. The remaining 200 employees are in other positions such as interns. Based on the characteristics of the industry and the business scope of the company, there are more female employees, with a total of 3,562 female employees and 187 male employees.

本集團為追求平等機會、多元化和反歧視作出持續努力，致力營造公平、尊重和包容的工作環境。我們在作出僱用、培訓、晉升機會、解僱和退休政策的決定時，不受其僱員的年齡、性別、婚姻狀況、懷孕、家庭狀況、殘疾、種族、膚色、血統、民族或人種、國籍、宗教或任何其他與工作無關的因素影響。縱使行業性質以及企業業務範圍，僱用的女性員工普遍較多，但性別絕不影響我們如何對待員工，男性女性員工均根據其職級、年資、表現獲得相應待遇。

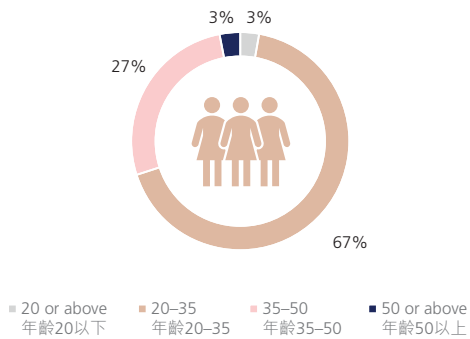
本集團對任何形式的歧視、騷擾、霸凌或任何形式的辱罵行為採取零容忍政策。本集團鼓勵員工舉報在工作中遭遇的任何歧視或騷擾。任何不遵守平等機會政策的行為都將受到紀律處分。本集團會嚴肅對待所有涉及刑事犯罪的任何投訴。

截至本報告期末，集團一共僱傭3,749名員工，包括3,707名全職員工及42名兼職員工，而集團大部分員工位於中國國內，只有1名位於香港及3名於海外地區。我們亦尊重多元化僱傭，為達到退休年齡的員工提供再就業機會，亦招聘用共74名退休返聘的員工，其餘200名員工為實習生等其他類型員工。基於行業的特性以及企業業務範圍，女性員工佔比較大，一共3,562名，男性員工則有187名。

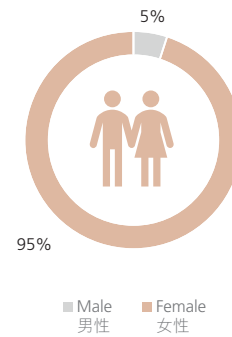
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Employee Age Distribution
員工年齡分佈



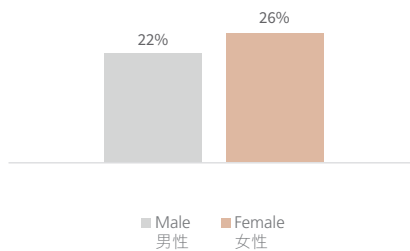
Employee Gender Ratio
員工性別比例



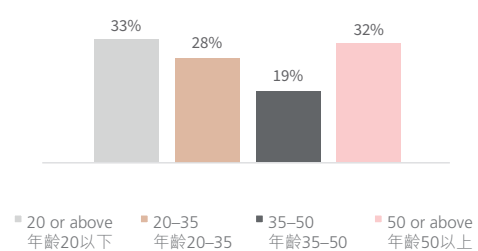
The Group's "Employee Handbook" clearly sets out policies and procedures for employee regularization, probation, resignation, attendance, and leave, and strictly adheres to the personnel management policy of "fairness and reasonableness, strict standardization, clear rewards and punishments" to ensure that any termination of employment contracts is based on reasonable and legal grounds, and strictly prohibits any form of unfair or illegal dismissal.

本集團的《員工手冊》清楚列明員工轉正、員工轉正、離職、考勤以及請假等制度以及流程，嚴格執行「公平合理、嚴格規範、獎懲分明」的人事管理方針，確保任何僱傭合約的終止均基於合理及合法的理由，並且嚴格禁止任何形式的不公或非法解僱。

Employee Turnover Rate by Gender
按性別劃分的僱員流失比率



Employee Turnover Rate by Age
按年齡組別劃分的僱員流失比率



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8.2. Labor Standards

To combat the illegal employment of child labor, underage workers, and forced labor, job seekers are required to provide valid identification documents to the Group's HR Department, and background checks may be conducted before or after employment to ensure that they meet the local legal employment qualifications. Once the Group detects any violations of labor laws, regulations, and standards, relevant labor contracts will be terminated immediately, and follow-up actions will be taken in accordance with local labor laws and regulations. We do not force employees to work overtime, and overtime work must be approved by the employees beforehand.

During this reporting period, the Group strictly complied with the laws and regulations related to employment, prohibition of child labor, and forced labor in various regions. We did not have any confirmed illegal or non-compliance events related to this that had a significant impact on the Group.

8.3. Employee Care and Welfare

8.3.1. Remuneration structure

The Group has designed a salary system and wage standards based on the characteristics of the industry and the current situation of the Group, with the basic principles of "internal fairness and external competitiveness". In the salary system developed by the Group, the main component of the salary is linked to performance evaluation, and the salary is divided into three parts: basic salary, performance-based salary, and allowances, and is subject to the change in employee position, job promotion, and individual and company performance. This system reflects the spirit of "Capable employee gets more" and encourages employees to improve their work performance and capabilities for higher compensation.

8.2. 勞工準則

為打擊非法僱傭童工、未成年工及強迫勞工，求職者須向本集團人力資源部門提供有效身份證明文件，亦會在聘用前或後進行背景調查工作，以在確認聘請前確保符合當地合法就業的資格。一旦本集團發現任何違反勞工法例、法規及標準的事件，相關勞動合約將立即終止，並按照當地勞動法規作後續處理。我們不強迫員工加班工作，加班工作均需先事獲得員工的同意。

於本報告期內，本集團的業務皆嚴格遵守各地方政府有關僱傭、禁止童工及強制勞工的法律法規，沒有涉及任何與之相關並對本集團有重大影響的已確認違法、違規事件。

8.3. 員工關懷與福利

8.3.1. 薪酬體系

本集團根據行業特點和企業現狀設計了薪酬制度和工資標準，並以對內具有公平性，對外具有競爭力為基本原則。在集團制定的薪酬制度中，工資主要組成部分與績效評估掛鉤，根據員工職務升降、轉正、崗位變動及企業業績和個人工作表現、工作能力等方面把工資分成崗位工資、績效工資、津貼三部分，體現「能者多得」的精神。

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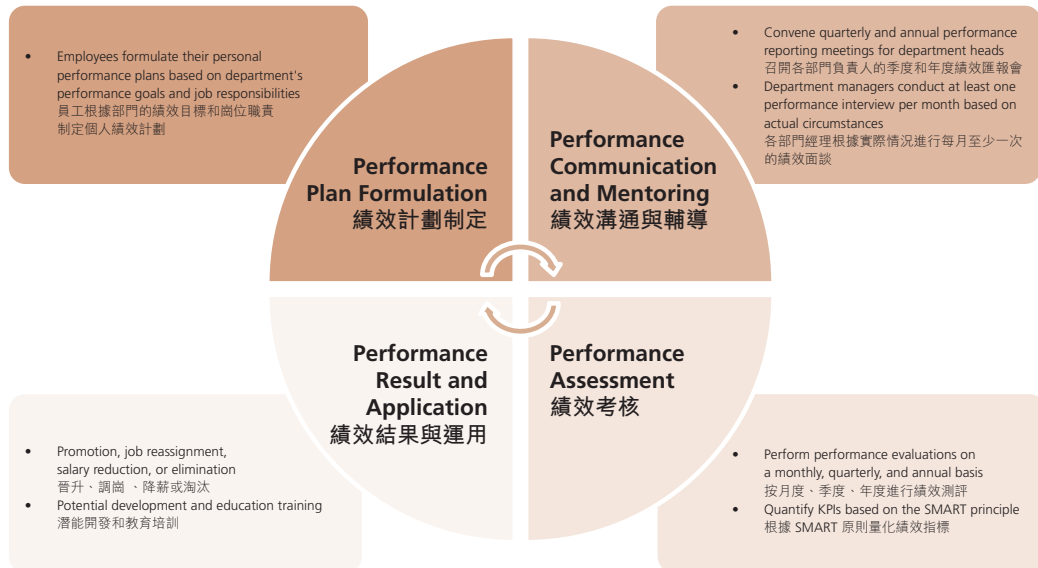
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The Group has established a comprehensive and complete performance management system and formulated the “Beauty Farm Performance Management System” to improve the overall performance of the company through scientific management methods while providing a basis for personnel decision-making regarding salary, promotion and demotion decisions, etc. The construction of the “Beauty Farm Performance Management System” follows five principles: consistent rights and responsibilities, fair consideration, effective communication, full participation, and continuous improvement. It promotes employee career development, improves the incentive mechanism of the company, and at last realizing organizational strategy.

集團建立了完善、健全的績效管理系統，並制定了《美麗田園績效管理制度》，以科學化的管理手段提高公司整體績效，同時為人事決策提供依據，有效開展薪酬決策、晉升決策以及降級和淘汰等提供依據。《美麗田園績效管理制度》的建設沿用五大原則：權責一致、兼顧公平、有效溝通、全員參與以及持續改進，促進員工職業發展，使公司完善激勵機制，實現組織戰略。

Performance Assessment Procedure

績效考核流程圖



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8.3.2. Labour Protection

In accordance with local labor laws and regulations, the Group has established reasonable working hours and holiday arrangements for employees as stated in the “Employee Handbook” and labor contracts. We attach great importance to the basic welfare of employees and strive to provide superior welfare protection. In terms of holidays, the Group provides employees with various statutory and additional paid holidays, such as annual leave, marriage leave, prenatal examination leave, maternity leave, paternity leave, breastfeeding leave, bereavement leave, home leave, birthday leave, and so on. In addition, all employees are entitled to free care or products every month after they pass their probation period, based on their level. The Group also provides supplementary medical insurance for core employees every year and covers 95% of the purchase cost. The company also offers free physical examinations as a green welfare benefit for some employees every two years. Since 2011, we pioneer in implementing a 5-day workweek in the beauty industry, giving employees more time to rest and enjoy life, which is another measure of the company’s humanistic care for employees.

During the pandemic, the Group pays extra attention to employee health. We provide employees with work essentials such as work clothes, masks, alcohol, disinfectant, etc. Each store is also equipped with an infrared thermometer to ensure the health of employees and improve protection. The Group also provides commodities for employees living in dormitories, equipping with disinfectants, medicines, and other materials. We also provide certain salary guarantees and organize centralized isolation facilities in the event of a concentrated outbreak of the pandemic.

8.3.2. 勞動保障

根據當地勞動法律法規，本集團在《員工手冊》及勞動合同中釐定合理的僱員工作時數及假期安排。我們注重員工的基本福利，務求為員工提供優越的福利保障。首先在假期方面，集團為員工提供各種法定及額外的有薪假期：年休假、婚假、孕檢假、產假、陪產假、授乳假、喪假、探親假、生日假等等。此外，所有員工轉正後按級別每月可享有免費護理或產品，集團亦會針對核心員工於每年發起補充醫療保險的購買，並承擔95%的購買費用。公司也會每隔兩年針對部分員工提供免費體檢的綠色福利。自2011年起，美麗田園率先在美容行業實行每週雙休工作制，讓員工有更多時間休息和享受生活，這也是公司對員工人文關懷的又一措施。

於疫情期間，公司集團亦格外重視員工的健康，為員工提供工作服、口罩、酒精、消毒液等工作必需品，每家門店亦配備額溫槍，保證員工身體健康並提高防護。集團亦為被封控的住宿舍員工調配生活資源，員工宿舍內配備消毒、藥品等物資，並給予一定的薪酬保障，在疫情集中爆發時期更組織集中隔離場所備用。

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“Beauty Farm Love Fund”
「美麗田園愛心基金」

Over the past decade, the Love Fund has provided assistance to 40 employees and their families who are suffering from illness or accidents. In addition, every year, the Group allocates a portion of the fund for employees having significant events with condolence payments ranging from 1,000 to 2,000 yuan per person.

成立近10年來，愛心基金共資助了40為身患疾病或意外的員工及其家人。此外，集團每年從福利費當中予以抽取一部分給予員工重大事項慰問金，每人1,000-2,000元不等。

Creating “Mommy Room”
打造「媽咪小屋」

The Group cares for and values the needs of each employee, providing targeted, personalized, and diverse support for different employee groups. We have specially created a “Mommy Room”, a breastfeeding room, in the office area and inside the “Sunshine Restaurant” in providing a private space for all nursing mothers.

集團關愛和重視每位員工的需求，針對不同員工群體提供提供針對性、個性化和多樣化的支持。我們特意打造「媽咪小屋」，在職能辦公區域及「陽光餐廳」內，溫馨打造哺乳室，為所有哺乳期媽咪準備一個私密空間。

Supporting Employees in educational upgrading
支持員工提升學歷

The Group actively cooperates with different universities to provide employees with different opportunities to improve their qualifications, including promoting from high school to college, and from junior college to undergraduate level. Some outstanding graduates can also receive scholarships as encouragement. Since 2016, nearly 80 employees have signed up for educational upgrading, and nearly 40 employees have completed their education and obtained their qualifications.

集團積極與不同高校合作，為員工提供中專、高中升大專以及專科升本科的學歷提升平台，其中部分優秀畢業者更能夠獲得獎學金，以示鼓勵。自2016年以來，共有近80名員工報名參加學歷提升，並有近40名員工已完成學歷提升，獲得學歷。

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8.3.3. Employee Care

Beauty Farm is committed to creating a people-oriented and excellent working environment, advocating for work-life balance, and actively organizing various activities to activate employees' leisure time and promote corporate culture. To create a good working atmosphere, we organized various employee activities during this reporting period, such as outdoor team building, birthday parties, new employee welcome parties, various holiday activities, and so on, to promote harmonious and positive cooperation among employees.

8.3.3. 員工關懷

美麗田園致力於打造以人為先的優良工作環境，倡導工作與生活平衡，積極組織各類活動，以活躍員工業餘生活，共同推動企業文化建設。為營造良好的工作氛圍，我們於本報告期內組織各類員工活動，如戶外團建、生日會、新員工歡迎會、各類節日活動等，促進員工間形成和諧而積極的合作關係。

Examples of Employee Activities

員工活動案例

Xian — Frisbee team building activity
西安 — 飛盤團建



Shanghai — Outdoor team building activity
上海運營一區戶外團建



Chongqing — Visiting Si Mian Mountain
重慶 — 遊玩四面山



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To encourage employees provide feedback and suggestions, the Group has established a multi-faceted and fast feedback channel for employee, including corporate WeChat, internal meetings, interview mechanisms, and complaint boxes. In the corporate WeChat, we welcome employees to create groups freely and have direct conversations with the Board and Chairman in providing feedback and achieve timely and effective communication.

In addition, the Group has also established flexible and diverse interview mechanisms, such as monthly employee symposiums with HR business partners in various regions, probationary period interviews, and exit interviews, to further listen to employees' opinions and improve future corporate strategies. To achieve fast, sensitive, top-down and efficient communication, the Group also uses information and collaboration systems to establish multi-level communication and knowledge-sharing platforms, such as Beauty Farm Online School, HR management system, and collaborative office system, scientifically collect employee feedback and better exhibit the "people-oriented" spirit.

Furthermore, we have learned from various unfortunate incidents caused by employee mental health issues. To care for our employees' mental health, we have also sought professional psychological counseling agencies to provide regular free counseling services for employees, to alleviate their stress and confusion related to work, marriage and family, interpersonal relationships, and parenting education.

為鼓勵員工提供反饋、獻言獻策，本集團建立多方位、快速暢通的員工意見及建議反饋渠道，包括企業微信、內部會議、訪談機制以及投訴信箱等廣泛收集員工意見。於企業微信中，我們歡迎員工隨意建群，也可以與董事長及集團主席進行直接對話，反饋意見，實現及時有效溝通。

此外，集團也設立了靈活多樣的訪談機制，如各地區人力資源業務合作伙伴月度員工座談、試用期訪談、離職訪談等，進一步聆聽員工的意見以改善企業未來戰略。為取得快速、靈敏、上通下達、高效率運作的溝通效果，集團也利用企業信息與協同系統，建立多形式、多層次的溝通與知識技能共享平台，例如美田網校、人力資源管理系統、協同辦公系統等，以科學性的方法收集員工反饋，更好地體現「以人為本」的精神。

進一步的，我們亦將各類因員工心理健康問題所造成的不幸事件引以為鑑，為關愛員工心理健康，我們亦尋找專業心理諮詢機構，定期為員工提供免費心理諮詢，以緩解員工對於工作相、婚戀家庭、人際關係、親子教育等方面的壓力和困惑。

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8.4. Occupational Health and Safety

We insist on providing a safe and harmless working environment for employees, actively formulate different policies to enhance employees' occupational safety awareness, ensure that the workplace meets safety requirements, and be prepared for emergency situations. The Group has formulated a series of safety management standards with the principle of "safe operation, eliminating hidden dangers." In the past three years (2020–2022), the Group has had no work-related fatalities. During the reporting period, there were 5 work-related injuries, with a total of 269 days of work-related injury losses. We have established a set of procedures for handling work-related injuries to ensure that employees receive treatment as soon as possible after injury. The social insurance purchased by the Group for employees also covers the medical expenses resulting from work-related injuries. We strictly comply with the "Regulations on Work-Related Injury Insurance", "Measures for the Ascertainment of Work-Related Injuries", "Administrative Measures for Diagnosis and Identification of Occupational Diseases" and relevant laws and regulations in the regions where we operate. The injured employees in the current year have all received reasonable compensation.

8.4. 職業健康與安全

我們堅持為員工提供安全、無害的工作環境，積極制定不同的政策以提升員工的職業安全意識，確保工作場所符合安全要求，並對緊急狀態及情況作好準備。集團制定了一系列的安全管理規範，以「安全營運，杜絕隱患」為安全工作方針。於過往3年間（2020至2022），集團無因工死亡事件發生。而在本年度，員工發生工傷次數約5次，工傷損失日數約為269天。本集團已制定了一套工傷處理的相關流程，以確保員工在工傷後第一時間得到治療，而集團為員工購買的社會保險也含蓋因工傷而引致的治療費用。集團嚴格遵守並根據《工傷保險條例》、《工傷認定辦法》、《職業病診斷與鑑定管理辦法》及運營所在各地的法律法規。本年度工傷員工均已獲得合理賠償。

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2022 Key Measures on Safety Management

2022年安全管理重點措施

Safety Responsibility 安全責任

Employees are obligated to serve as safety administrators and jointly ensure the safety management of the work area to prevent accidents. In case of any accidents, they should actively cooperate and handle the situation together.

員工義務擔任安全管理員，共同擔負工作區域的安全管理工作，防患於未然。若遇意外事故，要積極配合，共同處理。

Use of Electrical Appliances 電器使用

Employees should first learn the instructions for using various electrical appliances, and strictly follow the requirements for use. If any safety hazards are discovered, they should immediately report them to the company.

員工在使用各類電器時，先學習使用說明，嚴格按照要求使用。發現安全隱患要立即報告公司。

Distribution Box Management 配電箱管理

A dedicated person is responsible for managing the distribution box, and other personnel are not allowed to turn on or off the circuit breaker without permission. If a tripping occurs, they should immediately report to their superior. After unplugging the electrical plug, the circuit breaker should only be turned on after confirming safety.

配電箱設專人管理，其他人員不得擅自開、關電閘。若發現跳閘，要立即報告上司。拔取電器插頭後，在確認安全的情況下再開。

Fire-fighting facilities 消防設施

The fire-fighting facilities are managed by a dedicated person, and are fixed in place and regularly checked for validity and effectiveness. No employee is allowed to use the facilities for other purposes or occupy the designated location for placing the facilities.

消防設施設專人管理，固定放置並定期檢查有效期和有效性。任何員工不得挪作他用或侵佔設施放置點。

Fire Handling 火警處理

Dial the fire alarm number 119, and explain the specific location, fire situation, and environmental conditions of the fire. While using fire-fighting equipment to control the fire, guide customers to evacuate, close doors, windows, electrical switches, and gas valves.

撥打火警119電話，講明火警發生的具體地點、火勢和環境情況。一邊使用滅火設備控制火勢，一邊疏導客人撤離，關閉門窗、電掣和煤氣。

Accident Handling 意外處理

If an employee finds someone else has an accident, they should immediately report to their superior and send them to the nearest hospital for treatment without delay. If a dangerous situation is discovered, warning signs should be placed around the danger zone to alert others.

員工發現他人不慎發生意外時，要立即報告上司，並送往就近醫院救治，不得拖延。發現危情時，要在危險區域周圍加設標誌，以警示他人。

Closure Management 休業管理

During holiday closures, the heads of various departments and stores should guide their employees to clean the environment, collect and store items, and perform other related tasks according to the requirements outlined in the 'pre-holiday preparation work' document.

節日休業期間，各部門、各店負責人要按《節前各項準備工作》的要求，指導員工做好環境衛生、物品點收、保管等工作。

Equipment Room Management 設備間管理

Flammable and explosive materials are strictly prohibited from being placed in the equipment rooms (boiler rooms, distribution boxes) of the beauty salon, and a dedicated person is arranged to conduct regular inspections.

美容院設備間（鍋爐房、配電箱）內嚴禁擺放易燃、易爆物品，並安排專人定期檢查。

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The Group has established internal management systems such as the “Fire Safety Management System” and developed the “Store Fire Safety Knowledge Guide Manual” to improve the fire safety awareness of all employees. We regularly organize employees to learn about fire regulations and regulations and strive to comply with fire safety laws. All new employees must undergo fire safety training before taking up their positions and pass the exam before onboard. In addition, we regularly conduct on-site demonstrations and training for the maintenance and use of fire facilities and actively cooperate with shopping malls or property buildings to conduct fire drills, aiming to eliminate all fire hazards. We strictly implement the hierarchical fire safety responsibility system and the post fire safety responsibility system, launching inspection systems, and punishing those who fail to rectify fire hazards found during inspections within the specified time according to the reward and punishment system.

Fire safety work is an important task, and all personnel must fully understand its importance. In order to further improve employees’ fire safety knowledge and firefighting ability, the Group regularly arranges fire safety training and implements the principle of “Prevention first”. The training content includes sharing of fire cases, correct use of fire extinguishers, evacuation and escape knowledge, and daily preventive measures, etc., ensuring that employees are familiar with the response methods in case of safety accidents and safeguarding their safety. By improving employees’ awareness of fire safety work, we ensure our employees are in a state of alertness of fire safety.

集團更特設《消防安全管理制度》等內部管理制度，以及制定《門店消防安全知識指引手冊》，提高全體員工的消防安全意識，定期組織員工學習消防法規和各項規章制度，做到依法治火。所有新員工必需進行上崗前消防培訓，經考試合格後方可上崗。此外，我們亦定期對消防設施維護保養和使用人員進行實地演示和培訓，並且積極配合商場或物業大樓進行消防演習，致力杜絕一切消防隱憂。我們嚴格執行逐級消防安全責任制和崗位消防安全責任制，落實巡查檢查制度，對檢查中發現的火災隱患未按規定時間及時整改的，根據獎懲制度給予處罰。

消防安全工作是一項十分重要的工作，全體人員務必要充分認識其重要性。為進一步提升員工的消防安全知識和滅火能力，集團定期安排消防安全培訓，貫徹「預防為主、防消結合」的工作方針。培訓內容包括火災案例分享、滅火器的正確使用方法、疏散逃生常識和日常防範措施等等，確保員工熟悉安全事故時的應對方法，保障員工安全。通過提高員工的消防安全工作自覺性和高度警惕性，驅使全體員工處於戒備狀態，樹立常備不懈的思想，確保消防安全工作萬無一失。

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8.5. Diverse Development and Training

8.5.1. Career Development

The Group is committed to effectively managing the career development of all employees, helping them achieve learning and development goals, forming a talent pool, and improving the organization's sustainable operational capabilities. At the same time, by effectively reserving high-quality talents, we can timely adjust and supply vacant positions to support the company's steady development. We have a complete and transparent promotion mechanism, and we have provided different support and assistance plans for employees in different positions to "achieve career goals" in different ways. We have clear job development maps for functional and professional positions to provide employees with upward motivation. For functional positions, employees can obtain different promotion opportunities based on their experience and abilities, with the highest position being director level. For professional positions, we have also set different promotion paths, providing employees with diverse career development options through multiple career development paths in sales, technology, and management aspects.

The Group continuously adjusts and improves its employee development and performance management mechanisms, effectively motivating and leveraging employees' abilities, creating a people-oriented employment environment, and establishing a fair and just promotion environment. We have formulated internal promotion or job transfer systems such as the "Technical Supervision & Regional Technical Committee Promotion Management System," "Beauty Therapist Promotion and Demotion Management System," "Beauty Farm Management Development Channel and Senior Management Promotion System," and "Beauty Farm Junior and Middle-level Promotion System," standardizing the promotion and demotion standards for various positions and clearly stating the job development path and standards. In addition, the Group has also established a strict assessment system. Employee promotion and salary adjustments are entirely based on whether they comply with the Group's corporate culture values and their personal work performance and job performance.

8.5. 多元發展與培訓

8.5.1. 職業發展

集團致力對所有員工的職業發展實施有效管理，幫助員工實現學習和發展目標，形成人才梯隊，以提高組織的持續經營能力。同時，通過有效儲備優質人才，實現空缺崗位的及時調動補給，支撐公司穩健發展。我們具備完善而透明的升遷機制，對於不同崗位的員工進行了不同方式「實現職業目標」的幫扶與支持計劃，並針對職能崗和專業崗集團提供了清晰的崗位發展地圖，令員工更具向上流的動力。對於職能崗位，員工根據經驗和能力得到不同的晉升機會，最高可達總監，而針對專業崗位，我們亦設定了不同的晉升路徑，通過「銷售類、技術類、管理類」多信道職業發展路徑，為員工提供多樣性職業發展選擇。

集團透過不斷調整及完善員工發展機制、績效管理機制，從而有效地激勵和發揮員工的能力，營造以人為本的用人環境，締造一個公平公正的晉升環境。我們制定了《技術監理&區域技術委晉升管理制度》、《美療師晉降級管理制度》、《美麗田園幹部發展通道與高層幹部晉升制度》、《美麗田園基層、中層幹部晉升制度》等內部晉升或調崗制度，規範各個崗位的委晉級標準，清晰指出崗位發展路徑與標準。此外，集團亦建立嚴格的考核制度，員工升職、調薪，完全基於是否與集團企業文化價值觀符合及個人的工作業績和工作表現。

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We value the contributions of our existing employees and actively promote employee retention programs from multiple aspects. For example, we commend employees who have been with us for more than ten years, implement core employee retention plans, include outstanding employees in talent reserve plans, and recognize their engineering capabilities, increasing their sense of belonging and effectively reserving high-quality talents. Through continuous efforts, we have successfully become an industry leader with an average of 6.1 service years for beauty professionals. The annual retention rate of professional service personnel has also reached 74%, making us one of the few companies with the highest retention rate in the industry.

我們重視現有員工的貢獻，積極從多方面推動員工保留方案，例如對十年以上的老員工進行表彰工作，進行核心員工保留計劃，將優秀員工納入人才梯隊儲備計劃，對他們的工程能力表示認可，增加歸屬感，有效儲備優質人才。通過不斷的努力，我們成功成為行業的佼佼者，與我們共事超過一年的專業服務人員的平均從業經驗為6.1年，為行業領先，而專業服務人員年度留任率亦達到74%，是行業內為數不多的人員留任最高的公司之一。

Outstanding Employee Sharing

優秀員工案例分享

Ms. Zhang Xiuqin, the Operations Director of the Southern Region for the Traditional Beauty Services Business of Beauty Farm, was one of the first batch of students at Beauty Farm School after its establishment. She started as a beauty therapist and through her own years of continuous efforts while supported by the Group's talent development path, she was promoted to customer manager, technical supervisor, store director, regional manager, and finally to her current position as the Operations Director for the Southern Region, managing a team of over 700 people and achieving an annual revenue target of nearly 400 million yuan.

美麗田園傳統美容服務業務華南大區運營總監張秀琴女士是我們美麗田園學校成立後的第一批學員，入職的崗位是美療師。通過她自己多年不斷的努力，並按照公司人才培養路徑從美療師一路晉升為顧客經理、技術監理，門店主任、地區經理直至目前的華南大區運營總監，管理700多人的團隊，每年完成將近4個億的收入目標。

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8.5.2. Employee Training

The Group's comprehensive training system ensures that both the management team and frontline employees have sufficient talent reserves to match the Group's future development plans. We believe that highly professional service personnel are the foundation for ensuring service stability. Only by guaranteeing highly standardized services can we better serve our customers. To ensure the systematicity and effectiveness of training content and reflect the brand concept of Beauty Farm, the Group has formulated the "Employee Education and Training System" which includes the "Training Department Regulations" and "Class Teacher Work Manual" for technical and sales positions, comprehensively listing the assigned learning tasks and course content and completing on-the-job training and learning requirements in a systematic manner.

We provide customized training for different positions and implement key learning projects to support employees at different levels and positions in realizing skill improvement and achieving their career goals. For example, the training content for store directors includes business management, customer management, and organizational management, while technical supervisors need to learn technical skills, teaching skills, and store management skills, and so on. Different assessment modes are also set up, including online experience sharing and theoretical exams, as well as offline work plan reports, store practical assessments, and inspections, to ensure that students fully master theoretical skills and apply in their daily work. Considering that each position has unique professional and skill requirements, Beauty Farm also provides professional training on products, instruments, and operating techniques. For example, we offer various online courses such as the "White Moonlight" series and the "Aurora Needle" online operation learning. In addition, to

8.5.2. 員工培訓

集團完備的培訓體系能夠確保從管理團隊到一線員工均擁有足夠的人才儲備，以匹配集團未來的發展計劃。我們相信服務人員的高度專業是保障服務穩定性的基礎，只有保障高度統一的標準服務，我們才能更好地服務客戶。為保障培訓內容的一政性和有效性，體現美麗田園的品牌理念，本集團制定了《員工教育培訓制度》，當中包括《培訓部規章制度》、分別針對技術崗與銷售崗的《班主任工作手冊》，仔細列出佈置的學習任務以及課程內容，系統化地完成上崗培訓和學習要求。

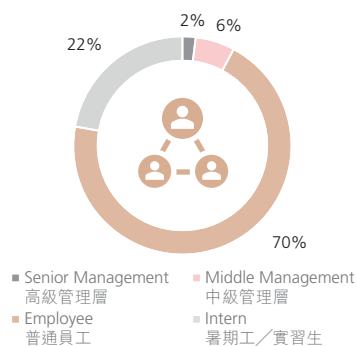
針對不同的職能崗，我們進行定製化培訓，通過實施重點學習項目來保障和支持不同層級和職能崗員工完成技能提升，實現自己職業目標。例如，門店主任的培訓內容包括經營管理、顧客管理、組織管理等，而技術監督需要學習技術能力、帶教能力、店務管理能力等等。同時也會設置不同的考核模式，包括線上心得分享和網校理論考核，以及線下的工作計劃匯報、門店实操考核和進行考察，確保學員們充分掌握理論技巧，並且運用在日常工作之中。考慮到每個職位均有獨特的專業及技能需要，美麗田園還會提供有關產品、儀器及操作手法的專業培訓，例如白月光系列的各項知識網課學習以及極光針線上操作學習。另外，為了確保門店的質控管理，我們更設置了相關課程，如企業文化客戶導

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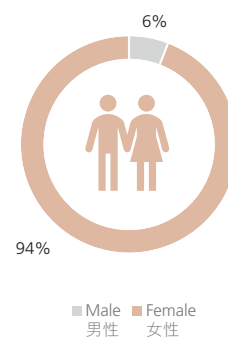
ensure the quality control management of our stores, we have set up related courses, such as online learning and oral exams for enterprise culture and customer orientation (2023 quality control service process course upgrade). We also provide corresponding training for different promotion activities and plans, such as the anniversary marketing activity plan and Christmas marketing activity plan, to ensure that activities are carried out in an orderly manner. In 2022, Beauty Farm held a total of 358 training courses, including external training, internal training, and training from suppliers, with a total of 5,216 employees from different levels receiving training, and the total training hours amounted to 13,299. The average training time for female employees is 2.52 hours, while for male employees, it is 3.07 hours.

向(2023質控服務流程課程升級)線上學習和口試考核。針對不同的促銷活動及方案亦會安排相應的培訓，例如週年慶營銷活動方案以及聖誕活動營銷活動方案，以確保活動有序進行。於2022年，美麗田園一共開辦了358期培訓課程，其中包括外訓、內訓以及來自供貨商培訓，共有5,216來自不同層級的員工接受培訓，且總受訓時數為13,299小時。女性員工的平均受訓時間為2.52小時，而男性員工則為3.07小時。

Percentage of Training by Levels
按僱傭類型劃分受訓時長百分比



Percentage of Training by Gender
按性別劃分受訓時長百分比



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To help employees achieve their learning and development goals, form talent pools, and improve the organization's sustainable operational capabilities, the Group is also committed to providing rich learning resources and channels. Since its establishment, Beauty Farm Training Centers has provided over 13,000 courses and was awarded the "Digital Learning Project Innovation Award" by CEIBS Digital in 2020. Through logging into the online college, employees can improve their leadership skills from three dimensions: self-management, managing others, and managing work anytime and anywhere. In addition, Beauty Farm University has developed three offline leadership courses, including structured thinking, PDCA, and problem analysis and resolution. The support of resources and paths also needs to be combined with a hybrid flexible on-the-job learning approach. For key positions, such as management, the Group provides a mentorship system to help employees learn on the job and perfectly replicate the organization's successful experiences. Under a strong training system, we have established a stable, highly skilled, and professional service team.

During the outbreak of the epidemic, we were unable to provide offline training as scheduled. However, we demonstrated the Group's resiliency by actively implementing an online training plan, allowing our therapists to participate in training courses at home. We also introduced technology-enabled solutions, such as AI tools to simulate offline training scenarios. Through this technology-enabled tool, we can provide the required training and evaluation in a timely manner, and better prepare for the repeated epidemic.

為了幫助員工實現學習和發展目標，形成人才梯隊，以提高組織的持續經營能力，本集團也致力提供豐富的學習資源及渠道。美麗田園培訓中心開辦至今已經提供超過13,000節課程，並於2020年獲得數字中歐頒授的「數字化學學習項目創新獎」。通過登錄網校，職能崗位員工可以隨時隨地從管理自己、管理他人、管理工作3個維度提升自己的領導力。此外，美田大學內部開發了3門領導力的線下課程，包含結構化思維、PDCA、問題分析與解決。資源與路徑的支持還需要結合混合式的靈活在崗學習方式，對於關鍵崗位，例如管理崗，集團提供帶教與導師制度，幫助員工在工作中學習，將組織的成功經驗完美的複製。在強大的培訓體系下我們建立起一支穩定的高素養的專業服務團隊。

在疫情爆發期間，我們無法如期提供線下培訓。然而，我們展示了集團的應對能力，積極實施在線培訓計劃，讓我們的服務人員於家里參加培訓課程。我們亦引入科技賦能解決方案，如人工智能工具以模擬線下培訓場景。通過該科技賦能工具，我們可及時提供所需的培訓及評估，更妥善地為疫情反覆復甦做好準備。

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Case Study (1) — OMO Learning Projects

案例(1) — OMO學習項目

The Beauty Farm Empowerment Center of the Group has established the OMO learning project with the central concept of “digitalization, precision enhancement, and experience extraction”, providing corresponding learning projects for three core positions: customer managers, beauty therapists, and chief diagnosticians to improve their specialized performance indicators. The OMO team actively explores digital learning technologies, shortening the learning time of complex projects by nearly 1/2 through AI training and interactive micro-course teaching, while ensuring that the pass rate of learners remains unchanged, reducing training costs by about 20% for the organization. In the process of developing more than 50 experience-based courses, the team has explored a set of eight-step methodologies applicable to talent replication for the organization, and has so far extracted and retained 30 valuable experiences from the front line for the organization through this methodology. The OMO team has also won recognition for digital talent development awards in the industry.

集團的美田賦能中心以「數字化、精準提升、經驗萃取」為中心理念開設OMO學習項目，為3個核心崗位：客戶經理、美療師和主診提供相應的學習項目以提升專項業績指標。OMO團隊更積極探索數字化學習技術，通過AI訓練，互動微課教學，在保證學員考核通過率不變的情況下，縮短複雜類項目學習時長近1倍，為組織降低培訓成本降低約20%。團隊在研發50+經驗類課程的過程中，為組織探索出一套適用於人才複製的八步方法論，截止目前，OMO團隊通過這套方法論為組織萃取並保留了30條來自一線的珍貴經驗，並斬獲培訓行業內數字化人才培養獎項認可。



《Speak and Act in Venus project》

《會說又會做·鈔能力維納斯》

Help **717** beauty therapists improve their skills and language proficiency in the Venus body project, and promote the growth of body care performance.
幫助**717**名美療師實現維納斯身體項目的技能提升與話術提升，助力生美身體護理業績的增長。



《Accompanied by Time and Space》

《大咖時空伴隨》

Help **462** customer managers of our direct and franchise stores improve their recruitment skills, enhance the conversion rate of walk-in customers by **10%**, and improve the visit frequency and medical aesthetics consultation rate of exclusive members.
一個主題三個課程，幫助直營加盟**462**名客戶經理提升了納新技能，提升散客轉化率**10%**，提升了專屬會員的到店頻次與醫美到診率。



《Si53 Health Password》

《Si53健康身體密碼》

All customer managers of our direct and franchise stores have completed the learning of product knowledge and sales process for our new product, which has helped the Group achieve a sales performance of **35 million** for the strategic new product Si53.
直營與加盟**100%**客戶經理完成新品的產品知識與售賣流程學習，助力集團衝刺戰略級新品Si53的售賣**3,500**萬業績。



《Star Treatment Room – Soothing Skin》

《明星診療室 – 舒膚肌》

In the shortest possible time, **60** medical aesthetics chief diagnosticians and outpatient directors completed the training for a new product and achieved an excess sales target of **2.78 million** for the new product.
60名醫美主診與門診主任在最短時間內完成新品培訓並達成舒膚肌超額達成**278**萬銷售目標。

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Case Study (2) — Beauty therapists “online teacher” learning project 案例(2) — 美療師「線上老師」學習項目

Through replicating the teaching experience of excellent teachers and supervisors, we have created a teaching manual and established a learning map for beauty therapists, which can achieve rapid empowerment of store supervisors' teaching ability, reduce teaching pressure, and quickly train new supervisors. At the same time, the establishment of the job map allows beauty therapists to have a clear learning path and development direction. We first clarify the student profile, conduct a comprehensive analysis of students based on five guiding principles: basic reception, key project operations, nursing amount, nursing satisfaction, and service satisfaction. Then, using a progressive approach, we train new staff to achieve job competency at different stages. The “online teacher” learning program has successfully achieved 100% regional coverage, covering 18 regions with a focus on Shanghai, Beijing, Shenzhen, Wuhan, and Chongqing, and covering 440 new beauty therapists throughout the year.

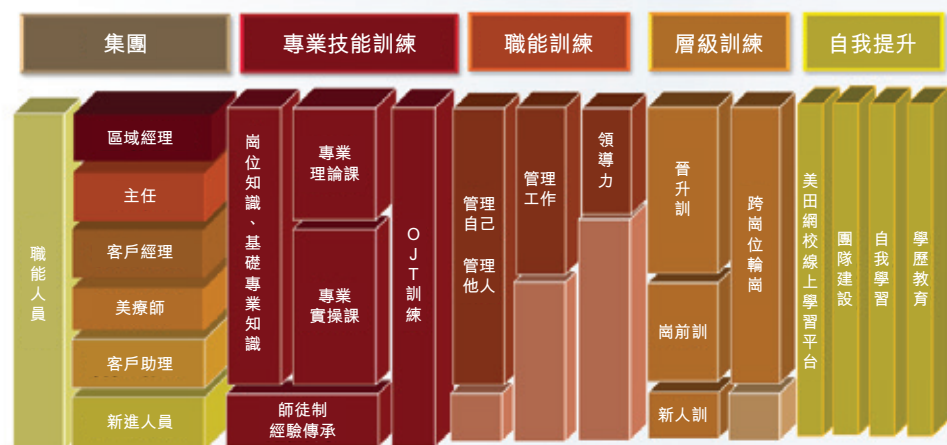
項目通過複製優秀老師、監理的帶教經驗產出帶教手冊，建立美療師的在崗的學習地圖，就能達到快速賦能門店監理帶教能力，減輕帶教壓力，同時也能快速培養新監理上崗。同時，通過崗位地圖的建立也讓美療師能清晰自己學習路徑及發展方向。我們首先會明確學員畫像，基於基礎接待、關鍵項目操作、護理額、護理滿意度和服務滿意度五大導向對學員進行全面分析，然後利用遞進式方式，培養使得新人在不同階段達到適崗能力。「線上老師」學習項目成功達到100%地區覆蓋率，覆蓋18個地區並以上海、北京、深圳、武漢、重慶為重點城市，全年更覆蓋440位新美療師。

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We are committed to training beauty therapists in our beauty service stores through structured professional training. The Beauty Farm University has established two teaching institutions in Shanghai and Wuhan, with qualifications for assessing junior, intermediate, and senior beauty therapists, and is open to both internal and external employees of the company. Each year, we output a large number of professional talents to promote the industry's level of expertise, with a total of 3,863 people trained in 2022. Employees are required to participate in uniform training at the Beauty Farm Training Centre before taking up their positions, and participate in another training session at the centre before promotion, to learn standardized processes and service quality awareness. After completing the training, employees will receive technical certification. To ensure the quality and consistency of the entire service network, we also provide the same training to employees of our franchise stores. In addition, we occasionally provide training for a small number of personnel outside the service network.

我們致力於通過結構化專業培養來訓練我們傳統美容服務門店裡的美療師，美麗田園企業大學在上海及武漢建立了2所教學機構，擁有初級、中級、高級美容師的考核資質，並對企業內部員工和企業外部開放，每年為行業輸出大量專業人才，助力行業水平的提升，2022年的培養人數為3,863人。員工在上崗前均須參與統一「美麗田園培訓中心」培訓，並於晉升前參與另一次「美麗田園培訓中心」培訓，學習標準化流程及服務質量意識。完成培訓後，員工將獲得技術認證。為確保整個服務網絡的服務質量及一致性，我們亦為我們加盟店的員工提供相同的培訓。此外，我們間中為服務網絡以外的少數人員提供培訓。

企業大學人才培養體系



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The Beauty Farm University guarantees a high degree of unity in teaching quality and content, constantly leading the development of the beauty industry, enhancing the professional skills of beauty practitioners, and helping more talents become “Promoters of Beauty and Health”.

美麗田園企業大學保證教學質量和內容的高度統一，不斷引領美容行業發展，增強美容從業者的專業技能，助力更多人才成為「美與健康的助力者」。

Beauty Farm University awarding high recognition 企業大學榮獲高度認可

At the 2019 China Best Corporate Universities Awards ceremony hosted by the Shanghai Jiaotong University Overseas Education College, the Beauty Farm University stood out among 177 competing corporate universities through rigorous assessment, and won two awards: “Most Growing Corporate University of the Year” and “Best Learning Program for Chinese Companies of the Year”.

在上海交通大學海外教育學院主辦的2019年度中國最佳企業大學排行榜頒獎中，美麗田園企業大學通過嚴格考核，在177家競爭企業大學中脫穎而出，榮獲「年度最具成長性企業大學」和「中國企業大學最佳學習項目」兩項大獎。



Beauty Farm Training Awards

美麗田園榮獲的培訓獎項

The 4th Yuntu Award — Talent Development Benchmark — Gold Award
第四屆雲圖獎人才發展標桿金獎

Institute of Organization and Talent Development
組織與人才發展研究院

The 4th Yuntu Award — Value Creation Benchmark — Excellence Award
第四屆雲圖獎價值創造標桿卓越獎

Institute of Organization and Talent Development
組織與人才發展研究院

Digital Skills Series Competition the 2nd Enterprise Online Learning Project Competition — Outstanding Achievement Award
數字化學習技能系列大賽第二屆企業在線學習項目大賽成效突出獎越獎

Online-edu
在線教育信息網

Top Corporation Digital Business School Digital Learning Project Innovation Award
TOP企業數字商學院數字化學習項目創新獎卓越獎

CEIBS Digital
數字中歐

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9. SUSTAINABLE SUPPLY CHAIN

9. 可持續供應鏈

Supplier Distribution

各地供貨商數量



China 中國	Asia (Excluding China) 亞洲(中國除外)	Europe 歐洲	America 美洲
139	5	3	1

9.1. Supply Chain Management

The group has established management methods such as the “Supplier Admission System” and “Procurement Management System”, and has built a full life cycle management process for various suppliers from procurement, payment, acceptance to exit. We continuously assess and evaluate the software and hardware facilities and operational capabilities of suppliers. We mainly seek suitable suppliers through conference exhibitions, supplier self-recommendation, online sourcing, and industry promotion meetings organized by government departments. Before hiring suppliers or service providers, we require them to provide data on the products and services/solutions provided by the suppliers and require them to fill in the “Supplier Basic Information Form” for preliminary evaluation by the supply chain department. We may also require more data or search for more information in public information or through the national information disclosure system or the Internet to identify warning signs, including investigating whether the supplier has any non-compliance with environmental and labor regulations or fraudulent behavior. We also require suppliers to provide samples, which will be tested by multiple departments of the group to ensure that the products meet national standards and requirements (such as GMP, GDP, FDA). In

9.1. 供應鏈常規

本集團已制定《供貨商准入制度》、《採購管理制度》等管理辦法，構建起各類供貨商從採購、付款、驗收到退出的全生命週期管理流程，對供貨商的軟件及硬件設施及運營能力持續考察和評估。我們主要透過會議展覽、供貨商自薦、網絡尋源及政府部門行業推介會尋找合適供貨商，在聘用供貨商或服務提供商之前，我們會要求提供有關供貨商提供相關的產品與服務／解決方案的數據，並要求其填寫《供應商基本資料表》，讓供應鏈部門進行初步評估，我們可能會要求更多數據或在公開訊息、我們會在國家信息公示系統或網絡中尋找更多信息識別警號，當中亦包含調查供貨商是否有存在環境與勞工不合規及欺詐行為的情況。我們亦會要求供貨商提供樣品，由集團多個部門進行測試，確保產品符合國家標準與要求(例如：GMP, GDP, FDA)。另外，我們亦會根據實際需求，對供貨商進行實地考察，除了確保前期數據的真實性，考察人員亦會視

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In addition, we will conduct on-site inspections of suppliers according to actual needs to ensure the authenticity of the data in the early stage. Inspection personnel will also inspect the supplier's company environment to confirm whether there are any non-compliance issues as mentioned above. Finally, the decision to hire a supplier is made by personnel of different levels after consideration or approval, to ensure checks and balances before entering the group's "Qualified Supplier List." All qualified suppliers are required to sign a clean cooperation agreement to build a clean supply chain.

The supply chain department also continuously monitors suppliers for product quality, delivery time, daily cooperation, and other serious abnormal situations (such as fraud during cooperation, negative exposure in the industry or various news media). After approval by the procurement committee, the supplier's qualification will be cancelled and listed in the "Unqualified Supplier List". Such suppliers will no longer be subject to subsequent evaluations, achieving a survival of the fittest among suppliers and continuously optimizing the supplier structure. For the top 10 suppliers in terms of annual procurement volume, the supply chain department conducts an annual supplier evaluation. The evaluation criteria include not only commercial and quality content but also ESG indicators such as labor standards, business ethics, environmental protection, health and safety, and lawful operations, to ensure that all suppliers comply with the Group's sustainable development policy.

察供貨商公司環境再次確認有否出現上述不合規的情況，最終，是否聘用供貨商的決定是由不同職級人員考慮或批准後做出的，以確保存在制衡，方能進入集團的《合格供貨商名單》。所有合格供貨商均需簽訂廉潔合作協議，以建設廉潔供應鏈。

供應鏈部門亦會對供貨商作出持續監測，對產品質量、交期、日常配合及其他嚴重異常情況（如合作期間發生欺詐行為、在行業及被各類新聞媒體負面曝光等）進行監控，經採購委員會批准後，即取消供貨商資格並列入《不合格供貨商名錄》，該等供貨商將不再進行後續評審，實現供貨商優勝劣汰，持續優化供貨商結構。對於每年採購額排名前10的供貨商，供應鏈部門進行供應商年度評審，評審指針除了包含商務與質量內容外，亦包含勞工標準、商業道德、環境保護、健康和 safety 與守法經營等的ESG指標，以確保供貨商均符合集團的可持續發展方針。

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During the reporting period, the group had a total of 148 suppliers and 10 suppliers who passed the admission and annual evaluation process mentioned above, and 5 suppliers were disqualified because they did not meet the group's supplier standards. The group mainly sources from domestic suppliers, with others coming from Germany, Switzerland, the United States, Japan, and South Korea. As some imported equipment and products are purchased from domestic agents, they are classified as domestic suppliers. No suppliers were found to have violated the group's ESG supplier indicators.

We believe that the sustainable development of the Group cannot be achieved without the participation of our suppliers. As more than 90% of the products and equipment provided to our customers are imported, reducing greenhouse gas emissions in the group's supply chain is a key area where we need to continue to work with our suppliers. The waste packaging generated from beauty products is also an important factor that affects the sustainability of the Group's development. The Group has always attached great importance to the healthy development of the supply chain and insists on building a competitive supply chain assurance system. While enhancing its own environmental, social, and governance capabilities, the Group also drives the sustainable development of its suppliers and promotes cooperation and win-win outcomes. In the future, the Group will continue to communicate with suppliers on the above issues. We will effectively integrate supply chain resources and deepen cooperation with upstream suppliers, especially international leading suppliers and brands. We hope to work with our suppliers towards a common goal and minimize the impact of both parties on the environment.

於報告期內，本集團分別通過上述准入及年度評審流程的供貨商共有148家及10家，另因不符合集團供貨商標準而被淘汰的供貨商共有5家。集團主要為境內供應商，其餘來自德國、瑞士、美國、日本、韓國，由於部分進口的器械和產品從境內代理處進行採購，故將其分類為境內供應商。當中未有發現任何不符合集團供貨商ESG指標的供貨商。

我們認為集團的可持續發展離不開廣大供貨商的共同參與，由於提供給客戶的90%以上產品和設備源自進口，降低集團供應鏈的溫室氣體排放更是集團需要持續與供貨商合作的重點工作；從美容產品中所產生的廢包裝物亦是影響集團可持續發展進程的重要因素。本集團始終注重供應鏈的良性發展，並堅持打造具有競爭力的供應鏈保障體系，在提升自身環境、社會及管治能力的同時，帶動供貨商的可持續發展，促進雙方的合作與共贏。未來，本集團將針對上述事項，與供貨商持續溝通，我們將有效整合供應鏈資源並深化與上游供貨商的合作，尤其是國際領先供貨商及品牌，冀望能與供貨商達成一致目標，盡力減低雙方對環境的影響。

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10. SERVING WITH HEART

10.1. Product and Service Standardization

We rely on standardized operations to ensure the consistency of service quality and overall customer experience in our nationwide store network. We have established a comprehensive set of standards and rules that cover key aspects of store operations, including inventory management, service preparation, store hygiene, service processes, staff conduct, and staff training plans. For example, beauty therapists and doctors must follow standardized procedures to ensure that service procedures, displays, quality, and hygiene meet our standards. As a result, customers can enjoy consistently high-quality services at any of our network stores. Standardized operations also enable us to efficiently share knowledge and promote best practices when opening new stores. The Group strictly complies with the relevant laws and regulations on product liability that have a significant impact on us, including the “Law of the People’s Republic of China on Product Quality”, “Law of the People’s Republic of China on the Protection of Consumer Rights and Interests”, “Tort Liability Law of the People’s Republic of China”, “Regulations on the Administration of Medical Aesthetic Services” and “Notice on Further Strengthening the Comprehensive Supervision and Law Enforcement of Medical Aesthetic Services”. During the reporting period, the group did not violate any laws and regulations related to product responsibility. We did not have any incidents of product recalls for sold products.

10. 美麗寶典匠心服務

10.1. 產品與服務標準化

我們依靠標準化的運營在全國門店網絡中確保我們的服務質量及整體客戶體驗的一致性。我們已建立一套全面的標準及規則，涉及門店運營的關鍵方面，包括庫存儲存、服務準備、門店衛生、服務流程、員工操守以及員工培訓計劃。例如，美療師及醫生必須遵循標準化程序，以確保服務程序、展示、質量及衛生達到我們的標準。因此，客戶可在我們網絡中的任何一家門店享用始終如一的高質量服務。標準化的運營亦使我們在開設新門店時能夠有效率地分享知識及推廣最佳做法。本集團嚴格遵守對我們有重大影響有關產品責任相關法律及法規，包括《中華人民共和國產品質量法》、《中華人民共和國消費者權益保護法》及《中華人民共和國侵權責任法》、《醫療美容服務管理辦法》、《關於進一步加強醫療美容綜合監管執法工作的通知》。於本報告期內，本集團並無違反有關產品責任的任何法律及法規。我們並無已售出產品需要召回的事件。

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10.1.1. Management on New Product Quality

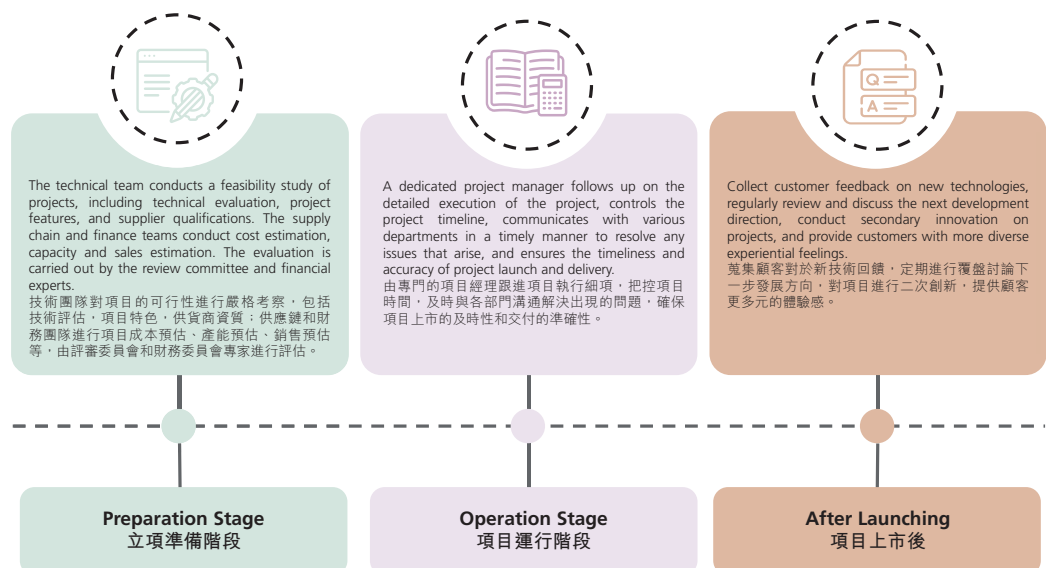
The procurement department of our supply chain has also invested a lot of effort in project sourcing. We participate in 3 to 5 international professional exhibitions every year to accumulate and develop supplier resources, which provides strong support for the company's strategic advancement. Over the past 20 years, the Group has accumulated nearly 200 high-quality suppliers worldwide, mainly distributed in developed countries such as Germany, Switzerland, the United States, Canada, South Korea, and Japan. Leveraging the continuous R&D capabilities of our suppliers, Beauty Farm maintains sustainable competitiveness in the skincare market. The Group has always insisted on selecting high-quality suppliers strictly and controlling the entire product lifecycle. Therefore, we have never had a product recall incident and have not yet established any relevant recall procedures.

To ensure that new products and projects meet market demand, the Group has established a rigorous and standardized new product launch process, conducting reviews and controls at various stages of the project to truly achieve "full lifecycle" management. This has greatly improved the success rate of projects, enabling seamless management of the entire process from technology project incubation, project approval, and market launch.

10.1.1. 新品上市質量管理

供應鏈採購部門在項目尋源上也投入了大量精力，每年參加三至五場國際重要專業展會，待續積累開發供貨商資源，為公司保障公司戰略推進保駕護航。本集團通過20多年的積累，在全世界範圍內積累了近200家優質供貨商，這些供貨商主要分佈在德國、瑞士、美國、加拿大、韓國、日本等發達國家。依託供貨商持續的研發能力，使美麗田園在護膚市場上保持著持續的競爭力。本集團一直堅持嚴格選用高質量供貨商，對產品全生命週期進行把控，故從未發生產品回收事件，且尚未設立相關回收程序。

集團為了保證上市的新產品及項目符合市場需求，我們建立了嚴謹規範的新品上市流程，在項目各個階段進行評審和把控，真正做到了「全生命週期」管理，大大提升了項目的成功率，實現從技術項目孵化、立項和上市的全流程無縫管理。



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10.1.2. Store Operation

We believe that establishing a service quality assurance system to ensure the provision of professional and high-quality services is the basic logic for achieving customer value proposition. We have established over 100 key operational indicators and standards that cover all aspects of store operations. Through strict quality control and periodic special inspections, we ensure standardized operations for all stores. The Group has established a professional quality control department, which ensures the quality of both hardware and software services through store self-inspection (first-level self-check), on-site random inspections by the professional quality control department (second-level inspection), and third-party research company inspections or secret visits (third-level supervision). This ensures stable and high-quality service capabilities.

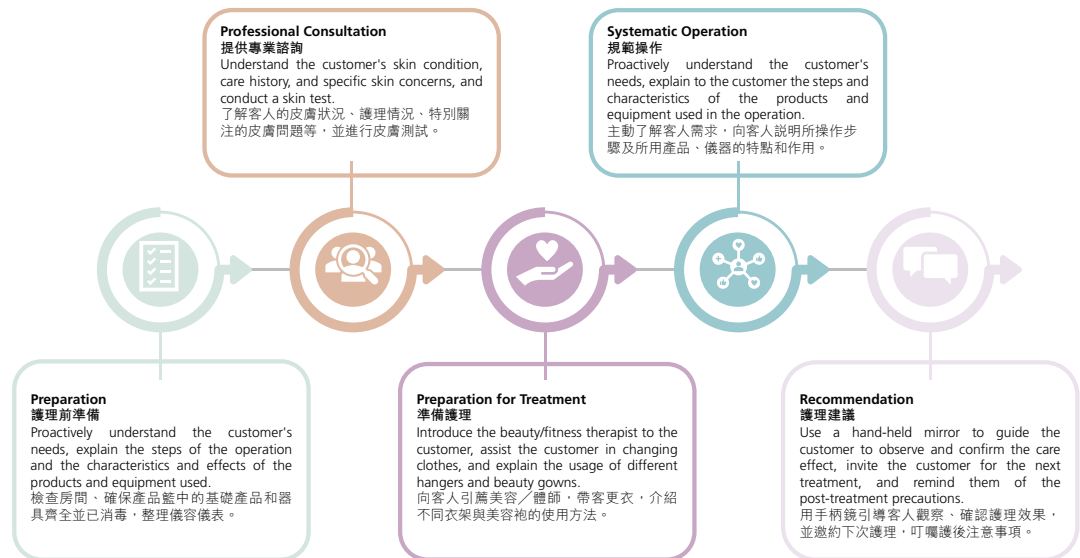
Beauty Farm adheres to a customer-centric approach and emphasizes “excellent service with sensitivity and warmth above standard procedures”. In addition to reflecting Beauty Farm’s standard service process, we encourage employees to provide personalized services based on customization and without violating company rules and regulations, embodying true “artisanal service”. To this end, we have established a “Beauty Farm Artisanal Service Process”, which details the behavioural requirements for the entire process of serving new customers and members, and provides key reference phrases.

10.1.2. 門店運營

我們認為建立服務質量保障體系，確保提供專業優質服務質量，是實現客戶價值主張的基礎邏輯。我們設立了100多項關鍵運營指標及規範，涵蓋門店運營的方方面面，並通過嚴格的質控和定期的專項檢查，保障所有門店的標準化運營。公司建立有專業質控部門，通過門店自檢（一級自查），專業質控部門現場隨機抽查（二級檢查）及第三方調研公司抽查或者暗訪（三級監督）確保門店服務硬件和軟件質量，以保證穩定的高質量服務能力。

美麗田園堅持以「客戶關懷為中心」，以「標準流程之上有敏感度、有溫度的卓越服務」為宗旨，除了體現美麗田園的標準服務流程，我們提倡員工通過敏感度，並以不違背公司規章制度的前題下提供個性化服務，體現真正的「匠心服務」。為此，我們設立了《美麗田園匠心服務流程》，詳細列明針對為新客戶以及會員服務全流程的行為要求，更提供關鍵話術以作參考。

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To respond to the COVID-19 pandemic, we have raised the hygiene and safety standards of our stores to the highest strategic level through unified organization and proactive response. We have developed an upgraded version of the "Store Hygiene and Disinfection Process During the COVID-19 Pandemic" to strengthen the standard of item disinfection and personnel protection requirements. We strictly enforce more than 130 quality control standards, from space disinfection to customer supplies, ensuring that all items are disinfected and replaced for each customer and adopting multiple classification disinfection methods to minimize the impact of the pandemic on store operations and create a safe service environment for our customers. We have implemented relevant epidemic prevention measures comprehensively for employees, stores, and customers, focusing on "Naturally Busy", "Naturally Detail-oriented", and "Naturally Beautiful" themes. In addition, we have leveraged technology to add an epidemic prevention and disinfection section to the Beauty Farm mini-program, ensuring full control of store disinfection and personnel health information through various channels in real-time. We aim to provide customers with a more exclusive and reassuring beauty experience.

為應對疫情反覆，我們通過統一組織、積極應對，將門店的衛生安全標準提升至最高戰略地位，制定了《針對新型冠狀病毒感染肺炎疫情期間門店衛生消毒流程升級版》，加強物品消毒標準及人員防護執行要求，嚴格執行130餘項質控標準，從空間消毒，到顧客用品，都做到一客一換、一客一消毒，所有物品採用多重分類消毒等等，儘量減低疫情對門店及日常營運的影響，締造一個安心的服務環境予顧客。我們分別面向員工、門店及客戶群體，以「天生愛忙碌」、「天生細節控」和「天生愛美麗」為題全面落实相關的防疫措施，同時透過科技助力，在美麗田園小程序中增添防疫消毒板塊，從各渠道作全面把控，實時掌握門店消毒及人員健康信息，期望為客戶提供更專享安心的美麗。

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10.1.3. Professional Service Team

The qualifications and professional knowledge of our service staff are crucial to our competitiveness and long-term success. We require that all doctors and nurses be registered in accordance with the relevant regulations of China’s healthcare administration, including the “Law of the People’s Republic of China on Licensed Physicians”, the “Law of the People’s Republic of China on Physicians”, the “Nurse Regulations,” and so on. We closely monitor the registration and licensing records to ensure that all doctors and nurses in the Group comply with all applicable regulations and laws of China. During this reporting period, all doctors and nurses have obtained the necessary qualifications and registered with the local authorities in accordance with applicable laws and regulations. According to applicable laws and regulations in China, aestheticians trained by us do not need to obtain licenses or registration, but we provide training for all aestheticians and require them to pass our internal evaluation before starting work.

10.1.3. 專業的服務團隊

服務人員的資格及專業知識對我們的競爭力及長遠成功至關重要，我們要求醫生及護士必須按照中國相關醫療衛生行政部門的規定註冊，包括《中華人民共和國執業醫師法》《中華人民共和國醫師法》《護士條例》等等。我們密切監察資格註冊及執照記錄，以確保集團期下所有醫生及護士均遵守中國法律及法規的所有適用規定。於本報告期內，集團所有的醫生及護士已取得相關所需資格，並根據適用法律及法規向當地機關註冊。根據中國適用法律及法規，經我們培訓的美療師毋須獲得執照或註冊，惟我們將為所有美療師提供培訓，並要求所有美療師於開始工作前通過我們的內部評估。

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We firmly believe that service quality is built on professional training. Beauty Farm has established professional schools with vocational education qualifications in Shanghai, Wuhan, and other places to meet the professional training needs of internal employees throughout the year. The school has 33 senior training teachers and has been commended and awarded by the government on several occasions. Beauty therapists working in stores have undergone three years of formal training in beauty and intensive training for 3-6 months before going on duty. To standardize the operational process and ensure the consistency of service quality, the group has established the "Aesthetician Training Manual," which integrates basic skin knowledge, standard store reception service process, and a series of treatment setting principles and special product introductions, such as "Daniejia Professional Beauty Care," "SPM Firming and Sculpting Care," and "Cellular Positive Energy Care." This ensures that aestheticians are familiar with each product and service, professionally solve customers' care needs, confidently answer customer questions, and demonstrate our professionalism.

To ensure the standardization, continuity, and stability of technical standards in each branch, Beauty Farm uses a three-level technical supervision mechanism: the first level is a professional technical supervision team consisting of German and Chinese experts who have been engaged in professional beauty care for a long time; the second level is the technical supervision center of the Chinese headquarters; the third level is the technical supervision of stores that have undergone professional training in Germany. At the same time, the company's quality inspection department arranges beauty lecturers to visit stores across the country to inspect the work of beauty therapists on a regular basis to ensure the professionalism of services.

我們深信服務質量是依靠專業培訓建立，美麗田園在上海、武漢等地開設具有職業教育資格的專業學校，滿足企業內部員工常年的專業培訓。學校有33名資深培訓老師，並多次受到政府表彰和獎勵。店內工作的美容師都經過三年美容專業正規訓練，並在上崗前3-6個月進行強化培訓。為標準化作業流程以及確保服務質量的一致性，集團設立了《美療師培訓手冊》，其中整合了皮膚基礎知識、門店接待服務流程標準以及一系列療程設置原理和特殊產品介紹，如「丹妮嘉專業美容護理」、「SPM緊緻塑顏護理」和「細胞正能量護理」，確保美療師熟悉每項產品和服務，專業地解決為客戶提供護理服務，自信地解答顧客疑問，展示我們的專業性。

為保證各分店技術的標準、連續和穩定，美麗田園採用三級技術督導機制管理，第一級：德中雙方長期從事專業美容的專業技術督導團；第二級：中國總部技術督導中心；第三級：曾在德國進行過專業深造的店級技術監理。同時，公司的質檢部門定時會安排美容講師到全國巡視門店美容師的工作情況，確保服務的專業性。

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10.1.4. Management on Franchised Stores

The group has introduced the franchise model for more than 15 years, combining the advantages of the franchise model with the existing strengths of the direct store model, greatly increasing our customer coverage. As of the end of this reporting period, the group has a total of 189 franchise-operated stores in multiple cities, with strict selection criteria for franchisees. All of our franchisees have highly matched brand positioning and play a synergistic role in our target markets geographically, using the same operating system as our direct stores. Through strict selection, strong supervision, and continuous training of franchise stores, we achieve consistent high-quality service operations nationwide, not only reducing risks but also safeguarding customer rights. To avoid market cannibalization, we generally do not authorize franchise stores in cities where we have direct stores for our Beauty Farm network, nor do we usually open direct stores in cities where we have franchise stores.

10.1.4. 加盟店管理

集團引入加盟店模式已有超過15年曆史，將加盟店模式的優點與直營店模式發展的現有優勢相結合，大大提升了我們的客戶覆蓋面。截至本報告期末，集團一共有189家由加盟商經營的門店，在多個城市建立據點。我們對加盟商設有嚴格的甄選標準。我們所有的加盟商的品牌定位均高度匹配，在地理上與我們的目標市場發揮協同作用，並使用與直營店相同的運營系統。我們通過對加盟店的嚴格選擇、有力監督及持續培訓，實現全國一致的高質量服務運營，不僅降低風險，更可保障客戶權益。為避免市場自相蠶食，就我們的美麗田園門店網絡而言，我們一般不會在我們擁有直營店的城市授權加盟店，亦通常不會於我們擁有加盟店的城市開設直營店，以避免直營店與加盟店之間自相蠶食。

加盟支持



多元化業務支持平台



設計裝修



人員培訓



選址分析



運營管理支持



品牌推廣指導



產品設備配送



技術指導



品牌和會員共享



數據分析

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Key measures for managing franchised stores

加盟店管理重點措施

Selection of franchisees 挑選加盟商	<p>We conduct background search and interview on our franchisees and carefully select our franchisees based on a number of criteria, including, among other things, their financial conditions; commitment to our corporate philosophy and brand concept; personal involvement in the operation of franchised store; relevant experience; and local knowledge and resources.</p> <p>我們對加盟商進行背調及與其會談，並根據若干標準審慎挑選加盟商，其中包括：其財務狀況、對我們的企業理念及品牌概念的承諾、親自參與加盟店的運營、相關經驗及當地知識及資源。</p>
Training and integration 培訓及整合	<p>The employees working at our franchised stores are required to receive technical training from us and meet our requirements through the same training we provide for our direct stores. We reserve the right to retrain such unqualified employee.</p> <p>在加盟店工作的員工須接受我們的技術培訓，並通過我們為直營店提供的相同培訓來滿足我們的要求。我們保留再次培訓未合資格員工的權利。</p>
Review of operating performance 審查運營表現	<p>We set certain franchisees' sales target indicators or reference factors for incentive measures such as average monthly product order and turnover, and review such operating data of our franchised stores through our platform system regularly.</p> <p>我們設定若干加盟商的銷售目標指針或激勵措施的參考因素，如每月平均產品訂單及營業額，並通過平台系統定期審查加盟店的有關運營數據。</p>
Platform system 平台系統	<p>We set certain franchisees' sales target indicators or reference factors for incentive measures such as average monthly product order and turnover, and review such operating data of our franchised stores through our platform system regularly.</p> <p>加盟商應使用統一的會員平台系統，保持品牌的一致形象及理念，該系統讓我們實時監督加盟店的業務表現、存貨水平及客戶回饋。</p>
Operation of the franchised stores 加盟店的運營	<p>The franchisees should follow our operational, service safety and quality control standards. We also provide guide prices which are unified with direct stores.</p> <p>加盟商應遵循運營、服務安全及質量控制標準。我們亦提供與直營店統一的指導價格。</p>
Procurement 採購	<p>The franchisees are required to purchase all products, equipment and consumables from us or suppliers designated by us.</p> <p>加盟商須向我們或我們指定的供貨商購買所有產品、設備及耗用品。</p>
Ongoing quality control and supervision 持續質量控制及監督	<p>We conduct regular site visits to our franchised stores and request periodic reports from our franchisees to ensure their operation meets our standards.</p> <p>我們定期實地考察加盟店，並要求加盟商定期提交報告，以確保加盟店運營符合我們的標準。</p>

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To ensure full control of service quality and maintain brand reputation, we also require all franchisees to sign a “Franchise Admission Commitment Letter” and a “Franchise Agreement”, committing to providing truthful and valid application data. The Group has also developed a “Franchise Store Project Quality Control System” to strengthen the standardization of the design of franchise store decoration projects, ensuring that the design, decoration style, and layout of Beauty Farm franchise stores are consistent with the requirements of the Group’s style.

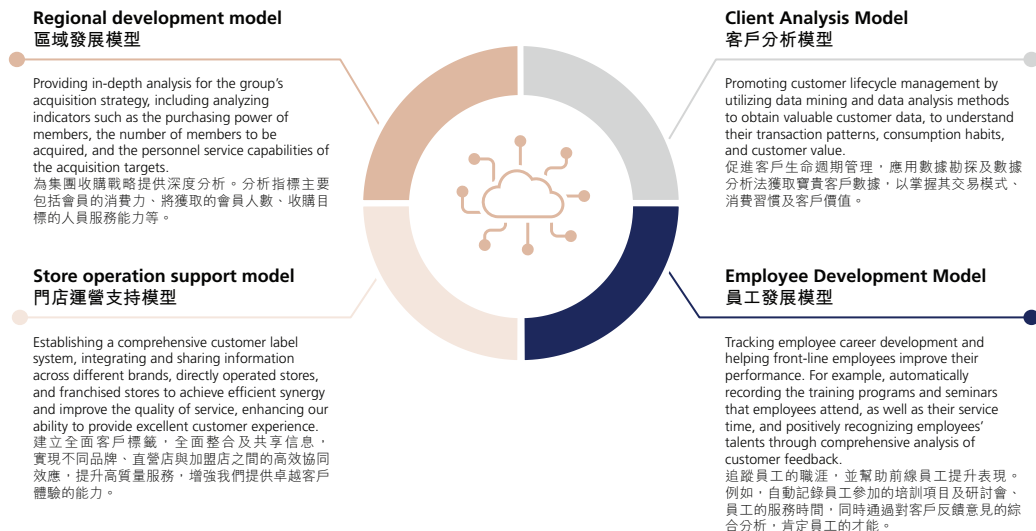
10.1.5. Supporting Standardization with Digitalization

We believe that establishing a service quality assurance system to ensure the provision of professional and high-quality services is the basic logic for achieving customer value proposition. Through platform-based management, we comprehensively integrate data information, create comprehensive customer labels, establish a mobile evaluation system, and achieve brand synergy, ensuring that unified operation and service standards are implemented in both company-owned and franchised stores. Our digital platform is supported by standardized operating procedures and digital infrastructure, covering strict quality control, training systems, and supply chain management. The standardization and digitization of our business platform provide us with scale advantages in all aspects of our operations.

為確保充分控制服務質量，維護品牌聲譽，我們亦要求所有加盟商簽署《加盟准入承諾函》及《特許經營協議》，承諾所提供的申請數據均真實有效，集團亦制定了《加盟門店工程質量管理制度》，加強加盟門店裝飾工程設計的規範性，保證美麗田園加盟門店設計、裝修、裝飾風格和平面佈局與美麗田園生美門店要求的風格保持一致。

10.1.5. 數字化平台支持標準化服務

我們認為建立服務質量保障體系，確保提供專業優質服務質量，是實現客戶價值主張的基礎邏輯。通過平台化管理，我們全面整合數據信息、創建全面客戶標籤、建立移動評價系統，並實現品牌協同，將統一的運營及服務標準落實到直營門店和加盟門店。我們的數字化平台得到標準化營運程序及數字化基礎設施的支持，涵蓋了嚴格的質量把控、培訓體系和供應鏈管理。業務平台的標準化及數字化為我們營運的各個方面提供了規模優勢。



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The digital platform has significantly improved the Group's customer relationship management system. As of the end of this reporting period, we have accumulated a large amount of customer data through the customer relationship management system, including 96 customer labels, which can effectively meet customers' existing needs while further exploring and satisfying their potential needs. For example, we have digitized and systematized customers' in-depth information, including service needs, consumption trajectories, and behavioural preferences, enabling us to continuously interact with customers and better understand their other personalized needs in beauty and health management services. This prompts us to provide services based on customer needs and improve service quality.

In the future, the Group will also actively invest more resources to optimize information systems and carry out information interconnection construction based on the combination of external procurement and self-information system development, reaching the advanced level of domestic consumer industries. We will build the information system as the digital nervous system of the enterprise, supporting and monitoring the Group's business operations through the digital nervous system, and building the entire company into an organism that can quickly respond to changes.

數字化平台更大幅提升了集團的客戶關係管理系統。截至本報告期末，我們已通過客戶關係管理系統積累大量客戶數據，其中涵蓋96份客戶標籤，能夠有效滿足客戶的現有需求，同時進一步挖掘及滿足其潛在需求。例如，我們將客戶的深度信息數字化及系統化，包括服務需求、消費軌跡及行為偏好等，讓我們可與客戶持續互動，以更好地理解他們於美麗與健康管理服務方面的其他個性化需要，促使我們能夠根據客戶需求提供服務，提升服務質素。

本集團未來亦會積極投入更多資料優化信息系統，按照外部購置和自我信息系統開發相結合的思路開展信息互聯網化建設，達到國內消費類同行業的先進水平。把信息系統建成企業的數字神經系統，通過數字神經系統來支持和監控公司業務運作，把整個公司建成一個能快速響應變化的有機體。

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10.1.6. Diverse Product Choice

The Group is committed to the research and development of aesthetic and medical services to create its own core competitiveness. Regarding aesthetics, Beauty Farm has accumulated its unique skincare philosophy, the “Periodic Table of Elements,” through years of summarizing successful project experience and analyzing tens of thousands of skin cases. It finely classifies different indications of Asian skin, matches corresponding nursing solutions, and continuously fills gaps, becoming an important guideline for Beauty Farm to investigate and introduce technology, truly achieving precise customer service with exquisite technology.

Beauty Farm also continuously develops more than 30 proprietary brand products, covering all categories of facial skincare, body health, and hair care. We have multiple unique formulas and product appearance patents while maintaining a sensitive market sense, continuously introducing the latest skincare technology and raw materials to bring customers more precise, effective, and professional skincare products. This further meets the high-quality home care needs and demonstrates Beauty Farm's determination and ability in proprietary brand research and development, creating its own high-end product brand.

The group is also committed to meeting the ever-changing needs of customers throughout their lifecycle. Our beauty and health management service offerings cover aesthetic medical services as well as subhealth assessment and intervention services that are all personalized to serve our clients' health and beauty desire. We first gain client trust from traditional beauty services, and then extend to more sophisticated services such as aesthetic medical services and subhealth assessment and intervention services. Our industry insight enables us to maintain a strong attachment with our clients, which has helped us to develop and discover additional demands in beauty and health management service industry, enables us to provide services based on our clients' demands, and further helps us retain clients and increase client spending.

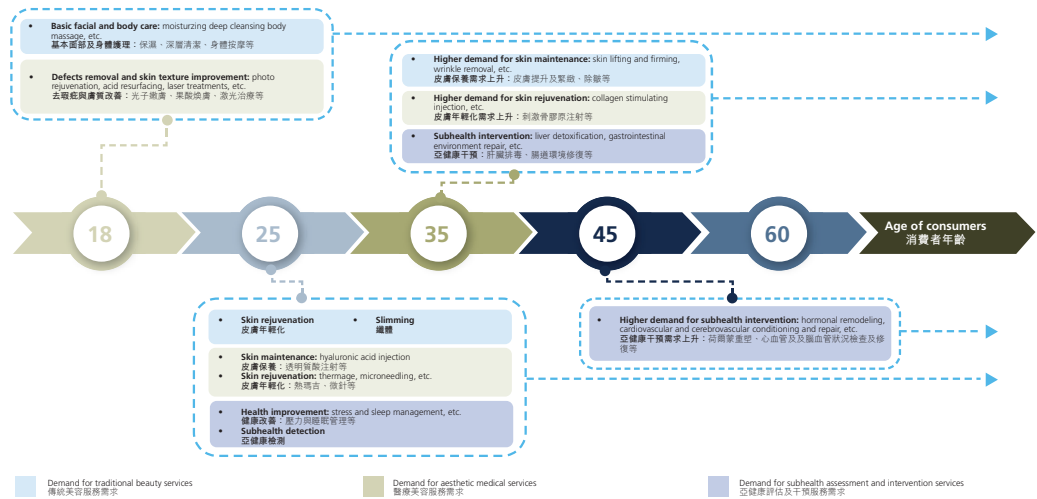
10.1.6. 多元化的產品選擇

公司致力於生美及醫美服務的研發，以打造自身的核心競爭力。就生美而言，美麗田園經過多年不斷地總結成功項目經驗，分析數以萬計皮膚案例後，沉澱下來屬於美麗田園獨有的護膚哲學——《元素週期表》。它把亞洲人皮膚的不同適應症進行精細分類，匹配相應的護理解決方案，並持續不斷填補空白，成為美麗田園觀察和引進技術的重要指導方針，真正做到以精湛技術精準服務顧客。

美麗田園亦不斷地研發自有品牌產品30餘款，涵蓋面部護膚、身體保健、洗髮沐浴全品類，擁有多項獨有配方和產品外觀專利，並且保持靈敏的市場嗅覺，持續引入最新的護膚品技術和原料，為顧客帶來更精準、更有效、更專業的護膚產品，進一步填補高質量家居護理需求，也展現了美麗田園在自有品牌研發和建設上的決心和能力，打造屬於自己的高端產品名片。

集團亦致力於滿足客戶生命週期多變的需求，我們的美麗與健康管理服務涵蓋醫療美容服務以及亞健康評估及干預服務，這些服務均從每位客戶的個人需求出發，以滿足其追求健康與美麗的願望。我們通過傳統美容服務初步獲得客戶信任，進而延伸至醫療美容服務以及亞健康評估及干預服務等更複雜的服務。我們對行業的理解讓我們能與客戶保持緊密聯繫，有助於發展及發現美麗與健康管理服務行業新的需求，令我們能夠根據客戶需求提供服務，並進一步幫助我們保留客戶及提高客戶消費水平。

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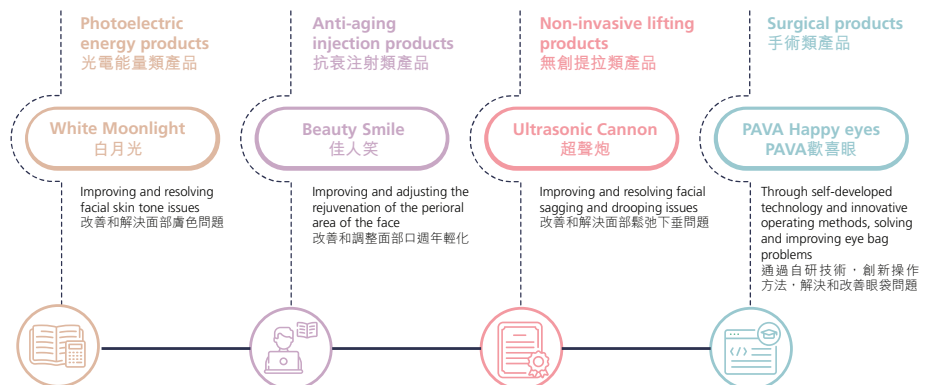


10.1.7. Promoting Continuous Product Innovation

We understand that Beauty Farm operates in an industry driven by rapid technological advancement. To maintain our competitiveness, we will introduce innovative technologies, promote innovative product development, and cooperate with other institutions to better meet customer needs. Under the group, CellCare continuously improves and expands its product management, new product development, and product delivery quality. In the entire year of 2022, CellCare has developed and launched a total of 8 new medical aesthetic products and holds 5 national medical utility model invention patents. At the same time, 2 national medical technology invention patents have entered the public examination stage, and 2 self-developed technologies are in the patent application stage.

10.1.7. 推進產品持續創新

我們明白美麗田園身處受快速技術進步驅動的行業。為保持自身的競爭力，我們將引進創新技術、推進創新產品開發以及與其他機構合作，務求更好地滿足客戶需求。集團期下的秀可兒醫美不斷在產品管理、新產品研發、產品交付質量上不斷精進和開拓。整個2022年度，秀可兒醫美研發並上市了共8項醫美新品，並持有5項國家醫療實用新型發明專利。同時，2項國家醫療技術發明專利已進入公開審驗階段，2項自研技術正處於專利申請階段。



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The group will continue to focus on innovation, professional enhancement, and customer needs in all aspects of product and service safety, comfort, and satisfaction. We will refine and scientifically manage product technology levels and marketing levels around the “Small Changes, Big Differences” dual beauty model. We expect to develop and launch 13 new products in 2023, including the “SWAN” series of products that improve and treat neck complexion and skin rejuvenation, the “Vitality Muscle” series of photoelectric energy products that improve and treat facial skin inflammation, the “Comfort Skin Muscle” series of mesodermal injection products and the non-invasive lifting product “Golden Ultrasound Cannon” that improves and solves the problem of facial relaxation. We will also apply for no less than 7 national invention patents for our self-developed medical technology and products, further building a professional barrier for Beauty Farm’s medical aesthetic products.

We value establishing long-term and good cooperative research relationships with qualified industry upstream vendors, research units, and organizations that provide professional medical technology and equipment services. In July 2022, Beauty Farm’s CellCare established a “Super Alliance” cooperative relationship with global medical aesthetic biopharmaceutical company Allergan. During the first Super Brand Day event, we won the title of “Go with Allergan” Brand Award. In October 2022, we reached a strategic cooperation with Imeik Technology Development, the second-largest hyaluronic acid skin filler supplier in China. Our product development center quickly formed a technical research partnership with Imeik’s R&D team. On the product side, we established a standard item classification management system, and on the technology side, we further enriched and improved multiple medical service technologies that have industry differentiation through mutual sharing of technical resources. We also initiated collaborative R&D of multiple new products and treatment services based on this partnership.

集團將繼續在產品和服務在安全性、舒適性、效果滿意度等各方面將會持續專研創新、專業加持、專注需求。圍繞在「微改變，大不同」的雙美模式下，對產品技術等級、產品營銷等級做精細化的打磨和科學管理。我們預計2023年將研發並上市包括改善和治療頸部膚色膚質年輕化的「SWAN」系列產品；改善和治療面部皮膚炎症的光電能量類產品「元氣肌系列」、中胚注射產品「舒膚肌系列」；改善和解決面部鬆弛問題的無創提拉類產品「黃金超聲炮」等在內的13項新品。同時，為我們自研的醫療技術和產品申請不少於7項國家級發明專利，進一步築構美麗田園集團醫美產品的專業壁壘。

我們重視與行業優質上游廠商、提供專業醫療技術及設備服務的科研單位和組織建立長期良好的合作共研關係。2022年7月，美麗田園集團秀兒醫美與全球醫美生物製藥企業艾爾建公司建立了「超品聯盟」合作關係，在首屆超級品牌日「與艾同行」活動中，榮獲喬雅登喬家族中國領航機構稱號。2022年10月，與中國第二大透明質酸皮膚填充劑供應商愛美客公司達成戰略合作，我們的產品研發中心迅速與愛美客技術研發團隊形成技術共研。在產品端構建了標準品項分級管理體系，在技術端通過雙方技術資源互享，進一步充實提升多項具有行業差異化的醫療服務技術，並以此啟動多項全新產品及治療服務的共創研發。

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10.1.8. Caring Customer Services

We establish friendly relationships with different types of customers through various methods to ensure continuous and effective communication, and to gain a deeper understanding of customers and obtain more valuable customer information while conveying brand values. We obtain customer information through customer profiles and daily communication, providing personalized and customized services to our customers based on regional differences, age, and different needs. We also establish clear guidelines and require beauty therapists and customer managers to fill in "Customer Care Logs" after each service to identify customers' personalized service needs and preferences and to communicate regularly with customers. We make personalized service preparations before customers arrive, create warm services to meet and exceed expectations, and strive to build long-term relationships with customers. In addition, the group maintains interaction with customers through regular phone calls, WeChat, mini-programs, and other channels, increasing communication opportunities with customers and providing guidance on skin management methods for customers of different regions and ages in different seasons. We strive helping customers better manage and care for their skin by providing targeted nursing project introductions.

In response to the needs of different customer groups, we actively monitor industry trends and understand the latest customer needs through our research and development of products to enrich our service capabilities, so as to better provide customers with considerate services and create synergies with existing services.

10.1.8. 貼心的客戶服務

我們通過不同的方法與不同類型的顧客建立友好關係，進而深入了解顧客，獲得更有價值的顧客信息同時傳遞品牌價值。我們通過顧客檔案和日常溝通獲取顧客信息，針對地域差異，年齡和需求的不同區分顧客，提供個性化的貼心服務。我們亦設立了清晰指引，要求美療師及客戶經理於每次服務後填寫「顧客護理日誌」，用以識別顧客個性化服務需求和偏好特徵，定期保持和顧客的溝通，提前做好到店前的個性化服務準備工作，創造有溫度的服務滿足並超越期望，致力於與客戶構建長期關係。另外，集團亦透過定期電話，微信，小程序等多渠道保持和顧客互動，增加與顧客的溝通機會，對不同地域、不同年齡的顧客在不同季節皮膚管理的方法進行指導，提供針對性的護理項目介紹，幫助顧客更好管理和保養皮膚。

針對不同客戶群體的需要，我們積極監察行業趨勢，了解客戶最新需求並進行產品研發，豐富我們的服務能力，以更好地為客戶提供貼心的服務，同時與現有服務締造協同效應。

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Case Study — Empowering Women’s Vitality with Technology

案例 — 科技賦能女性生命力

Beauty Farm’s health and medical brand, Neology, officially established a Special Care Center for Women in 2022 and established the “Fudan-Jinbo Functional Protein Education Base.” By integrating international advanced technology, we have launched new products that contribute to women’s reproductive health, raising awareness and preventing gynecological diseases, and providing overall reproductive health care for women, building a personalized health management system for women. Ultimately, our goal is to activate women’s vitality from the source and improve their quality of life.

美麗田園旗下健康醫療品牌 — 研源醫療，於2022年正式成立女性特護中心，並建立「復旦 - 錦波功能蛋白教育基地」，通過整合國際先進科技，推出有助於女性生殖健康的新產品，提高女性生殖健康意識，提前預防婦科疾病，為女性整體的生殖健康護航，構建女性個性化健康管理體系。最終實現從源頭激活女性生命活力，達到提升生活品質的目的。

We understand that the Group’s marketing strategy needs in responding to the changing consumption patterns of our customers, especially with the trend of younger consumers. To keep up with this trend, we continue to optimize our brand marketing to appeal to younger audiences. We have increased our online innovation and launched various online interactive activities such as live streaming and store exploration to expand our marketing channels and methods. To provide customers with more convenient services, we launched the Beauty Farm mini program in early 2020, which has expanded from online reservations to include information releases, marketing activities, experiential live broadcasts, online shopping malls, online customer service, and other online business scenarios. This has enabled customers to complete the entire online reservation and consumption process, making it easier for consumers to access information about Beauty Farm’s services. We understand that consumer demographics are changing, and our marketing strategy must continue to evolve to meet their needs.

同時，我們亦了解到集團的營銷需緊貼客戶消費方式的改變。在消費群體年輕化的驅使下，美麗田園需要繼續優化品牌營銷年輕化。我們加大線上創新，開展了多樣線上互動，通過直播、探店等渠道拓展營銷渠道和方式。為了讓客戶能夠得到更便捷的服務，我們於2020年初上線了「美田在線」小程序，從提供顧客線上預約起步，拓展到信息發佈、營銷活動、體驗直播、線上商城、線上客服等多個線上業務場景，實現顧客線上預約和消費閉環，讓消費者更便捷了解美麗田園服務信息。我們深諳消費者群體在改變，我們的營銷也在不斷改變。

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在线預約

隨時隨地預約就約



Customers can check store reservation status and book appointments with their preferred beauty therapists anytime and anywhere using our online reservation system. They can select nearby stores and their desired beauty therapists for appointments through this convenient and hassle-free booking system.

客戶通過預約模塊能夠即時查詢門店預約情況，隨時隨地選取附近門店以及心儀的美療師進行預約。

By keeping track of the customer's consumption history, our customer managers can gain a more accurate understanding of their needs and preferences, and provide personalized and considerate services.

透過記錄消費歷史，讓客戶經理更精準了解客戶的需求和喜好，提供個性化的貼心服務。

消费历史

方便快捷



美遇商城

甄选品质好物



Through our online shopping mall, consumers can easily view product or service information and participate in online marketing activities.

通過線上商城，消費者可以更便捷地查看產品或項目信息及參與在線營銷活動。

Real time promotion of discounts and event information through the online channels, providing timely information and enhancing customer participation rate in our events

實現實時推送優惠和活動資訊，提高客戶參與率，更有效地進行營銷活動。

精彩活动

优惠抢先知



Our Beauty Farm mini-program offers other features to provide customers with more convenient services, such as checking membership benefits, transferring memberships to another preferred store, redeeming promotional codes, providing feedback, etc.

我們的美麗田園小程序更設有其他功能讓客戶能夠得到更便捷的服務，例如查看會員福利、將會籍轉移至另一家屬意門店、兌換促銷碼、反饋意見等等。



My appointment
我的預約



My order
我的訂單



Purchase history
消費歷史



Discount redemption
優惠兌換



Membership transfer
會員轉會



Feedback and suggestions
反饋建議



Award record
中獎記錄



Contact customer service
聯繫客服

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Case Study — Customer Experience Project

案例 — 客戶體驗官項目計劃

Recently, we launched the “Chief Tasting Officer” recruitment campaign to establish better interactive connections with our customers and listen to their feedback in order to provide the best possible services. The program involves regular interviews with our target customers, creating a strong bond between our brand and our customers. It also aims to support the continuous iteration of our product care services. We have selected customer experience officers based on different factors such as their spending power, frequency, business structure, tenure, age, and occupation, to ensure that we can cover different customer groups from all walks of life. Through the Chief Tasting Officer program, we hope to gain valuable insights into our customers’ needs and provide them with even better services and experiences.

近期，我們開展了「首席品鑑師」招募活動，意在能更好與消費者之間建立互動聯繫，聽到顧客的心聲，把最好服務帶給顧客。項目通過制定目標客戶的定期訪談機制，建立品牌和客戶的連接，同時旨在支持產品護理項目的不斷迭代。我們根據客戶不同消費力，頻次，業務結構，會齡，年齡，職業組建客戶體驗官，確保能夠涵蓋不同階層的客戶群體。

To participate in the program, the customer experience officer is required to have at least 2 interactions with the brand throughout the year, including offline interviews with our senior executives and insights team, participating in brand surveys, and sharing their feedback after experiencing new products or services. In return, the customer experience officer will receive two free trials of new products or services per year (including medical aesthetics, anti-aging treatments, etc.), priority purchase privileges for new products or services, and the opportunity to participate in one brand event per year. The program has successfully recruited over 150 chief tasting officers to participate in various brand interactions.

參與活動的體驗官年度需要參與至少2次與品牌的互動，包括與品牌高管，洞察組團隊線下訪談、參與品牌的問卷調研以及新品或新項目體驗後感受記錄和分享。而客戶體驗官可以從中獲得每年2次新產品、新護理的免費體驗(含生美，醫美，抗衰)、優先特惠購買新品或新護理的特權、每年1次參與品牌活動的機會等等。此項目已經成功邀請了逾150位品鑑師參與不同的品牌互動。



30 Experience Officers participate in offline and online interview

30位 品鑑師參與面訪和電話訪談



100 Experience Officers join the brand survey

7 Experience Officers participate in brand survey

100位 品鑑師參與了品牌問卷調研
7位 品鑑師參與「醫美神秘客」檢查



26 Experience Officers provide feedbacks for new products

26位 品鑑師在使用了新品體驗裝後給予了反饋

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10.1.9. Comprehensive Customer Feedback Mechanism

We value customer feedback and complaints as an important benchmark for improving our services, and have established standardized feedback mechanisms to ensure timely and effective handling of customer feedback. This feedback is used to improve and innovate our services, monitor store operations, and ensure that Beauty Farm provides stable and high-quality services. We have multiple communication channels to receive valuable feedback from our customers, including over 400 customer service platforms, our official website, in-store reception, Weibo, Beauty Farm customer service hotline, Beauty Farm mini-program, and advisor WeChat, among other online and offline channels. Additionally, we also use measures such as secret customer and mobile evaluation systems to gather customer feedback in a timely and effective manner.

Key Measure in tracking Service Quality

服務質量跟蹤重點措施

Customer Satisfaction survey	Within 1 hour after customers receive services or purchase products in our stores, we will send them a customer satisfaction survey to gather feedback about their experience. This allows us to understand what customers are satisfied or dissatisfied with and improve our services accordingly. We also publish the monthly customer satisfaction index, which is a summary of customers' satisfaction scores, high-value customer referral rates, and customer feedback. This information is shared with relevant management departments and regional operations and used to develop work improvement plans based on customer suggestions and feedback.
顧客服務評價滿意度問卷	顧客到店護理或購買產品後的1小時內，我們會推送顧客服務滿意度問卷，請顧客對本次消費進行評價，了解顧客對服務滿意和不滿意的地方，並且於每月公佈月度顧客滿意指數。月度匯總滿意分值、高價值客戶推薦率分值和顧客之聲亦會同步發送到對應的管理部門和區域運營，將顧客的建議和反饋用於工作改進計劃中。
WeChat mini program	We have set up a suggestion and feedback module where customers can provide real-time feedback, whether it is dissatisfaction, suggestions, or praise. If we receive any complaints or negative feedback, we will include it in our work order system and require our stores to address it within 48 hours by providing a clear improvement plan. This ensures that we can quickly identify and resolve any issues and continuously improve our services based on customer feedback.
微信小程序	我們設立了建議反饋模塊，顧客有任何想法，無論是不滿、建議、表揚，可以作實時的反饋，如接收到任何不滿的意見或投訴，將會納入工單系統，要求門店48小時之內進行處理，給到明確改進計劃，及時發現問題及時解決。

10.1.9. 全面覆蓋的顧客反饋機制

我們重視客戶的反饋及投訴，視為改善服務的重要基準，並已制定標準化反饋機制，確保及時有效處理客戶反饋，並將用於改進與創新活動，更好地監督門店運營，保證美麗田園能夠提供穩定的高質量服務。我們設有多個溝通渠道接收客戶寶貴的意見，包括超過400個客服平台、公司官網、門店線下接待、微博、美麗田園客服熱線、美麗田園小程序、顧問微信等線上、線下多種渠道，同時我們也通過神秘客戶的定期走訪，移動評價系統等措施及時有效地獲取客戶反饋。

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Key Measure in tracking Service Quality

服務質量跟蹤重點措施

Third-party Customer Satisfaction Survey	Every year, we hire a professional third-party agency to conduct customer satisfaction surveys. Based on the needs of customers in different regions, we set different focus groups for qualitative research and analysis of our services and products. The analysis results are interpreted and studied by our internal management team, and important improvement directions are summarized and allocated to different departments as the focus of our work for the next quarter.
第三方機構顧客滿意度調查	我們每年會聘請專業的第三方機構進行顧客滿意度調查，基於不同區域顧客的需求，設定不同的人群進行焦點訪談，對服務、產品分別進行定性的調研和分析，分析結果在內部管理層進行解讀和學習，總結重要改進方向分配到不同部門作為一下一季度的工作重點。
Follow-up visit Mechanism	For new customers after their first treatment and old customers after trying new products or services for the first time, we require a 24-hour follow-up visit to understand their feelings after the treatment and collect feedback on our services and products. This information is recorded in our service log and used as a reference for future treatments to ensure that we provide the best possible services and experiences for our customers.
服務後回訪機制	對於新顧客首次護理後及老顧客首次嘗試新產品或新護理後進行24小時的回訪要求，了解顧客護理後的感受，收集對服務產品的反饋意見，並記錄在服務日誌中，為下一次護理前作為服務指南關鍵點提供信息參考。
Secret Customer	We seek third-party organizations to conduct customer service experience evaluations at our stores, based on our company's evaluation criteria. This provides an objective and comprehensive reflection of our store's service quality and allows us to follow up on any areas that need improvement.
神秘客戶	尋找第三方機構作為顧客去門店進行服務體驗，並根據公司的評價標準進行打分，更客觀、全面反映門店服務質量並作出跟進。

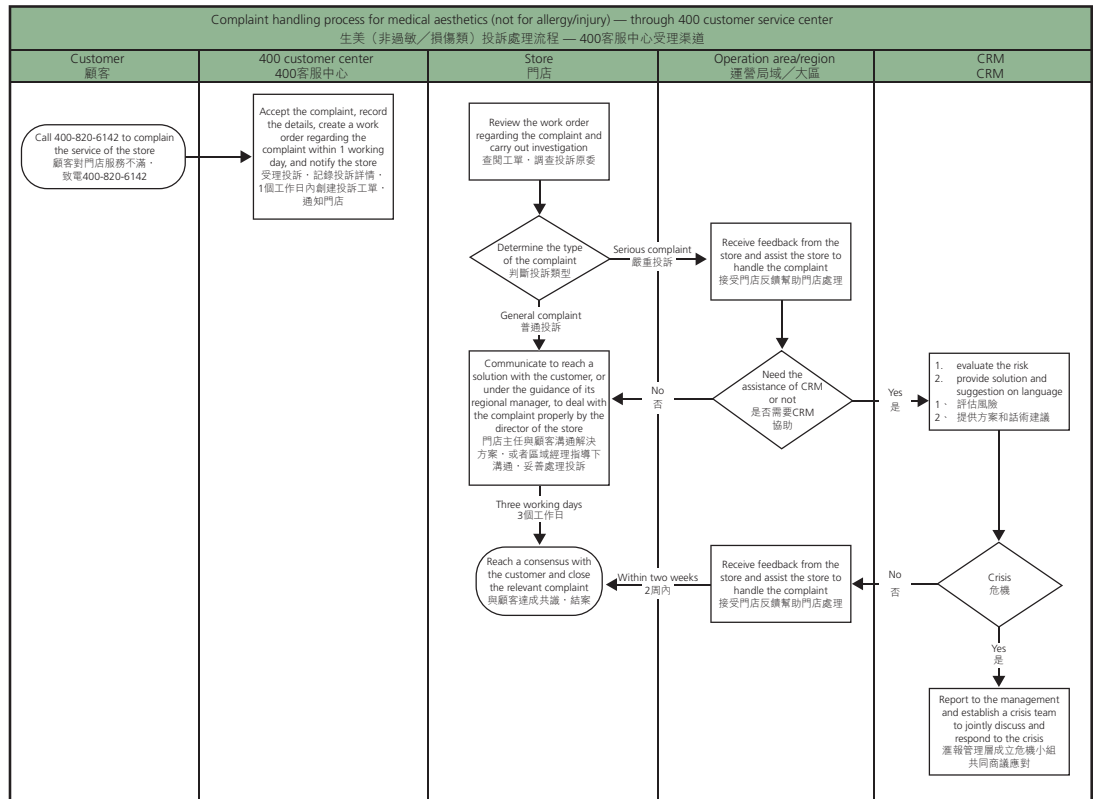
In 2016, Beauty Farm's customer service center successfully entered into a call center operation partnership with New Ji Yu and opened the 4008206142 customer service hotline. In addition to providing consultation and appointment services, the hotline also accepts complaints. Through the outsourcing management of Beauty Farm's customer service hotline, we aim to provide telephone consultation services to our loyal members and experience customers, help them solve any problems encountered during the service process, enhance the brand experience and service perception of Beauty Farm's consumers and customers, and expand the brand's influence and visibility.

美麗田園顧客服務中心於2016年成功進駐新積域做呼叫中心運營業務，開通了4008206142顧客服務熱線，除了諮詢和預約外，還受理投訴。通過對美麗田園顧客服務熱線的外包管理，旨在為美麗田園的忠實會員和體驗客提供電話諮詢服務，幫助解決在服務過程中所遇到的問題，提升美麗田園消費者及顧客的品牌體驗及服務感受，擴大美麗田園的品牌影響力和知名度。

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To ensure prompt and proper handling of customer complaints, we have implemented strict internal guidelines. Additionally, we have developed a “Customer Complaints Handling Operations Manual” which categorizes complaints into different scenarios such as non-crisis handling for medical aesthetics, crisis handling for medical aesthetics, non-crisis handling for beauty, and crisis handling for beauty. We have established different complaint handling mechanisms and processes to ensure that customer complaints can be resolved effectively and quickly.

為確保迅速及妥善處理客戶投訴，我們已實施嚴格的內部指引。同時我們制定《顧客投訴處理操作手冊》，將投訴分為生美非危機處理、生美危機處理、醫美非危機處理、醫美危機處理等多種情況，建立不同的投訴處理機制及流程，確保顧客的投訴能有效、快速得到解決。



During the reporting period, the Group received a total of 508 customer complaints. After investigation, 150 of these complaints were deemed valid and have been resolved and closed, resulting in a 100% customer complaint handling rate. The operation of our standardized operating procedures and service quality control system has also reflected in our high standards of quality service and has resulted in high customer satisfaction and referral rates.

於本報告期內，集團共接獲508宗客戶投訴，經調查後，150宗屬於有效投訴，並已經結案處理，客訴處理率為100%。在上述標準化運營程序和服務質量控制體系的運行下，我們高標準的優質服務亦體現在客戶的滿意度和推薦率，獲得良好口碑。

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2022 Key Indicators

2022年績效指標

90%

(On a scale of 100%)
(以100%為滿分)

High-value customer
referral rate
高價值客戶推薦率

9.73

(On a scale of 10)
(以10分為滿分)

Customer
Satisfaction
顧客滿意度

100%

(On a scale of 100%)
(以100%為滿分)

Customer complaint
handling rate
顧客投訴處理率

10.1.10. Store Design

The Group strives to create a comfortable and warm atmosphere for customers through brand environment design, by improving the consumer service experience in three aspects: space design, color, and function design. We follow applicable laws and regulations of China in designing our stores and submit our design plans to local regulatory authorities for approval. After obtaining approval, we engage third-party contractors to construct and decorate our new stores.

10.1.10. 門店的環境設計

集團力求為品牌環境設計中為顧客營造舒適溫馨的氣氛，於空間設計、色彩設計和功能設計三方面提高消費者服務體驗。我們遵循中國適用法律及法規設計門店，並向當地監管部門提交設計圖則以供審批，待通過有關部門批准設計圖則後，我們將委聘第三方承建商為新門店進行建設及裝修。

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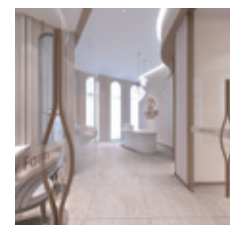
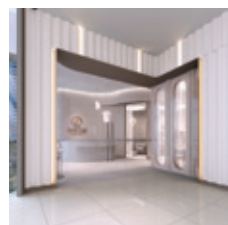
Our design concept is based on the theme of “Romantic Enjoyment”, featuring curved and muted color windows, arched walkways and room entrances, and curved lines throughout. The addition of sheer curtains further creates a soft and warm environment.

我們的設計理念以「羅曼的暢享」為主題線索，弧形素色窗戶、走道拱門與房間拱門，處處可見的弧形線條，加上紗幔，營造環境的柔和溫馨。



The exterior facade of our store design features a weak gray metal curved plate that simulates the pleats of a curtain. The interior design takes on a subtle and low-saturation color scheme, creating a calm and relaxing atmosphere for customers. The addition of visually striking floor patterns, paired with subtle floral decorations on the walls and ceilings, creates a sense of visual harmony throughout the space, as if to say “Loving Oneself is the Beginning of a Lifelong Romance”.

門店設計的外立面採用模擬紗簾褶皺的弱灰色金屬弧形板，內部採用淡雅低飽和度色調為主，整體淡然靜逸的色調，將顧客帶入一個放鬆、安靜的氛圍。而內部增加地面視覺跳躍感，藉粉色花朵圖案與牆面、天花若隱若現的花朵裝飾相呼應，好像在和我們說「愛自己是終身浪漫的開始」。



In the store environment design for our medical beauty brand, CellCare, we focus on improving the consumer service experience through three categories: flow design, space characteristic design, and design elements. We separate the staff office flow and customer service flow, and then use two main flows to lead customers into medical beauty treatment and anti-aging treatment areas, effectively directing traffic flow to the corresponding treatment areas. We also push the entrance wall of the anti-aging area inward, highlighting a sense of ceremony upon entering this area, while also providing customers with a more private and comfortable environment. We are committed to creating a high-quality store environment for our customers and providing them with an excellent experience. Therefore, in our design elements, we use the concept of flowing water to create a beautiful and technological ecological atmosphere, where customers can relax and enjoy every moment of beauty during their treatment.

在集團期下品牌秀可兒的醫美環境設計中，同樣依據三大範疇提高消費者服務體驗，分別是流線設計、空間特點設計和設計元素。我們將員工辦公流線與客人服務流線分開設置，繼而再以兩條主要流線分別將客人引入醫美治療和抗衰治療，有效將人流引入對應治療區。我們更將抗衰區入口牆體往走到內推，凸顯進入此區域的儀式感，同時為客人提供更加私密的舒適環境。我們致力為客人打造優質的門店環境，給予客人良好的體驗，故在設計元素上沿用流水的靈動概念，打造唯美的科技生態意境，輕鬆舒適的氛圍讓客人在診療時享受每一刻美麗。

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10.2. Customer Safety and Right Protection

10.2.1. Equipment and Consumables Safety

We place great importance on introducing reliable medical equipment and consumables into our stores to ensure that they provide ideal results for our customers. We have developed policies and procedures for reviewing and evaluating medical equipment and consumables. We have also established supplier management rules and supplier qualification management processes to ensure that our suppliers provide qualified medical supplies. When purchasing medical equipment, we select qualified candidate suppliers from our supplier list and require them to provide their qualifications, all necessary licenses, certifications, and regulatory approvals for their medical equipment for review by our legal department. Besides, we serve as the sole agent in China for several leading foreign suppliers. We introduce internationally leading beauty and health management technologies and carefully select products according to high standards. Before launching a product, we spend months screening and testing all imported products.

We use enterprise resource planning systems for overall inventory management, recording inventory levels and past purchasing records. During storage, we adhere to storage regulations and laws and regulations related to medical and non-medical goods. We closely monitor the shelf life of all products and medical equipment, and once any product has expired or medical equipment has reached the end of its useful life, we dispose of it safely in accordance with applicable laws and regulations.

10.2. 顧客安全與權益維護

10.2.1. 器材及耗用品安全

我們非常重視引入門店的醫療器械及醫療耗用品，確保其可靠，能夠為客戶提供理想的效果。為此，我們已制定審查及評價醫療設備及醫療耗用品的政策及程序。同時制定了供貨商管理規則及供貨商資格管理流程，以確保供貨商提供合資格的醫療用品。於採購醫療設備時，我們將從供貨商名單中選擇合格的候選供貨商，並要求供貨商提供其資質及所有所需的執照、認證及醫療設備的監管批准，供我們的法律部門審查。我們亦是多家國外領先供貨商在中國的唯一代理。我們引進國際領先的美麗與健康管理技術，並按高標準挑選產品。我們於推出產品前會用數月時間篩選產品，對所有進口產品進行產品測試。

我們通過企業資源規劃系統進行整體存貨管理，記錄庫存水平及過往採購記錄。在儲存期間，我們遵守與醫療及非醫療商品有關的儲存規定以及法律及法規。我們密切監控所有產品及醫療器材的保質期，一旦任何產品過期或醫療器材達至其使用壽命，我們將根據適用法律及法規安全處置該產品或器材。

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To further ensure the safety of medical equipment and protect the rights of our customers, we have established an instrument service center. Its goals include achieving information-based, dynamic, and refined management of the entire lifecycle of the instruments. This involves multiple business aspects such as instrument selection and procurement, installation and acceptance, asset management, maintenance and repair, standardized use, allocation and transportation, disposal and scrapping, and more. In addition, we strictly implement instrument inspection and maintenance systems, proactively maintaining and servicing instruments on a regular basis. For each store, we develop an annual maintenance plan for our engineers, and in key cities, we carry out no less than 2 annual proactive maintenance and servicing.

為了進一步確保醫療器材安全，保障顧客權益，我們設立了儀器服務中心，其工作目標是實現儀器全生命週期的信息化、動態化和精細化管理。涉及儀器選型採購、安裝驗收、資產管理、保養維修、規範使用、調撥運輸、處置報廢等多項業務。同時，我們亦嚴格執行儀器巡查保養制度，定期主動維護保養儀器，為每個城市每家門店，制定團隊工程師的年度維保計劃，執行重點城市不低於2次的年度主動維養。

Example — Self-developed Supply Chain Service Platform

案例 — 自主開發供應鏈服務平台

Stores under the Beauty Farm can quickly report repairs through our independently developed supply chain service platform, and providing a description of the problem. The platform quickly matches engineers in the corresponding area to respond promptly and solve the problem. Additionally, the platform supports the establishment of an online repair case library, enabling real-time retrieval of related information and shortening the time it takes to handle similar problems. We have also established a common fault knowledge base system to enhance employee's ability to independently solve equipment failures, reduce equipment failure rates, and improve safety measures.

美麗田園旗下門店可以通過手機於我們自主開發供應鏈服務平台快速進行報修，提供故障情況說明並快速匹配相應區域的工程師，及時響應並解決問題。平台同時支持建立在線維修案例庫，實現相關信息實時檢索查詢，縮短同類故障處理時間，以及常見故障建立知識庫體系，提升員工自主解決儀器設備故障的初步能力，減低設備故障率，提高安全防線。

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10.2.2. Store Safety

Beauty Farm places paramount importance on the safety standards of all our stores, and we have meticulously crafted a comprehensive “Fire Safety Management System” to standardize the fire safety practices of all stores in our network. This system provides detailed guidance for the proper use and maintenance of fire safety facilities, ensuring a safe and secure environment for our customers and employees. In accordance with our strengthened in-store fire safety management policies, each store must obtain the necessary fire inspection permit before commencing operations. After the store begins operations, we conduct a fire safety inspection every two months, including the occupancy of fire escape routes, the appropriate position, type, and quantity of fire-fighting equipment, and the fire safety training records of the store. We regularly review the performance of stores regarding fire safety and closely monitor any potential events related to fire safety.

10.2.3. Privacy Protection

At Beauty Farm, we recognize the importance of protecting personal information and will adhere to the requirements of the “Cybersecurity Law of the People’s Republic of China,” the “Personal Information Protection Law of the People’s Republic of China,” the “Civil Code of the People’s Republic of China,” the “Information Security Technology-Personal Information Security Specification (GB/T 35273-2020),” as well as other legal and regulatory requirements and industry-recognized security standards to take appropriate security measures to protect personal information. We have also established a “Beauty Countryside Privacy Policy” to ensure compliance with these requirements. In our daily business processes, we collect customer data to provide our services, including name, gender, contact information, basic health information, consultation and care records, and other service-related records. This information will be handled according to the customer’s consent, or as necessary for us to provide services, or as necessary for us to fulfill our legal obligations.

10.2.2. 門店安全

集團重視期下所有門店的安全標準，我們已制定《消防安全管理制度》，統一整個網絡中每家門店的消防安全慣例，為使用及維護消防安全設施提供詳細指引。根據經加強的店內消防安全管理政策，每家門店均須於開始運營前取得所需消防檢查許可。門店開始運營後，我們將每兩個月進行一次消防安全檢查，包括有關火警逃生通道佔用情況、消防設備的適當位置、類別及數量、門店的消防安全培訓記錄等方面。我們將定期檢討門店有關消防安全的表現，並密切監察有關方面的任何潛在事件。

10.2.3. 隱私保護

美麗田園深知保護個人信息的重要性，並將按照《中華人民共和國網絡安全法》、《中華人民共和國個人信息保護法》、《中華人民共和國民法典》、《信息安全技術個人信息安全規範(GB/T 35273-2020)》以及其他法律法規要求和業界成熟的安全標準，採取相應的安全保護措施保護個人信息，並制定了《美麗田園隱私政策》。於日常業務過程中，我們就所提供的服務收集客戶數據，主要包括姓名、性別、聯絡數據、基本健康信息、諮詢及護理記錄以及其他服務相關記錄。該等信息會按客戶同意的方式處理，或為我們向客戶提供服務所必須，或為我們履行法定義務所必須。

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Furthermore, we have established strict “Beauty Farm Client Information Security Protection Management Policy,” adhering to the work principles of “clear responsibility, reasonable authorization, standardized processes, and the combination of technology and management,” to govern the collection, handling, storage, retrieval, and access of our client’s personal data and records.

我們亦已制定嚴格的《美麗田園客戶信息安全保護管理規定》，遵循「責任明確、授權合理、流程規範、技管結合」的工作方針，以監管收集、處理、儲存、檢索及查閱客戶的個人數據及記錄。

Seven Principles of Customer Data Management 客戶信息的管理七大原則

- | | |
|---------------------------------------|--|
| (1) Clear Responsibility | Adhering to the principle of “whoever is in charge is responsible, whoever operates is responsible, whoever uses is responsible, and whoever obtains is responsible,” we have established a clear division of responsibilities. |
| 主體責任明確 | 按照「誰主管誰負責、誰運營誰負責、誰使用誰負責、誰獲取誰負責」的原則，明確責任分工。 |
| (2) User Acknowledgement | When collecting and using personal information, we adhere to the principles of legality, legitimacy, and necessity. We make our collection and usage rules public and clearly state the purpose, method, and scope of collecting and using personal information, obtaining the consent of the individual being collected from. |
| 用戶知情同意 | 收集、使用個人信息時，應當遵循合法、正當、必要的原則，公開收集、使用規則，明示收集、使用信息的目的、方式和範圍，並經被收集者同意。 |
| (3) Classification and grading system | We implement a classification and grading system to manage information based on its sensitivity level. Depending on the level of sensitivity, we apply appropriate management measures and technical means that are commensurate with the information security risks ensuring information security. |
| 分類分級管控 | 對信息進行分類分級，根據敏感程度不同，採取適當的、與信息安全風險相適應的管理措施和技術手段，保障信息安全。 |
| (4) Minimization | When sharing information with internal units, platforms, or third parties, we only provide the necessary information attributes, label attributes, and scale required for business purposes, provided that all management requirements are met. |
| 最少夠用 | 在向內部單位、平台、第三方共享開放信息時，在滿足管理要求的前提下僅提供業務開展明確需要的信息屬性、標籤屬性及規模。 |
| (5) Quality Assurance | In the process of handling customer information, we rely on management and technical means to ensure the accuracy, authenticity, timeliness, and availability of customer information. We must not tamper with or destroy customer information. |
| 質量保證 | 在處理客戶信息的過程中，應基於管理與技術手段確保客戶信息的準確性、真實性、時效性、可用性，不得篡改、損毀。 |

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Seven Principles of Customer Data Management

客戶信息的管理七大原則

(6) No sensitive data outside Beauty Farm network 敏感數據不出網	Unless explicitly authorized by the user, personal sensitive information of the user cannot be disclosed to others or third-party enterprises. Sensitive data that has not been anonymized cannot leave the Beauty Farm network and computing environment. 除獲得用戶明確授權外，用戶的個人敏感信息不得開放給他人或第三方企業，未經脫敏處理的敏感數據不可離開美麗田園網絡與計算環境。
(7) Traceable 可追溯	We maintain complete and accurate logs of all customer information operations to ensure that all operations can be traced back to specific operators and operational bases. We take measures to prevent unauthorized tampering, deletion of records, or any other violations of regulations. 對於客戶信息操作的日誌應完整準確記錄，確保所有操作可追溯到具體的操作人和操作依據，杜絕擅自篡改、刪除記錄等違規行為。

Beauty Farm has established the "Data Security Management Measures" to improve the data security management system and strengthen data security management. We protect network communications and files with encryption technology to prevent unauthorized browsing or modification. Our information technology network configuration has multiple layers of protection to safeguard databases and servers. We also implement various protocols and procedures, such as regular system checks, password policies, server access logs, network access authentication, user authorization verification, data backup and recovery testing, to protect data assets and prevent unauthorized network access. We require new employees to receive data security training upon joining the company and mandate regular on-the-job training for all employees to strengthen their understanding of relevant data security policies.

集團設有《數據安全管理辦法》，完善數據安全管理體系，加強數據安全管理，規範公司的數據安全管理工作。我們通過保護網絡通訊以及文件加密技術，防止未經授權瀏覽或修改。信息技術網絡配置多重保護，以保護數據庫和服務器。我們亦執行多項協議及程序，例如定期系統檢查、密碼政策、服務器訪問記錄、網絡訪問驗證、用戶授權查核及數據備份以及數據復原測試，以保護數據資產，防止未經授權訪問網絡。我們亦要求新員工接受數據安全方面的入職培訓，並要求員工定期接受在職培訓，以加強相關數據安全政策。

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In addition, the Group's outsourcing service providers include software developers, product suppliers, system integrators, equipment maintenance providers, and security service providers. To standardize information security outsourcing services, the Group has established the "Information Security Outsourcing Operation and Maintenance Management System" to ensure the secure and stable operation of networks and information systems, safeguard our information security, and reduce the risks associated with outsourcing information security services. Information assets required for outsourcing activities are isolated following the principle of "minimum use" and are authorized only after approval following the principle of "minimum authorization." Before third-party personnel can access sensitive information assets of the group, they must sign formal contracts and confidentiality agreements.

During the reporting period, we did not experience any significant violations related to confidential customer information or any other events related to customer information that could have a significant adverse impact on our business, financial condition, or operating performance.

10.3. Compliance Marketing and Advertising

To strengthen compliance management for the company's advertising and promotion, and standardize the external publicity materials, printed materials and marketing promotion content of the company's headquarters and branches, we have developed the "Compliance Management Measures for Promotional Materials," which clarifies that any promotional material must follow the principles of "truthfulness, accuracy, appropriate graphics and texts, and compliance with laws and regulations," and must be approved for compliance before being released. We strictly adhere to relevant regulations related to medical advertising in China, including the "Advertising Law of the People's Republic of China", the "Temporary Measures on the Administration of Internet Advertising", the "Measures for the Administration of Medical Advertisements" and the "Guidelines for the Governance of False Advertising and Price Violations in the Medical Aesthetics Industry". If it is verified that our promotional materials carry legal risks, the promotional materials of the store concerned must be immediately taken down while retaining relevant evidence.

此外，集團的外包服務廠商包括軟件開發商、產品供應商、系統集成商、設備維護商和安全服務提供商等。為規範信息安全外包服務工作，集團制定了《信息安全外包運維管理制度》，確保網絡與信息系統安全、穩定運行，保證我們的信息安全，降低信息安全服務外包引發的風險。外包活動需要使用的信息資產需要按「最小使用」原則進行隔離，經審批後進行「最小授權」。同時，第三方人員獲取集團敏感信息資產前，必須簽訂正式的合同及保密協議。

於本報告期內，我們並無發生任何重大違反機密客戶資料或任何其他與客戶資料有關的事件而可能會對我們的業務、財務狀況或經營業績造成重大不利影響。

10.3. 合理營銷及宣傳

為加強對公司廣告、宣傳的合規管理，規範公司總部及各地分支機構對外宣傳品、印刷品及市場宣傳推廣內容，結合公司實際情況制定《宣傳品合規管理辦法》，明確任何與本集團有關的宣傳品內容應當遵循「真實準確、圖文得當、合法合規」原則，而且必須經合規性審核後方可發佈。我們嚴格遵守與中國醫療廣告有關的法規，包括《中華人民共和國廣告法》、《互聯網廣告管理暫行辦法》、《醫療廣告管理辦法》、《醫療美容行業虛假宣傳和價格違法行為治理工作指引》等。如經核實後，我們的宣傳品存有違法違規風險，在保留該宣傳內容相關證據後，該門店宣傳品應當立即下架。

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Before publishing any advertising or marketing content, employees in the marketing or legal departments will carefully review the content to ensure that it is truthful, accurate, and compliant with applicable laws and regulations, especially regarding any efficacy-related information. In addition, our legal director supervises and spot-checks our marketing and advertising activities on a weekly basis to prevent false advertising. We also periodically consult with external consulting firms and legal advisers to assess the appropriateness of advertising content, as well as the latest developments in issued or proposed regulations and general regulatory developments. We also organize online and offline training for employees on a regular basis to make them aware of relevant Chinese laws related to false advertising and efficacy-related false statements.

We have also developed strict clinic rules to prevent doctors and employees who face customers from communicating about non-indicative medication. In addition, our stores provide training and guidance to employees, prohibiting them from promoting products and services to customers for unapproved uses or using different dosage levels or formulas than those indicated on the relevant product or service label.

During the reporting period, we did not receive any significant fines or administrative penalties related to marketing and advertising, which could have had a significant adverse impact on our business operations.

於發佈任何廣告或營銷內容前，營銷或法律職能部門的員工會審慎地審閱有關內容，以確保有關內容（特別是任何功效相關資料）真實、準確及符合適用法律及法規。此外，我們的法律總監每週監督及抽查我們的營銷及廣告活動，以防止虛假廣告。此外，我們不時會諮詢外部諮詢公司及法律顧問，以評估廣告內容的適當性、已頒佈或擬定的法規及一般監管發展的最新情況。我們亦定期為員工組織在線及線下培訓，使他們了解有關虛假廣告及功效相關不實陳述的相關中國法律。

我們亦已制定嚴格的診所守則，防止醫生及面對客戶的員工就非適應症用藥進行溝通。再者，我們的門店亦為員工提供培訓及指導，禁止他們向不包括在相關產品或服務卷標的客戶宣傳產品及服務未經批准的用途或採用不同的劑量水平或配方。

於本報告期內，我們並未就營銷及宣傳方面被處以任何重大罰款或行政處罰而對我們業務營運造成重大不利影響。

11. GIVING BACK, CREATING A BETTER FUTURE

11.1. Social Welfare

Beauty Farm shoulders the responsibility of achieving common prosperity in society. In order to help the Country achieve prosperity, in addition to maintaining the steady development of the enterprise, the Group also actively gives back to society. We regularly communicate with government departments, community organizations, and street offices in various operating areas to understand the requirements and needs of the local community and the impact of the group's operations on the local community. We actively participate in and organize various public welfare activities to achieve the co-development of the enterprise and the community.

11. 回饋社會共創美好

11.1. 愛心公益

美麗田園肩負著實現社會共同富裕的責任。為了幫助國家實現繁榮，除了保持企業的穩健發展，集團也積極回饋社會。我們與各營運地的政府部門、社區組織與街道辦定期進行溝通，了解當地社區的要求與需要及集團自身營運對當地社區的影響力，透過積極參與及組織各類公益活動，實現企業與社區的共同發展。

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For several years, Beauty Farm has supported the children of “Beauty Farm Primary School” in Panshui, Guizhou. In cooperation with government efforts, the company has helped to repair school buildings, provide access to water and electricity, level roads, build playgrounds, purchase books, and provide computers, among other things. Through ongoing support and assistance, the company has provided a safe and beautiful learning environment for the children, bringing them warmth and care. With continuous aid and unwavering love, the company aims to provide children with a safe and comfortable learning environment, helping them to become pillars of society in the future.

While focusing on its own development, Beauty Farm also participates in the “Village-Enterprise Pairing Precise Poverty Alleviation” plan in Hongkou District, Shanghai, according to its own capabilities, to provide targeted assistance to impoverished villages in Shuining County. The company vigorously promotes the traditional Chinese virtue of helping the poor and practices the core values of socialism, supporting the development of charitable public welfare undertakings. Beauty Farm has established a love fund, which covers not only employees within the system but also will extend further to cover social public welfare undertakings. This year, Beauty Farm has invested RMB180,000 in charitable causes for education and poverty alleviation.

In the future, Beauty Farm will continue to develop public welfare undertakings. We have established a love fund, which will cover not only employees within our system but also extend to social public welfare undertakings to realize common prosperity. Moreover, the Group is committed to becoming a “Leader in Beauty and Health” and will actively promote industry innovation and reform, while also cultivating more elite talents to drive overall progress in the industry.

美麗田園連續多年支助貴州泮水「美麗田園小學」的孩子們。配合政府力量，公司幫助孩子們修校舍、通水電、平道路、建操場、購圖書、配電腦等。持續援建，為孩子們提供安全、優美的學習環境，為孩子們帶去一絲溫暖。持續的援助，不變的關愛，只為讓孩子們擁有安全舒適的學習環境，助力成為未來的棟樑之才。

美麗田園在注重自身發展的同時，根據自身的能力參與上海市虹口區「村企結對精準扶貧」計劃，對口幫扶富寧縣深度貧困村，大力弘揚中華民族濟困傳統美德，踐行社會主義核心價值觀，支持發展慈善公益事業。於本年度，美麗田園共投入18萬元人民幣於助學扶貧公益事業上。

未來，美麗田園將繼續發展公益事業，我們已建立的愛心的基金，除覆蓋體系內員工外，將進一步覆蓋至社會公益事業，實現共同富裕。而且，集團秉持成為「美與健康的領航者」的願景，將積極推動行業的改革創新，同時為行業輸送更多精英人才，帶動行業的整體進步。

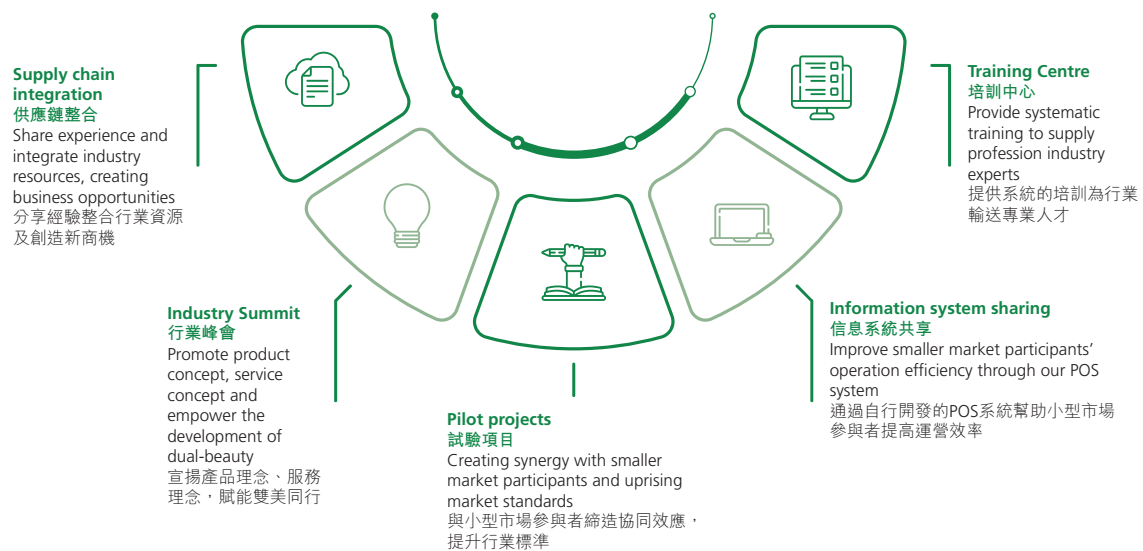
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11.2. Contributing Industry Development

We will effectively integrate our supply chain resources and deepen our cooperation with upstream suppliers, especially the leading international suppliers and brands. For example, we will provide our upstream partners with stable sales channels in exchange for pioneering exposure to advanced technologies in the industry, which technologies will in turn enhance our service quality. In order to integrate industry resources, and to create new business opportunities, we plan to offer support to local traditional beauty service providers, especially smaller standalone community stores with stable client base, by sharing our industry experience and platform management skills. For example, we may explore sharing part of our information system modules and our self-developed point of sales ("POS") system, which was designed with our industry expertise, with small market participants to help them improve their operation efficiency and level of standardization.

11.2. 貢獻行業發展

本集團將有效整合供應鏈資源並深化與上游供貨商的合作，尤其是國際領先供貨商及品牌。例如，我們為上游合作夥伴提供穩定銷售管道，以率先獲取業內的先進技術，而該等技術將會提高我們的服務質量。為整合行業資源及創造新商機，我們計劃通過分享我們的行業經驗及平台管理技巧，為當地傳統美容服務提供商，尤其是有穩定客源的規模較小的獨立小區門店提供支持。例如，我們嘗試與規模較小的市場參與者共享我們的部分信息系統模塊，以及與我們行業專家設計並由我們自行開發的銷售（「POS」）系統，以幫助他們提高運營效率及標準化水平。



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We may also consider providing human resource support to small market participants and help them with recruiting, training and creating an organizational structure. BeautyFarm Training Center is also expected to function as a service personnel hub, which can provide systematical training to traditional beauty service stores beyond our own store network. Moreover, we also plan to actively participate in pilot projects to improve industry standards. By providing support, such as products, services, equipment and technologies, to these smaller market participants, we are better able to create synergies with these small market participants, and identify and differentiate potentially valuable targets for our future acquisitions or investments. In view of the market recognition on our brand and services, we also plan to participate in pilot projects to help developing the industry standards, with the aim of promoting consistent and high quality services, which in turn will help strengthen our brand image and attract more clients and talent.

The Group also values empowering the beauty industry. Currently, we have established a strategic cooperation with Shanghai Wake Me Beauty Management Center, where CellCare provides professional medical beauty diagnosis and treatment services. With the support of transparent data systems, the integration of the two beauty systems has been achieved, promoting the coexistence of new customers. In the industry, we are also expanding our reach. Through various high-end industry summits and technical forums, our system managers continuously empower our dual-beauty concept, product concept, service concept, and other aspects, not only benefiting our dual-beauty peers but also the entire beauty industry, further achieving the goal of leading in beauty and health.

我們亦可能考慮向小型市場參與者提供人力資源支持，協助其招聘、培訓及構建組織架構。預期美麗田園培訓中心亦將作為服務人員樞紐，為我們自有門店網絡以外的傳統美容服務門店提供系統的培訓。我們亦計劃積極參與試驗項目，以提升行業標準。通過為該等規模較小的市場參與者提供支持（例如產品、服務、設備及技術），我們能更好地與該等小型市場參與者締造協同效應，以及為未來的收購或投資識別及區分有價值的潛在目標。鑑於市場對我們品牌及服務的認可，我們亦計劃參與試點項目，協助制定行業標準，旨在促進一致的優質服務，從而幫助我們鞏固品牌形象並吸引更多客戶及人才。

集團同時重視對行業雙美機構的賦能。目前，我們已經與上海Wake Me容顏管理中心達成了戰略合作，不僅由秀可兒醫美提供專業的醫美診療服務，同時也在數據系統透明化的支持下，實現互聯繫統的對接，雙美新客的共融。在行業中，我們也在走出去。通過各種主題的高端行業峰會，技術論壇，我們的各系統管理者將我們的雙美理念、產品理念、服務理念等不斷賦能雙美同行乃至整個美業，進一步實現美與健康領航者的奮鬥目標。

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12. SUMMARY OF KEY SOCIAL PERFORMANCE

12. 社會績效數據匯總

	ESG Indicator ESG指標	Unit 單位	2022 2022年
Employment and Labor Standard 僱傭及勞工常規			
B1	Employment 僱傭		
	Total number of employees 員工總人數	Headcount 人	3,749
B1.1	Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數		
Gender 性別	Male 男性	Headcount 人	187
	Female 女性	Headcount 人	3,562
Employment Type 僱傭類型	Full time 全職	Headcount 人	3,433
	Part time 兼職	Headcount 人	42
	Retired employees 退休返聘	Headcount 人	76
	Others such as Interns 實習生等其他人員	Headcount 人	200
Age Group 年齡組別	20 or below 20歲以下	Headcount 人	121
	20-35 20歲-35歲	Headcount 人	2,507
	35-50 35歲-50歲	Headcount 人	1,016
	50 or above 50歲以上	Headcount 人	105
Geographical Region 地區劃分	Hong Kong 香港	Headcount 人	1
	Mainland China 中國內地	Headcount 人	3,745
	Overseas 海外	Headcount 人	3
A1.2	Employee turnover rate by gender, age group and geographical region¹ 按性別、年齡組別及地區劃分的僱員流失比率 ¹		
Gender 性別	Male 男性	%	21.94%
	Female 女性	%	26.31%

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	ESG Indicator ESG指標	Unit 單位	2022 2022年
Age Group 年齡組別	20 or below 20歲以下	%	32.97%
	20-35 20歲-35歲	%	28.18%
	35-50 35歲-50歲	%	18.63%
	50 or above 50歲以上	%	32.45%
	Geographical Region 地區劃分	Hong Kong 香港	%
	Mainland China 中國內地	%	26.12%
	Overseas 海外	%	—
B2	Health and Safety 健康與安全		
	Number of work-related fatalities 因工亡故的人數	Headcount 人	2020: 0 2021: 0 2022: 0
	Rate of work-related fatalities 因工亡故的比率	%	2020: 0 2021: 0 2022: 0
	Work-related injury 工傷次數	Case 次	5
	Lost days due to work injury 因工傷損失工作日數	Day 天	269
B3	Training and Development 發展及培訓		
B3.1	The percentage of employees trained by gender and employee category² 按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比 ²		
Gender 性別	Male 男性	%	85%
	Female 女性	%	82%
Age Group 僱員類別	Senior Management 高級管理層	%	95%
	Middle Management 中級管理層	%	91%
	Employee 普通員工	%	82%
	Intern 暑期工/實習生	%	69%

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	ESG Indicator ESG指標	Unit 單位	2022 2022年
B3.2	The average training hours completed per employee by gender and employee category³ 按性別及僱員類別劃分，每名僱員完成受訓的平均時數 ³		
Gender 性別	Male 男性	Hour 小時	3.07
	Female 女性	Hour 小時	2.52
Age Group 僱員類別	Senior Management 高級管理層	Hour 小時	7.34
	Middle Management 中級管理層	Hour 小時	2.02
	Employee 普通員工	Hour 小時	2.14
	Intern 暑期工／實習生	Hour 小時	6.96
Operation Practices 營運慣例			
B5	Supply Chain Management 供應鏈管理		
B5.1	Number of suppliers by geographical region 按地區劃分的供貨商數目		
	China 中國	Entity 家	139
	Asia (Except China) 亞洲(中國除外)	Entity 家	5
	Europe 歐洲	Entity 家	3
	America 美洲	Entity 家	1
B6	Product Responsibility 產品責任		
B6.1	The percentage of products sold or shipped that need to be recalled due to safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比 Percentage of products sold or shipped that need to be recalled due to safety and health reasons 因安全理由而須回收的百分比	%	0%
B6.2	Number of products and service-related complaints received 接獲關於產品及服務的投訴數目 Number of complaints/Valid complaints 接獲投訴／有效投訴	Case 起	508/150

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ESG Indicator ESG指標	Unit 單位	2022 2022年
B7	Anti-corruption 反貪污	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the Company or its employees during the reporting period 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目	
	Cases of corruption lawsuits filed and adjudicated against issuers 對發行人提出並已審結的貪污訴訟案件	Case 起 0
	Cases of corruption lawsuits filed and adjudicated against employees 對僱員提出並已審結的貪污訴訟案件	Case 起 0
Community 社區		
B8	Community Investment 社區投資	
B8.2	Resources contributed to the focus area (E.g. Money and Time) 在專注範疇所動用資源(如金錢或時間)	
	Poverty and education donations 扶貧助學	RMB 人民幣 180,000
Notes:	附註:	
1	Employee turnover ratio = number of employees in that category/ total number of employees in that category	1 僱員流失比率 = 該類別流失人數/該類組別 僱員總人數
2	Percentage of employees trained = number of trainees in that category/total number of employees in that category	2 受訓僱員百分比 = 該類別受訓人數/該類組 別僱員總人數
3	The average training hours completed = the number of hours of training in that category/the total number of employees in that category	3 僱員受訓的平均時數 = 該類別受訓時數/該 類組別已受訓僱員總人數

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13. ESG REPORTING GUIDE INDEX

13. ESG報告指引內容索引

KPIs

披露指標

Reporting Section

對應章節

Environmental

環境

A1: Emissions

A1：排放物

General Disclosure

(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

一般披露

有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的a)政策 b)遵守對發行人有重大影響的相關法律及規例的資料。

A1.1 The types of emissions and respective emissions data.

A1.1排放物種類及相關排放資料。

A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.

A1.2直接(範圍1)及能源間接(範圍2)溫室氣體排放量及密度。

A1.3 Total hazardous waste produced and intensity.

A1.3所產生有害廢棄物總量及密度。

A1.4 Total non-hazardous waste produced and intensity.

A1.4所產生無害廢棄物總量及密度。

A1.5 Description of emissions target(s) set and steps taken to achieve them.

A1.5描述所訂立的排放量目標及為達到這些目標所採取的步驟。

A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.

A1.6描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。

A2: Use of Resources

A2：資源使用

General Disclosure

Policies on the efficient use of resources, including energy, water and other raw materials. Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.

一般披露

有效使用資源(包括能源、水及其他原材料)的政策。資源可用於生產、儲存、運輸、樓宇、電子設備。

Emissions Management

排放物管理

Emissions Management

排放物管理

Emissions Management

Summary of Key Environmental Performance

排放物管理

環境績效數據匯總

Medical Waste Management

Summary of Key Environmental Performance

醫療廢物管理

環境績效數據匯總

Other Material Waste and

Wastewater Management

Summary of Key Environmental Performance

其他廢物廢水管理

環境績效數據匯總

Emissions Management

排放物管理

Emissions Management

排放物管理

Resources Management

資源使用

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KPIs 披露指標	Reporting Section 對應章節
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	Management on Electricity and Other Energy Use Summary of Key Environmental Performance
A2.1按類型劃分的直接及／或間接能源(如電、氣或油)總耗量及密度。	電力及其他能源使用管理 環境績效數據匯總
A2.2 Water consumption in total and intensity	Management on Water Resources Summary of Key Environmental Performance
A2.2總耗水量及密度。	水資源使用管理 環境績效數據匯總
A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Resources Management
A2.3描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	資源使用
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Management on Water Resources
A2.4描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	水資源使用管理
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Resources Management Summary of Key Environmental Performance
A2.5製成品所用包裝材料的總量及每生產單位估量。	資源使用 環境績效數據匯總
A3: The Environment and Natural Resources	
A3：環境及天然資源	
General Disclosure	Environment and Natural Resources
Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment and Natural Resources
一般披露	環境及天然資源
減低發行人對環境及天然資源造成重大影響的政策。	
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and Natural Resources
A3.1描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	環境及天然資源
A4: Climate Change	
A4：氣候變化	
General Disclosure	Responding to the Climate Change
Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Responding to the Climate Change
一般披露	應對氣候變化
識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	
A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Responding to the Climate Change
A4.1描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。	應對氣候變化

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披露指標

Reporting Section

對應章節

Social

社會

B1: Employment

B1：僱傭

General Disclosure

(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

一般披露

有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的a)政策b)遵守對發行人有重大影響的相關法律及規例的資料。

B1.1 Total workforce by gender, employment type, age group and geographical region.

B1.1按性別、僱傭類型、年齡組成及地區劃分的僱員總數。

B1.2 Employee turnover rate by gender, age group and geographical region.

B1.2按性別、年齡組成及地區劃分的僱員流失比率。

B2: Health and Safety

B2：健康與安全

General Disclosure

(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.

一般披露

有關提供安全工作環境及保障僱員避免職業性傷害危害的a)政策b)遵守對發行人有重大影響的相關法律及規例的資料。

B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.

B2.1過去三年(包括匯報年度)因工作關係而死亡的人數及比率。

B2.2 Lost days due to work injury.

B2.2因工傷損失工作日數。

B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.

B2.3描述所採納的職業健康及安全措施，以及相關執行及監察方法。

Compliance Employment
Employee Care and Welfare

合規僱傭
員工關懷與福利

Compliance Employment
Summary of Key Social
Performance

合規僱傭
社會績效數據匯總

Compliance Employment
Summary of Key Social
Performance

合規僱傭
社會績效數據匯總

Occupational Health and Safety

職業健康與安全

Summary of Key Social
Performance

社會績效數據匯總

Occupational Health and Safety
Summary of Key Social
Performance

職業健康與安全
社會績效數據匯總

Occupational Health and Safety

職業健康與安全

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KPIs

披露指標

Reporting Section

對應章節

B3: Development and Training

B3：發展及培訓

General Disclosure

Policies on improving employees' knowledge and skills for discharging duties at work.

Description of training activities

一般披露

有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。

B3.1 The percentage of employees trained by gender and employee category.

B3.1按性別及僱員類型劃分的受訓僱員百分比。

B3.2 The average training hours completed per employee by gender and employee category.

B3.2按性別及僱員類別劃分，每名僱員完成受訓的平均時數。

Employee Training

多元發展與培訓

Employee Training
Summary of Key Social
Performance

多元發展與培訓
社會績效數據匯總

Employee Training
Summary of Key Social
Performance

多元發展與培訓
社會績效數據匯總

B4: Labour Standards

B4：勞工準則

General Disclosure

(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.

一般披露

有關防止童工或強制勞工的a)政策b)遵守對發行人有重大影響的相關法律及規例的資料。

B4.1 Description of measures to review employment practices to avoid child and forced labour.

B4.1描述檢討招聘慣例的措施以避免童工及強制勞工。

B4.2 Description of steps taken to eliminate such practices when discovered.

B4.2描述在發現違規情況時消除有關情況所採取的步驟。

Labour Standards

勞工準則

Labour Standards

勞工準則

Labour Standards

勞工準則

B5: Supply Chain Management

B5：供應鏈管理

General Disclosure

Policies on managing environmental and social risks of the supply chain.

一般披露

管理供應鏈的環境及社會風險政策。

B5.1 Number of suppliers by geographical region.

B5.1按地區劃分的供貨商數目。

Supply Chain Management

供應鏈常規

Supply Chain Management
Summary of Key Social
Performance

供應鏈常規
社會績效數據匯總

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Reporting Section 對應章節

B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
B5.2描述有關聘用供貨商的慣例，向其執行有關慣例的供貨商數目、以及有關慣例的執行及監察方法。	供應鏈常規
B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
B5.3描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	供應鏈常規
B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B5.4描述在揀選供貨商時促使多用環保產品及服務的慣例，以及有關慣例的執行及監察方法。	供應鏈常規
B6: Product Responsibility	
B6：產品責任	
General Disclosure	Product and Service Standardization
(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Compliance Marketing and Advertising
一般披露	產品與服務標準化
有關所提供產品和服務的健康及安全、廣告、標籤及隱私事宜及補救方法的a)政策b)遵守對發行人有重大影響的相關法律及規例的資料。	合理營銷及宣傳
B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Summary of Key Social Performance
B6.1已售或已運送產品總數中因安全與健康理由而需回收的百分比。	社會績效數據匯總
B6.2 Number of products and service-related complaints received and how they are dealt with.	Product and Service Standardization
B6.2接獲關於產品及服務的投訴數目以及應對方法。	產品與服務標準化
B6.3 Description of practices relating to observing and protecting intellectual property rights.	Protection of Intellectual Property Rights
B6.3描述與維護及保障知識產權有關的慣例。	知識產權保護
B6.4 Description of quality assurance process and recall procedures.	Product and Service Standardization
B6.4描述質量檢定過程及產品回收程序。	Enhancing Customer Experience
	產品與服務標準化
	貼心提升客戶體驗
B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Customer Safety and Right Protection
B6.5描述消費者數量保障及私隱政策、以及相關執行及監察方法。	顧客安全與權益維護

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Reporting Section

對應章節

B7: Anti-corruption

B7：反貪污

General Disclosure

(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

一般披露

有關防止賄賂、勒索、欺詐及洗黑錢的a)政策b)遵守對發行人有重大影響的相關法律及規例的資料。

B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.

B7.1於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。

B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.

B7.2描述防範措施及舉報程序，以及相關執行及監察方法。

B7.3 Description of anti-corruption training provided to directors and staff.

B7.3描述向董事及員工提供的反貪污培訓。

Anti-Corruption and Anti-Money Laundering

反貪污與反洗錢

Anti-Corruption and Anti-Money Laundering
Summary of Key Social Performance

反貪污與反洗錢
社會績效數據匯總

Anti-Corruption and Anti-Money Laundering

Anti-Corruption and Anti-Money Laundering
反貪污與反洗錢

B8: Community Investment

B8：小區投資

General Disclosure

Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.

一般披露

有關以小區參與來了解營運所在小區需要和確保其業務活動會考慮小區利益的政策。

B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).

B8.1專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。

B8.2 Resources contributed (e.g. money or time) to the focus area.

B8.2在專注範疇所動用資源。

Social Welfare

愛心公益

Social Welfare
Contributing Industry Development

愛心公益
貢獻行業發展

Summary of Key Social Performance
社會績效數據匯總

REPORT OF DIRECTORS

董事會報告

REPORT OF DIRECTORS

The board of directors is pleased to submit this report together with the audited consolidated financial statements of the Group for the Reporting Period.

BOARD OF DIRECTORS

The Board currently comprises two executive Directors, three non-executive Directors, and three independent non-executive Directors.

The Directors, from the Listing Date and up to the date of this annual report were:

Executive Directors

Mr. LI Yang (*Chairman of the Board*)
Mr. LIAN Songyong (*Chief Executive Officer, Vice Chairman of the Board*)

Non-executive Directors

Mr. ZHAI Feng
Mr. GENG Jiaq
Ms. LI Fangyu

Independent Non-executive Directors

Mr. FAN Mingchao
Mr. LIU Teng
Mr. JIANG Hua

The biographical details of the current Directors are set out in the section headed "Directors and Senior Management" of this annual report.

The Company has received written confirmation from all independent non-executive Directors regarding their independence as required under Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors to be independent.

GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on February 10, 2022, as an exempted limited liability company under the laws of the Cayman Islands. The Company's Shares were listed on the Main Board of the Stock Exchange on January 16, 2023.

董事會

董事會欣然呈報本報告，連同本集團於報告期間的經審核綜合財務報表。

董事會

董事會目前由兩名執行董事、三名非執行董事及三名獨立非執行董事組成。

自上市日期起直至本年報日期，董事為：

執行董事

李陽先生(董事會主席)
連松泳先生(首席執行官、董事會副主席)

非執行董事

翟鋒先生
耿嘉琦先生
李方雨女士

獨立非執行董事

范銘超先生
劉騰先生
江華先生

現任董事的履歷詳情載於本年報「董事及高級管理層」一節。

本公司已接獲各位獨立非執行董事按上市規則第3.13條的規定有關其獨立性的書面確認。本公司認為所有獨立非執行董事均為獨立。

一般資料

本公司於2022年2月10日根據開曼公司法在開曼群島註冊成立為獲豁免有限公司。本公司股份於2023年1月16日在聯交所主板上市。

REPORT OF DIRECTORS 董事會報告

PRINCIPAL ACTIVITIES

We are a beauty and health management service provider covering traditional beauty services, aesthetic medical services as well as subhealth assessment and intervention services that are all personalized to our clients' health and beauty desire. The activities of the Company's subsidiaries are set out in Note 37 to the consolidated financial statements.

An analysis of the Company's revenue and operating profit for the year by principal activities is set out in the section headed "Management's Discussion and Analysis" in this annual report.

BUSINESS REVIEW

A fair review of the business of the Group as required under Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), comprising a discussion and analysis of the Group's performance during the year, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year, and an indication of likely future development in the business of the Group are provided in the section headed "Chairperson's Statement", "Management Discussion and Analysis" and "Report of the Directors" of this annual report. All such discussions form part of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

Certain key risks and uncertainties we face include: (i) any negative public perception of our brand or reputation will have a material adverse effect on our business; (ii) the beauty and health management services we provide are optional, while customers' demand for such services and the Group's business and financial performance are vulnerable to economic turmoil and recession, changes in the macroeconomic environment and outbreaks similar to COVID-19; (iii) our operations and business planning may be affected by adverse effects of epidemics similar to COVID-19; (iv) we face customer complaints, claims and legal proceedings in the course of our daily operations; (v) we may not be able to obtain, hold or renew all permits, licenses, certificates and other regulatory filings; (vi) China's ongoing regulatory reform of the beauty and health management services industry is unpredictable, and we may be subject to new or more stringent regulations, which may result in significant additional expenses for which we may be subject to penalties; (vii) the market of the beauty and health management services may not grow as expected, which may have a material adverse effect on our business, results of operations and financial condition; (viii) our business performance may be adversely affected by the negative public perception of the beauty and health management services industry as a whole; and (ix) we are exposed to the risk of impairment losses related to goodwill recognized on acquisitions, whereas impairment losses related to intangible assets could have a material impact on our bottom line.

主要業務

我們是美麗與健康管理服務提供商，涵蓋傳統美容服務、醫療美容服務以及亞健康評估及干預服務，這些服務均按照個人需要提供，以滿足客戶追求健康與美麗的期望。本公司附屬公司的業務載於綜合財務報表附註37。

本公司年內按主要活動劃分的收益及經營溢利分析載於本年報「管理層討論及分析」一節。

業務回顧

公司條例(香港法例第622章)附表5所規定的本集團業務中肯審視載於「主席報告書」、「管理層討論及分析」內及「董事會報告」各章節，包括對本集團年內表現的討論及分析、本集團所面對的主要風險及不確定因素的描述、自財政年度結束起所發生對本集團造成影響的重要事件詳情，以及本集團業務未來可能發展的指標。所有有關討論構成本報告的一部分。

主要風險及不確定因素

我們面臨的若干主要風險及不確定因素包括：(i)任何對我們品牌或聲譽的負面公眾觀感將對我們的業務造成重大不利影響；(ii)我們提供的美麗與健康管理服務屬非必需性質，而客戶對該等服務的需求以及本集團的業務及財務表現易受經濟動盪及衰退、宏觀經濟環境變動以及與COVID-19類似的疫情所影響；(iii)我們的運營及業務規劃可能受與COVID-19類似的疫情的不利影響；(iv)我們於日常運營過程中面臨客戶投訴、申索及法律訴訟；(v)我們未必能夠取得、持有或重續所有許可證、牌照、證書及其他監管備案；(vi)中國對美麗與健康管理服務行業持續的監管改革不可預測，我們可能須遵守新法規或更為嚴格的法規，這可能導致重大額外開支，而我們可能受到處罰；(vii)美麗與健康管理服務市場未必如預期般增長，這可能對我們的業務、經營業績及財務狀況造成重大不利影響；(viii)我們的業務表現可能因公眾對美麗與健康管理服務行業整體的負面觀感而受到不利影響；及(ix)我們面臨與收購確認的商譽有關的減值虧損風險，而與無形資產有關的減值虧損可能會對我們的利潤產生重大影響。

REPORT OF DIRECTORS 董事會報告

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Company is committed to operating its business in compliance with applicable environmental protection laws and regulations and has implemented relevant environmental protection measures in compliance with the required standards under applicable PRC laws and regulations.

The Company does not involve in factory operations or consumes any hazardous chemicals in its business process. As a result, we believe that there will be no significant impact on the environment and natural resources in the business operation of the Group. The main impact is mainly the greenhouse gas generated when the stores and offices use electricity. As certain beauty equipment and product suppliers are located outside China, the greenhouse gas may be generated during the transportation and certain waste packaging generated from the Group's operation and suppliers' products may not be effectively sorted and recycled, leading to inappropriate disposal, which may aggravate global warming.

Therefore, the Company not only aims to reduce energy consumption, water consumption, greenhouse gas emissions and waste disposal, but also plans to explore innovative technologies in the market and cooperate with suppliers to carry out emission and waste reduction projects, so as to develop its business in a more environmentally sustainable way.

Further details of the Company's environmental policies and performance are disclosed in the section headed "Environmental, Social and Governance Report" of this annual report. All such discussions form part of this report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended December 31, 2022, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

環境政策及表現

本公司致力於根據適用環保法律及法規經營業務且已根據適用中國法律及法規的規定準則實施相關環保措施。

本公司並不涉及工廠營運或於業務流程中食用任何危險化學品，因此，我們認為在集團營運當中並無對環境及天然資源產生重大影響。而主要所產生的影響主要為門店及辦公室使用電力時所產生的溫室氣體；部份美容設備及產品供貨商位於中國境外，而在運輸途中產生溫室氣體以及集團營運期間及供應商產品中所產生的廢包裝物在未有有效進行分類回收而導致錯誤處置等等，或會加劇全球暖化現象。

因此，本公司不僅旨在減低能源消耗、減少用水量、減少溫室氣體排放及減少廢棄物，更希望於市場上探索創新技術，與供應商合作開展減排減廢項目，以更具環境可持續性的方式發展其業務。

有關本公司環境政策及表現的進一步詳情披露於本年報中「環境、社會及管治報告」一節。所有有關討論構成本報告的一部分。

遵守相關法律法規

據董事會及管理層所知，本集團已於所有重大方面遵守對本集團業務及營運有重大影響的相關法律法規。截至2022年12月31日止年度期間，本集團概無嚴重違反或不遵守適用法律法規的情況。

REPORT OF DIRECTORS 董事會報告

EMPLOYEES AND REMUNERATION POLICIES

A review of the employees and remuneration policies of the Group for the Reporting Period are set out in the section headed “Management Discussion and Analysis” and “Environmental, Social and Governance Report” of this annual report.

RETIREMENT BENEFITS SCHEME

The Group does not have any employee who is required to participate in the Mandatory Provident Fund in Hong Kong. Full-time employees in the PRC participate in various government-funded defined contribution pension schemes, whereby employees are entitled to monthly pensions calculated according to certain formulas. Relevant government agencies are responsible for paying pensions to such retired employees. The Group makes monthly contributions to such pension schemes. Under such plans, the Group has no further payment obligations for post-retirement benefits other than the contributions made. Contributions to such plans are expensed as incurred and contributions paid to such defined contribution pension plans for an employee cannot be used to reduce the Group's future liability to such defined contribution pension plans (even if the related employee leaves).

Details of the contributions to the pension schemes of the Company are set out in Note 10 to the Consolidated Financial Statements of this Annual Report.

MAJOR SUPPLIERS

In 2022, the purchases from the top five suppliers amounted to RMB136.3 million, accounting for approximately 37.7% of our total purchases. In 2022, the purchase from the largest supplier amounted to RMB47.8 million, accounting for approximately 13.2% of our total purchases. During the Reporting Period, we did not encounter any supply disruptions, supply shortages, early termination of supply agreements or inability to obtain sufficient supplies that would have any material adverse impact on our business or results of operations. None of the Directors, their respective close associates or any Shareholder of the Company (who, to the knowledge of our Directors, owns more than 5% of the issued share capital of the Company) has any interest in any of five largest suppliers of the Group.

MAJOR CUSTOMERS

During the Reporting Period, our customers mainly consisted of individual clients and franchisees. Sales to the top five largest customers in aggregate accounted for less than 1.0% of our total revenue during the Reporting Period.

僱員及薪酬政策

有關報告期內本集團僱員及薪酬政策的檢討載於本年報第「管理層討論及分析」及環境、社會及管治報告一節。

退休福利計劃

本集團旗下並無任何僱員須參與香港強制性公積金計劃。中國全職員工參與多項政府資助定額供款退休金計劃，據此員工有權享有根據若干公式計算的每月退休金。相關政府機構承擔向此等退休員工支付退休金的責任。本集團每月向該等退休金計劃供款。根據該等計劃，除所作供款外，本集團並無有關退休後福利的進一步付款責任。該等計劃供款於產生時支銷，且為一名員工向該等定額供款退休金計劃支付的供款不可用作削減本集團於日後對該等定額供款退休金計劃的責任（即使該名員工離職）。

本公司的退休金供款詳情載於本年報綜合財務報表附註10。

主要供應商

於2022年，向前五大供應商的採購額為人民幣136.3百萬元，佔採購總額約37.7%。於2022年，向最大供應商的採購額為人民幣47.8百萬元佔採購總額約13.2%。於報告期內，我們並無遇到任何供應中斷、供應短缺、提早終止供應協議或無法獲得充足供應的情況而對業務或經營業績造成任何重大不利影響。概無董事、彼等各自的緊密聯繫人或就董事所知擁有本公司已發行股本逾5%的本公司任何股東於本集團五大供應商有任何權益。

主要客戶

於報告期內，我們的客戶主要包括個人客戶及加盟商。於報告期內向前五大客戶作出的銷售合共佔總收入少於1.0%。

REPORT OF DIRECTORS 董事會報告

KEY RELATIONSHIP WITH STAKEHOLDERS

Details of our relationship with various stakeholders are disclosed in the Environmental, Social and Governance Report of the Company.

BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of the Company during the Reporting Period are set out in the section headed "Directors and Senior Management" of this annual report.

CHANGES IN DIRECTORS' INFORMATION

Save as disclosed in this annual report, the Company is not aware of any changes in Directors' information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors, non-executive Directors and independent non-executive Directors of the Company has entered into a contract with the Company which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observance of the Articles of Association and provisions on arbitration.

The initial term for their respective appointment letters shall commence from the Listing Date and continue for a period of three years subject always to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than 30 days' prior notice in writing.

None of the Directors has or is proposed to have entered into any service contract with any member of the Group (excluding agreements expiring or determinable by any member of the Group within one year without payment of compensation other than statutory compensation).

與持份者的主要關係

有關我們與諸多利益相關者的關係詳情將於本公司之環境、社會及管治報告中詳細披露。

董事及高級管理層履歷

有關本公司於報告期內的董事及高級管理層的履歷詳情載於本年報「董事及高級管理層」一節。

董事資料變動

除本年報所披露者外，本公司概不知悉董事資料的任何變動須根據上市規則第13.51B(1)條作出披露。

董事的服務合約

本公司已與每位執行董事、非執行董事及獨立非執行董事訂立服務協議，當中包含有關(其中包括)遵守相關法律和法規、遵守組織章程細則和仲裁條款等方面的規定。

彼等各自的委任書的初始期限均自上市日期起為期三年，但在任何情況下都須按組織章程細則的規定膺選連任，直至根據委任書的條款及條件或由其中一方向另一方發出不少於30日的事先書面通知予以終止為止。

概無董事與本集團任何成員公司已訂立或擬訂立任何服務合約(於一年內屆滿或可由本集團任何成員公司免付賠償(法定賠償除外)而終止的協議除外)。

REPORT OF DIRECTORS 董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the year ended December 31, 2022 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate; and none of the Directors, or any of their spouse or children under the age of 18, had any right to subscribe for equity or debt securities of the Company or any other body corporate, or had exercised any such right.

REMUNERATION OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The aggregate amount of remuneration and benefits in kind (including any possible payment of discretionary bonus and equity-settled share-based compensation expense) which were paid by the Group to our five highest paid individual (including both employees and Directors) for the years ended December 31, 2020, 2021 and 2022 were RMB23,110,000, RMB26,133,000 and RMB23,141,000, respectively.

For the year ended December 31, 2022, no emoluments were paid by the Group to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived or agreed to waive any emoluments for the year ended December 31, 2022.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing Connected Transactions" below, during the Reporting Period, there were no transactions, arrangements or contracts in which the Company or any of its subsidiaries or fellow subsidiaries were a party and which were material to the business of the Group and the Directors directly or indirectly have material interest.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing Connected Transactions" below, during the Reporting Period, neither the Company nor any of its subsidiaries entered into any material contract with its controlling shareholder or any of its subsidiaries in respect of the provision of any services.

董事收購股份或債權證的權利

除本年報所披露者外，於截至2022年12月31日止年度任何時間，本公司或其任何附屬公司概無訂立任何安排以使董事可籍購買本公司或任何其他法人團體的股份或債權證而獲取利益，且概無董事或其配偶或不滿18歲的子女有權認購本公司或任何其他法人團體的股本或債務證券或已行使有關權利。

董事及五名最高薪酬人士的薪酬

截至2020年、2021年及2022年12月31日止年度，本集團向五名最高薪酬人士(包括員工及董事)支付的薪酬及實物利益(包括任何可能支付的酌情花紅及以權益結算以股份支付的報酬開支)總額分別為人民幣23,110,000元、人民幣26,133,000元及人民幣23,141,000元。

截至2022年12月31日止年度，本集團並無向任何董事或任何五名最高薪酬人士支付任何酬金，作為加入或在加入本集團時的獎勵或作為離職補償。截至2022年12月31日止年度，亦無董事放棄或同意放棄任何酬金。

董事於重大交易、安排或合約中的權益

除下文「持續關連交易」一節所披露者外，於報告期內，概無董事於本公司或其任何子公司或同系子公司為一方且對本集團業務而言屬重要的任何交易、安排或合約中直接或間接擁有重大利益。

控股股東於重大合約中的權益

除下文「持續關連交易」一節所披露者外，於報告期內，本公司或其任何子公司概無與控股股東或其任何子公司訂立任何有關提供服務等的重要合約。

REPORT OF DIRECTORS

董事會報告

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Mr. Li, Ms. Li, Mr. Lian, Niu Guifen, Cui Yuanjun and Yuan Huimin (each being the controlling shareholder of the Company) have entered into a non-competition undertaking for the benefit of the Company (the "Controlling Shareholder Non-Competition Undertaking"). Pursuant to the Controlling Shareholder Non-Competition Undertaking, the above-mentioned controlling shareholders undertake that they will not and will use their best efforts to procure that their respective associates (except any member companies of the Group) will not, directly or indirectly or as principal or agent on their own account or jointly with or on behalf of any person, firm, company or entity, conduct, engage in, invest in, participate in, attempt to participate in any competing business or investment activities which is the same or similar to any of our core business (i.e. provision of beauty and health management services (i.e. traditional beauty services, aesthetic medical services, surgical aesthetic medical services and subhealth assessment and intervention services)) (the "Restricted Business(es)"), hold any rights or have any financial interests in or otherwise participate in or have an interest (financial or otherwise) in such business(es) (whether alone or jointly with other persons, whether directly or indirectly or on behalf of or assisting or acting in concert with any other person).

Hainan Qiyan Stem Cell Anti-aging Hospital Co., Ltd. ("Hainan Qiyan") has also entered into a non-competition undertaking for the benefit of the Company (the "Hainan Qiyan Non-Competition Undertaking"). Pursuant to the Hainan Qiyan Non-Competition Undertaking, Hainan Qiyan undertakes that it will not and will use its best efforts to procure that its associates (except any member companies of the Group) will not, directly or indirectly or as principal or agent on their own account or jointly with or on behalf of any person, firm, company or entity, conduct, engage in, invest in, participate in, attempt to participate in any competing business or investment activities which is the same or similar to the Restricted Business(es), hold any rights or have any financial interests in or otherwise participate in or have an interest (financial or otherwise) in such business(es) (whether alone or jointly with other persons, whether directly or indirectly or on behalf of or assisting or acting in concert with any other person).

董事及控股股東於競爭業務的權益

李先生、李女士、連先生、牛桂芬、崔元俊及苑惠敏(各自為本公司控股股東)已訂立以本公司為受益人的不競爭承諾(「控股股東不競爭承諾」)，根據控股股東不競爭承諾，上述控股股東承諾在控股股東不競爭承諾有效期內他們不會並將盡最大努力促使他們各自的聯繫人(本集團任何成員公司除外)不會直接或間接或以主事人或代理人身份為他們本身或聯同或代表任何人士、商號、公司或實體進行、從事、投資、參與、試圖參與任何與我們的核心業務(即提供美麗與健康管理服務(即傳統美容服務、醫療美容服務、外科手術類醫療美容服務以及亞健康評估及干預服務))相同、類似或構成競爭的業務或投資活動(「受限制業務」)、於當中持有任何權利或擁有任何財務利益或以其他方式涉足或於當中擁有(經濟或其他方面的)權益(不論單獨或與其他人士共同，亦不論直接或間接或代表或協助或與任何其他人士一致行動)。

海南啟研幹細胞抗衰老醫院有限公司(「海南啟研」)亦已訂立以本公司為受益人的不競爭承諾(「海南啟研不競爭承諾」)，根據海南啟研不競爭承諾，海南啟研承諾在海南啟研不競爭承諾有效期內不會並將盡最大努力促使其聯繫人(本集團任何成員公司除外)不會直接或間接或以主事人或代理人身份為他們本身或聯同或代表任何人士、商號、公司或實體進行、從事、投資、參與、試圖參與任何與受限制業務相同的業務或投資活動、於當中持有任何權利或擁有任何財務利益或以其他方式涉及或於當中擁有(經濟或其他方面的)權益(不論單獨或與其他人士共同，亦不論直接或間接或代表或協助或與任何其他人士一致行動)。

REPORT OF DIRECTORS 董事會報告

According to the annual statement on compliance with the above non-competition undertakings provided by each party in the Controlling Shareholder Non-Competition Undertaking and Hainan Qiyao Non-Competition Undertaking, which is dated March 29, 2023, they confirmed that they have complied with the undertakings made in the above non-competition undertakings during the period from January 1 to December 31, 2022 (the "Relevant Period"). The independent non-executive Directors of the Company have reviewed them in the annual review. In summary, the independent non-executive Directors have confirmed that, as far as they can ascertain, the above-mentioned persons have not violated their non-competition undertakings. Save as disclosed above, none of the directors is interested in any business which competes, or is likely to compete, either directly or indirectly with the Company's business.

MANAGEMENT CONTRACTS

Save as disclosed in the section headed "Continuing Connected Transactions" below, no contracts relating to management and administrative affairs of all or any major part of the businesses of the Company were entered into or existed during the Reporting Period.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

For the year ended December 31, 2022, the Group had entered into certain non-exempt continuing connected transactions as set out below. Other material related party transactions entered into by the Group during the year ended December 31, 2021, which do not constitute connected transactions or continuing connected transactions under the Listing Rules, are disclosed in note 33 to the consolidated financial statements of this annual report. Save as disclosed in this annual report, during the year ended December 31, 2022 the Company had not entered into any connected transactions or continuing connected transactions which were required to be disclosed under Chapter 14A of the Listing Rules.

1. The Contractual Arrangements

The Special Administrative Measures for the Access of Foreign Investment (Negative List) (2021) (外商投資准入特別管理措施(負面清單)(2021年版)) (the "Negative List") promulgated jointly by the MOFCOM and the NDRC, the Negative List stipulates industries in which foreign investments is restricted and prohibited. According to the Negative List, the operation of medical institutions falls within the "restricted category", and therefore may not be held 100% by foreign investors.

根據股東不競爭承諾及海南啟研不競爭承諾中各方分別提供的日期為2023年3月29日有關遵守上述不競爭承諾的年度聲明，彼等均確認於2022年1月1日至12月31日期間(「有關期間」)一直遵守上述不競爭承諾中所作出承諾。本公司獨立非執行董事已在年度審閱程序中對其進行審閱，綜上所述，獨立非執行董事已確認，就彼等所能確定，上述人士並未違反其所作出的不競爭承諾。除上文所披露者外，概無董事於任何直接或間接與本公司業務構成競爭或可能構成競爭的業務中擁有權益。

管理合約

除下文「持續關連交易」一節所披露者外，於報告期內並無訂立或存在有關本公司全部或任何主要部分業務管理及行政事務的合約。

關聯方交易及關連交易

截至2022年12月31日止年度，本集團已訂立若干載列如下的不獲豁免持續關連交易。本集團於截至2021年12月31日止年度訂立的其他重大關聯方交易(不構成上市規則項下的關連交易或持續關連交易)於本年報綜合財務報表附註33披露。除本年報所披露者外，截至2022年12月31日止年度，本公司並無訂立任何須根據上市規則第十四A章披露的關連交易或持續關連交易。

1. 合約安排

商務部及國家發改委聯合頒佈《外商投資准入特別管理措施(負面清單)(2021年版)》(「負面清單」)，負面清單規定外商投資受限及禁止的行業。根據負面清單，醫療機構運營屬於「受限類別」，因此外商投資者不得100%持有醫療機構。

REPORT OF DIRECTORS 董事會報告

According to the Provisional Measures for the Administration on Sino-Foreign Equity and Cooperative Medical Institutions (中外合資、合作醫療機構管理暫行辦法), foreign investors are not allowed to hold more than 70% equity interest in a medical institution. As part of our business, our Group operates medical institutions which offer medical services including aesthetic medical services (including a limited amount of surgical aesthetic medical services that are classified as low-risk Grade I medical procedures according to the applicable laws and regulations) and subhealth assessment and intervention services (the “Relevant Businesses”). The operation of such medical institutions fall into the scope of the “restricted” category of the Negative List. As such, Relevant Businesses are operated in accordance with above-mentioned restrictions by the Group.

Shanghai Liernuo and the Contractual Arrangements are therefore necessary for us to hold part of our interest in the Relevant Business. During the Reporting Period, we generated approximately RMB177.3 million in revenue from the Contractual Arrangement, representing approximately 10.8% of our revenue during the Reporting Period, and the net asset subject to the Contractual Arrangement was approximately RMB41.5 million, representing approximately 20.4% of our net asset during the Reporting Period. Please refer to note 2.1.4 to the Notes to the Consolidated Financial Statements in this annual report for further details of the Restricted Medical Institutions which are partially held by Shanghai Liernuo.

Save as disclosed herein, there were no other new contractual arrangements entered into, renewed and/or reproduced between the Group, Mr. Li and/or Shanghai Liernuo during the Reporting Period. There was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted during the Reporting Period.

During the Reporting Period, none of the Contractual Arrangements had been unwound on the basis that none of the restrictions that led to the adoption of the Contractual Arrangements had been removed. As of the end of the Reporting Period, the Company had not encountered interference or encumbrance from any PRC governing bodies in operating its businesses under the Contractual Arrangements.

根據《中外合資、合作醫療機構管理暫行辦法》，外商投資者不得持有醫療機構70%以上股權。作為業務的一部分，本集團經營醫療機構，該等醫療機構提供醫療美容服務（包括根據適用法律及法規分類為低風險一級醫療項目的少數外科手術類醫療美容服務）以及亞健康評估及干預服務等醫學服務（「相關業務」）。經營該等醫療機構屬於負面清單的「受限」類別。因此，本集團根據上述限制運營相關業務。

因此，上海麗爾諾及合約安排對我們持有相關業務的部分權益屬必要。於報告期間，我們自合約安排產生收入約人民幣177.3百萬元，佔報告期間我們收入約10.8%，而合約安排的資產淨值約人民幣41.5百萬元，報告期間我們資產淨值約20.4%。有關上海麗爾諾部分持有的受限制醫療機構的進一步詳情，請參閱本年報綜合財務報表附註2.1.4。

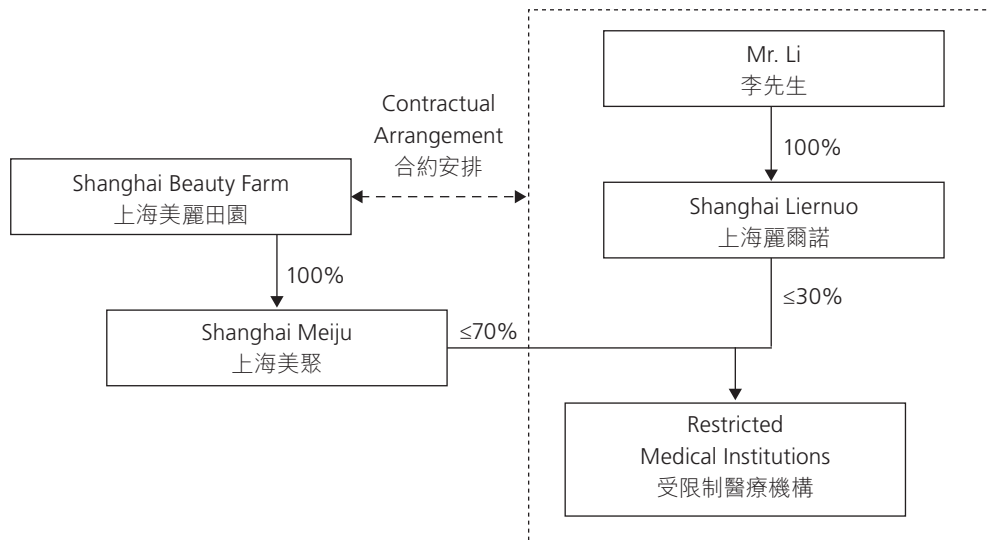
除本報告披露者外，於報告期間，本集團與李先生及／或上海麗爾諾之間並無訂立、續期及／或重訂任何其他新合約安排。於報告期間，合約安排及／或採用合約安排的情況並無重大變動。

於報告期間，由於導致採納合約安排的限制並無刪除，故概無合約安排被解除。截至報告期間末，本公司並未因根據合約安排經營其業務而遭到任何中國監管機構的干涉或阻礙。

REPORT OF DIRECTORS 董事會報告

The Contractual Arrangements applies to the equity interest of Shanghai Liernuo, which in turn holds minority interest in the Group's Restricted Medical Institutions. The following simplified diagram illustrates the flow of economic benefits from our Restricted Medical Institutions to our Group as stipulated under the Contractual Arrangements:

合約安排適用於上海麗爾諾的股權，而上海麗爾諾持有本集團受限制醫療機構少數股權。以下簡圖闡明受限制醫療機構的經濟利益根據合約安排規定流向本集團的情況：



Notes:

- (1) Mr. Li is the registered shareholder of Shanghai Liernuo.
- (2) "←→" denotes direct legal and beneficial ownership in the equity interest.
- (3) "←-→" denotes contractual relationship.
- (4) "-----" denotes the entities that are subject to the Contractual Arrangements.

A brief description of the specific agreements that comprise the Contractual Arrangements is set out below.

附註：

- (1) 李先生為上海麗爾諾的登記股東。
- (2) 「←→」指於股權中的直接合法及實益擁有權。
- (3) 「←-→」指合約關係。
- (4) 「-----」指受合約安排限制的實體。

下文載列組成合約安排的具體協議簡要說明。

REPORT OF DIRECTORS

董事會報告

(i) Exclusive Operation Services Agreements

Mr. Li, Shanghai Beauty Farm and the Restricted Medical Institutions have entered into exclusive operation services agreements with Shanghai Liernuo on April 13, 2022 and on November 4, 2022, pursuant to which, the Restricted Medical Institutions, Mr. Li and Shanghai Liernuo agreed to engage Shanghai Beauty Farm as their exclusive provider of technical support, consulting services and other services in exchange for a service fee.

Under the agreement, the services to be provided include but are not limited to (i) business, financing and investment, (ii) medical technology related consultation, medical resources sharing and medical professionals training, (iii) human resources management, (iv) market research, (v) strategies for marketing and business expansion, (vi) supplier and inventory management, (vii) operation and marketing strategy formulation and monitoring, (viii) medical service quality control, (ix) internal management and (x) other services relating to management and operation of medical institutions. Shanghai Beauty Farm has proprietary rights to all the intellectual properties developed or created by itself from the performance of these services. During the term of the exclusive operation service agreement, Shanghai Beauty Farm may use the intellectual property rights owned by Shanghai Liernuo and the Restricted Medical Institutions free of charge and without any conditions.

The service fee payable shall be an amount equal to the distributable net profit of the Restricted Medical Institutions of a given audited financial year, after deducting losses from the previous financial years (if any) and any statutory provident fund (if applicable). Apart from the service fees, Shanghai Liernuo and the Restricted Medical Institutions shall reimburse all reasonable costs, reimbursed payments and out-of-pocket expenses incurred by Shanghai Beauty Farm in connection with the performance of the exclusive operation services agreement and provision of services.

(i) 獨家運營服務協議

李先生、上海美麗田園及受限制醫療機構已於2022年4月13日及2022年11月4日與上海麗爾諾訂立獨家運營服務協議，據此，受限制醫療機構、李先生及上海麗爾諾同意委聘上海美麗田園作為其獨家服務供應商，提供技術支持、諮詢服務及其他服務以換取服務費。

根據協議，將予提供的服務包括但不限於(i)業務、融資及投資；(ii)醫療技術相關諮詢、醫療資源共享及醫療專業人員培訓；(iii)人力資源管理；(iv)市場調研；(v)營銷及業務拓展戰略；(vi)供應商及存貨管理；(vii)營運及營銷戰略制定及監控；(viii)醫療服務質量控制；(ix)內部管理及(x)與管理及經營醫療機構有關的其他服務。上海美麗田園對其本身履行該等服務所開發或創造的所有知識產權擁有專有權。於獨家運營服務協議期限內，上海美麗田園可免費無條件使用上海麗爾諾及受限制醫療機構擁有的知識產權。

應付服務費為相等於受限制醫療機構於指定經審核財政年度的可分派淨利潤（經扣除過往財政年度虧損（如有）及任何法定公積金（如適用））。除服務費外，上海麗爾諾及受限制醫療機構須支付上海美麗田園就履行獨家運營服務協議及提供服務所產生的所有合理成本、代墊付款及實付開支。

REPORT OF DIRECTORS 董事會報告

(ii) Exclusive Purchase Option Agreements

On April 13, 2022 and on November 4, 2022, Shanghai Beauty Farm, Mr. Li, Shanghai Liernuo, and the Restricted Medical Institutions entered into exclusive purchase option agreements.

Pursuant to the agreements, (i) Mr. Li irrevocably and unconditionally grants an exclusive option to Shanghai Beauty Farm which entitles Shanghai Beauty Farm to elect to purchase at any time, when permitted by the then applicable PRC laws, all or any part of the equity interest in Shanghai Liernuo itself or through its designated person(s), (ii) Shanghai Liernuo irrevocably and unconditionally grants an exclusive option to Shanghai Beauty Farm which entitles Shanghai Beauty Farm to elect to purchase at any time, when permitted by the then applicable PRC laws, all or part of the assets of Shanghai Liernuo itself or through its designated person(s), (iii) Shanghai Liernuo irrevocably and unconditionally grants an exclusive option to Shanghai Beauty Farm which entitles Shanghai Beauty Farm or its designated person to elect to purchase at any time, when permitted by the then applicable PRC laws, all or any part of the equity interests held by Shanghai Liernuo in the Restricted Medical Institutions from Shanghai Liernuo itself or through Shanghai Beauty Farm's designated person(s), (iv) the Restricted Medical Institutions irrevocably and unconditionally grants an exclusive option to Shanghai Beauty Farm which entitles Shanghai Beauty Farm to elect to purchase at any time, when permitted by the then applicable PRC laws, all or any part of the equity interests of the Restricted Medical Institutions, and (v) the Restricted Medical Institutions irrevocably and unconditionally grant an exclusive option to Shanghai Beauty Farm which entitles Shanghai Beauty Farm to elect to purchase at any time, when permitted by the then applicable PRC laws, all or part of the assets of the Restricted Medical Institutions from the Restricted Medical Institutions directly or indirectly attributable to Shanghai Liernuo themselves or through Shanghai Beauty Farm's designated person(s), Shanghai Beauty Farm may appoint designated person(s) in its sole discretion when exercising its option. The transfer price of the relevant equity interests and assets shall be the minimum purchase price permitted under PRC law, and each of Mr. Li, Shanghai Liernuo and the Restricted Medical Institutions will undertake that he/it will, subject to applicable PRC laws, return in full the consideration received in relation to such transfer of equity interests or assets to Shanghai Beauty Farm and/or its designated person(s).

(ii) 獨家購買權協議

於2022年4月13日及2022年11月4日，上海美麗田園、李先生、上海麗爾諾及受限制醫療機構訂立獨家購買權協議。

根據協議，(i)李先生不可撤回及無條件地向上海美麗田園授出獨家選擇權，賦予上海美麗田園權利於當時適用中國法律許可下選擇自行或透過其指定人士隨時購買上海麗爾諾全部或任何部分股權；(ii)上海麗爾諾不可撤回及無條件地向上海美麗田園授出獨家選擇權，賦予上海美麗田園權利於當時適用中國法律許可下選擇自行或透過其指定人士隨時購買上海麗爾諾全部或任何部分資產；(iii)上海麗爾諾不可撤回及無條件地向上海美麗田園授出獨家選擇權，賦予上海美麗田園或其指定人士權利於當時適用中國法律許可下選擇自行或透過上海美麗田園指定人士隨時向上海麗爾諾購買上海麗爾諾所持受限制醫療機構全部或任何部分股權；(iv)受限制醫療機構不可撤回及無條件地向上海美麗田園授出獨家選擇權，賦予上海美麗田園權利於當時適用中國法律許可下選擇隨時購買受限制醫療機構全部或任何部分股權；及(v)受限制醫療機構不可撤回及無條件地向上海美麗田園授出獨家選擇權，賦予上海美麗田園權利於當時適用中國法律許可下選擇自行或透過上海美麗田園指定人士隨時向受限制醫療機構購買上海麗爾諾直接或間接應佔的受限制醫療機構全部或部分資產，上海美麗田園可全權酌情委任指定人士行使其選擇權。相關股權及資產的轉讓價格應為中國法律所允許的最低購買價，而李先生、上海麗爾諾及受限制醫療機構各自將承諾其將悉數返還已收取有關向上海美麗田園及／或其指定人士轉讓股權或資產的對價（視乎適用中國法律而定）。

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(iii) Shareholders' Rights Entrustment Agreements

On April 13, 2022 and on November 4, 2022, Shanghai Beauty Farm, Mr. Li, Shanghai Liernuo and the Restricted Medical Institutions entered into the shareholders' rights entrustment agreements.

Pursuant to the agreements, (i) Mr. Li irrevocably agree to authorize Shanghai Beauty Farm (and its successors or liquidators) or a natural person designated by Shanghai Beauty Farm to exercise all of its rights and powers as a shareholder of Shanghai Liernuo, including the rights to vote at a shareholders' meeting, sign minutes, and file documents with the relevant companies registry, (ii) Shanghai Liernuo irrevocably agrees to authorize Shanghai Beauty Farm (and its successors or liquidators) or a natural person designated by Shanghai Beauty Farm to exercise all of its rights and powers as a shareholder of the Restricted Medical Institutions (as applicable), including the rights to vote at a shareholders' meeting, sign minutes, and file documents with the relevant companies registry. Pursuant to the Shareholders' Rights Entrustment Agreements, the power of attorney granted in favor of Shanghai Beauty Farm and actions it takes in relation to the Contractual Arrangement will only be decided by officers or Directors other than Mr. Li (being a registered holder). As Shanghai Beauty Farm is a subsidiary of the Company, the terms of the shareholders' rights entrustment agreements will give the Company control over all corporate decisions of the Restricted Medical Institutions and 100% equity interests of Shanghai Liernuo.

(iv) Equity Pledge Agreements

On April 13, 2022 and on November 4, 2022, Shanghai Liernuo, Mr. Li, Shanghai Beauty Farm and the Restricted Medical Institutions entered into equity pledge agreements. Pursuant to the agreements, (i) Mr. Li agree to pledge all of his equity interests in Shanghai Liernuo, and (ii) Shanghai Liernuo agrees to pledge all of its equity interests in the Restricted Medical Institutions to Shanghai Beauty Farm to secure performance of all their obligations and the obligations of Mr. Li, Shanghai Liernuo and the Restricted Medical Institutions under the agreements underlying the Contractual Arrangements.

(iii) 股東權利委託協議

於2022年4月13日及2022年11月4日，上海美麗田園、李先生、上海麗爾諾及受限制醫療機構訂立股東權利委託協議。

根據協議，(i)李先生不可撤回地同意授權上海美麗田園(及其繼承人或清盤人)或上海美麗田園指定的自然人行使其作為上海麗爾諾股東的一切權利及權力(包括於股東大會上投票、簽署會議記錄及向相關公司登記處存檔的權利)；(ii)上海麗爾諾不可撤回地同意授權上海美麗田園(及其繼承人或清盤人)或上海美麗田園指定的自然人行使其作為受限制醫療機構(如適用)股東的一切權利及權力(包括於股東大會上投票、簽署會議記錄及向相關公司登記處存檔的權利)。根據股東權利委託協議，以上海美麗田園為受益人授出的授權書及其就合約安排採取的行動將僅由除李先生(作為登記持有人)以外的高級職員或董事決定。由於上海美麗田園為本公司的附屬公司，股東權利委託協議的條款將賦予本公司權利控制受限制醫療機構的所有公司決策及上海麗爾諾的100%股權。

(iv) 股權質押協議

於2022年4月13日及2022年11月4日，上海麗爾諾、李先生、上海美麗田園及受限制醫療機構訂立股權質押協議。根據協議，(i)李先生同意質押其於上海麗爾諾的全部股權；及(ii)上海麗爾諾同意向上海美麗田園質押其於受限制醫療機構的全部股權，以保證其履行全部責任及李先生、上海麗爾諾及受限制醫療機構履行於合約安排相關的協議項下的責任。

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(v) Spousal Undertakings

The spouse of Mr. Li has signed an undertaking to the effect that she has no right to or control over such interests of the respective persons and will not have any claim on such interests under the Contractual Arrangements.

Risk Relating to the Contractual Arrangements

There are the certain risks that are associated with the Contractual Arrangements, including:

- if the PRC government deems our Contractual Arrangements does not comply with PRC regulatory restrictions on foreign investment in the relevant industries, we could be subject to penalties or be forced to relinquish our interests in those operations.
- we rely on Contractual Arrangements to exercise control over Shanghai Liernuo and Restricted Medical Institutions, which may not be as effective as direct ownership in providing operational control.
- contractual Arrangements we have entered into may be subject to scrutiny by the PRC tax authorities and may adversely affect our tax liabilities.
- Shanghai Liernuo or its shareholder may fail to perform their obligation and/or might have conflicts of interest with the Group in relation to the Contractual Arrangements.
- substantial uncertainties exist with respect to the interpretation and implementation of foreign investment law in the PRC.

Our Group has adopted the following measures to ensure the effective operation of our Group with the implementation and compliance of the Contractual Arrangements:

- major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to our Board, if necessary, for review and discussion on an occurrence basis;
- our Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;

(v) 配偶承諾

李先生的配偶已簽立承諾，表明其對相關人士的有關權益並無權利或控制權，且不會就合約安排項下的有關權益提出任何申索。

與合約安排有關的風險

合約安排涉及若干風險，包括：

- 倘中國政府認為合約安排不符合中國對相關行業外商投資的監管限制，我們可能會遭受處罰或被迫放棄於該等業務的利益。
- 我們倚賴合約安排以行使對上海麗爾諾及受限制醫療機構的控制權，而有關控制權在提供經營控制權方面可能不如直接所有權有效。
- 我們已訂立的合約安排可能受中國稅務機關審查，對我們的稅項負債產生不利影響。
- 上海麗爾諾或其股東可能無法履行其義務及／或可能與本集團有關合約安排有利益衝突。
- 關於中國《外商投資法》的詮釋及實施存在重大不確定性。

本集團已採取以下措施，以確保本集團的有效運營並且執行及遵守合約安排：

- 執行及遵守合約安排所出現的重大問題或政府部門提出的任何監管查詢將在發生時呈交董事會審閱及討論（倘需要）；
- 董事會將至少每年一次檢討合約安排的整體履行及遵守情況；

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- our Company will disclose the overall performance and compliance with the Contractual Arrangements in its annual reports and interim reports to update our Shareholders and potential investors; and
- our Company will engage external legal advisers or other professional advisers, if necessary, to assist the Board to review the implementation of the Contractual Arrangements and the legal compliance of Shanghai Beauty Farm, Shanghai Liernuo and the Restricted Medical Institutions to deal with specific issues or matters arising from the Contractual Arrangements.
- 本公司將在年度報告及中期報告披露合約安排的整體履行及遵守情況，以向股東及有意投資者提供最新資料；及
- 本公司將在必時委聘外部法律顧問或其他專業顧問，協助董事會審閱上海美麗田園、上海麗爾諾及受限制醫療機構對合約安排的執行及法律合規情況，以處理合約安排產生的具體問題或事宜。

2. The Hainan Qiyang Cooperation Agreement

Shanghai Beauty Farm has entered into a cooperation agreement dated January 1, 2022 with Hainan Qiyang (the "Cooperation Agreement"), pursuant to which we will recommend and refer our clients to Hainan Qiyang based on our clients' needs and suitability for Hainan Qiyang's services in return for a cooperation fee. Shanghai Beauty Farm is responsible for providing consultations to our clients, coordinating and scheduling of meeting between the client and Hainan Qiyang, client relationship maintenance and other administrative tasks required to facilitate the cooperation. Shanghai Beauty Farm will only provide clients' information and refer them to Hainan Qiyang with the client's consent. In addition, Hainan Qiyang will also exclusively refer its patients in need of diagnostic services (including functional assessment and sub-health assessment services for overall health conditions, chronic disease, mental health screening and electrical impedance analysis on the digestive system) to the Group (the "Diagnostic Service Referral").

2. 海南啟研合作協議

上海美麗田園已於2022年1月1日與海南啟研訂立合作協議（「合作協議」），據此，我們將根據客戶需要及海南啟研服務的合適程度向海南啟研推薦及轉介客戶，並收取合作費作為回報。上海美麗田園負責為客戶提供諮詢、協調及安排客戶與海南啟研會面、維持客戶關係以及進行促進合作的其他行政工作。上海美麗田園在客戶同意的情況下方可向海南啟研提供客戶資料及轉介客戶。此外，海南啟研亦將向本集團獨家轉介其需要診斷服務的患者（包括就整體健康狀況進行的功能評估及亞健康評估服務、慢性病、心理健康篩查及消化系統電阻抗分析）（「診斷服務轉介」）。

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Pricing and Annual Cap

Shanghai Beauty Farm shall receive a cooperation fee which will be equal to 60% of a referred client's actual spending with Hainan Qiyan in exchange for the services provided by the Group and Hainan Qiyan shall charge such referred clients fees in accordance with the price list applicable to all clients. We shall charge such referred clients no other fees in relation to services provided by Hainan Qiyan and to the extent the clients are referred through our franchised stores that provide services to them, part of the cooperation fee will be paid directly to the franchised stores. The cooperation fee will be invoiced and settled between Shanghai Beauty Farm and Hainan Qiyan on a monthly basis. The calculation of the cooperation fee was determined through arm's length negotiation between Hainan Qiyan and Shanghai Beauty Farm with reference to similar cooperation arrangements and is no less favorable to our Group than cooperation fee that our Group charges independent third parties who sought similar services from our Group. Hainan Qiyan will not charge any referral fee for the Diagnostic Service Referral and the Group will directly charge Hainan Qiyan's referred patients in accordance with the Group's standard rates for the relevant diagnostic services.

For the years ending December 31, 2022, 2023 and 2024, the total amount payable by Hainan Qiyan to our Group should not exceed RMB24.50 million, RMB29.50 million and RMB34.50 million, respectively. During the Report Period, the amount of cooperation fees payable pursuant to the cooperation agreement was RMB19,449,000 (exclusive of VAT).

3. The Hainan Qiyan Property Lease Agreement

Hainan Meirui entered into a property lease agreement dated January 1, 2022 with Hainan Qiyan (the "Property Lease Agreement"), pursuant to which Hainan Qiyan leases from Hainan Meirui for business operation and dormitory space in Bo'ao, Hainan province with an aggregate area of 4,618 sq.m.

Pricing and Annual Cap

The rent to be charged is RMB6.40 million, RMB6.72 million and RMB7.06 million per annum for the year 2022, 2023 and 2024, respectively. The rent was determined by Hainan Qiyan and our Group through arm's length negotiation based on a number of factors including but not limited to the prevailing market rent of similar property located in the vicinity and the terms of the lease and the rent payable is exclusive of utilities usage which Hainan Qiyan pays directly to the relevant utilities service provider.

During the Report Period, the amount of rent payable pursuant to the lease agreement was RMB5,872,000 (exclusive of VAT).

定價及年度上限

上海美麗田園將收取合作費用，金額相當於轉介客戶在海南啟研實際支出的60%以換取本集團提供服務，而海南啟研將根據適用於所有客戶的價目表向該轉介客戶收費。我們不會就海南啟研提供的服務向該等轉介客戶收取任何其他費用，如屬通過為客戶提供服務的加盟店轉介的客戶，則部分合作費將直接向加盟店支付。合作費用將由上海美麗田園與海南啟研按月開具發票及結算。合作費用的計算方式由海南啟研與上海美麗田園經參考類似合作安排經公平磋商後釐定，且就本集團而言不遜於本集團對向本集團尋求類似服務的獨立第三方所收取合作費用。海南啟研不會就診斷服務轉介收取任何轉介費用，而本集團將根據相關診斷服務的本集團標準收費向海南啟研的轉介患者直接收取費用。

截至2022年、2023年及2024年12月31日止年度，海南啟研應付本集團的總金額應分別不超過人民幣24.50百萬元、人民幣29.50百萬元及人民幣34.50百萬元。於報告期間，根據合作協議，應付合作費用的金額為人民幣19,449,000元(不含增值稅)。

3. 海南啟研物業租賃協議

海南美瑞與海南啟研訂立日期為2022年1月1日的物業租賃協議(「物業租賃協議」)，據此，海南啟研向海南美瑞租賃位於海南省博鰲鎮的業務經營場所及宿舍空間，總面積為4,618平方米。

定價及年度上限

於2022年、2023年及2024年，將收取的租金分別為每年人民幣6.40百萬元、人民幣6.72百萬元及人民幣7.06百萬元。租金由海南啟研與本集團根據多項因素(包括但不限於鄰近類似物業的現行市場租金及租賃條款)經公平磋商釐定，而應付租金不包括公用服務的使用，有關使用由海南啟研直接向相關公用服務提供商支付。

於報告期間，根據租賃協議，應付租金的金額為人民幣5,872,000元(不含增值稅)。

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Listing Rules Implications and Waivers from the Stock Exchange

Mr. Li is directly interested in 0.01% of Hainan Qiyang's registered share capital and the remaining 99.99% of Hainan Qiyang's registered share capital are held by Shanghai Qishi Commercial Management Partnership (Limited Partnership) (上海祈時商業管理合夥企業(有限合夥)), a limited partnership that is in turn controlled by Mr. Li and Ms. Li. Hainan Qiyang is therefore regarded as a connected person of our Company. Therefore the aforementioned transactions constitute continuing connected transactions of our Company upon Listing as Mr. Li and Ms. Li our controlling shareholder and are connected persons of the Group.

We have applied to the Stock Exchange for, and the Stock Exchange has granted, (i) a waiver from strict compliance with the announcement requirement under Rule 14A.105 of the Listing Rules in relation to the Cooperation Agreement and Property Lease Agreement, and (ii) a waiver from strict compliance with the announcement, circular and independent shareholders' approval requirement under Rule 14A.105, the requirement of setting an annual cap under Rule 14A.53 and the requirement limiting the term of the transaction to three years or less under Rule 14A.52 of the Listing Rules in relation to the Contractual Arrangement. The waiver in relation to the Contractual Arrangement is subject to the following conditions:

- no change without independent non-executive Directors' approval;
- no change without independent Shareholders' approval;
- the Contractual Arrangements shall continue to enable our Group to receive the entire economic benefits derived by the Restricted Medical Institutions and Shanghai Liernuo;
- the Contractual Arrangements may be renewed and/or reproduce (i) upon expiry or (ii) in relation to any existing, newly established or acquired wholly foreign invested enterprise or operating company (including a branch company) engaging in the same business as that of our Group which the Group might wish to establish when justified by business expediency, without obtaining Shareholders' approval, on substantially the same terms and conditions as the Contractual Arrangements; and
- our Group will disclose details relating to the Contractual Arrangements on an on-going basis.

上市規則的涵義及聯交所豁免

李先生於海南啟研0.01%的註冊股本中直接擁有權益，而海南啟研餘下的99.99%註冊股本則由上海祈時商業管理合夥企業(有限合夥)持有，上海祈時為受李先生及李女士控制的有限合夥企業。因此，海南啟研被視為本公司的關連人士。由於李先生及李女士為本集團控股股東及關連人士，故上述關連交易於上市後構成本公司持續關連交易。

(i)就合作協議及物業租賃協議而言，我們已向聯交所申請，且聯交所已批准豁免我們嚴格遵守上市規則第14A.105條的公告規定；及(ii)就合約安排而言，我們已向聯交所申請，且聯交所已批准豁免我們嚴格遵守上市規則第14A.105條的公告、通函及獨立股東批准規定、第14A.53條要求訂立年度上限的規定以及上市規則第14A.52條將交易年期限限制在三年或以下的規定。有關合約安排的豁免須滿足下列條件：

- 未經獨立非執行董事批准不得變更；
- 未經獨立股東批准不得變更；
- 合約安排將持續使本集團收取受限制醫療機構及上海麗爾諾產生的全部經濟利益；
- (i)當現有安排屆滿後，或(ii)對於本集團可能出於業務便利而有意成立與本集團從事相同業務的任何現有或新成立或收購的外商獨資企業或經營公司(包括分公司)，該合約安排可在未取得股東批准的情況下按與現有合約安排大致相同的條款及條件續期及／或重訂；及
- 本集團將持續披露合約安排的詳情。

REPORT OF DIRECTORS 董事會報告

Annual Review by the Independent Non-executive Directors and the Auditor

The Auditor was engaged to report on the Group's continuing connected transactions as set out on pages 187 to 195 in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The Auditor has issued its unqualified letter containing its findings and conclusions in respect of these continuing connected transactions disclosed by the Group in the Annual Report in accordance with Rule 14A.56 of the Listing Rules.

由獨立非執行董事及核數師進行年度審核

核數師已根據香港會計師公會頒佈的香港核證委聘準則第3000號(經修訂)「審計或審閱過往財務資料以外的核證委聘」及參照實務說明第740號(經修訂)「關於香港上市規則所述持續關連交易的核數師函件」就列載於第187至195頁的持續關連交易執行相關程序。根據上市規則第14A.56條，核數師已就本年報所載本集團披露的持續關連交易發出無保留意見的函件，並載有其發現和結論。

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The independent non-executive Directors, upon review of the overall performance of and compliance with the non-exempt continuing connected transactions and confirmed that (other than the Contractual Arrangements), the non-exempt continuing connected transaction for the Reporting Period were: (i) in the ordinary and usual course of the Company's business; (ii) on normal commercial terms or better to the Company; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole. In relation to the Contractual Arrangements, the independent non-executive Director confirmed that: (i) the transactions carried out during the Reporting Period have been entered into in accordance with the relevant provisions of the Contractual Arrangements; (ii) no dividends or other distributions have been made by Shanghai Liernuo which are not otherwise subsequently assigned or transferred to our Group; and (iii) saved as disclosed herein, no new contract has been entered into, renewed or reproduced between the Group and Shanghai Liernuo during the Reporting Period during the Reporting Period.

獨立非執行董事於審閱不獲豁免持續關連交易的整體履行及合規情況後確認(合約安排除外)，於報告期內，不獲豁免持續關連交易：(i)乃於本公司日常一般業務過程中訂立；(ii)以正常或對本公司更有利的商業條款訂立；及(iii)根據規管該等交易的有關協議訂立，協議條款公平合理，符合本公司及股東的整體利益。就合約安排而言，獨立非執行董事確認：(i)於報告期內進行的交易乃根據合約安排相關條文訂立；(ii)上海麗爾諾並未派發其後並無另行轉交或轉讓予本集團的股息或作出其他分派；及(iii)除本文所披露者外，本集團與上海麗爾諾於報告期內並無訂立、重續或複製任何新合約。

REPORT OF DIRECTORS 董事會報告

DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

The Company was listed on January 16, 2023, as of the date of this annual report, the interests and short positions of the Directors or chief executive of our Company in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of SFO (including any interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

董事及最高行政人員於本公司或其相聯法團的股份、相關股份及債權證中的權益及淡倉

本公司於2023年1月16日上市，截至本年報日期，董事或本公司最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）股份、相關股份及債權證中擁有的須依據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益及淡倉（包括依據證券及期貨條例的有關條文其被當作擁有或被視為擁有的任何權益或淡倉），或須於本公司依據證券及期貨條例第352條存置的登記冊中記錄的權益及淡倉，或須另行依據標準守則知會本公司及聯交所的權益及淡倉如下：

Name of Directors	Capacity/nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of shareholding in issued share capital ⁽²⁾ 佔已發行股本概約股權百分比 ⁽²⁾
董事姓名	身份／權益性質	所持股份數目 ⁽¹⁾	
Li Yang 李陽	Interest in a controlled corporation ⁽³⁾ 於受控法團的權益 ⁽³⁾	2,000,000	0.85%
	Adviser of a trust ⁽⁴⁾ 信託顧問 ⁽⁴⁾	35,560,000	15.03%
	Interest jointly held with another person ⁽⁵⁾ 與另一名人士共同持有的權益 ⁽⁵⁾	77,420,000	32.71%
Li Fangyu 李方雨	Adviser of a trust ⁽⁶⁾ 信託顧問 ⁽⁶⁾	42,400,000	17.92%
	Interest jointly held with another person ⁽⁵⁾ 與另一名人士共同持有的權益 ⁽⁵⁾	72,580,000	30.67%
Lian Songyong 連松泳	Adviser of a trust ⁽⁷⁾ 信託顧問 ⁽⁷⁾	35,020,000	14.80%
	Interest jointly held with another person ⁽⁵⁾ 與另一名人士共同持有的權益 ⁽⁵⁾	79,960,000	33.79%

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Notes:

- (1) Unless otherwise indicated, shareholding set forth herein are long positions held as at the date of this annual report.
- (2) The Company was listed after the end of the Reporting Period, the percentage of shareholding was calculated based on the Company's 236,661,068 Shares in issue as at the date of this annual report.
- (3) Mr. Li is interested in the entire share capital of LIY Holdings Limited which holds 2,000,000 Shares in the Company.
- (4) Mr. Li is the power holder of Tiantian Trust and is able to exercise the voting rights of 35,560,000 Shares held by LIY Management Holdings Limited, which is in turn owned as to 99.99% by LYBF Management Holdings Limited and is wholly owned by Tiantian Trust.
- (5) Mr. Li, Ms. Li, Mr. Lian Niu Guifen, Cui Yuanjun and Yuan Huimin have entered into a concert party agreement to confirm that they have acted in concert in the management, decision-making and all major decisions of our Group, as such, each of them are deemed to be interested in the Shares each other is interested in. They are collectively interested in the voting rights of 114,980,000 Shares.
- (6) Ms. Li is the power holder of Meimei Trust and is able to exercise the voting rights of 42,400,000 Shares held by LIFY Management Holdings Limited, which is in turn owned as to 99.99% by LFYE Management Holdings Limited and is wholly owned by Meimei Trust.
- (7) Mr. Lian is the power holder of EffieA Trust and is able to exercise the voting rights of 35,020,000 Shares held by Meiyao Holdings Limited, which is in turn owned as to 69.63% by LIANSY Family Holdings Limited and is wholly owned by EffieA Trust.

Save as disclosed above, as of the date of this annual report, so far as it was known to the Directors or chief executive of the Company, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations as recorded in the register required to be kept, pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 除另有說明外，本表格所列權益為截至本年報日期的好倉。
- (2) 本公司於報告期結束後上市，持股比例按截至本年報日期本公司已發行股份236,661,068股計算。
- (3) 李先生於LIY Holdings的全部股本中擁有權益，該公司持有本公司2,000,000股股份。
- (4) 李先生為Tiantian Trust的權力持有人，能夠行使LIY Management Holdings Limited所持35,560,000股股份的投票權，而LIY Management Holdings Limited由LYBF Management Holdings Limited擁有99.99%權益，並由Tiantian Trust全資擁有。
- (5) 李先生、李女士、連先生、牛桂芬、崔元俊及苑惠敏已訂立一致行動人士協議，確認彼等於本集團的管理、決策及所有重大決策中採取一致行動，因此，彼等各自被視為於其餘各人所擁有權益的股份中擁有權益。彼等共同擁有114,980,000股股份的投票權權益。
- (6) 李女士為Meimei Trust的權力持有人，能夠行使LIFY Management Holdings Limited所持42,400,000股股份的投票權，而LIFY Management Holdings Limited由LFYE Management Holdings Limited擁有99.99%權益，並由Meimei Trust全資擁有。
- (7) 連先生為EffieA Trust的權力持有人，能夠行使Meiyao Holdings Limited所持35,020,000股股份的投票權，而Meiyao Holdings Limited由LIANSY Family Holdings Limited擁有69.63%權益，並由EffieA Trust全資擁有。

除上文所披露者外，截至本年報日期，據董事或本公司最高行政人員所知，概無董事或本公司最高行政人員於本公司或其相聯法團的股份、相關股份及債權證中擁有已記入根據證券及期貨條例第352條須予存置的登記冊內的權益或淡倉；或根據標準守則須知會本公司及聯交所的權益或淡倉。

REPORT OF DIRECTORS 董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The Company was listed on January 16, 2023, as of the date of this annual report, so far as the Directors are aware, the following persons (other than the Directors or chief executive of the Company) had or were deemed or taken to have interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the Shares or underlying Shares of the Company

主要股東於本公司股份及相關股份的 權益及淡倉

本公司於2023年1月16日上市，截至本年報日期，據董事所知，下列人士（董事或本公司最高行政人員除外）於本公司股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司及聯交所披露的權益或淡倉，或已記入本公司根據證券及期貨條例第336條須存置的登記冊內的權益或淡倉：

於本公司股份或相關股份的好倉

Name of Directors	Capacity/nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of shareholding in issued share capital ⁽²⁾ 佔已發行股本概約股權百分比 ⁽²⁾
董事姓名／名稱	身份／權益性質	所持股份數目 ⁽¹⁾	
Niu Guifen 牛桂芬	Interest jointly held with another person ⁽³⁾ 與另一名人士共同持有的權益 ⁽³⁾	114,980,000	48.58%
Cui Yuanjun 崔元俊	Interest jointly held with another person ⁽³⁾ 與另一名人士共同持有的權益 ⁽³⁾	114,980,000	48.58%
Yuan Huimin 苑惠敏	Interest jointly held with another person ⁽³⁾ 與另一名人士共同持有的權益 ⁽³⁾	114,980,000	48.58%
LIY Management Holdings Limited	Beneficial owner 實益擁有人	35,560,000	15.03%

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Name of Directors	Capacity/nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of shareholding in issued share capital ⁽²⁾ 佔已發行股本概約股權百分比 ⁽²⁾
董事姓名／名稱	身份／權益性質	所持股份數目 ⁽¹⁾	
LIFY Management Holdings Limited	Beneficial owner 實益擁有人	42,400,000	17.92%
Meiyao Holdings Limited	Beneficial owner 實益擁有人	35,020,000	14.80%
Trident Trust Company (HK) Limited 恒泰信託(香港)有限公司	Interest of corporation controlled by you ⁽⁴⁾ 於受控法團的權益 ⁽⁴⁾	112,980,000	47.74%
THE CORE TRUST COMPANY LIMITED 匯聚信託有限公司	Trustee ⁽⁵⁾ 受託人 ⁽⁵⁾	13,485,568	5.70%
Beijing Xinyu Meiyue Holdings Limited	Beneficial owner ⁽⁶⁾ 實益擁有人 ⁽⁶⁾	57,939,000	24.48%
Shanghai Xinzhi Yuyuan Enterprise Management Partnership (Limited Partnership), ("Shanghai Xinzhi Yuyuan") 上海信致鈺遠企業管理合夥企業(有限合夥) (「上海信致鈺遠」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
Shanghai Panxin Yanzhao Investment Consulting Co., Ltd. ("Shanghai Panxin") 上海磐信言釗投資諮詢有限公司(「上海磐信」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
Beijing Xinyu Investment Center (Limited Partnership), ("Beijing Xinyu") 北京信聿投資中心(有限合夥)(「北京信聿」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
Beijing Youde Investment Management Center (Limited Partnership) ("Beijing Youde") 北京宥德投資管理中心(有限合夥)(「北京宥德」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
Shanghai Youde Equity Investment Center (Limited Partnership) ("Shanghai Youde") 上海宥德股權投資中心(有限合夥)(「上海宥德」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
Shanghai Panxin Mezzanine Investment Management Company Limited ("Panxin Mezzanine")	Interest of corporation controlled by you ⁽⁶⁾	57,939,000	24.48%

REPORT OF DIRECTORS 董事會報告

Name of Directors	Capacity/nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of shareholding in issued share capital ⁽²⁾ 佔已發行股本概約股權百分比 ⁽²⁾
董事姓名／名稱	身份／權益性質	所持股份數目 ⁽¹⁾	
上海磐信夾層投資管理有限公司(「磐信夾層」)	於受控法團的權益 ⁽⁶⁾		
Shanghai Pannuo Corporate Management Service Company Limited (“Shanghai Pannuo”) 上海磐諾企業管理服務有限公司(「上海磐諾」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
CITIC Private Equity Funds Management Co., Ltd. (“CITIC PE”) 中信產業投資基金管理有限公司(「CITIC PE」)	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	57,939,000	24.48%
CITIC Securities Company Limited 中信證券股份有限公司	Interest of corporation controlled by you ⁽⁶⁾ 於受控法團的權益 ⁽⁶⁾	58,019,500 80,500(S)	24.52% 0.03%

Notes:

- (1) Unless otherwise indicated, shareholding set forth herein are long positions held as at the date of this annual report. Short position are denoted as “(S)”.
- (2) The Company was listed after the end of the Reporting Period, the percentage of shareholding was calculated based on the Company’s 236,661,068 Shares in issue as at the date of this annual report.
- (3) Mr. Li, Ms. Li, Mr. Lian Niu Guifen, Cui Yuanjun and Yuan Huimin have entered into a concert party agreement to confirm that they have acted in concert in the management, decision-making and all major decisions of our Group, as such, each of them are deemed to be interested in the Shares each other is interested in. They are collectively interested in the voting rights of 114,980,000 Shares.

附註：

- (1) 除另有說明外，本表格所列權益為截至本年報日期的好倉。淡倉指「(S)」。
- (2) 本公司於報告期結束後上市，持股比例按截至本年報日期本公司已發行股份236,661,068股計算。
- (3) 李先生、李女士、連先生、牛桂芬、崔元俊及苑惠敏已訂立一致行動人士協議，確認彼等於本集團的管理、決策及所有重大決策中採取一致行動，因此，彼等各自被視為於其餘各人所擁有權益的股份中擁有權益。彼等共同擁有114,980,000股股份的投票權權益。

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- (4) Trident Trust Company (HK) Limited is interested in the Shares beneficially held by LIY Management Holdings Limited (through their control of LYBF Management Holdings Limited), LIFY Management Holdings Limited (through their control of LFYE Management Holdings Limited) and MeiYao Holdings Limited (through their control of LIANSY Family Holdings Limited).
- (4) 恒泰信託(香港)有限公司於LIY Management Holdings Limited(透過彼等控制的LYBF Management Holdings Limited)、LIFY Management Holdings Limited(透過彼等控制的LFYE Management Holdings Limited)及MeiYao Holdings Limited(透過彼等控制的LIANSY Family Holdings Limited)實益持有的股份中擁有權益。
- (5) THE CORE TRUST COMPANY LIMITED, as a trustee of two trusts, hold (a) 7,300,000 Shares through Crest Sail Limited, which is owned as to 99% by Vantage Star Global Limited; and (b) 6,185,568 Shares through Thriving Team Limited. Vantage Star Global Limited and Thriving Team Limited are wholly-owned by TCT (BVI) Limited, which, in turn, is wholly-owned by The Core Trust Company Limited.
- (5) 匯聚信託有限公司(作為兩個信託的受託人)(a)通過Crest Sail Limited持有7,300,000股股份,而Crest Sail Limited由Vantage Star Global Limited擁有99%權益;及(b)通過Thriving Team Limited持有6,185,568股股份。Vantage Star Global Limited及Thriving Team Limited由TCT (BVI) Limited全資擁有,而TCT (BVI) Limited由匯聚信託有限公司全資擁有。
- (6) Beijing Xinyu Meiye Holdings Limited is wholly-owned by Shanghai Xinzhi Yuyuan, the general partner of which is Shanghai Panxin, a company directly owned as to 90% by Beijing Xinyu. Beijing Xinyu is also interested in more than 33.33% limited partnership interest in Shanghai Xinzhi Yuyuan. The general partner of Beijing Xinyu is Beijing Youde, whose general partner is Shanghai Pannuo. Shanghai Youde is interested in more than 33.33% limited partnership interest in Beijing Youde and is controlled by Shanghai Pannuo as its general partner. Panxin Mezzanine is interested in more than 33.33% limited partnership interest in Shanghai Youde. Each of Panxin Mezzanine and Shanghai Pannuo is wholly-owned by CITIC PE, which is in turn owned as to 35% by CITIC Securities Company Limited, a company listed on both the Stock Exchange and the Shanghai Stock Exchange.
- (6) Beijing Xinyu Meiye Holdings Limited由上海信致鈺遠全資擁有,而上海信致鈺遠的普通合夥人為上海馨信,該公司由北京信聿直接擁有90%權益。北京信聿亦於上海信致鈺遠超過33.33%有限合夥權益中擁有權益。北京信聿的普通合夥人為北京宥德,其普通合夥人為上海馨諾。上海宥德於北京宥德超過33.33%有限合夥權益中擁有權益,並受上海馨諾(作為其普通合夥人)控制。馨信夾層於上海宥德超過33.33%有限合夥權益中擁有權益。馨信夾層及上海馨諾各自由CITIC PE全資擁有,而CITIC PE由中信證券股份有限公司擁有35%權益,中信證券股份有限公司為一家於聯交所及上海證券交易所上市的公司。

Save as disclosed above, from the Listing Date and up to the date of this annual report, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company, other than the Directors and chief executive of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外,自上市日期起直至本年報日期,除董事及本公司最高行政人員外,本公司並無獲知會本公司已發行股本中有任何其他須依據證券及期貨條例第XV部第2及第3分部條文向本公司披露的相關權益或淡倉,或記入本公司須依據證券及期貨條例第336條存置的登記冊中記錄的相關權益或淡倉。

REPORT OF DIRECTORS 董事會報告

2022 SHARE INCENTIVE PLAN

The Company has adopted a 2022 share incentive plan (the “Share Incentive Plan” or “Scheme”) by a board resolution on March 24, 2022. The following is a summary of the principal terms of the Share Incentive Plan.

(a) Purposes of the Share Incentive Plan

The purposes of this Share Incentive Plan is to recognize and motivate the contributions by the eligible persons and give incentives thereto in order to retain them, as well as to attract suitable personnel for further development of the Group.

(b) Share Incentive Plan Participants

Persons eligible to receive grants under the Share Incentive Plan (the “Grant”) are employees or officers (excluding any Directors or any other core connected person of the Company) of the Group, including any prospective employees (who receives a grant as an inducement to join the Group) (the “Participants”).

(c) Share Incentive Plan Grants

Any Participant who accepts a Share Incentive Plan Grant in accordance with the terms of this Scheme, or (where the context so permits) any person who is entitled to any award in consequence of the death of the original grantee (the “Grantee(s)”) will obtain a conditional right (the “Share Units”) whereby the Grantee shall be entitled to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of exercise of the Share Units, less any tax, stamp duty and other charges applicable, as determined by the committee authorized by the Board (the “Committee”) in its absolute discretion.

(d) Term of the Share Incentive Plan

Subject to the termination provisions therein, the Share Incentive Plan shall be valid and effective for the period of ten (10) years commencing on the January 16, 2023 (being the Company’s listing date, the “Term”), after which period no further awards will be granted, but the provisions of the Share Incentive Plan shall in all other respects remain in full force and effect and awards that are granted during the Term may continue to be exercisable in accordance with their terms of issue.

2022年股份激勵計劃

本公司已於2022年3月24日通過董事會決議案採納2022年股份激勵計劃(「股份激勵計劃」或「計劃」)。以下為股份激勵計劃的主要條款概要。

(a) 股份激勵計劃的目的

本股份激勵計劃旨在認可及激勵合資格人士作出貢獻，並就此授出獎勵以挽留他們，以及為本集團的進一步發展吸引合適的人員。

(b) 股份激勵計劃參與者

根據股份激勵計劃合資格收取授予(「授予」)的人士為本集團的員工或高級職員(不包括任何董事或本公司的任何其他核心關連人士)，包括任何未來員工(收取作為加入本集團誘因的授予的人士)(「參與者」)。

(c) 股份激勵計劃的授予

任何根據本計劃的條款接受股份激勵計劃授予的參與者，或(倘文義所允許)任何因原承授人身故而有權獲得任何獎勵的人士(「承授人」)將獲得一項有條件的權利(「股份單位」)，據此，承授人應有權獲取股份或參考股份單位行使日期或前後股份市值的等值現金，減任何稅項、印花稅及本公司授權的委員會(「委員會」)全權酌情決定的其他適用徵費。

(d) 股份激勵計劃期限

待本報告所載的終止條文達成後，股份激勵計劃將自2023年1月16日起計十(10)年(「期限」)內有效及生效，其後期間將不會授出進一步獎勵，惟股份激勵計劃的條文於所有其他方面將仍具十足效力及效用，而於期限內授出的獎勵可繼續根據其發行條款予以行使。

REPORT OF DIRECTORS

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(e) Grant of Award

On and subject to the terms of the Share Incentive Plan and the terms and conditions that the Committee imposes pursuant thereto, the Committee shall be entitled at any time during the life of the Share Incentive Plan to make a grant to any Participant, as the Committee may in its absolute discretion determine (an "Award").

Awards may be granted on such terms and conditions (e.g. by linking the vesting of their Share Units to the attainment or performance of milestones by any member of the Group, the Grantee or any group of Participants) as the Committee may determine, provided such terms and conditions shall not be inconsistent with any other terms and conditions of the Share Incentive Plan.

A Grant shall be made to a Participant by a letter and/or any such notice or document in such form as the Committee may from time to time determine (the "Notice of Grant") and such Grant shall be subject to the terms as specified in the Share Incentive Plan and the Notice of Grant shall be substantially in the form prescribed in the Share Incentive Plan. By accepting the Award, the Participant shall undertake to hold the Award on the terms on which it is granted and be bound by the provisions of the Share Incentive Plan.

To the extent that the Award is not accepted within the period determined by the Committee, it will be deemed to have been irrevocably declined and shall immediately lapse.

(f) Acceptance of Award

If the Participant accepts the offer of grant of Share Units by signing the Notice of Grant, he is required to sign the acceptance notice and return it to the Company within the period specified and in a manner prescribed in the Notice of Grant. Upon the receipt from the Participant of a duly executed acceptance notice, the Share Incentive Plan is deemed granted to such Participant from the date of the Notice of Grant, and the Participant becomes a Grantee in the Share Incentive Plan. Unless otherwise required under the Notice of Grant, no amount is payable by the Grantee upon the acceptance of the Award.

(e) 授出獎勵

根據股份激勵計劃的條款，並在委員會施加的條款及條件規限下，委員會有權於股份激勵計劃年期內隨時向委員會可全權酌情釐定的任何參與者作出授予（「獎勵」）。

獎勵可按委員會可能釐定的條款及條件授出（例如將股份單位的歸屬與本集團任何成員公司、承授人或任何一組參與者的成就或表現里程碑掛鉤），惟有關條款及條件不得違反股份激勵計劃的任何其他條款及條件。

授予將透過函件及／或委員會不時釐定其形式的任何有關通知書或文件（「授予通知」）向參與者作出，且該授予須受限於股份激勵計劃訂明的條款，且授予通知應實質上採用股份激勵計劃規定的形式。通過接納獎勵，參與者應承諾按將予授出獎勵的條款持有獎勵，並須受股份激勵計劃條文所約束。

倘獎勵未於委員會釐定的期限內獲接納，其將被視為已不可撤回地拒絕，並即時失效。

(f) 接納獎勵

若參與者簽署授予通知以接納授出股份單位的要約，其須簽署接納通知，並按授予通知內指定的時限及訂明的方式將其交回本公司。待接獲參與者的正式簽立接納通知後，股份激勵計劃被視為自授予通知日期起授予該參與者，而參與者成為股份激勵計劃的承授人。除非授予通知另有要求，否則承授人在接受獎勵後無需支付任何款項。

REPORT OF DIRECTORS 董事會報告

(g) Restrictions on Grants

The Committee may not grant any Awards to any Participants (the "Excluded Participants") in any of the following circumstances:

- (a) the requisite approvals for that grant from any applicable regulatory authorities have not been obtained;
- (b) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of the Awards or in respect the Share Incentive Plan unless the Committee determines otherwise;
- (c) where granting the Award would result in a breach by the Company, its subsidiaries or any of the directors of any applicable securities laws, rules or regulations; or
- (d) where such grant of Award would result in a breach of the limits of the Share Incentive Plan.

No Grant shall be made to, nor shall any Grant be capable of acceptance by, any Participant at a time when the Participant would or might be prohibited from dealing in the Shares by any applicable rules, regulations or laws. Further, a Grant must not be made after inside information has come to the Company's knowledge until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement;

no Award may be granted. Such period will cover any period of delay in the publication of a results announcement.

(g) 授予的限制

在下列任何情況下，委員會不得向任何參與者（「除外參與者」）授出任何獎勵：

- (a) 尚未自任何適用監管機構就該授予取得必要批准；
- (b) 證券法例或規例規定須就授出獎勵或就股份激勵計劃刊發招股章程或其他發售文件，委員會另有釐定者則除外；
- (c) 授出獎勵將導致本公司、其附屬公司或任何董事違反任何適用證券法律、規則或法規；或
- (d) 授出有關獎勵將導致違反股份激勵計劃的限額。

於任何適用規則、法規或法律將會禁止或可能禁止參與者買賣股份時，本公司不得向任何參與者作出授予，且任何參與者亦不得接納授予。再者，倘本公司知悉內幕消息，在根據上市規則規定公佈有關內幕消息前，本公司不得作出授予。具體而言，於緊接下列日期（以較早者為準）前一個月期間：

- (a) 為批准本公司任何年度、半年、季度或任何其他中期業績（不論上市規則有否規定）而舉行的董事會會議日期（即根據上市規則首次通知聯交所的日期）；及
- (b) 本公司根據上市規則刊發任何年度或半年業績公告或季度或任何其他中期業績公告（不論上市規則有否規定）的最後限期，直至業績公告日期；

不得授出獎勵。有關期間將涵蓋延遲刊發業績公告的任何期間。

REPORT OF DIRECTORS 董事會報告

(h) Vesting

Subject to compliance with the requirements of the Listing Rules, the Committee has the sole discretion to determine the vesting period and vesting conditions (if any) for any grant of Award(s) to any Grantee, which may also be adjusted and re-determined by the Committee from time to time. Upon fulfillment or waiver of the vesting period and vesting conditions (if any) applicable to the Awards granted to each of the Grantees, a vesting notice (the "Vesting Notice") will be sent to the Grantee and the independent trustee(s) appointed by the Committee to assist with the administering and vesting of the Awards (the "Trustee") by the Committee or by any other means as determined by the Committee in its sole discretion from time to time confirming (a) the extent to which the vesting period and vesting conditions (if any) have been fulfilled or waived, (b) the number of Shares (and, if applicable, the Share Unit Income) or the amount of cash equivalent that the Grantee will receive.

The Grantee is required to execute, after receiving the Vesting Notice, certain documents set out in the Vesting Notice that the Committee considers necessary (which may include, without limitation, a certification to the Company that he has complied with all the applicable terms and conditions set out in this Scheme and the Notice of Grant).

If all or any of the vesting conditions are not satisfied and no waiver of such condition is granted, the Share Unit under the Award, to the extent that such vesting conditions relate, shall be cancelled in a manner to be determined by the Committee in its absolute discretion.

(i) General and Maximum Limit

The maximum number of Shares which may be granted under the Share Incentive Plan is 6,185,568 representing 2.61% of the number of Shares in issue as of the date of this annual report. The Trustee shall not exercise the voting rights attached to Shares under the Share Incentive Plan. The Company shall comply with the relevant Listing Rules requirements on the maximum entitlement of each participant under the scheme.

(h) 歸屬

在遵守上市規則的規定下，委員會可全權酌情釐定向任何承授人授出獎勵的歸屬期及歸屬條件(如有)，上述各項亦可由委員會不時作出調整及重新釐定。於適用於授予各承授人的獎勵的歸屬期及歸屬條件(如有)獲達成或豁免後，委員會將向承授人及委員會委任以協助管理及授予獎勵的獨立受託人(「受託人」)發送歸屬通知(「歸屬通知」)，或以委員會不時全權酌情釐定的任何其他方式確認(a)歸屬期及歸屬條件(如有)已獲達成或豁免的程度；及(b)承授人將收取的股份數目(及(如適用)股份單位收入)或現金等價物金額。

承授人於接獲歸屬通知後，須簽立歸屬通知所載委員會認為必要的若干文件(其中可能包括(但不限於)向本公司提供其已遵守本計劃及授予通知所載所有適用條款及條件的證明)。

倘所有或任何歸屬條件未獲達成且未獲豁免，則以有關歸屬條件相關者為限的獎勵項下股份單位，將以委員會全權酌情釐定的方式註銷。

(i) 一般事項及最高限額

根據股份激勵計劃可授予的最多股份數目為6,185,568股，佔截至本年報日期已發行股份數目的2.61%。受託人不得行使股份激勵計劃項下股份隨附的投票權。本公司須遵守上市規則有關各參與者在該計劃下的最高配額的規定。

REPORT OF DIRECTORS 董事會報告

The Share Incentive Plan was adopted on March 24, 2022 and Awards were only available for grant thereafter. As of December 31, 2022, Awards for up to the maximum limit of Shares for which the Trustee may acquire has been granted and therefore no Awards were available for further grants. Future grants may be made in compliance with the scheme rule of the Share Incentive Plan in the event that any Awards lapses and results in the number of Shares underlying granted falling below the maximum number of Shares which may be granted under the Share Incentive Plan.

The following table summarizes the number of Share Units under the Share Incentive Plan granted to employees of the Company as of the date of this annual report.

股份激勵計劃於2022年3月24日獲採納，此後方可授予獎勵。截至2022年12月31日，已授予受託人可能獲得的股份的最高限額獎勵，因此概無進一步授予獎勵。倘任何獎勵失效並導致授出的相關股份數目低於根據股份激勵計劃可授出的最高股份數目，則未來可根據股份激勵計劃的計劃規則授出獎勵。

下表概述截至本年報日期根據股份激勵計劃向本公司員工授出的股份單位數目。

Participant 參與者	The date of grant (the exercise and vesting period) ¹ 授予日期 (行使及歸屬期) ¹	Number of awards 獎勵數目					As of December 31, 2022 截至2022年 12月31日
		As of January 1, 2022 截至2022年 1月1日	Granted during the Reporting Period 報告期內 授出	Exercised during the Reporting Period 報告期內 行使	Cancelled during the Reporting Period 報告期內 註銷	Lapsed during the Reporting Period 報告期內 失效	
Senior management and other employees of the Company 高級管理層及本公司的其他 員工	November 21, 2022 (Note 2) 2022年11月21日 (附註2)	—	6,185,566	—	—	—	6,185,568
Sub-total 小計		—	6,185,566	—	—	—	6,185,568

REPORT OF DIRECTORS

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Notes:

- (1) As all Shares underlying the Share Incentive Plan has already been issued to Thriving Team Limited and no additional Shares may be issued in respect of the Share Incentive Plan, the outstanding Share Units will not have any dilutive effect on the shareholding of the Company upon Listing. The Awards were granted prior the Company's Listing and its fair value was RMB38.4 million. Details on the basis for fair value measurement is set for in notes 2.21 and 20 of the notes to the consolidated financial statements.
- (2) None of the grantees were the five highest paid employees during the Reporting Period. The Awards will be vested to the grantee in 4 tranches on the first, second, third and fourth year following the Award grant date, provided that certain Group level performance goals are met at such time (targeted net profit for the year) and the relevant grantee elects to make an award payment of RMB24.25 per Share Unit after the vesting date. The payment price for Awards was determined based on the Board's determination of the value of the Awards as of the time of the grant, and the incentive effect that was intended to be achieved with the Awards. If the vesting conditions are not met for any given tranche of the Award, the Share Units exercisable under such tranche will be voided, and will no longer be exercisable (even if the vesting conditions of subsequent tranches are fulfilled). The four tranches of the Awards are therefore exercisable by the relevant grantee (through payment of the aforementioned Award price) from December 31, 2023, December 31, 2024, December 31, 2025 and December 31, 2026 respectively and will all cease to be exercisable on December 31, 2027.

EQUITY-LINKED AGREEMENTS

During the year ended December 31, 2022, the Group did not enter into or have any equity-linked agreements in existence.

MATERIAL LITIGATION

The Group was not involved in any material litigation or arbitration during the year ended December 31, 2022. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the year ended December 31, 2022.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company was listed on January 16, 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company from the date of listing until the date of this annual report.

附註：

- (1) 由於股份激勵計劃相關的所有股份已向 Thriving Team Limited 發行並概無就股份激勵計劃發行額外股份，於上市後，尚未歸屬的股份單位將不會對本公司股權造成任何攤薄影響。獎勵乃在本公司上市之前授出，其公允價值為人民幣38.4百萬。公允價值計量基準的詳情載於綜合財務報表附註2.21及20。
- (2) 報告期內概無承授人為五名最高薪員工。獎勵將於獎勵授出日期後第一、第二、第三及第四年分4批歸屬於承授人，前提是特定本集團層面的績效目標已於當時獲達成當年的淨利潤目標，且相關承授人選擇於歸屬日期後支付獎勵款項每個股份單位人民幣24.25元。獎勵的支付費用乃根據董事會於授出時所釐定的獎勵價值以及預計獎勵將實現的激勵效用而釐定。倘未能就任何特定批次的獎勵達成歸屬條件，根據該批次可行使的股份單位將告失效，並不再可行使（即使其後批次的歸屬條件獲達成）。因此，相關承授人可（藉支付上述獎勵價格）分別自2023年12月31日、2024年12月31日、2025年12月31日及2026年12月31日行使四個批次的獎勵，而所有獎勵將於2027年12月31日不再可行使。

股權掛鈎協議

本集團於截至2022年12月31日止年度並無訂立或存續任何股權掛鈎協議。

重大訴訟

本集團於截至2022年12月31日止年度並無涉及任何重大訴訟或仲裁。於截至2022年12月31日止年度，董事亦並不知悉任何待決或針對本集團的重大訴訟或申索。

購買、出售或贖回本公司上市證券

本公司於2023年1月16日上市，自上市日截止到本年度報告日，本公司或其任何附屬公司概無購買、銷售或贖回任何本公司上市證券。

REPORT OF DIRECTORS 董事會報告

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended December 31, 2022 and details of the Shares issued during the year ended December 31, 2022 are set out in Note 27 to the consolidated financial statements.

DEBENTURE ISSUED

The Group did not issue any debentures for the year ended 31 December 2022.

BANK LOANS AND OTHER BORROWINGS

We have historically been able to obtain bank borrowings when required. We do not foresee any obstacles to doing so in the future. In addition, if we obtain bank loans and financing in the future, we plan to negotiate with banks to restructure our bank borrowings by obtaining loans with better terms, and to take systematic steps to restructure the composition of short-term and long-term borrowings, such as refinancing certain portions of our short-term bank borrowings with long-term Bank borrowings. As of December 31, 2022, our unutilized bank facilities amounted to RMB100 million.

The Directors confirm that we have not defaulted in repayment of bank loans and other borrowings during the Reporting Period. The Directors confirmed that as of the date of this annual report, there were no material covenants of outstanding debts and no covenants had been breached during the Track Record Period and up to the Latest Practicable Date. During the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, we have not encountered any difficulty in obtaining bank loans.

CONVERTIBLE BONDS

The Group did not issue any convertible bonds for the year ended December 31, 2022.

股本及已發行股份

本公司截至2022年12月31日止年度的股本變動詳情，以及截至2022年12月31日止年度的已發行股份詳情，載於綜合財務報表附註27。

已發行債權證

本集團於截至2022年12月31日止年度並無發行任何債權證。

銀行貸款及其他借款

我們過往在需要時一直能夠獲得銀行借款。我們預料未來如此行事不會有任何障礙。此外，倘我們日後取得銀行貸款及融資，我們計劃與銀行進行磋商，以透過獲得條款更佳的貸款重組我們的銀行借款，以及採取有系統的步驟以重組短期及長期借款的組成，例如動用長期銀行借款為我們若干部分的短期銀行借款進行再融資。截至2022年12月31日，我們的未動用銀行融資為人民幣1億元。

董事確認，我們於報告期間並無拖欠銀行貸款及其他借款還款。董事確認，截至本年報日期，概無任何尚未償還債務的重大契諾，於往績記錄期間及直至最後可行日期亦無違反任何契諾。於往績記錄期間及直至最後可行日期，就董事所深知，我們在取得銀行貸款方面並無遇到任何困難。

可換股債券

本集團於截至2022年12月31日止年度並無發行任何可換股債券。

REPORT OF DIRECTORS 董事會報告

DIVIDENDS

The Board has resolved to recommend the distribution of a final dividend of HK\$0.39 per Share (equivalent to RMB0.34) for the year ended December 31, 2022 (a total of approximately HK\$92.3 million), subject to approval by the Shareholders at the AGM. The final dividend is expected to be paid to the Shareholders on or before Thursday, September 28, 2023. The dividend will be paid to the Shareholders whose names appear on the Company's register of shareholders on Wednesday, June 28, 2023. The Group is not aware of any arrangement by which any shareholder has waived or agreed to waive any dividend.

PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to applicable laws and regulations, each Director, auditor or other officer of the Company is entitled to an indemnity from the assets of the Company to indemnify all losses or liabilities incurred or suffered by them as a Director, auditor or other officer of the Company in the defense of any civil or criminal legal proceeding in which they are successful or exonerated.

The above permitted indemnity provisions took effect for the year ended December 31, 2022. The Company has purchased liability insurance to provide appropriate protection for its Directors.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Company and the Group during the year ended 31 December 2022 are set out in note 40 to the financial statements and in the Consolidated Statement of Changes in Equity, respectively.

CHARITABLE DONATIONS

During the Reporting Period, the Group did not make any charitable or other donations.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Reporting Period are set out in Note 15 to the consolidated financial statements.

The valuation of the property as at September 30, 2022 set out in the Prospectus was RMB92,690,000, and additional depreciation of RMB693,000 per annum would be charged against the consolidated statement of comprehensive income had the property been stated at such valuation during the Reporting Period.

股息

董事會已議決建議派發截至2022年12月31日止年度的末期股息每股0.39港元(相當於人民幣0.34元)(合共約92.3百萬港元)，惟須待股東於股東週年大會上批准。末期股息預期將於2023年9月28日(星期四)或之前派發予股東。股息將派發予於2023年6月28日(星期三)名列本公司股東名冊的股東。本集團概不知悉任何股東已放棄或同意放棄任何股息的安排。

獲允許彌償保證

根據公司章程，在不違反適用法律法規的情況下，各董事、核數師或本公司其他高級人員有權從本公司的資產中獲得彌償，以彌償其作為董事、核數師或本公司其他高級人員在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。

上述獲準許的彌償條文已於2022年12月31日止年度生效。本公司已投購責任險，為董事提供適當保障。

可分派儲備

本公司及本集團的儲備於截至2022年12月31日止年度內的變動詳情分別載於財務報表附註40及綜合權益變動表。

慈善捐獻

於報告期內，本集團並無作出任何慈善或其他捐獻。

物業、廠房及設備

本集團於報告期間的物業、廠房及設備的變動詳情載於綜合財務報表附註15。

按招股章程所載，截至2022年9月30日的物業估值為人民幣92,690,000元，而倘於報告期內該物業按上述估值入賬，則應在綜合全面收入表扣除額外折舊每年人民幣693,000元。

REPORT OF DIRECTORS 董事會報告

USE OF PROCEEDS FROM LISTING AND PLACING

On January 16, 2023, the Company was successfully listed on the Stock Exchange. The net proceeds received by the Group from the Global Offering (including proceeds from the exercise of the Over-allotment Option) after deducting underwriting fee and relevant expenses amounted to approximately HK\$558.5 million. The Company intends to apply such net proceeds in accordance with the purposes as set out in the Prospectus.

SUBSIDIARIES

Details of the Company's subsidiaries are set out in Note 37 to the consolidated financial statements.

EVENTS AFTER REPORTING PERIOD

On January 16, 2023, the Company completed its listing on the Main Board of the Stock Exchange, and offered 24,395,500 new Shares and 16,141,000 Sale Shares at the Offer Price of HK\$19.32 per Share. The net proceeds of the Company from the Global Offering were approximately HK\$447.4 million.

On February 3, 2023, the Company announced that the Over-allotment Option granted under the Global Offering had been fully exercised and the Group allotted 6,080,000 Shares at a price of HK\$19.32 per Share. The Company received additional net proceeds of approximately HK\$111.1 million from the exercise of the Over-allotment Option. For details, please refer to the announcements of the Company dated January 13, 2023 and February 5, 2023, respectively.

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

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from June 14, 2023 to June 19, 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on June 13, 2023.

上市及配售所得款項用途

於2023年1月16日，本公司成功在聯交所上市。經扣除包銷費用及相關開支後，本集團自全球發售所得款項(包括行使超額配股權所獲款項)淨額約為558.5百萬港元。本公司擬將所得款項淨額用於招股章程所載的用途。

附屬公司

有關本公司附屬公司的詳情載於綜合財務報表附註37。

報告期後事項

於2023年1月16日，本公司完成在聯交所主板上市，按發售價每股19.32港元發售24,395,500股新股份及16,141,000股銷售股份。本公司自全球發售所得款項淨額約為447.4百萬港元。

於2023年2月3日，本公司公告根據全球發售授出的超額配股權已獲悉數行使，而本集團按每股19.32港元的價格配發6,080,000股股份。本公司自超額配股權獲行使而收取額外所得款項淨額約111.1百萬港元。有關詳情，請參閱本公司日期分別為2023年1月13日及2023年2月5日的公告。

除上文所披露者外，本公司或本集團於報告期間後及直至本年報日期並無進行任何重大報告期後事項。

股東週年大會及暫停辦理股份過戶登記手續

本公司的股份過戶登記將於2023年6月14日至2023年6月19日(首尾兩天包括在內)暫停，期間不會辦理股份過戶登記手續。為符合股東週年大會的出席及投票資格，所有股份過戶文件連同相關股票必須不遲於2023年6月13日下午四時三十分送達本公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

REPORT OF DIRECTORS 董事會報告

For determining the entitlement of the Shareholders to the proposed final dividend, the register of members of the Company will be closed from June 26, 2023 to June 28, 2023 (both days inclusive), during which period no transfers of Shares will be registered. In order to qualify for the proposed final dividend, which is subject to approval of the shareholders at the AGM, all transfers documents accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on June 23, 2023.

CORPORATE GOVERNANCE

A report on the principle corporate governance practices adopted by the Company is set out in the Corporate Governance Report of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available and within the knowledge of the Directors, the Company maintained the prescribed public float as required under the Listing Rules as of the date of this annual report.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands where the Company is incorporated which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

AUDIT COMMITTEE

The Audit Committee has reviewed together with the management and external auditors the accounting principles and policies adopted by the Company, the audited consolidated financial statements for the Reporting Period, and discussed internal control, risk management and financial reporting matters.

AUDITORS

The consolidated financial statements have been audited by PricewaterhouseCoopers who will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

為確定有權收取建議末期股息之股東名單，本公司的股份過戶登記將於2023年6月26日至2023年6月28日（首尾兩天包括在內）暫停，期間不會辦理股份過戶登記手續。股東如欲符合資格收取建議末期股息（須經股東在股東週年大會上批准後方告作實），所有股份過戶文件連同相關股票必須不遲於2023年6月23日下午四時三十分送達本公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

企業管治

有關本公司採納的主要企業管治常規的報告載於本年報的企業管治報告。

充足公眾持股量

根據可公開取得的資料及就董事所知，於本年報日期，本公司已維持上市規則所規定的訂明公眾持股量。

稅務寬免及豁免

董事並不知悉股東因持有本公司上市證券而獲得任何稅務寬免及豁免。

優先選擇權

組織章程細則或本公司註冊成立所在地開曼群島的相關法律概無關於優先選擇權的條文，致使本公司須向現有股東按比例提呈發售新股份。

審核委員會

審核委員會已與管理層及外聘核數師審閱本公司採納的會計準則及政策、報告期間的經審核綜合財務報表，討論內部控制、風險管理及財務報告事宜。

核數師

綜合財務報表已由羅兵咸永道會計師事務所審核，彼將於應屆股東週年大會任滿告退，惟合資格並願意膺選連任。

REPORT OF DIRECTORS 董事會報告

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

All references above to other sections, reports or notes in this report form part of this annual report.

On behalf of the Board
Beauty Farm Medical and Health Industry Inc.

Mr. Li Yang
Chairman

Shanghai, PRC, March 29, 2023

根據上市規則持續披露責任

本公司並無上市規則第13.20、13.21及13.22條項下的任何其他披露責任。

上文提述的本報告的其他章節、報告或附註均構成本年報的一部分。

承董事會命
美麗田園醫療健康產業有限公司

李陽先生
主席

中國上海，2023年3月29日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

To the Shareholders of Beauty Farm Medical and Health Industry Inc.

(incorporated in the Cayman Islands with limited liability)

Opinion

What we have audited

The consolidated financial statements of Beauty Farm Medical and Health Industry Inc. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 226 to 359, comprise:

- the consolidated balance sheet as at 31 December 2022;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致美麗田園醫療健康產業有限公司股東

(於開曼群島註冊成立的有限公司)

意見

我們已審計的內容

美麗田園醫療健康產業有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第226至359頁的綜合財務報表，包括：

- 於2022年12月31日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策及其他解釋信息。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2022年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Key audit matters identified in our audit are summarised as follows:

我們在審計中識別的關鍵審計事項概述如下：

- Revenue recognition for the sale of services
- Impairment assessment of goodwill
- 服務銷售的收入確認
- 商譽減值評估

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Revenue recognition for the sales of services

服務銷售的收入確認

Refer to Note 2.23, Note 4(b) and Note 6 to the consolidated financial statements.

請參閱綜合財務報表附註2.23、附註4(b)及附註6。

The Group generates revenue mainly from traditional beauty services, subhealth assessment and intervention services, and aesthetic medical services. Revenue from the sales of services amounted to approximately RMB1,453 million for the year ended 31 December 2022, representing approximately 89% of the total revenues of the Group.

貴集團的收入主要來自傳統美容服務、亞健康評估及干預服務和醫療美容服務。截至2022年12月31日止年度，服務銷售確認的收入約為人民幣14.53億元，佔貴集團的收入總額約89%。

We have performed the following procedures to address this key audit matter:

我們進行了以下程序，處理關鍵審計事項：

- (i) We understood, evaluated and tested management's internal controls over the revenue recognition for the sales of services;
- (i) 我們了解、評估及測試與服務銷售的收入確認有關的內部控制；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Revenue recognition for the sales of services 服務銷售的收入確認

Refer to Note 2.23, Note 4(b) and Note 6 to the consolidated financial statements.
請參閱綜合財務報表附註2.23、附註4(b)及附註6。

The Group sells prepaid cards to end customers and the total consideration received from end customers is allocated to multiple services under prepaid card based on their relative stand-alone selling prices. Revenue from the sales of services is recognised when the services have been rendered to end customers or the likelihood of the end customers exercising the remaining rights under the prepaid cards becomes remote.

貴集團向終端客戶出售預付卡，自終端客戶收取的總對價根據預付卡的相對獨立售價分配至預付卡項下的多項服務。服務銷售確認的收入於向終端客戶提供服務或終端客戶行使其預付卡下剩餘權利的可能性變得極微時確認。

We focused on this area as significant efforts were spent on auditing the revenue recognised for the sales of services due to the magnitude of the revenue amount and the huge volume of revenue transactions.

我們關注此範疇，是由於收入金額及所發生收入交易量龐大，因此，我們對服務銷售的收入確認投入了大量的審計工作。

- (ii) We discussed with management and evaluated their judgements made in determining the method and timing of revenue recognition and calculation, including the management's estimation of the expected unexercised rights on prepaid packages and the likelihood of the end customers exercising the remaining rights;
我們與管理層討論，並評價其對釐定收入確認及計算方法及時間的判斷，包括管理層對預付卡下的預期未行使權利和終端客戶行使其剩餘權利的可能性的估計；
- (iii) We tested the general control environment and automated controls of the information technology systems used in the transaction processes, including the automatic allocation of the total consideration to multiple services in business system;
我們測試整體控制環境及在交易程序中所用信息科技系統的自動控制，包括業務系統對總對價在多項服務下的自動分配；
- (iv) We tested the mathematical accuracy and the completeness of the system generated reports that summarized the key inputs for the calculation of revenue by using computer-assisted audit techniques; we also tested, on a sample basis, reconciliation of the total amount of cash receipts and consideration of service provided from these reports to the relevant revenue amount recognised in monthly general ledger;
我們通過使用計算機輔助的審計技術，測試系統所生成計算收入所用關鍵輸入數據的歸納報告的數字是否準確及完整；並抽樣檢驗了這些報告內的現金收款和服務銷售對價總額數據與相關的月度總賬中收入確認金額的對賬；

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Revenue recognition for the sales of services 服務銷售的收入確認

Refer to Note 2.23, Note 4(b) and Note 6 to the consolidated financial statements.
請參閱綜合財務報表附註2.23、附註4(b)及附註6。

- (v) We tested, on a sample basis, cash receipts from customers during the year by comparing such receipts with relevant details in sales contracts entered into during the year, including amount, timing and customers' membership information; and
- (v) 我們透過抽樣檢查測試客戶當年的現金收款，方法為將現金收據的證明文件與當年簽訂的銷售合同中的相關細節（包括金額、時間和客戶的會員資訊）進行比較；及
- (vi) We tested, on a sample basis, revenue transactions by comparing the key attributes on system generated reports including customers' membership information, timing, type and consideration of service provided with the underlying data from the system used in the transaction processes, and recalculated the revenue amount recognised.
- (vi) 我們透過抽樣檢查測試交易，方法為將系統生成的報告中的關鍵屬性（包括客戶的會員資訊、時間、服務類型和提供的服務的對價）與交易程序所用系統相關數據進行比較，再重新計算確認的收入金額。

Based on the above, we considered that revenue recognition for the sales of services were supportable by the evidence obtained and procedures performed.

基於上文所述，我們認為現有證據和所執行的程序可支持服務銷售的收入確認。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項

Impairment assessment of goodwill 商譽減值評估

Refer to Note 2.10, Note 2.11, Note 4(a) and Note 21 to the consolidated financial statements.

請參閱綜合財務報表附註2.10、附註2.11、附註4(a)及附註21。

As at 31 December 2022, the Group had goodwill with net carrying amount of RMB196 million.

於2022年12月31日，貴集團商譽賬面淨值為人民幣1.96億元。

Goodwill is allocated to cash-generating units (“CGUs”) for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the brand, city or region of business that goodwill is attributable to. The Group performed goodwill impairment assessment annually or whenever there is an indication that a CGU to which goodwill has been allocated may be impaired.

就減值測試而言，商譽被分配至現金產生單位。分配乃向該等現金產生單位或預期受惠於商譽產生的業務合併的現金產生單位組合作出。就內部管理而言，單位或單位組合被識別為監控商譽的最低級別，（即商譽所屬的業務品牌、城市或地區）。貴集團每年或在有跡象表明已分配商譽的現金產生單位可能發生減值時進行商譽減值評估。

The Group assessed the impairment of goodwill by determining the recoverable amount of CGUs based on value-in-use calculation using cash flow projections. The Group engaged an independent external valuer to provide technical support and assistance in determining the recoverable amount of CGUs.

貴集團評估商譽減值的方法是基於財務預算使用價值計算進行現金流量預測來確定資產組現金產生單位的可收回金額。管理層貴集團已聘請獨立外部評估專家估值師，為確定資產組現金產生單位的可收回金額提供專業的協助。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

We have performed the following procedures to address this key audit matter:
我們進行了以下程序，處理關鍵審計事項：

- (i) We obtained an understanding of management’s internal control and assessment process of impairment assessment of goodwill and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud. We evaluated the outcome of prior period impairment assessment of goodwill to assess the effectiveness of the management’s estimation process;
(i) 我們了解管理層有關商譽減值的內部控制及評估程序，並在評估重大錯報的固有風險時，考慮了估計不確定性的程度和其他固有風險因素，例如估計的複雜性、主觀性、變化以及管理層的偏向或舞弊所導致的錯報的敏感性。我們評估先前期間商譽減值評估的結果，以評估管理層估計程序的有效性；
- (ii) We evaluated and tested the controls over the impairment assessment of goodwill;
(ii) 我們評估及測試商譽減值評估有關的內部控制；
- (iii) We assessed the reasonableness of the basis that management used to identify separate group of CGUs for the allocation of goodwill;
(iii) 我們已評估了管理層對於資產用以識別分配商譽的各現金產生單位組認定別基準的合理性；
- (iv) We evaluated the competence, capabilities and objectivity of the independent external valuer engaged by the Group;
(iv) 我們對貴集團聘請的獨立外部估值師的專業性、勝任能力以及客觀性進行了評估；

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Impairment assessment of goodwill 商譽減值評估

Refer to Note 2.10, Note 2.11, Note 4(a) and Note 21 to the consolidated financial statements.

請參閱綜合財務報表附註2.10、附註2.11、附註4(a)及附註21。

We focused on this area due to (a) the magnitude of the carrying amount of goodwill; and (b) the estimation of recoverable amount is subject to high degree of estimation uncertainty. The inherent risk in relation to the impairment assessment of goodwill is considered relatively higher due to the complexity of the models, subjectivity of significant assumptions used, and significant judgements involved in selecting data, such as annual revenue growth rate within five-year period, EBIT/Revenue rate, long-term growth rate and pre-tax discount rate.

我們關注此範疇，乃由於(a)商譽賬面值龐大；及(b)可收回金額的估計涉及高度估計不確定性。商譽減值評估相關的固有風險被視為重大，原因包括模型的複雜性，所用重大假設的主觀性以及揀選數據所涉及的重大判斷，例如5年期的年度收入增長率、息稅前利潤率、長期增長率及稅前貼現率。

- (v) We involved our internal valuation experts in assessing the appropriateness of the methodology adopted by management in the goodwill impairment assessment and the significant assumptions such as long-term growth rate and pre-tax discount rate adopted in the valuation models;
- (v) 我們在內部估值專家的支持下，評估管理層商譽減值測試方法及估值模型中使用的重大假設，如長期增長率和稅前貼現率的適當性；
- (vi) We assessed the key assumptions adopted including annual revenue growth rate within the five-year period and EBIT/Revenue rate by examining the approved financial budgets, and comparing actual results for the year against the previous period taking into consideration of our industry knowledge;
- (vi) 考慮我們的行業知識後，我們評估採納的關鍵假設，包括5年期的年度收入增長率及息稅前利潤率，方法為審查已獲批財務預測，及將本年度實際業績與上個期間比較；
- (vii) We checked, on a sample basis, the mathematical accuracy of the value-in-use calculations;
- (vii) 我們透過抽樣檢查了估值模型中數學的準確性；
- (viii) We assessed the sensitivity analysis performed by management with potential impacts on the above key assumptions to further understand the extent to which adverse changes, either individually or in aggregate, would result in impairment of goodwill;
- (viii) 我們評估管理層進行有關關鍵假設潛在影響的敏感度分析，以進一步了解不利變動(個別或整體)將導致商譽減值的程度；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Impairment assessment of goodwill 商譽減值評估

Refer to Note 2.10, Note 2.11, Note 4(a) and Note 21 to the consolidated financial statements.

請參閱綜合財務報表附註2.10、附註2.11、附註4(a)及附註21。

- (ix) We assessed the adequacy of the disclosures related to impairment assessment of goodwill in the context of the applicable financial reporting framework; and
- (ix) 我們評估適用財務報告框架有關商譽減值披露的充分性；及
- (x) We also considered whether the judgements made in selecting the models, significant assumptions and data would give rise to indicators of possible management bias.
- (x) 我們亦考慮揀選模型、重大假設及數據的判斷是否導致潛在管理層偏向的指標。

Based on the above, we considered that management's judgements and assumptions applied in the impairment assessment of goodwill were supportable by the evidence obtained and procedures performed.

基於以上所述，我們認為現有證據和所執行的程序可支持管理層在商譽減值評估中所應用的判斷和假設。

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Chiu Kong, Edmond.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 29 March 2023

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是陳朝光。

羅兵咸永道會計師事務所
執業會計師

香港，2023年3月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2022 截至2022年12月31日止年度

		Note 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue	收入	6	1,635,414	1,780,740
Cost of sales and services	銷售及服務成本	9	(917,572)	(946,954)
Gross profit	毛利		717,842	833,786
Selling expenses	銷售開支	9	(287,228)	(299,464)
Research and development expenses	研發開支	9	(31,187)	(18,029)
General and administrative expenses	一般及行政開支	9	(295,432)	(272,450)
Other income	其他收入	7	29,080	20,727
Other expenses	其他開支	7	(3,393)	(3,481)
Other gains	其他收益	8	22,567	18,252
Provision for impairment losses on financial assets	金融資產減值虧損撥備	25	(155)	(1,306)
Operating profit	經營利潤		152,094	278,035
Finance income	財務收入	11	3,094	1,283
Finance costs	財務成本	11	(24,713)	(24,216)
Finance costs — net	財務成本淨額	11	(21,619)	(22,933)
Profit before income tax	除所得稅前利潤		130,475	255,102
Income tax expenses	所得稅開支	12	(19,943)	(46,761)
Profit for the year	年內利潤		110,532	208,341
Profit attributable to:	下列各方應佔利潤：			
Owners of the Company	本公司擁有人		103,109	193,475
Non-controlling interests	非控股權益		7,423	14,866
			110,532	208,341
Earnings per share for profit attributable to owners of the Company	本公司擁有人應佔利潤每股盈利			
— Basic earnings per share (RMB)	— 每股基本盈利(人民幣元)	13	0.52	0.97
— Diluted earnings per share (RMB)	— 每股攤薄盈利(人民幣元)	13	0.52	0.97

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2022 截至2022年12月31日止年度

	Note 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit for the year		110,532	208,341
Other comprehensive loss			
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income	28	(27)	(105)
Other comprehensive loss for the year, net of tax		(27)	(105)
Total comprehensive income for the year		110,505	208,236
Total comprehensive income attributable to:			
Owners of the Company		103,082	193,370
Non-controlling interests		7,423	14,866
		110,505	208,236

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表須與隨附附註一併閱讀。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 December 2022 於2022年12月31日

		Note 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	15	307,704	259,504
Investment properties	投資物業	16	71,145	74,538
Right-of-use assets	使用權資產	17	481,019	451,795
Intangible assets	無形資產	18	83,294	90,251
Goodwill	商譽	21	196,286	194,273
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25	61,201	55,279
Other non-current assets	其他非流動資產	19	2,745	7,103
Financial assets at fair value through other comprehensive income	按公允價值計入其他全面收入的金融資產		47	74
Deferred income tax assets	遞延所得稅資產	31	44,165	35,015
Total non-current assets	非流動資產總值		1,247,606	1,167,832
Current assets	流動資產			
Inventories	存貨	24	142,287	97,250
Trade receivables	貿易應收款項	25	37,356	31,316
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25	147,226	87,038
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	22	626,864	926,338
Restricted cash	受限制現金	26	10,284	10,254
Cash and cash equivalents	現金及現金等價物	26	164,120	157,284
Term deposits with initial terms of over three months	初始為期超過三個月的定期存款	26	119,646	—
Total current assets	流動資產總值		1,247,783	1,309,480
Total assets	資產總值		2,495,389	2,477,312
EQUITY	權益			
Share capital	股本	27	7	—
Treasury stock	庫存股	27	—*	—
Share premium	股份溢價		84,358	—
Other reserves	其他儲備	28	2,098	65,439
Retained earnings	保留盈利		102,284	191,924
Equity attributable to owners of the Company	本公司擁有人應佔權益		188,747	257,363
Non-controlling interests	非控股權益		14,362	5,173
Total equity	總權益		203,109	262,536

* Less than RMB1,000

* 少於人民幣1,000元

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 December 2022 於2022年12月31日

		Note 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	17	374,523	352,279
Deferred tax liabilities	遞延稅項負債	31	8,647	8,744
Total non-current liabilities	非流動負債總額		383,170	361,023
Current liabilities	流動負債			
Trade payables	貿易應付款項	30	7,857	15,436
Other payables and accruals	其他應付款項及應計費用	30	224,061	215,062
Contract liabilities	合約負債	6	1,408,119	1,347,685
Current tax liabilities	流動稅項負債		33,974	31,876
Lease liabilities	租賃負債	17	150,979	163,181
Other current liabilities	其他流動負債	29	84,120	80,513
Total current liabilities	流動負債總額		1,909,110	1,853,753
Total liabilities	負債總額		2,292,280	2,214,776
Total equity and liabilities	權益及負債總額		2,495,389	2,477,312
Net current liabilities	流動負債淨額		661,327	544,273
Total assets less current liabilities	資產總額減流動負債		586,279	623,559

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述綜合資產負債表須與隨附附註一併閱讀。

The consolidated financial statements on pages 226 to 359 were approved by the Board of Directors on 29 March 2023 and were signed on its behalf.

第226至359頁的綜合財務報表已於2023年3月29日經董事會批准，並由下列代表簽署。

Mr. Li Yang
Director

Mr. Lian Songyong
Director

李陽先生
董事

連松泳先生
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2022 截至2022年12月31日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益						
		Share capital	Other reserves	(Accumulated losses)/ Retained earnings	Total	Non-controlling interests	Total equity	
		股本	其他儲備	(累計虧損)/ 保留盈利	總計	非控股權益	總權益	
Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
附註	人民幣千元 (Note 27) (附註27)	人民幣千元 (Note 28) (附註28)	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Balance at 1 January 2021	於2021年1月1日的結餘	—	7,452	133,421	140,873	(165)	140,708	
Profit for the year	年內利潤	—	—	193,475	193,475	14,866	208,341	
Other comprehensive loss	其他全面虧損	—	(105)	—	(105)	—	(105)	
Total comprehensive income	全面收入總額	—	(105)	193,475	193,370	14,866	208,236	
Transactions with owners	與擁有人交易							
Disposal of the Shanghai Beauty Farm's shares through a limited partnership reserved for employee share scheme	通過為員工股份計劃預留的一家有限合夥企業處置上海美麗田園股份	28	—	18,325	—	18,325	—	18,325
Share-based payment expenses	以股份支付的付款開支	20	—	5,802	—	5,802	488	6,290
Transactions with non-controlling interests	與非控股權益交易	28	—	(23,389)	—	(23,389)	1,748	(21,641)
Share reform	股份制改革	28	—	60,059	(60,059)	—	—	—
Others	其他	—	—	(2,705)	—	(2,705)	—	(2,705)
Dividends declared	已宣派股息	14	—	(74,913)	(74,913)	(11,764)	(86,677)	
		—	58,092	(134,972)	(76,880)	(9,528)	(86,408)	
Balance at 31 December 2021	於2021年12月31日的結餘	—	65,439	191,924	257,363	5,173	262,536	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2022 截至2022年12月31日止年度

		Equity attributable to owners of the Company					Non-controlling interests	Total equity
		本公司擁有人應佔權益						
	Note 附註	Share capital	Other reserves	Share premium	Retained earnings	Total		
		股本	其他儲備	股份溢價	保留盈利	總計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 27)	(Note 28)					
		(附註27)	(附註28)					
Balance at 1 January 2022	於2022年1月1日的結餘	—	65,439	—	191,924	257,363	5,173	262,536
Profit for the year	年內利潤	—	—	—	103,109	103,109	7,423	110,532
Other comprehensive loss	其他全面虧損	—	(27)	—	—	(27)	—	(27)
Total comprehensive income	全面收入總額	—	(27)	—	103,109	103,082	7,423	110,505
Transactions with owners	與擁有人交易							
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	將出售按公允價值計入其他全面收入之股本投資收益轉撥至保留盈利	—	825	—	(825)	—	—	—
Issuance of ordinary shares to shareholders	向股東發行普通股	—	3,971	—	—	3,971	—	3,971
Capital injection from non-controlling interests	非控股權益注資	—	—	—	—	—	8,708	8,708
Share-based payment expenses	以股份支付的付款開支	—	14,136	—	—	14,136	42	14,178
Transactions with non-controlling interests	與非控股權益交易	—	2,119	—	—	2,119	(166)	1,953
Dividends declared	已宣派股息	—	—	—	(191,924)	(191,924)	(6,818)	(198,742)
Completion of reorganisation	完成重組	7	(84,365)	84,358	—	—	—	—
		7	(63,314)	84,358	(192,749)	(171,698)	1,766	(169,932)
Balance at 31 December 2022	於2022年12月31日的結餘	7	2,098	84,358	102,284	188,747	14,362	203,109

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述綜合權益變動表須與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2022 截至2022年12月31日止年度

	Note 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Cash flows from operating activities 來自經營活動的現金流量			
Cash generated from operations 經營所得現金	32(a)	409,092	715,862
Income tax paid 已付所得稅		(27,092)	(45,929)
Net cash inflow from operating activities 經營活動所得現金流入淨額		382,000	669,933
Cash flows from investing activities 來自投資活動的現金流量			
Payment for acquisition of subsidiaries, net of cash acquired 收購附屬公司付款 (扣除已收購現金)	35(b)	(4,202)	(11,297)
Purchases of property, plant and equipment and other non-current assets 購置物業、機器及設備以及其他非流動資產		(140,789)	(133,169)
Proceeds from sale of property, plant and equipment and other non-current assets 出售物業、機器及設備以及其他非流動資產所得款項		219	—
Proceeds from disposal of subsidiaries, net off cash disposed 出售附屬公司所得款項，扣除已出售現金		—	3,663
Payment for disposal of a business, net of cash disposed 出售業務付款，扣除已出售現金	21	(2,125)	—
Proceeds from redemption of wealth management products 贖回理財產品所得款項	3.3	1,488,319	1,369,976
Purchase of wealth management products 購買理財產品	3.3	(1,168,150)	(1,614,520)
Increase in term deposits with initial terms of over three months 初始為期超過三個月的定期存款增加	26	(119,646)	—
Net cash generated from/(used in) investing activities 投資活動所得/(所用)現金淨額		53,626	(385,347)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2022 截至2022年12月31日止年度

			2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
	Note 附註			
Cash flows from financing activities		來自融資活動的現金流量		
Repayments of borrowings	32(c)	償還借款	—	(6,370)
Interest paid		已付利息	—	(17)
Dividends paid	32(c)	已付股息	(204,263)	(81,156)
Payment of lease liabilities	17(b)	租賃負債付款	(231,430)	(177,501)
Consideration received for acquisition of the Shanghai Beauty Farm's shares through a limited partnership reserved for employee share scheme		通過為員工股份計劃預留的一家有限合夥企業收購上海美麗田園股份收取的對價	—	18,325
Transactions with non-controlling interests	28	與非控股權益交易	1,953	(21,641)
Initial public offering costs		首次公開發售成本	(3,485)	—
Capital injection from a shareholder		一名股東注資	3,976	—
Capital injection from non-controlling interests	27(b)	非控股權益注資	7,708	—
Other payment for financing activities		其他融資活動付款	—	(2,705)
Proceeds from the owners of Shanghai Beauty Farm	1.2	來自於上海美麗田園擁有人款項	191,529	—
Capital deduction from the owners of Shanghai Beauty Farm	1.2	上海美麗田園擁有人減資	(198,808)	—
Net cash used in financing activities		融資活動所用現金淨額	(432,820)	(271,065)
Net increase in cash and cash equivalents		現金及現金等價物增加淨額	2,806	13,521
Cash and cash equivalents at beginning of the year		年初的現金及現金等價物	157,284	143,538
Exchange gains on cash and cash equivalents		現金及現金等價物匯兌收益	4,030	225
Cash and cash equivalents at end of the year	26	年末的現金及現金等價物	164,120	157,284

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表須與隨附附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION OF THE GROUP, REORGANISATION AND BASIS OF PRESENTATION

1.1 General information

Beauty Farm Medical and Health Industry Inc. (the “Company”) was incorporated in the Cayman Islands on 10 February 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 are principally engaged in providing beauty and health management service, including traditional beauty services, aesthetic medical services as well as subhealth assessment and intervention services (the “Listing Business”) 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 Mr. Yuan Huimin (together as the “Controlling Shareholders”), who are parties acting in concert and have been collectively controlling the Group.

1.2 Reorganisation

Immediately prior to the Reorganisation (as defined below) and during the current year, the Listing Business was operated by Shanghai Beauty Farm Healthcare Industry Co., Ltd. (“Shanghai Beauty Farm”, previously named as Hainan Beauty Farm Healthcare Industry Co., Ltd.) and its subsidiaries in the PRC (the “Operating Companies”). The Listing Business is controlled by the Controlling Shareholders throughout the current year.

1 本集團的一般資料、重組及呈列基準

1.1 一般資料

美麗田園醫療健康產業有限公司(「本公司」)於2022年2月10日在開曼群島註冊成立。其註冊辦事處地址為Floor 4, Willow House, Cricket Square, Grand Cayman, KY1-9010, Cayman Islands。

本公司為投資控股公司。本公司及其附屬公司主要於中華人民共和國(「中國」)從事提供美麗與健康管理服務，包括傳統美容服務、醫療美容服務以及亞健康評估及干預服務(「上市業務」)。本集團的最終控股方為李陽先生(「李先生」)、李方雨女士(「李女士」)、連松泳先生、牛桂芬女士、崔元俊先生及苑惠敏先生(統稱為「控股股東」)，他們為一致行動人士及共同控制本集團。

1.2 重組

緊接重組(定義見下文)前及於本年度內，上市業務由上海美麗田園醫療健康產業有限公司(「上海美麗田園」，前稱海南美麗田園醫療健康產業有限公司)及其中國附屬公司(「經營公司」)經營。上市業務於本年度由控股股東控制。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

1 GENERAL INFORMATION OF THE GROUP, REORGANISATION AND BASIS OF PRESENTATION (Continued)

1.2 Reorganisation (Continued)

In preparation for the initial public offering (“IPO”) and listing of the Company’s shares on the Main Board of the Stock Exchange of Hong Kong Limited, a group reorganisation (the “Reorganisation”) was undertaken pursuant to which the Operating Companies engaged in the Listing Business were transferred to the Company. The Reorganisation involves the following major steps:

(a) Establishment of contractual arrangement

As part of Reorganisation, Shanghai Beauty Farm transferred part of its equity interest in medical institutions, being businesses subject to foreign investment restrictions in the PRC, to Shanghai Liernuo Industry Development Co., Ltd. (“Shanghai Liernuo”). The interest transferred to Shanghai Liernuo is at least 30% of the equity interest in each of the medical institutions.

On 13 April 2022, in order to comply with relevant foreign investment restrictions in the PRC and maintain effective control over the operation of Shanghai Liernuo, Shanghai Beauty Farm, Shanghai Liernuo, Mr. Li and the operating companies of the foreign investment restricted business entered into a series of contractual arrangement (collectively the “Contractual Arrangements”), providing the Group with effective control over, and to consolidate all economic benefits arising from Shanghai Liernuo into the Group.

(b) Establishment of offshore corporate structure and introduction of foreign investor to Shanghai Beauty Farm

On 10 February 2022, the Company was incorporated in the Cayman Islands as an exempted company with limited liability. The Company then established Beauty Farm Medical and Health Industry Limited, a wholly owned subsidiary incorporated in Hong Kong with limited liability on 22 February 2022 and Aiyumei (Shanghai) Enterprise Management Co., Ltd. (“Shanghai Aiyumei”), a wholly foreign owned enterprise and a subsidiary of the Company in the PRC on 10 March 2022.

1 本集團的一般資料、重組及呈列基準(續)

1.2 重組(續)

為籌備本公司股份於香港聯合交易所有限公司主板的首次公開發售(「首次公開發售」)及上市，本公司已進行集團重組(「重組」)，據此，從事上市業務的經營公司已轉讓予本公司。重組涉及以下主要步驟：

(a) 建立合約安排

作為重組的一部分，上海美麗田園將其於醫療機構的部分股權轉讓予上海麗爾諾實業發展有限公司(「上海麗爾諾」)，該等醫療機構為在中國受外國投資限制的業務。轉讓予上海麗爾諾的權益為於各醫療機構至少30%股權。

於2022年4月13日，為遵守中國的相關外國投資限制，並保持對上海麗爾諾經營的有效控制，上海美麗田園、上海麗爾諾、李先生與外商投資限制業務的經營公司訂立一系列合約安排(統稱「合約安排」)，為本集團提供有效控制權，並將上海麗爾諾產生的所有經濟利益於本集團綜合入賬。

(b) 設立境外公司架構及向上海美麗田園引入外國投資者

於2022年2月10日，本公司於開曼群島註冊成立為獲豁免有限公司。其後，本公司於2022年2月22日成立全資附屬公司Beauty Farm Medical and Health Industry Limited(於香港註冊成立的有限公司)，並於2022年3月10日在中國成立艾昱美(上海)企業管理有限公司(「上海艾昱美」)(為一家外商獨資企業及本公司的附屬公司)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

1 GENERAL INFORMATION OF THE GROUP, REORGANISATION AND BASIS OF PRESENTATION (Continued)

1.2 Reorganisation (Continued)

- (b) Establishment of offshore corporate structure and introduction of foreign investor to Shanghai Beauty Farm (Continued)

After incorporation of the Company, on 23 February 2022, Mr. Zang Ye, an independent third party who is independent from the Company and its connected persons, subscribed for RMB2,041,000 in the registered capital of Shanghai Beauty Farm (representing 0.2% of Shanghai Beauty Farm's equity interest) at a consideration of RMB3,971,000 ("Pre-IPO Investment"). Upon completion of the Pre-IPO Investment, Shanghai Beauty Farm was converted into a sino-foreign joint venture entity.

- (c) Injection of Shanghai Beauty Farm into the listing Group

On 10 March 2022, the then shareholders of Shanghai Beauty Farm transferred their equity interest in Shanghai Beauty Farm to Shanghai Aiyumei for a cash consideration of RMB198,808,000.

On 11 March 2022, ZYLot Holdings Limited completed a RMB3,976,000 investment in the Company for 0.2% of the Company's issued share capital and the Company accounted for the surplus amounted to RMB3,971,000 on capital contribution from ZYLot Holdings Limited in other reserves.

As part of the reorganization and upon receiving the cash consideration, the certain then shareholders of Shanghai Beauty Farm injected the cash to the Group amounted to RMB191,529,000 after deduction of reorganization cost of RMB7,279,000 (Note 9) for the year ended 31 December 2022.

1 本集團的一般資料、重組及呈列基準(續)

1.2 重組(續)

- (b) 設立境外公司架構及向上海美麗田園引入外國投資者(續)

於本公司註冊成立後，於2022年2月23日，藏擘先生(為獨立於本公司及其關連人士的獨立第三方)以人民幣3,971,000元的對價認購上海美麗田園的註冊資本人民幣2,041,000元(佔上海美麗田園股權的0.2%)(「首次公開發售前投資」)。於首次公開發售前投資完成後，上海美麗田園轉制為中外合資企業實體。

- (c) 將上海美麗田園注入上市集團

於2022年3月10日，上海美麗田園當時的股東將其於上海美麗田園的股權轉讓予上海艾昱美，現金對價為人民幣198,808,000元。

於2022年3月11日，ZYLot Holdings Limited完成於本公司人民幣3,976,000元的投資，獲取本公司0.2%已發行股本，本公司則將ZYLot Holdings Limited為數人民幣3,971,000元的注資於其他儲備入賬為盈餘。

作為重組的一部分及於收取現金對價後，截至2022年12月31日止年度，上海美麗田園若干當時股東於扣除重組成本人民幣7,279,000元(附註9)後，向本集團注資現金人民幣191,529,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

1 GENERAL INFORMATION OF THE GROUP, REORGANISATION AND BASIS OF PRESENTATION (Continued)

1.2 Reorganisation (Continued)

- (c) Injection of Shanghai Beauty Farm into the listing Group (Continued)

On 21 April 2022, CITIC PE, one of the shareholders of Shanghai Beauty Farm, through Beijing Xinyu Meiye Holdings Limited, was issued and allotted 37,040,000 preferred shares in the Company at a consideration of RMB72,294,000 upon obtaining its overseas direct investment regulatory approval and the Company accounted for the surplus amounted to RMB72,292,000 on capital contribution from CITIC PE in other reserves.

After the completion of Reorganisation steps as described above, the Company became the holding company of the subsidiaries now comprising the Group. Particulars of the principal subsidiaries of the Group are set out in Note 37.

1.3 Basis of presentation

Immediately prior to and after the Reorganisation, the Listing Business is conducted through Operating Companies which were all ultimately controlled by Controlling Shareholders. Pursuant to the Reorganisation, the Listing Business was transferred to and held by the Company. The Company has not been involved in any other business prior to the Reorganisation and do not meet the definition of a business. The Reorganisation is merely a recapitalisation of the Listing Business with no change in management of such business and the ultimate owners of the Listing Business remained the same. Accordingly, the Group resulting from the Reorganization is regarded as a continuation of the Listing Business under Shanghai Beauty Farm and, for the purpose of this report, the consolidated financial statements of the Group are presented using the carrying values of the Listing Business for all periods presented.

Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated on combination.

1 本集團的一般資料、重組及呈列基準(續)

1.2 重組(續)

- (c) 將上海美麗田園注入上市集團(續)

於2022年4月21日，其中一名上海美麗田園股東CITIC PE通過Beijing Xinyu Meiye Holdings Limited在取得其境外直接投資監管批准後獲發行及配發37,040,000股本公司優先股，對價為人民幣72,294,000元，本公司則將CITIC PE為數人民幣72,292,000元的注資於其他儲備入賬為盈餘。

於上述重組步驟完成後，本公司成為本集團現時旗下附屬公司的控股公司。本集團主要附屬公司的詳情載於附註37。

1.3 呈列基準

緊接重組前及緊隨重組後，上市業務通過經營公司進行，該等公司全部受控股股東最終控制。根據重組，上市業務向本公司轉讓及由本公司持有。本公司於重組前並無參與任何其他業務，亦不符合業務的定義。重組僅為上市業務的資本架構調整，有關業務的管理層概無變動且上市業務的最終擁有人維持不變。因此，重組產生的本集團被視為上海美麗田園旗下上市業務的延續，而就本報告而言，本集團的綜合財務報表以上市業務於所有呈列期間的賬面值呈列。

集團內公司間交易、結餘及集團公司間交易的未變現收益／虧損於合併時對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of significant accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied throughout the Year, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) and the disclosure requirements of the Hong Kong Companies Ordinance Cap.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.1.1 Going concern

As at 31 December 2022, the Group had a net current liability position of approximately RMB661,327,000. Besides, up to the date of this report, capital commitment in relation to construction and acquisition of property, plant and equipment within twelve months amounted to approximately RMB25,195,000, while its cash and cash equivalents amounted to RMB164,120,000.

On 16 January 2023, the Company's Shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited, where 40,536,500 Shares were issued and subscribed at an offer price of HK\$19.32 per Share by way of initial public offering to Hong Kong and overseas investors. Net proceeds from these issues amounted to approximately HK\$447.4 million. On 5 February 2023, pursuant to the partial exercise of the over-allotment option by the joint international underwriters of the initial public offering, the Company issued and subscribed an additional 6,080,000 shares at the offer price of HK\$19.32 per Share. The additional net proceeds from the exercise of over-allotment option amounts to approximately HK\$111.1 million.

2 重大會計政策概要

本附註列出編製綜合財務報表時所採納的主要會計政策。除非另有指明，否則該等政策於年內貫徹應用。

2.1 編製基準

本集團的綜合財務報表根據香港財務報告準則（「香港財務報告準則」）及香港公司條例的披露規定編製。

編製符合香港財務報告準則的綜合財務報表須使用若干關鍵會計估計。管理層在應用本集團會計政策過程中亦須作出判斷。涉及需要較高程度判斷或較為複雜的範疇，或相關假設及估計對綜合財務報表而言屬重大的範疇於附註4披露。

2.1.1 持續經營

於2022年12月31日，本集團的流動負債淨額約為人民幣661,327,000元。此外，直至本報告日期，十二個月內有關建設及收購物業、機器及設備的資本承擔約為人民幣25,195,000元，而其現金及現金等價物為人民幣164,120,000元。

於2023年1月16日，本公司股份於香港聯合交易所有限公司主板上市，通過首次公開發售方式向香港及海外投資者按發售價格每股股份19.32港元發行及認購40,536,500股股份。上述發行的所得款項淨額約為447.4百萬港元。於2023年2月5日，本公司因首次公開發售的聯席國際包銷商部分行使超額配股權而按發售價格每股股份19.32港元額外發行及認購6,080,000股股份。行使超額配股權的額外所得款項淨額約為111.1百萬港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.1 Going concern (Continued)

Management closely monitors the Group's financial performance and liquidity position. A number of measures have been put in place by management to improve the financial position and alleviate the liquidity pressure. Management of the Group has prepared a cash flow projection covering a period of not less than 12 months from 31 December 2022.

The Directors have reviewed the Group's cash flow projection and have considered the basis and assumptions of management's projections. The Directors are of the opinion that, taking into account the Group's future operational performance, the gross proceeds from the initial public offering and the expected future operating cash inflows, the Group will have sufficient financial resources to support its operations and to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2022. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

2.1.2 New and amended standards adopted by the Group

The Group has applied the following amendments or annual improvements for the first time for their annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before Intended Use — Amendments to HKAS 16
- Onerous Contracts — Cost of Fulfilling a Contract — Amendments to HKAS 37
- Annual Improvements to HKFRS Standards 2018–2020
- Reference to the Conceptual Framework — Amendments to HKFRS 3, and

2.1 編製基準(續)

2.1.1 持續經營(續)

管理層密切監察本集團的財務表現及流動資金狀況。管理層已採取多項措施以改善財務狀況及減輕流動資金壓力。本集團管理層已編製涵蓋2022年12月31日起不少於12個月期間的現金流量預測。

董事已審閱本集團的現金流量預測，並已考慮管理層預測的基準與假設。經計及本集團未來經營表現、首次公開發售所得款項總額與預期未來經營現金流入，董事認為，本集團將有充足財務資源支持營運及履行自2022年12月31日起計未來十二個月內到期的財務責任。因此，綜合財務報表按持續經營基準編製。

2.1.2 本集團採納的新訂及經修訂準則

本集團於2022年1月1日開始的年度報告期間首次採納下列修訂或年度改進：

- 物業、廠房及設備：擬定用途前的所得款項 — 香港會計準則第16號(修訂本)；
- 虧損性合約 — 履行合約之成本 — 香港會計準則第37號(修訂本)；
- 2018年至2020年香港財務報告準則的年度改進；
- 概念框架的提述 — 香港財務報告準則第3號(修訂本)；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.2 New and amended standards adopted by the Group (Continued)

- Covid-19 Related Rent Concessions beyond 30 June 2021 — Amendment to HKFRS 16 (March 2021) (the “HKFRS 16 Amendment (March 2021)“)

The Group also elected to adopt the following amendments early:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction — amendments to HKAS 12, and
- Disclosure of Accounting Policies — Amendments to HKAS 1 and HKFRS Practice Statement 2.

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.

2.1.3 New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the reporting period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

2.1.2 本集團採納的新訂及經修訂準則 (續)

- 2021年6月30日後的 Covid-19相關租金減免 — 香港財務報告準則第16號 (修訂本) (2021年3月) (「香港財務報告準則第16號 (修訂本) (2021年3月)」)

本集團亦選擇提早採納下列修訂：

- 與單一交易產生的資產及負債相關的遞延稅項 — 香港會計準則第12號 (修訂本)；及
- 會計政策披露 — 香港會計準則第1號及香港財務報告準則實務報告第2號 (修訂本)。

採納上述新準則及修訂本不會對本集團的會計政策及綜合財務報表產生重大影響。

2.1.3 尚未採納的新訂準則及詮釋

若干已頒布但於報告期間並非強制生效的新訂會計準則、會計準則修訂本及詮釋尚未獲本集團提早採納。預期該等準則、修訂本或詮釋不會對實體當前或未來報告期間及可預見的未來交易造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2 重大會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.3 New standards and interpretations not yet adopted (Continued)

The following new standards and amendments to existing standards have been issued but are not yet effective and have not been early adopted:

2.1 編製基準(續)

2.1.3 尚未採納的新訂準則及詮釋(續)

以下新訂準則及現有準則修訂本為已頒布但尚未生效，且並無提早採納：

		Effective for annual periods beginning on or after 於以下日期或之後開始的 年度期間生效
Amendments to HKAS 1 香港會計準則第1號(修訂本)	Classification of liabilities as current or non-current 負債分類為流動或非流動	1 January 2023 2023年1月1日
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合約	1 January 2023 2023年1月1日
HKAS 1 (Amendment) and HKFRS Practice Statement 2 (Amendment) 香港會計準則第1號(修訂本)及香港財務報告準則實務報告第2號(修訂本)	Disclosure of Accounting Policy 會計政策披露	1 January 2023 2023年1月1日
Amendments to HKAS 8 香港會計準則第8號(修訂本)	Definition of Accounting Estimate 會計估計定義	1 January 2023 2023年1月1日
Amendments to HKAS 12 香港會計準則第12號(修訂本)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction 與單一交易產生的資產及負債相關的遞延稅項	1 January 2023 2023年1月1日
HKFRS 10 and HKAS 28 (Amendments) 香港財務報告準則第10號及香港會計準則第28號(修訂本)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營企業之間的資產出售或注資	To be determined 待定

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.4 Contractual Arrangements

Due to the restrictions imposed by the relevant laws and regulatory regime of the PRC on foreign ownership of companies engaged in the aesthetic medical services and subhealth assessment and intervention services carried out by 22 subsidiaries of the Group (together as the “Medical Institutions”) including:

Shanghai Xiukeer Clinic Co., Ltd.* (上海秀可兒門診部有限公司)

Ningbo Jiangbei Yongjiang Xiukeer Medical Beauty Clinic Co., Ltd.* (寧波江北甬江秀可兒醫療美容診所有限公司)

Nanjing Xiukeer Medical Beauty Clinic Co., Ltd.* (南京秀可兒醫療美容診所有限公司)

Shenzhen Xiukeer General Outpatient Department* (深圳秀可兒綜合門診部)

Hangzhou Liyan Medical Beauty Clinic Co., Ltd.* (杭州麗研醫療美容診所有限公司)

Zhengzhou Liyan Medical Beauty Service Co., Ltd.* (鄭州麗研醫療美容服務有限公司)

Haikou Meilan Meisuoyue Medical Beauty Clinic Co., Ltd.* (海口美蘭美束悅醫療美容門診部有限公司)

Beijing Hexin Medical Beauty Clinic Co., Ltd.* (北京禾欣醫療美容門診部有限公司)

Beijing Yanyuan Clinic Co., Ltd.* (北京研源診所有限公司)

Chengdu Gaoxin Xiukeer Medical Beauty Clinic Co., Ltd.* (成都高新秀可兒醫療美容診所有限公司)

Chongqing Xiukeer Comprehensive Outpatient Department Co., Ltd.* (重慶秀可兒綜合門診部有限公司)

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.4 合約安排

由於中國相關法律及監管機制對於從事本集團22家附屬公司(統稱為「醫療機構」)進行的醫療美容服務以及亞健康評估及干預服務的公司的外資擁有權施加的限制，該22家附屬公司包括：

上海秀可兒門診部有限公司

寧波江北甬江秀可兒醫療美容診所有限公司

南京秀可兒醫療美容診所有限公司

深圳秀可兒綜合門診部

杭州麗研醫療美容診所有限公司

鄭州麗研醫療美容服務有限公司

海口美蘭美束悅醫療美容門診部有限公司

北京禾欣醫療美容門診部有限公司

北京研源診所有限公司

成都高新秀可兒醫療美容診所有限公司

重慶秀可兒綜合門診部有限公司

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.4 Contractual Arrangements (Continued)

Xi'an Meiju Medical Technology Development Co., Ltd.* (西安美聚醫療科技發展有限公司)

Wuhan Qiyan Comprehensive Outpatient Department Co., Ltd.* (武漢啟研綜合門診部有限公司)

Beijing Meishu Laser Medical Clinic Co., Ltd.* (北京美束激光醫療診所有限公司)

Changchun Meiju Medical Technology Development Co., Ltd.* (長春美聚醫療科技發展有限公司)

Qingdao Aimei Medical Beauty Co., Ltd.* (青島艾美醫療美容有限公司)

Haikou Xiuke'er Medical Beauty Clinic Co., Ltd.* (海口秀可兒醫療美容門診部有限公司)

Xian Beilin Xiuke'er Comprehensive Outpatient Department Co., Ltd.* (西安碑林秀可兒綜合門診部有限公司)

Haikou Yanyuan Clinic Co., Ltd.* (海口研源診所有限公司)

Hefei Xiuke'er Medical Beauty Clinic Co., Ltd.* (合肥秀可兒醫療美容診所有限公司)

Tianjin Heping Xiuke'er Medical Beauty Clinic Co., Ltd.* (天津和平秀可兒醫療美容診所有限公司)

Zhengzhou Xiuke'er Medical Beauty Clinic Co., Ltd.* (鄭州秀可兒醫學美容門診有限公司)

Shanghai Beauty Farm and Mr Li entered into the contractual arrangements (the "Contractual Arrangements") with Shanghai Liernuo and its registered shareholders who hold 30% equity interests of the Medical Institutions on 13 April 2022, which enable the Group to:

- expose, or have rights, to variable returns from their involvement with the investee and have ability to affect those returns through its power over Shanghai Liernuo;

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.4 合約安排(續)

西安美聚醫療科技發展有限公司

武漢啟研綜合門診部有限公司

北京美束激光醫療診所有限公司

長春美聚醫療科技發展有限公司

青島艾美醫療美容有限公司

海口秀可兒醫療美容門診部有限公司

西安碑林秀可兒綜合門診部有限公司

海口研源診所有限公司

合肥秀可兒醫療美容診所有限公司

天津和平秀可兒醫療美容診所有限公司

鄭州秀可兒醫學美容門診有限公司

上海美麗田園及李先生與上海麗爾諾及其登記股東(於2022年4月13日持有醫療機構30%股權)訂立合約安排(「合約安排」),使本集團得以:

- 面對或擁有來自參與被投資公司可變回報的風險或權利,並有能力透過其於上海麗爾諾的權力影響該等回報;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.4 Contractual Arrangements (Continued)

- exercise equity holders' voting rights of Shanghai Liernuo and the Medical Institutions; receive the economic interest returns generated by Medical Institutions in consideration for the technical support, consulting services and other services provided by Shanghai Liernuo;
- obtain an irrevocable and unconditional right to purchase all or part of equity interests in Medical Institutions from Shanghai Liernuo itself or its designated person(s) at minimum purchase price permitted under PRC law. Shanghai Beauty Farm or its designated person may exercise such options at any time until it has acquired all equity interests and/or all assets of the Medical Institutions; and
- obtain a pledge over the entire equity interest of the Shanghai Liernuo from Mr. Li and the equity interest of the Medical Institutions held by Shanghai Liernuo as collateral security to guarantee performance of their contractual obligations under the Contractual Arrangements.

The Group does not have any legal equity interest in Shanghai Liernuo. However, as a result of the Contractual Arrangements, the Group has power over Shanghai Liernuo, has rights to variable returns from its involvement with Shanghai Liernuo and has the ability to affect those returns through its power over Shanghai Liernuo and is considered to have control over Shanghai Liernuo. Consequently, the Company regards Shanghai Liernuo as controlled structure entities and consolidated the financial position and result of operations of Shanghai Liernuo upon the execution of the Contractual Agreements.

2 重大會計政策概要(續)

2.1 編製基準(續)

2.1.4 合約安排(續)

- 行使權益持有人於上海麗爾諾及醫療機構的投票權；在上海麗爾諾提供技術支援、諮詢服務及其他服務的對價方面，收取醫療機構產生的經濟利益回報；
- 取得不可撤銷及無條件權利，自上海麗爾諾本身或其指定人士以中國法律允許的最低購買價購買醫療機構的全部或部分股權。上海美麗田園或其指定人士可隨時行使該等選擇權，直至其取得醫療機構的全部股權及／或全部資產；及
- 自李先生取得上海麗爾諾全部股權及上海麗爾諾持有的醫療機構股權的質押，作為其合約安排項下合約責任履約保證的抵押品。

本集團於上海麗爾諾並無任何法定股權。然而，由於合約安排，本集團對上海麗爾諾擁有權力，擁有來自參與上海麗爾諾可變回報的權利，有能力透過其於上海麗爾諾的權力影響該等回報，並被認為對上海麗爾諾擁有控制權。因此，本公司視上海麗爾諾為受控制結構實體，並於簽立合約協議後將上海麗爾諾的財務狀況及營運業績綜合入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of combination

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group not under common control (Note 2.3).

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests in subsidiaries without change of control

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in other reserves within equity attributable to owners of the Company.

2 重大會計政策概要(續)

2.2 合併原則

(i) 附屬公司

附屬公司指本集團對其擁有控制權的所有實體(包括結構性實體)。當集團因參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其主導該實體的活動的權力影響此等回報時，本集團即控制該實體。附屬公司由控制權轉移至本集團之日起全面綜合入賬，並由控制權終止之日起終止綜合入賬。

會計收購法用於本集團並非受共同控制的業務合併的會計處理(附註2.3)。

集團內公司間交易、結餘及本集團公司間交易的未變現收益均予以對銷。未變現虧損亦予以對銷，除非該交易提供所轉讓資產減值的證據，則作別論。附屬公司的會計政策已作出必要變更以確保與本集團採納的政策一致。

於附屬公司的業績及權益的非控股權益分別於綜合全面收益表、權益變動表及資產負債表單獨呈列。

(ii) 並無失去控制權的附屬公司擁有權益變更

本集團將與非控股權益進行而不會導致失去控制權的交易視為與本集團權益持有人的交易。擁有權益變動導致控股及非控股權益賬面值調整以反映其於附屬公司的相對權益。非控股權益的調整金額與任何已付或已收對價的任何差額於本公司擁有人應佔權益內的其他儲備確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations not under common control

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2 重大會計政策概要(續)

2.3 並非受共同控制的業務合併

所有業務合併均以會計收購法入賬，無論所收購者為權益工具或其他資產。收購一家附屬公司所轉讓的對價包括：

- 所轉讓資產的公允價值
- 向所收購業務前擁有人產生的負債
- 本集團發行的股權
- 或然對價安排產生的任何資產或負債的公允價值；及
- 任何先前存在的附屬公司股權的公允價值。

除少數例外情況外，於業務合併收購的可識別資產以及承擔的負債及或然負債，初步按收購日期的公允價值計量。本集團根據個別收購事項按公允價值或非控股權益應佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。

下列各項：

- 所轉讓對價，
- 被收購實體的任何非控股權益金額；及
- 於被收購實體的任何先前股權於收購日期的公允價值

超出所收購可識別資產淨值的公允價值時，其差額以商譽列賬。倘該等金額低於所收購業務可識別資產淨值的公允價值，有關差額會作為議價購買直接於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations not under common control (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable. Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company assesses the financial performance and position of the Group, and makes strategic decisions. The chief operating decision maker of the Group consists of the executive directors and the chief financial officer.

2 重大會計政策概要(續)

2.3 並非受共同控制的業務合併(續)

倘遞延結算任何部分現金對價，日後應付金額貼現至其於交換日期的現值。所用貼現率為實體的增量借款利率，即在相若條款及條件下，可以從獨立融資人獲得類似借款的利率。或然對價分類為權益或金融負債。分類為金融負債的金額其後重新計量至公允價值，公允價值變動於損益確認。

倘業務合併分階段進行，則收購方於收購對象先前持有的股權於收購日期的賬面值於收購日期按公允價值重新計量。因有關重新計量產生的任何收益或虧損於損益確認。

2.4 獨立財務報表

於附屬公司的投資按成本減去減值入賬。成本包括直接應佔投資成本。附屬公司的業績由本公司按已收及應收股息基準入賬。倘股息超出附屬公司於宣派股息期間全面收入總額，或倘獨立財務報表中投資賬面值超出綜合財務報表所示投資對象資產淨值(包括商譽)的賬面值，則須於自該等投資收取股息時，對附屬公司的投資進行減值測試。

2.5 分部報告

經營分部的報告方式與主要經營決策者獲提供的內部報告方式一致。本公司的主要經營決策者評估本集團的財務表現及狀況，並作出戰略決定。本集團的主要經營決策者包括執行董事及首席財務官。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Renminbi (RMB).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

2 重大會計政策概要(續)

2.6 外幣換算

(i) 功能及呈列貨幣

計入各集團實體財務報表的項目，按該實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表以人民幣（人民幣）呈列。

(ii) 交易及結餘

外幣交易按交易日期的匯率換算為功能貨幣。因結算該等交易及因按年結日匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損一般於損益確認。

與借款有關的外匯收益及虧損於損益表的財務成本內呈列。所有其他外匯收益及虧損均於損益表的其他收益／（虧損）內以淨額呈列。

按公允價值計量及以外幣計值的非貨幣項目使用釐定公允價值當日的匯率換算。按公允價值列賬的資產及負債換算差額呈報為公允價值收益或虧損的一部分。例如，非貨幣資產及負債（如按公允價值計入損益持有的股權）的換算差額於損益內確認為公允價值收益或虧損的一部分，而非貨幣資產（如分類為按公允價值計入其他全面收入的權益）的換算差額於其他全面收入內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

2.7 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2 重大會計政策概要(續)

2.6 外幣換算(續)

(iii) 集團公司

功能貨幣與呈列貨幣不同的海外業務(當中並無任何業務持有通脹嚴重經濟體的貨幣)業績及財務狀況按以下方法換算為呈列貨幣:

- 每份資產負債表所呈列資產與負債按該結算日的收市匯率換算
- 每份損益表及全面收益表內的收入及開支按平均匯率換算(除非此平均匯率並非交易日期匯率的累計影響的合理約數,在此情況下,收支於交易日期換算);及
- 所有由此產生的匯兌差額均於其他全面收入確認。

2.7 物業、機器及設備

物業、機器及設備均按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔的開支。

其後成本僅在與該項目相關的未來經濟利益可能流入本集團及該項目的成本能可靠地計量的情況下,方會計入資產賬面值或確認為獨立資產(如適用)。入賬列作獨立資產的任何組成部分的賬面值於替換時終止確認。所有其他維修及保養於其產生的報告期間自損益扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values of 5% over their estimated useful lives as follows:

Buildings	20 years
Electronic equipment and vehicles	5 years
Beauty equipment	5 years
Office furniture	5 years
Long-term leasehold improvement	Shorter of the lease term and the estimated useful life

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.11).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Construction-in-progress is stated at cost less accumulated impairment losses. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time as the assets are completed and are ready for operational use.

2.8 Investment properties

Investment properties, principally leasehold office buildings, are held for long-term rental yields and are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at cost less accumulated depreciation and impairment losses.

Depreciation of the investment properties is calculated using the straight-line method to allocate cost over their estimated useful lives of 20 to 50 years.

2 重大會計政策概要(續)

2.7 物業、機器及設備(續)

折舊使用直線法計算，以於以下估計可使用年期內分配其成本(扣除其剩餘價值5%)：

樓宇	20年
電子設備及汽車	5年
美容設備	5年
辦公家具	5年
長期租賃物業裝修	租期與估計可使用年期的較短者

資產的剩餘價值及可使用年期於各報告期末審閱，並作出調整(如適用)。

倘資產賬面值高於其估計可收回金額，則即時將資產賬面值撇減至其可收回金額(附註2.11)。

出售收益及虧損通過比較所得款項與賬面值釐定，並計入損益。

在建工程按成本減累計減值虧損列賬。此包括建設成本及其他直接成本。在建工程不予折舊，直至有關資產完成及可作運營用途。

2.8 投資物業

投資物業(主要為租賃辦公大樓)為收取長期租金收益而持有，並非由本集團佔用。投資物業初步按成本(包括相關交易成本及借款成本(倘適用))計量。其後，該等物業按成本減累計折舊及減值虧損列賬。

投資物業折舊使用直線法計算，以於其估計可使用年期(20至50年)內分配成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets

(i) Trademarks

Separately acquired trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. One of the trademarks has an infinite useful life and is subsequently carried at cost less impairment losses. Those trademarks with finite useful life are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortised using the straight-line method over their estimated useful lives.

(iii) Customer relationships

Customer relationships, which are acquired during business combinations, are recognised at fair value at the acquisition date. Customer relationships are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected useful lives.

(iv) Research and Development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and developing of new or improved products and processes) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technical feasibility and its costs can be measured reliably. Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

2 重大會計政策概要(續)

2.9 無形資產

(i) 商標

單獨收購的商標按歷史成本列示。業務合併中取得的商標按收購日期的公允價值確認。其中一個商標具有無限可使用年期，其後按成本減去減值虧損列賬。該等具有有限可使用年期的商標其後按成本減累計攤銷及減值虧損列賬。

(ii) 軟件

已購入計算機軟件許可按購入及使用該特定軟件達到可使用狀態時所產生的成本撥充資本。該等成本使用直線法於其估計可使用年期攤銷。

(iii) 客戶關係

業務合併中取得的客戶關係按收購日期的公允價值確認。客戶關係按成本減累計攤銷列賬。攤銷使用直線法按預期可使用年期計算得出。

(iv) 研發

研究開支於產生時確認為開支。開發項目所產生(與新型或改良產品及工藝的設計及開發有關)的成本，於該項目有可能成功(經考慮其商業及技術可行性)且其成本能夠可靠計量時確認為無形資產。其他不符合該等標準的開發開支於產生時確認為開支。先前確認為開支的開發成本於其後期間並不會確認為資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

(v) Amortisation methods and periods

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

Trademarks with finite useful life	10 years
Software	10 years
Customer relationships	7–8 years

Management estimated the useful life of the trademarks and software based on license period, expected technical obsolescence and innovations. Management estimated the useful life of customer relationships based on their industry knowledge, experience and judgement and took into account the historical customers renewal pattern of the acquired subsidiary. Thus the useful life for the customer relationships are 7–8 years.

2.10 Goodwill

Goodwill is measured as described in Note 2.3. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the brand, city or region of business that goodwill is attributable to.

2 重大會計政策概要 (續)

2.9 無形資產 (續)

(v) 攤銷方法及期限

本集團使用直線法於下列期間攤銷具有有限可使用年期的無形資產：

具有有限可使用年期的商標	10年
軟件	10年
客戶關係	7至8年

管理層根據許可期間、預期技術陳舊和創新估計商標及軟件的可使用年期。管理層根據其行業知識、經驗及判斷估計客戶關係的可使用年期，並考慮被收購附屬公司過往的客戶續約模式。因此，客戶關係的可使用年期為7至8年。

2.10 商譽

商譽按附註2.3所述計量。商譽不予攤銷，但每年進行減值測試，或倘事件或情況變化顯示其可能出現減值，則更頻繁地進行測試，並按成本減累計減值虧損列賬。出售實體產生的收益及虧損包括所出售實體相關商譽的賬面值。

商譽分配至現金產生單位，以進行減值測試。商譽分配至預期將從產生商譽的業務合併中受益的現金產生單位或現金產生單位組別。單位或單位組別按監察商譽以作內部管理用途的最低層面（即商譽所屬的業務品牌、城市或地區）進行識別。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.12 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

2 重大會計政策概要 (續)

2.11 非金融資產減值

商譽或具無限可使用年期的無形資產毋須攤銷，但每年進行減值測試，或在事件或情況轉變時顯示其可能減值的情況下進行更頻密的測試。當發生事件或情況轉變，顯示賬面值可能無法收回時，則對其他資產進行減值測試。減值虧損按資產賬面值超出其可收回金額的金額確認。可收回金額指資產公允價值減出售成本及使用價值的較高者。就評估減值而言，資產按獨立可識別現金流入（大致上獨立於其他資產或資產組別（現金產生單位）的現金流入）的最低水平分組。已減值的非金融資產（商譽除外）於各報告期末檢討是否可能撥回減值。

2.12 投資及其他金融資產

(i) 分類

本集團將其金融資產分類為以下計量類別：

- 其後按公允價值（計入其他全面收入（「其他全面收入」）或計入損益）計量；及
- 按攤銷成本計量。

分類取決於實體管理金融資產的業務模式以及現金流量的合約條款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Investments and other financial assets (Continued)

(i) Classification (Continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (“FVOCI”).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2 重大會計政策概要 (續)

2.12 投資及其他金融資產(續)

(i) 分類(續)

對於以公允價值計量的資產，其收益及虧損計入損益或其他全面收入。對於並非持作買賣的股本工具投資，其將取決於本集團在初步確認時是否不可撤銷地選擇將股本投資按公允價值計入其他全面收入（「按公允價值計入其他全面收入」）入賬。

當且僅當管理該等資產的業務模式有變時，本集團方會重新分類債務投資。

(ii) 確認及終止確認

金融資產的常規買賣於交易日確認，即本集團承諾購買或出售資產的日期。當自金融資產收取現金流量的權利已屆滿或已轉讓，且本集團已經轉移擁有權的絕大部分風險及回報，金融資產即終止確認。

(iii) 計量

於初步確認時，本集團按公允價值計量金融資產，倘金融資產並非按公允價值計入損益（「按公允價值計入損益」），則另加收購金融資產直接應佔的交易成本。按公允價值計入損益的金融資產的交易成本於損益支銷。

釐定現金流量是否純粹為支付本金及利息時，附帶嵌入衍生工具的金融資產作為整體考慮。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

2 重大會計政策概要(續)

2.12 投資及其他金融資產(續)

(iii) 計量(續)

債務工具

債務工具其後計量取決於本集團管理該資產的業務模式及該資產的現金流量特徵。本集團將其債務工具分為三種計量類別：

- 攤銷成本：為收取合約現金流量而持有，且其現金流量純粹為支付本金及利息的資產按攤銷成本計量。終止確認時產生的任何收益或虧損直接於損益確認，並與外匯收益及虧損於其他收益／(虧損)內呈列。減值虧損於損益表呈列為單獨項目。
- 按公允價值計入其他全面收入：為收取合約現金流量及出售金融資產而持有，且資產的現金流量純粹為支付本金及利息的資產按公允價值計入其他全面收入計量。賬面值變動計入其他全面收入，惟於損益確認的減值收益或虧損確認、利息收入以及外匯收益及虧損除外。金融資產終止確認時，先前於其他全面收入確認的累計收益或虧損由權益重新分類至損益，並於其他收益／(虧損)內確認。來自該等金融資產的利息收入採用實際利率法計入財務收入。外匯收益及虧損於其他收益／(虧損)內呈列，減值開支於損益表呈列為單獨項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables (Note 25).

2 重大會計政策概要(續)

2.12 投資及其他金融資產(續)

(iii) 計量(續)

債務工具(續)

- 按公允價值計入損益：不符合按攤銷成本或按公允價值計入其他全面收入標準的資產按公允價值計入損益計量。其後按公允價值計入損益計量的債務投資的收益或虧損於損益中確認，並在其產生期間按淨額於其他收益／(虧損)內呈列。

股本工具

本集團其後按公允價值計量所有股本投資。倘本集團管理層選擇於其他全面收入呈列股本投資的公允價值收益及虧損，則於終止確認投資後，其後不會將公允價值收益及虧損重新分類至損益。當本集團確立收取付款的權利時，來自該等投資的股息繼續於損益中確認為其他收入。

按公允價值計入損益的金融資產的公允價值變動於損益表的其他收益／(虧損)內確認(如適用)。按公允價值計入其他全面收入計量的股本投資減值虧損(及減值虧損撥回)不會與其他公允價值變動分開呈報。

(iv) 減值

本集團按前瞻性基準評估與按攤銷成本及按公允價值計入其他全面收入列賬的債務工具相關的預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

就貿易應收款項而言，本集團採用香港財務報告準則第9號所允許的簡化方法，該方法規定自應收款項的初步確認起須確認全期預期虧損(附註25)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs of purchased inventory comprise the purchase price (net off discounts), freight charges, duty and other miscellaneous charges. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.14 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and other receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 3.1 for further information about the Group's accounting for trade and other receivable and Note 2.11 for a description of the Group's impairment policies.

2.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank deposits which are restricted to use are included in "restricted cash" of the consolidated balance sheet. Restricted cash is excluded from cash and cash equivalents.

2 重大會計政策概要(續)

2.13 存貨

存貨按成本與可變現淨值較低者列賬。成本使用加權平均法釐定。購入存貨的成本包括購買價格(扣除折讓)、運費、關稅及其他雜項費用。可變現淨值為日常業務過程中的估計售價減進行銷售所需的估計成本。

2.14 貿易應收款項及其他應收款項

貿易應收款項為於日常業務過程中就所出售貨品或所提供服務而應收客戶的款項。倘貿易應收款項預期於一年或以內收取(或如較長時間則為正常業務營運週期內)，該等款項分類為流動資產。否則，該等款項呈列為非流動資產。

貿易應收款項初步按無條件對價確認，除非包含重大融資組成部分，則按公允價值確認。本集團持有貿易及其他應收款項的目的是收取合約現金流量，因此其後使用實際利率法按攤銷成本計量有關款項。有關本集團對貿易應收款項及其他應收款項會計處理的進一步資料，見附註3.1，而有關本集團減值政策的描述，則見附註2.11。

2.15 現金及現金等價物

就現金流量表呈列而言，現金及現金等價物包括手頭現金、金融機構活期存款及原到期日為三個月或以內、可隨時轉換為已知數額現金且價值變動風險輕微的其他短期高流動性投資。用途受限制的銀行存款計入綜合資產負債表的「受限制現金」。受限制現金不計入現金及現金等價物。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Given the Group has no qualifying assets during the Track Record Period, all borrowing costs are recognised in profit or loss in the period in which they are incurred.

2 重大會計政策概要(續)

2.16 股本

普通股分類為權益。

發行新股份或購股權直接應佔的增量成本於權益中列示為所得款項扣減(扣除稅項)。

2.17 貿易應付款項及其他應付款項

該等款項指於財政年度完結前向本集團提供貨品及服務的未付負債。有關金額為無抵押及通常於確認後90日內支付。貿易應付款項及其他應付款項呈列為流動負債，除非付款於報告期後12個月內尚未到期。該等款項初步按其公允價值確認，其後以實際利率法按攤銷成本計量。

2.18 借款及借款成本

借款初步按公允價值扣除所產生交易成本後確認。借款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回金額的任何差額於借款期間使用實際利率法於損益中確認。

當合約中規定的責任解除、取消或屆滿時，借款從資產負債表中剔除。已抵銷或轉移至另一方的金融負債賬面值與已付對價(包括已轉讓的任何非現金資產或所承擔負債)之間的差額於損益中確認為財務成本。

除非本集團有無條件權利延遲償還負債至報告期後至少12個月，否則借款分類為流動負債。

鑒於本集團於往績記錄期間並無合資格資產，所有借款成本均於產生期間在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the regions where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 重大會計政策概要(續)

2.19 即期及遞延所得稅

期內所得稅開支或抵免指根據各司法權區的適用所得稅稅率計算當期應課稅收入的應付稅項，並就暫時差額及未使用稅項虧損應佔的遞延稅項資產及負債變動調整。

(i) 即期所得稅

即期所得稅支出根據本公司之附屬公司營運及產生應課稅收入所在的地區於報告期末已頒布或實質上頒布的稅法計算。管理層就適用稅務法例有待詮釋的情況定期評估報稅表的狀況，並考慮稅務機關是否有可能接受不確定的稅務處理。本集團根據最有可能的金額或預期價值計量其稅項結餘，視乎能更準確預測不確定性的解決方法而定。

(ii) 遞延所得稅

遞延所得稅採用負債法就資產及負債的稅基與其於綜合財務報表的賬面值之間的暫時差額悉數計提撥備。倘遞延所得稅源自初步確認交易(業務合併除外)的資產或負債，而交易時並不影響會計及應課稅損益，則遞延所得稅不予入賬。遞延所得稅採用報告期末前已頒布或實質上頒布的稅率(及稅法)釐定，預期該等稅率於有關遞延所得稅資產變現或遞延所得稅負債清償時適用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Current and deferred income tax (Continued)

(ii) Deferred income tax (Continued)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.20 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheet.

2 重大會計政策概要(續)

2.19 即期及遞延所得稅(續)

(ii) 遞延所得稅(續)

遞延稅項資產僅於未來將有應課稅金額可供動用以抵銷暫時差額及虧損時確認。倘本集團能控制暫時差額撥回的時間，並且可能在可見未來不會撥回有關差額，則不會就海外業務投資的賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

遞延稅項資產及負債於擁有合法可強制執行權利以抵銷即期稅項資產及負債以及遞延稅項結餘有關同一稅務機關時抵銷。即期稅項資產及稅項負債於實體擁有合法可強制執行權利以抵銷及擬按淨額結算，或同時變現資產及清償負債時予以抵銷。

即期及遞延稅項於損益中確認，惟與於其他全面收入或直接於權益中確認的項目有關者除外。在此情況下，稅項亦分別於其他全面收入或直接於權益中確認。

2.20 員工福利

(i) 短期責任

員工直至報告期末的服務獲確認工資及薪金負債(包括預期在員工提供相關服務期間結束後12個月內悉數結算的非貨幣福利及累計年假)，並按清償有關負債時預期支付的金額計量。負債於綜合資產負債表內呈列為即期員工福利責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(ii) Pension obligations

Full-time employees in the PRC are covered by various government-sponsored defined contribution pension plans under which the employees are entitled to a monthly pension based on certain formulae. The relevant government agencies are responsible for the pension liability to these retired employees. The Group contributes on a monthly basis to these pension plans. Under these plans, the Group has no further payment obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred and contributions paid to the defined-contribution pension plans for an employee are not available to reduce the Group's future obligations to such defined contribution pension plans even if the employee leaves.

(iii) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurances and other social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each year. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

(iv) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present contractual or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

2 重大會計政策概要(續)

2.20 員工福利(續)

(ii) 退休金責任

中國全職員工參與多項政府資助定額供款退休金計劃，據此員工有權享有根據若干公式計算的每月退休金。相關政府機構承擔向此等退休員工支付退休金的責任。本集團每月向該等退休金計劃供款。根據該等計劃，除所作供款外，本集團並無有關退休後福利的進一步付款責任。該等計劃供款於產生時支銷，且為一名員工向該等定額供款退休金計劃支付的供款不可用作削減本集團於日後對該等定額供款退休金計劃的責任(即使該名員工離職)。

(iii) 住房公積金、醫療保險及其他社會保險

本集團的中國員工有權參與由政府監督的多項住房公積金、醫療保險及其他社會保險計劃。本集團按員工薪金的若干百分比每月向該等基金供款，其設有一定上限。本集團對該等基金的責任以各年應付的供款為限。住房公積金、醫療保險及其他社會保險供款於產生時支銷。

(iv) 花紅權利

花紅付款的預期成本在本集團因員工提供服務而承擔現時合約或推定責任，且能可靠估計其責任時確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Share-based payments

Share-based compensation benefits are provided to employees via the employee share award scheme and share option scheme. Information relating to these schemes is set out in Note 20.

The fair value of awarded shares granted to employees under the employee share award and option schemes less amount paid by employees is recognised as an employee benefits expense over the relevant service period, being the vesting period of the shares, and the credit is recognised in equity in the share-based payment reserves. The fair value of the shares is measured at the grant date.

(i) Share award scheme

The Group operates an equity-settled, share-based compensation plan (the "Share Award Scheme"), under which the Group receives services from employees as consideration for equity instruments (shares) of the Group. The fair value of the employee services received in exchange for the grant of the shares or share options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the shares or share options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- excluding the impact of any non-vesting conditions.

Non-market vesting conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

2 重大會計政策概要 (續)

2.21 以股份支付的付款

以股份支付的報酬福利通過員工股份獎勵計劃及購股權計劃向員工提供。有關該等計劃的資料載於附註20。

根據員工股份獎勵及購股權計劃向員工授出獎勵股份的公允價值減去員工支付的金額後，於相關服務期間（即股份的歸屬期）確認為員工福利開支，而進項於權益中以股份支付的付款儲備確認。股份的公允價值於授出日期計量。

(i) 股份獎勵計劃

本集團設有一項以權益結算以股份支付的報酬計劃（「股份獎勵計劃」），據此，本集團接收員工服務作為本集團股本工具（股份）的對價。為換取授出股份或購股權而接收員工服務的公允價值確認為開支。將予支銷的總金額參考授出股份或購股權的公允價值釐定：

- 包括任何市場表現條件；
- 不包括任何服務及非市場表現歸屬條件的影響；及
- 不包括任何非歸屬條件的影響。

非市場歸屬條件計入有關預期歸屬股份數目的假設。總開支於歸屬期確認，歸屬期即所有特定歸屬條件將獲達成的期間。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Share-based payments (Continued)

(i) Share award scheme (Continued)

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(ii) Share awards given by the Group's subsidiaries

Shares of subsidiaries of the Group are awarded to certain registered practitioners, including store directors, regional managers, senior operation managers, in respect of their future services for the Group. The fair value of such shares less consideration paid by registered practitioners is recognised as registered practitioner expenses with a corresponding increase in non-controlling interests within equity.

The fair value of such share awards is spread into expense over the vesting periods after the grant date.

2.22 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2 重大會計政策概要 (續)

2.21 以股份支付的付款(續)

(i) 股份獎勵計劃(續)

於各報告期末，本集團依據非市場歸屬條件修訂其對預期歸屬股份數目的估計。其於損益中確認修訂原定估計的影響(如有)及對權益作出相應調整。

(ii) 本集團附屬公司作出的股份獎勵

本集團附屬公司已就若干註冊從業員(包括店長、區域經理、高級營運經理)未來為本集團提供服務向其授出股份。該等股份的公允價值減註冊從業員支付的對價確認為註冊從業員開支，使權益內其非控股權益相應增加。

有關股份獎勵的公允價值按授出日期後歸屬期分攤為開支。

2.22 撥備

當本集團因過往事件而承擔現有法定或推定責任，且可能須產生資源流出以履行責任，並能可靠估計有關金額，則就法律申索確認撥備。概不就未來經營虧損確認撥備。

倘有多項類似責任，就履行責任產生資源流出的可能性通過視責任類別為整體釐定。即使同類責任中任何一項相關資源流出的可能性不大，撥備亦予以確認。

撥備按管理層對於報告期末償付現有責任所需支出的最佳估計的現值計量。用於釐定現值的貼現率為反映當時市場對貨幣的時間價值及責任特定風險的評估的稅前利率。因時間推移而增加的撥備確認為利息開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Revenue recognition

The Group is principally engaged in provision of traditional beauty services, subhealth assessment and intervention services, aesthetic medical services. Revenue comprises the fair value of the consideration received or receivable for the sales of products and services rendered in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, refunds discounts and after eliminating sales within the Group.

Further details of the Group's revenue recognition policies are as follows:

(i) Sales of services

The Group sells prepaid cards to end customers, which gives the right to end customers to redeem multiple services. Contract liabilities are recognised when the Group receives cash consideration from end customers. The total consideration is allocated to multiple services under the prepaid cards based on their relative stand-alone selling prices.

Revenue is recognised when the services have been rendered to end customers or the likelihood of the end customers exercising the remaining rights under the prepaid cards becomes remote.

When there is a modification to the contract, for example, provision of additional distinct services to the end customer without any additional charge, the Group accounts for the modification prospectively. The contract consideration, which is the unrecognised consideration initially included in the transaction price of the contract before the modification, is allocated to the remaining performance obligations after the modification, including any unsatisfied performance obligations from the original contract.

The Group also pays sales commission to salesmen, which are treated as acquisition cost to obtain a contract. The Group applies the practical expedient to expense the acquisition cost because the amortization period is normally within one year or less.

2 重大會計政策概要 (續)

2.23 收入確認

本集團主要從事提供傳統美容服務、亞健康評估及干預服務、醫療美容服務。收入包括在本集團日常業務過程中銷售產品及提供服務的已收或應收對價的公允價值。收入於扣除增值稅、退貨、退款折扣及抵銷本集團內銷售額後列示。

本集團收入確認政策的進一步詳情如下：

(i) 服務銷售

本集團向終端客戶出售預付卡，預付卡賦予終端客戶兌換多項服務的權利。合約負債於本集團收取終端客戶現金對價時確認。總對價根據預付卡的相對獨立售價分配至預付卡項下的多項服務。

收入於已向終端客戶提供服務或終端客戶行使其預付卡所附剩餘權利的可能性變得極微時確認。

當對合約進行修訂，例如在不收取任何額外費用的情況下向終端客戶提供額外的獨特服務，本集團就修訂前瞻入賬。合約對價為修訂前初步計入合約交易價格的未確認對價，分配至修訂後的剩餘履約責任，包括原合約中未履行的任何履約責任。

本集團亦向銷售人員支付銷售佣金，視為取得合約的獲取成本。由於攤銷期通常為一年或以內，本集團應用可行權宜方法支銷獲取成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Revenue recognition (Continued)

(ii) Sales of products

The Group also generates revenue from sales of skincare products to customers. Revenue from the sale of skincare products is recognised when customers accept the products.

(iii) Franchise fee

The Group as the franchisor enters into franchise agreement with franchisee for 3 to 5 years. Franchise is a right to access license because the Group shall undertake activities that significantly affect the license, either positive or negative. Franchisee pays a fixed upfront fee and revenue from franchise fee is recognised over the franchise period. Training fee and other service fee are recognised when the services are rendered.

2.24 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see Note 22.

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2 重大會計政策概要 (續)

2.23 收入確認 (續)

(ii) 產品銷售

本集團亦自向客戶銷售護膚品產生收入。護膚品銷售收入於客戶接納產品時確認。

(iii) 加盟費

本集團作為特許人與加盟商訂立3至5年的特許經營協議。特許經營為取得牌照的權利，原因為本集團從事對牌照有重大正面或負面影響的活動。加盟商支付固定的預付費用，而加盟費收入於特許經營期內確認。培訓費及其他服務費於提供服務時確認。

2.24 利息收入

按公允價值計入損益的金融資產的利息收入計入該等資產的公允價值收益／(虧損)淨額，見附註22。

使用實際利率法計算的按攤銷成本計量的金融資產的利息收入於損益確認為其他收入的一部分。

以現金管理目的持有的金融資產所賺取的利息收入呈列為財務收入。任何其他利息收入計入其他收入。利息收入按金融資產的賬面總值採用實際利率計算得出，惟隨後出現信貸減值的金融資產除外。就出現信貸減值的金融資產而言，實際利率適用於金融資產的賬面淨值(經扣除虧損撥備)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2 重大會計政策概要 (續)

2.25 租賃

租賃於租賃資產可供本集團使用之日確認為使用權資產及相應負債。

合約可能同時包含租賃及非租賃組成部分。本集團根據其相對獨立價格將合約對價分配至租賃及非租賃組成部分。然而，就本集團作為承租人租賃的房地產而言，本集團已選擇不區分租賃及非租賃組成部分，而將該等租賃入賬列作單一租賃組成部分。

租賃條款按個別基準進行磋商，並包括各種不同條款和條件。除出租人所持租賃資產的抵押權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款的抵押品。

租賃產生的資產及負債初步按現值計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃優惠
- 基於指數或利率的可變租賃付款，初步採用於開始日期的指數或利率計量
- 本集團根據剩餘價值擔保預期應付的款項
- 購買選擇權的行使價格(倘本集團合理確定行使該選擇權)；及
- 支付終止租賃的罰款(倘租期反映本集團行使該選擇權)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Leases (Continued)

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, the LPR rates when the leases were signed. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise equipment and small items of office furniture.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

2.26 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2 重大會計政策概要 (續)

2.25 租賃(續)

租賃付款使用租賃隱含的利率貼現。倘無法釐定該利率，則使用本集團增量借款利率，即簽訂租賃時的貸款市場報價利率。租賃付款於本金及財務成本之間作出分配。財務成本在租期內自損益扣除，藉以令各期間的餘下負債結餘的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 租賃負債的初步計量金額
- 於開始日期或之前作出的任何租賃付款減去任何已收租賃優惠
- 任何初始直接成本；及
- 復原成本。

使用權資產一般按直線法以資產可使用年期及租期(以較短者為準)計算折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期内折舊。

與短期租賃及低價值資產租賃相關的付款於損益中以直線法確認為開支。短期租賃指租期為12個月或以下的租賃。低價值資產包括設備及小型辦公家具。

本集團作為出租人的經營租賃租金收入按直線基準於租期內在收入確認。

2.26 股息分派

撥備就於報告期末或之前已宣派但於報告期末尚未分派之任何股息金額(已獲適當授權及不再由實體酌情決定)作出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected useful lives of the related assets.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group does not use any derivative financial instruments to hedge certain risk exposures during the Year.

(a) Market risk

Foreign exchange risk

The Group mainly operates in mainland China and is exposed to foreign exchange risk arising from currency exposures with respect to USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The Group does not hedge against any fluctuation in foreign currency.

At 31 December 2022 and 31 December 2021, if USD had weakened/strengthened by 5% against the foreign currencies with all other variables held constant, post-tax profit for the year would have been RMB3,869,000 and RMB252,000 respectively lower/higher mainly as a result of foreign exchange gains/losses on translation of foreign currencies cash and cash equivalents.

2 重大會計政策概要(續)

2.27 政府補助

政府補助於有合理保證將收取補助且本集團將符合所有附帶條件時按其公允價值予以確認。

與成本相關的政府補助予以遞延，並按與擬補償的相關成本進行匹配所需期間內在損益中確認。

與購買物業、機器及設備有關的政府補助將計入非流動負債，列作遞延收入，並於相關資產的預期可使用年期內以直線法計入損益。

3 財務風險管理

3.1 財務風險因素

本集團的業務面臨廣泛財務風險：市場風險(包括匯兌風險)、信貸風險及流動資金風險。本集團整體風險管理計劃著重金融市場的不可預測性，並尋求方法減低對本集團財務表現的潛在不利影響。於年內，本集團並無使用任何衍生金融工具對沖若干風險。

(a) 市場風險

匯兌風險

本集團主要在中國內地運營，並面臨美元有關的貨幣風險產生的匯兌風險。匯兌風險自未來商業交易以及已確認資產及負債產生。本集團並無對沖外幣的任何波動。

於2022年12月31日及2021年12月31日，倘美元兌外幣貶值/升值5%，而所有其他變量維持不變，則年內除稅後利潤將分別減少/增加人民幣3,869,000元及人民幣252,000元，主要由於換算外幣現金及現金等價物的匯兌收益/虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The Group is exposed to credit risk in relation to its cash and cash equivalents, restricted cash, trade receivables, deposit and other receivables and financial assets at FVPL. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

(i) *Credit risk of cash and cash equivalents, restricted cash and financial assets at FVPL*

To manage the risk arising from credit risk of cash and cash equivalents, restricted cash and financial assets at FVPL, they are mainly placed with banks with high credit rating. There has been no recent history of default in relation to these financial institutions. The expected credit loss of cash and cash equivalents is close to zero.

(ii) *Credit risk of trade receivables*

The majority of the Group's sales are settled through credit cards or e-pay applications against payment without credit terms. The remaining sales, such as to the shopping malls, are settled with credit terms ranging from 14 days to 90 days. The Group applies the HKFRS 9 simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and days past due.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

本集團承受有關現金及現金等價物、受限制現金、貿易應收款項、按金及其他應收款項以及按公允價值計入損益的金融資產的信貸風險。該等結餘的賬面值代表本集團就金融資產承受的最高信貸風險。

(i) *現金及現金等價物、受限制現金以及按公允價值計入損益的金融資產的信貸風險*

為管理現金及現金等價物、受限制現金以及按公允價值計入損益的金融資產的信貸風險引致的風險，該等項目主要存放於信貸評級高的銀行。該等金融機構並無近期違約記錄。現金及現金等價物的預期信貸虧損接近零。

(ii) *貿易應收款項的信貸風險*

本集團大部分銷售通過並無信貸期的信用卡或電子支付申請結算。其餘銷售(例如向商場銷售)於介乎14日至90日的信貸期結算。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，該方法就所有貿易應收款項使用全期預期信貸虧損撥備。為計量預期信貸虧損，貿易應收款項已根據共同信貸風險特徵及逾期日數進行分組。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Credit risk of trade receivables (Continued)

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 and 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of PRC to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group assesses the credit quality of its customers by taking into account various factors including their financial position, past experience and other factors. The utilisation of credit terms is regularly monitored and management does not expect any losses from non-performance by these counterparties (Note 25).

(iii) Credit risk of deposits and other receivables

The directors of the Company consider the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis during the Year. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition.

As at 31 December 2022 and 2021, there was no significant increase in credit risk since initial recognition of deposits and other receivables. The assessment the Group made regarding the expected credit losses for these receivables in 12 months were illustrated in Note 25.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 貿易應收款項的信貸風險(續)

預期虧損率基於2022年及2021年12月31日前36個月期間銷售的付款概況以及有關期間的相應過往信貸虧損經驗而定。過往虧損率已作調整，以反映影響客戶結算應收款項能力的宏觀經濟因素的現時及前瞻性資料。本集團已識別中國的國內生產總值及失業率為最相關因素，並按該等因素的預期變動相應調整歷史虧損率。

本集團評估客戶的信貸質素，當中計及多項因素，包括其財務狀況、過往經驗及其他因素。使用信貸條款定期監察，而管理層預期並無該等交易對手方違約的任何虧損(附註25)。

(iii) 按金及其他應收款項的信貸風險

本公司董事於年內持續考慮資產初步確認時違約的可能性以及信貸風險是否大幅上升。為評估信貸風險是否大幅上升，本集團比較資產於報告日期出現的違約風險與於初步確認日期的違約風險。

於2022年及2021年12月31日，信貸風險自初步確認按金及其他應收款項以來概無大幅上升。本集團所作有關該等應收款項於12個月的預期信貸虧損評估於附註25說明。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The Group's objective is to maintain adequate committed credit lines to ensure sufficient and flexible funding is available to the Group.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

審慎流動資金風險管理表示維持充足現金及現金等價物。本集團的目標是維持足夠承諾信貸額度，以確保本集團可靈活動用充裕的資金。

下表基於結算日至合約到期日的餘下期間，將本集團非衍生金融負債分析至相關到期組別。列表披露的金額為合約未貼現現金流量。

		Less than 1 year 少於1年 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 超過5年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2021	於2021年12月31日					
Lease liabilities	租賃負債	179,017	128,309	191,125	68,852	567,303
Trade payables	貿易應付款項	15,436	—	—	—	15,436
Other payables and accruals (excluding employee benefits payables and tax payables)	其他應付款項及 應計費用(不包括 應付員工福利及 應付稅項)	90,409	—	—	—	90,409
		284,862	128,309	191,125	68,852	673,148
As at 31 December 2022	於2022年12月31日					
Lease liabilities	租賃負債	164,630	148,391	204,395	59,886	577,302
Trade payables	貿易應付款項	7,857	—	—	—	7,857
Other payables and accruals (excluding employee benefits payables and tax payables)	其他應付款項及 應計費用(不包括 應付員工福利及 應付稅項)	118,865	—	—	—	118,865
		291,352	148,391	204,395	59,886	704,024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital management

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings, lease liabilities less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus net debt.

The gearing ratios as at 31 December 2022 and 2021 were as follows:

		As at 31 December	
		於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Lease liabilities (Note 17)	租賃負債(附註17)	525,502	515,460
Dividend payable (Note 30)	應付股息(附註30)	—	5,521
Less: Cash and cash equivalents (Note 26)	減：現金及現金等價物 (附註26)	(164,120)	(157,284)
Term deposits with initial terms of over three months (Note 26)	初始為期超過三個月的 定期存款 (附註26)	(119,646)	—
Net debt	債務淨額	241,736	363,697
Total equity	權益總額	203,109	262,536
Total capital	資本總額	444,845	626,233
Gearing ratio	資本負債比率	54%	58%

The gearing ratio decreased from 58% to 54% from 31 December 2021 to 31 December 2022 contributed by decrease of net debt.

3 財務風險管理(續)

3.2 資本管理

為維持或調整資本架構，本集團或會對派付予股東的股息金額作出調整、向股東返還資本、發行新股份或出售資產以減少債務。

本集團根據資本負債比率監控資本。該比率按債務淨額除以資本總額計算得出。債務淨額按借款總額、租賃負債減現金及現金等價物計算。資本總額按綜合資產負債表中列示的「權益」加債務淨額計算得出。

於2022年及2021年12月31日的資本負債比率如下：

資本負債比率於2021年12月31日至2022年12月31日由58%下降至54%，原因為債務淨額減少。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

Financial assets and liabilities

The Group measures its financial assets at FVPL and FVOCI at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset either in the principal market for the asset, or in the absence of a principal market, in the most advantageous market for the asset. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset is measured using the assumptions that market participants would use when pricing the asset, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3 財務風險管理(續)

3.3 公允價值估計

金融資產及負債

本集團於各報告期末按公允價值計量其按公允價值計入損益及按公允價值計入其他全面收入的金融資產。公允價值為市場參與者於計量日期在有序交易中出售資產所收取的價格。公允價值計量乃根據假設出售資產的交易於資產主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入的市場。資產的公允價值按假設市場參與者於資產定價時會以最佳經濟利益行事計量。

非金融資產的公允價值計量須計及市場參與者通過使用該資產達致最高及最佳用途，或通過將該資產出售予將使用該資產達致最高及最佳用途的其他市場參與者產生經濟效益的能力。

本集團使用適用於不同情況的估值技術，而其有充足數據計量公允價值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於財務報表中計量或披露公允價值的所有資產及負債，均根據對公允價值計量整體而言屬重大的最低級別輸入數據在下列公允價值層級內進行分類：

- 第1級 — 基於相同資產或負債於活躍市場的報價(未經調整)
- 第2級 — 基於對公允價值計量而言屬重大的可觀察(直接或間接)最低級別輸入數據的估值技術
- 第3級 — 基於對公允價值計量而言屬重大的不可觀察最低級別輸入數據的估值技術

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

Financial assets and liabilities (Continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements

At 31 December 2021

經常性公允價值計量 於2021年12月31日

			Level 1 第1級	Level 2 第2級	Level 3 第3級	Total 總計
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets	金融資產					
Financial assets at FVPL	按公允價值計入損益的 金融資產					
— Wealth management products	— 理財產品	22	—	—	926,338	926,338
Financial asset at FVOCI	按公允價值計入其他全 面收入的金融資產					
— Equity securities	— 股本證券		—	—	74	74
Total financial assets	金融資產總值		—	—	926,412	926,412

3 財務風險管理(續)

3.3 公允價值估計(續)

金融資產及負債(續)

就按經常性基準於財務報表中確認的資產及負債而言，本集團於各報告期間末通過重新評估分類(根據對公允價值計量整體而言屬重大的最低級別輸入數據)，釐定層級內級別之間是否出現轉移。

本節闡述釐定於財務報表中確認及按公允價值計量的金融工具公允價值時所作出的判斷及估計。為得出有關釐定公允價值所用輸入數據的可靠性指標，本集團已按會計準則規定將其金融工具分為三個層級。各層級於下表闡述。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

Financial assets and liabilities (Continued)

Recurring fair value measurements At 31 December 2022	經常性公允價值計量 於2022年12月31日	Note 附註	Level 1 第1級 RMB'000 人民幣千元	Level 2 第2級 RMB'000 人民幣千元	Level 3 第3級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets	金融資產					
Financial assets at FVPL	按公允價值計入損益的 金融資產					
— Wealth management products	— 理財產品	22	—	—	626,864	626,864
Financial asset at FVOCI	按公允價值計入其他 全面收入的金融資產					
— Equity securities	— 股本證券		—	—	47	47
Total financial assets	金融資產總值		—	—	626,911	626,911

The fair value of wealth management products that are not traded in an active market is determined by using valuation techniques, which include the use of quoted prices from the relevant financial institutions.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

The carrying amounts of the Group's current financial assets, including cash at banks, trade receivables, deposits and other receivables; and the Group's current financial liabilities, including trade payables, accruals and other payables and lease liabilities approximate their fair values due to their short maturities.

並無在活躍市場上買賣的理財產品的公允價值使用估值技術釐定，包括使用相關金融機構的報價。

該等估值技術盡量利用可獲得的可觀察市場數據，盡量減少依賴實體特定估計。倘工具的公允價值所需的所有重大輸入數據均可觀察，則該項工具計入第2級。倘一項或多項重大輸入數據並非根據可觀察市場數據，則該工具列入第3級。

於年內，第1、2及3級之間就經常性公允價值計量並無轉撥。

由於本集團的流動金融資產(包括銀行現金、貿易應收款項、按金及其他應收款項)及本集團的流動金融負債(包括貿易應付款項、應計款項及其他應付款項以及租賃負債)於短期內到期，故其賬面金額與公允價值相若。

3 財務風險管理(續)

3.3 公允價值估計(續)

金融資產及負債(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

Financial assets and liabilities (Continued)

The following table presents the changes in level 3 items for the years ended 31 December 2021 and 2022:

		Wealth management product 理財產品 RMB'000 人民幣千元	Equity securities 股本證券 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Opening balance as at 1 January 2021	於2021年1月1日的 年初結餘	658,387	179	658,566
Acquisitions	收購	1,614,520	—	1,614,520
Redemption upon maturity	到期贖回	(1,369,976)	—	(1,369,976)
Net fair value gains on financial assets at FVPL	按公允價值計入損益的 金融資產公允價值收益 淨額	23,407	—	23,407
Change in fair value through OCI	計入其他全面收入的 公允價值變動	—	(105)	(105)
Closing balance as at 31 December 2021	於2021年12月31日的 年末結餘	926,338	74	926,412
		Wealth management product 理財產品 RMB'000 人民幣千元	Equity securities 股本證券 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Closing balance as at 31 December 2021	於2021年12月31日的 年末結餘	926,338	74	926,412
Acquisitions	收購	1,168,150	—	1,168,150
Redemption upon maturity	到期贖回	(1,488,319)	—	(1,488,319)
Net fair value gains on financial assets at FVPL	按公允價值計入損益的 金融資產公允價值收益 淨額	20,695	—	20,695
Change in fair value through OCI	計入其他全面收入的 公允價值變動	—	(27)	(27)
Closing balance as at 31 December 2022	於2022年12月31日的 年末結餘	626,864	47	626,911

3 財務風險管理 (續)

3.3 公允價值估計 (續)

金融資產及負債 (續)

下表呈列第3級項目截至2021年及2022年12月31日止年度的變動：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of wealth management product:

Description 描述	Fair value 公允價值		Significant unobservable inputs 重大不可觀察輸入數據	Range of inputs 輸入數據的範圍		Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允價值的關係
	As at 31 December 於12月31日			As at 31 December 於12月31日		
	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	
Wealth management product 理財產品	626,864	926,338	Discount rates 貼現率	2.37%– 4.30%	2.41%– 4.55%	The higher the discount rate, the lower the fair value 貼現率越高，公允價值越低

If the discount rate for level 3 fair value measurement had been 10% higher/lower, the fair values of wealth management products as at 31 December 2022 and 2021 would have been approximately RMB568,000 and RMB945,000 lower/higher, respectively.

Valuation processes

The finance department of the Group includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods.

Changes in level 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

3 財務風險管理 (續)

3.3 公允價值估計 (續)

估值輸入數據以及與公允價值的關係

下表概述有關理財產品第3級公允價值計量所用重大不可觀察輸入數據的量化資料：

倘第3級公允價值計量的貼現率上升／下降10%，則於2022年及2021年12月31日的理財產品公允價值分別減少／增加約人民幣568,000元及人民幣945,000元。

估值流程

本集團財務部設有一支團隊，就財務報告目的對非財產項目進行估值，包括第3級公允價值。此團隊直接向首席財務官匯報。首席財務官與估值團隊最少每六個月討論估值流程及相關結果一次，與本集團的半年報告期間一致。

第3級公允價值的變動於各報告期末在首席財務官與估值團隊進行半年估值討論時分析。作為有關討論的一部分，估值團隊提呈解釋公允價值變動原因的報告。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of goodwill and trademark with infinite useful life

During the years ended 31 December 2022 and 2021, management conducted an impairment review on goodwill and trademark with infinite useful life. For the reporting periods, the recoverable amount of cash-generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 21. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

Details of impairment charge, key assumptions are disclosed in Note 21.

(b) Revenue recognised from unutilised prepaid packages

Most of Group's services are sold on a prepaid basis and offer a variety of prepaid packages. When a customer prepaids for a service or product, the relevant payment is recorded as contract liabilities in the consolidated balance sheet until the Group recognise revenue from the relevant prepaid package. These prepayments give the customer a right to receive services or products in the future (and oblige the Group to stand ready to provide services or products). However, customers may not exercise all of their contractual rights for various reasons. Those expected unexercised rights are referred to as "forfeited income".

4 關鍵會計估計及判斷

編製綜合財務報表要求使用會計估計，顧名思義，會計估計很少與實際結果相同。管理層亦需對應用本集團的會計政策作出判斷。

估計及判斷持續予以評估，而評估基於過往經驗及其他因素進行，包括在有關情況下被認為屬合理的未來事件預測。

(a) 商譽及具無限可使用年期的商標的減值

於截至2022年及2021年12月31日止年度，管理層已就商譽及具無限可使用年期的商標進行減值檢討。於報告期間，現金產生單位的可收回金額根據使用價值計算釐定，該計算要求使用假設。計算使用基於管理層所批准涵蓋五年期財務預算的現金流量預測。

五年期後的現金流量使用附註21所列的估計增長率推算。該等增長率與每個現金產生單位運營所在行業特定的行業報告中包含的預測一致。

減值費用、關鍵假設的詳情於附註21披露。

(b) 確認來自未使用預付套餐的收入

本集團的大部分服務均以預付方式出售，並提供各種預付套餐。當客戶預付服務或產品的費用時，相關付款於綜合資產負債表中入賬列作合約負債，直至本集團確認相關預付套餐的收入。該等預付款項賦予客戶在未來接收服務或產品的權利（並使本集團有責任隨時準備提供服務或產品）。然而，由於各種原因，客戶可能不會行使其所有合約權利。該等預期未行使的權利即為「沒收收入」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Revenue recognised from unutilised prepaid packages (Continued)

The expected unexercised rights on prepaid packages are estimated by management based on historical customer behaviour and usage pattern and are recognised as revenue when the likelihood of the customer exercising its remaining rights becomes remote. Forfeited income will be recognised in the consolidated statement of comprehensive income.

(c) Current and deferred income tax

The Group is subject to corporate income taxes in the PRC. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

(d) Depreciation of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for the Group's property, plant and equipment with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets.

Management performs periodic review of the estimated useful lives of property, plant and equipment, and will revise the depreciation charges where estimated useful lives are different than those previously estimated.

(e) Fair value assessment of the trademarks and customer relationships and the recognition of goodwill arising from business combinations

Significant judgements and estimates were involved in the fair value assessment of the identified trademarks and customer relationships and the recognition of goodwill arising from business combinations. These significant judgements and estimates include the adoption of appropriate valuation methodologies and the use of key assumptions in the valuation (mainly annual revenue growth rate, gross profit margins, discount rates and expected useful lives of customer relationships).

4 關鍵會計估計及判斷(續)

(b) 確認來自未使用預付套餐的收入(續)

預付套餐的預期未行使權利由管理層根據客戶的過往行為及使用模式進行估計，並於客戶行使其餘下權利的可能性變得極微時確認為收入。沒收收入將於綜合全面收益表中確認。

(c) 即期及遞延所得稅

本集團須繳納中國企業所得稅。在釐定稅項撥備金額及相關稅項的支付時間時，須作出判斷。在日常業務過程中，多項交易及計算所涉及的最終稅項釐定並不確定。倘該等事項的最終稅務結果與初步入賬的金額不同，則該等差額將影響作出有關決定期間的所得稅及遞延稅項撥備。

與若干暫時差異及稅項虧損有關的遞延稅項資產於管理層認為可能有未來應課稅利潤可用作抵銷暫時性差額或稅項虧損時確認。實際使用的結果可能有所不同。

(d) 物業、機器及設備折舊

本集團管理層參考本集團有意使用其物業、機器及設備以獲取未來經濟利益的估計期間釐定該等資產的估計可使用年期及相關折舊費用。

管理層定期檢討物業、機器及設備的估計可使用年期，倘估計可使用年期有別於先前所估計者，則會修訂折舊費用。

(e) 商標及客戶關係的公允價值評估及業務合併產生的商譽確認

已識別商標及客戶關係的公允價值評估及業務合併產生的商譽確認涉及重大判斷及估計。該等重大判斷及估計包括在估值中採用適當估值方式及運用關鍵假設(主要為年度收入增長率、毛利率、貼現率及客戶關係的預期可使用年期)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(f) Contractual arrangement

Due to the regulatory restrictions on the foreign ownership of the certain part of Listing Business in the PRC, the Group does not have any legal equity interest in Shanghai Liernuo. The Directors assessed whether or not the Group has control over Shanghai Liernuo by assessing whether it has the rights to variable returns from its involvement with Shanghai Liernuo and the Medical Institutions and has the ability to affect those returns through its power over Shanghai Liernuo and the Medical Institutions. After assessment, the Directors concluded that the Group has control over Shanghai Liernuo and the Medical Institutions as a result of the Contractual Arrangements and accordingly the financial position and the operating results of Shanghai Liernuo and the Medical Institutions can be included in the Group's consolidated financial statements. Nevertheless, the Contractual Arrangements may not be as effective as direct legal ownership in providing the Group with direct control over Shanghai Liernuo and the Medical Institutions and uncertainties presented by the PRC legal system could impede the Group's beneficiary rights of the results, assets and liabilities of Shanghai Liernuo and the Medical Institutions. The Directors, based on the advice of its legal counsel, consider that the Contractual Arrangements with Shanghai Liernuo, the Medical Institutions and their equity holders are in compliance with the relevant PRC laws and regulations and are legally enforceable.

5 SEGMENT INFORMATION

The chief operating decision-maker 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 executive committee has determined that no business segment information is presented as all business segments are with similar economic characteristics.

The executive committee has also determined that no geographical segment information is presented as all business performance are generated from mainland China.

4 關鍵會計估計及判斷(續)

(f) 合約安排

由於中國對上市業務若干部分外資擁有權的監管限制，本集團於上海麗爾諾並無任何法定股權。董事通過評估其是否擁有參與上海麗爾諾及醫療機構可變回報的權利及是否有能力透過其於上海麗爾諾及醫療機構的權力影響該等回報，評估本集團是否對上海麗爾諾擁有控制權。於評估之後，董事的結論為，本集團由於合約安排而對上海麗爾諾及醫療機構擁有控制權，因此上海麗爾諾及醫療機構的財務狀況及經營業績可計入本集團的綜合財務報表。儘管如此，合約安排未必如本集團對上海麗爾諾及醫療機構擁有直接控制權的直接法定擁有權般有效，而中國法律體系帶來的不確定性可能會損害本集團於上海麗爾諾及醫療機構的業績、資產及負債的實益權利。董事基於法律顧問的意見認為，與上海麗爾諾、醫療機構及其權益持有人的合約安排符合相關中國法律及法規，並可依法強制執行。

5 分部資料

最高營運決策者確定為執行委員會，執行委員會由全體執行董事及首席財務官組成。執行委員會審閱本集團內部報告以評估表現及分配資源。

執行委員會決定，由於所有業務分部均具有類似的經濟特徵，故不呈報業務分部資料。

執行委員會亦決定，由於所有業務表現均自中國內地產生，故不呈報地區分部資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

6 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:

6 收入及合約負債

(a) 來自客戶合約的收入分類

本集團自以下主要收入來源中的某一時間點及一段時間內的服務以及某一時間點的貨品轉讓中獲得收入：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Traditional beauty services	傳統美容服務		
— Direct stores (at a point in time)	— 直營店(於某一時間點)		
— Services	— 服務	764,771	857,295
— Product Sales	— 產品銷售	70,838	84,062
— Franchised and others	— 加盟店及其他		
— Product sales (at a point in time)	— 產品銷售(於某一時間點)	106,357	101,816
— Franchise fee (over time)	— 加盟費(於一段時間內)	4,780	3,611
Subtotal	小計	946,746	1,046,784
Subhealth assessment and intervention services	亞健康評估及干預服務		
— Services recognised at a point in time	— 於某一時間點確認的服務	49,020	43,772
— Services recognised over time	— 於一段時間內確認的服務	19,449	17,159
Subtotal	小計	68,469	60,931
Aesthetic medical services	醫療美容服務		
— recognised at a point in time	— 於某一時間點確認	620,199	673,025
Total	總計	1,635,414	1,780,740

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

外部客戶收入來自提供服務及銷售產品，包括傳統美容服務、亞健康評估及干預服務及醫療美容服務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

6 REVENUE & CONTRACT LIABILITIES

(Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

Subhealth assessment and intervention services recognised over time are cooperation fee received from Hainan Qiyan Stem Cell Anti-aging Hospital Co., Ltd. after disposal from the Group in December 2020. 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., which were disclosed in Note 33(b).

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 China. All of its sales from external customers are generated in China.

(b) Liabilities related to contracts with customers

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

6 收入及合約負債(續)

(a) 來自客戶合約的收入分類(續)

於一段時間內確認的亞健康評估及干預服務為2020年12月本集團將海南啟研幹細胞抗衰老醫院有限公司出售後從該公司收到的合作費用。該等服務包括向海南啟研幹細胞抗衰老醫院有限公司提供的客戶轉介及諮詢服務、物流安排服務、客戶治療後護理服務，已於附註33(b)披露。

並無重大收益來自單一外部客戶。並無客戶貢獻超過10%的收益。本集團的大部分客戶為個別人士，且分布廣泛。

本集團的總部設在中國。其所有來自外部客戶的銷售均於中國產生。

(b) 與客戶合約有關的負債

- (i) 本集團已確認以下與客戶合約有關的負債：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Contract liabilities — services and product sales	合約負債 — 服務及產品銷售	1,408,119	1,347,685

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 sheet until the Group recognizes revenue upon delivery of products to the franchised stores.

本集團將該等合約負債分類為流動負債，原因為本集團並無無條件權利將其遞延至於報告期後至少12個月。

產品按預付基準出售。當加盟店就產品預付款項，相關付款於綜合資產負債表入賬列作合約負債，直至本集團於產品向加盟店交付後確認收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

6 REVENUE & CONTRACT LIABILITIES

(Continued)

(b) Liabilities related to contracts with customers (Continued)

(ii) Significant changes in contract liabilities

Contract liabilities have increased as a result of the business expansion which led to the increase in the number of direct stores and members.

(iii) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

6 收入及合約負債(續)

(b) 與客戶合約有關的負債(續)

(ii) 合約負債的重大變動

由於業務擴張使直營店及會員數量增加，合約負債亦隨之增加。

(iii) 就合約負債確認的收入

下表列示於本報告期間內確認與結轉的合約負債相關的收入：

Year ended 31 December 截至12月31日止年度

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue recognised that was included in the contract liability balance at the beginning of the period	計入期初合約負債結餘中的已確認收入		
Services and product sales	服務及產品銷售	742,542	709,309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 REVENUE & CONTRACT LIABILITIES

(Continued)

(b) Liabilities related to contracts with customers (Continued)

- (iv) The following table shows the movement of contract liabilities for the periods indicated:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Balance at the beginning of the year	年初結餘	1,347,685	1,155,062
Revenue recognised from provision of services and product sales to end customers and franchised stores	向終端客戶及加盟店提供服務以及銷售產品的已確認收入	(1,535,121)	(1,676,966)
Payment to franchised stores due to the services provided to our members	因向會員提供服務向加盟店付款	(6,564)	(4,428)
Net increase in contract liabilities due to the prepaid cards sold to end customers	已向終端客戶售出預付卡引致的合約負債增加淨額	1,500,938	1,745,292
Net increase in contract liabilities due to the prepayments received from franchised stores and others	自加盟店及其他收取預付款項引致的合約負債增加淨額	102,283	101,957
Acquisition of subsidiaries	收購附屬公司	4,479	26,768
Disposal of subsidiaries or business	出售附屬公司或業務	(5,581)	—
		1,408,119	1,347,685

(c) Unsatisfied long-term contracts

Management expects that the proportion of approximately 57% and 61% of the transaction to unsatisfied obligations as of 31 December 2022 and 2021 will be recognised as revenue within next one year. The remaining will be recognised in more than one year.

6 收入及合約負債(續)

(b) 與客戶合約有關的負債(續)

- (iv) 下表顯示所示期間合約負債的變動：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Balance at the beginning of the year	年初結餘	1,347,685	1,155,062
Revenue recognised from provision of services and product sales to end customers and franchised stores	向終端客戶及加盟店提供服務以及銷售產品的已確認收入	(1,535,121)	(1,676,966)
Payment to franchised stores due to the services provided to our members	因向會員提供服務向加盟店付款	(6,564)	(4,428)
Net increase in contract liabilities due to the prepaid cards sold to end customers	已向終端客戶售出預付卡引致的合約負債增加淨額	1,500,938	1,745,292
Net increase in contract liabilities due to the prepayments received from franchised stores and others	自加盟店及其他收取預付款項引致的合約負債增加淨額	102,283	101,957
Acquisition of subsidiaries	收購附屬公司	4,479	26,768
Disposal of subsidiaries or business	出售附屬公司或業務	(5,581)	—
		1,408,119	1,347,685

(c) 未履行的長期合約

截至2022年及2021年12月31日，管理層預期未履行責任的交易比例約為57%及61%，將於未來一年內確認為收入。餘下將於一年以上時間內確認。

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綜合財務報表附註

7 OTHER INCOME AND OTHER EXPENSES 7 其他收入及其他開支

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Other income	其他收入		
Government grants	政府補助	21,575	12,624
Rental income	租金收入	6,693	6,405
Others	其他	812	1,698
		29,080	20,727
Other expenses	其他開支		
Direct cost in relation to the rental income	與租金收入有關的直接成本	3,393	3,481

Government grants mainly represent subsidies from governments as industry support, contributions of the Group 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.

政府補助主要指政府作為行業支持、就本集團對穩定就業作出貢獻的補助以及中國政府部門授予的增值稅豁免。該等補助並無附帶任何未達成的條件或其他或然事項。

8 OTHER GAINS — NET 8 其他收益淨額

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Net fair value gains on financial assets at FVPL	按公允價值計入損益的金融資產公允價值收益淨額	20,695	23,407
Net losses on disposal of property, plant and equipment	出售物業、機器及設備的虧損淨額	(906)	(2,640)
Net foreign exchange gains/(losses)	匯兌收益/(虧損)淨額	4,030	(225)
Others	其他	(1,252)	(2,290)
		22,567	18,252

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 EXPENSES BY NATURE

The expenses charged to cost of sales and services, selling expenses, research and development expenses and general and administrative expenses are analysed as follows:

9 按性質劃分的開支

自銷售及服務成本、銷售開支、研發開支以及一般及行政開支扣除的開支分析如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Employee benefits expenses (Note 10)	員工福利開支(附註10)	697,066	715,091
Products and consumables used	已用產品及耗用品	294,319	320,507
Depreciation of right-of-use assets (Note 17)	使用權資產折舊(附註17)	187,535	174,114
Depreciation of property, plant and equipment (Note 15)	物業、機器及設備折舊(附註15)	89,642	85,535
Amortisation of intangible assets (Note 18)	無形資產攤銷(附註18)	16,671	12,058
Property management fee	物業管理費	43,495	54,527
Auditors' remuneration	核數師薪酬	3,680	61
— Audit services	— 審計服務	2,700	—
— Non-audit services	— 非審計服務	980	61
Professional service fee	專業服務費	19,768	19,472
Promotion and marketing related expenses	推廣及營銷相關開支	36,547	33,433
Office expenses	辦公室開支	22,085	23,742
Utilities	公用服務	22,732	22,725
Travelling expenses	差旅開支	8,559	14,092
Rental expense for short-term leases and variable lease payments (Note 17(b))	短期租賃的租金開支及可變租賃付款(附註17(b))	10,472	9,897
Bank charges	銀行收費	4,544	5,608
Miscellaneous expenses	雜項開支	11,673	10,824
Taxes and surcharges	稅項及附加費	5,142	5,378
Entertainment expenses	酬酢開支	5,112	5,289
Listing expenses	上市開支	32,649	12,063
Loss allowance on inventories	存貨虧損撥備	1,324	712
Reorganisation cost (a)	重組成本(a)	7,279	—
Other expenses	其他開支	11,125	11,769
Total	總計	1,531,419	1,536,897

(a) Reorganisation cost

For the purpose of meeting certain listing requirements on its equity interests in the consolidated PRC operating entities, the Group carried out an internal reorganisation by transfer certain equity interests of its PRC operating entities, from the equity holders of these PRC operating entities to a subsidiary under the Company. Pursuant to the reorganization of these PRC operating entities, the pertinent expenses of the equity holders in relation to the share transfer shall be borne by the Group.

(a) 重組成本

為符合其於合併中國營運實體中股權的若干上市要求，本集團通過將其中國營運實體的若干股權自該等中國營運實體的權益持有人轉讓予本公司的附屬公司，進行內部重組。根據該等中國營運實體的重組，權益持有人與股份轉讓相關的開支由本集團承擔。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

10 EMPLOYEE BENEFIT EXPENSES

10 員工福利開支

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	581,897	613,803
Pension costs — defined contribution plans	退休金成本 — 定額供款計劃	45,728	36,868
Welfare and other expenses	福利及其他開支	13,378	22,345
Other social security costs	其他社會保險成本	27,152	23,205
Housing benefits	住房福利	14,733	12,580
Share-based compensation expenses	以股份支付的報酬開支	14,178	6,290
Total employee benefit expense	員工福利開支總額	697,066	715,091

(a) Pensions — defined contribution plans

The Group did not have any forfeited contribution for the years ended 31 December 2022 and 2021 in connection with the defined contribution plan operated by local governments.

Employees of the Group are required to participate in a defined contribution plan administrated and operated by the local municipal government in the PRC. The Group contributes funds which are calculated on certain percentages of the employee salary as agreed by the local municipal government to the plan to fund the retirement benefits of the employees.

(a) 退休金 — 定額供款計劃

截至2022年及2021年12月31日止年度，本集團並無任何與地方政府運作的定額供款計劃有關的已沒收供款。

本集團的員工須參加由中國地方政府管理及運作的定額供款計劃。本集團向計劃作出按地方政府同意的員工薪金的一定比例計算的供款，為員工的退休福利提供資金。

(b) Five highest paid individuals

(b) 五名最高薪人士

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Director	董事	3,813	2,763
Non-director	非董事	19,328	23,370
		23,141	26,133

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 EMPLOYEE BENEFIT EXPENSES (Continued)

(b) Five highest paid individuals (Continued)

The emolument paid to the directors of the five highest individuals is disclosed in the Note 36, while the emolument paid to the remaining individuals during the respective years is as follows:

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Basic salaries	基本薪金	—	570
Bonuses	花紅	19,326	22,671
Pension costs — defined contribution plans	退休金成本 — 定額供款計劃	1	60
Other social security costs, housing benefits and other employee benefits	其他社會保險成本、住房福利及其他員工福利	1	69
		19,328	23,370

The emoluments of the non-director highest paid employees fell within the following range:

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
RMB2,000,001 to RMB2,500,000	人民幣2,000,001元至 人民幣2,500,000元	—	1
RMB3,000,001 to RMB3,500,000	人民幣3,000,001元至 人民幣3,500,000元	2	1
RMB5,500,001 to RMB6,000,000	人民幣5,500,001元至 人民幣6,000,000元	1	1
RMB7,000,001 to RMB7,500,000	人民幣7,000,001元至 人民幣7,500,000元	1	—
RMB11,500,001 to RMB12,000,000	人民幣11,500,001元至 人民幣12,000,000元	—	1
		4	4

10 員工福利開支(續)

(b) 五名最高薪人士(續)

已付五名最高薪人士的董事酬金已於附註36披露，而於各年向其餘人士支付的酬金如下：

已付非董事的最高薪員工的酬金範圍如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 FINANCE COSTS — NET

11 財務成本淨額

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Finance income	財務收入		
Interest income on bank deposits	銀行存款利息收入	3,094	1,283
Finance costs	財務成本		
Interest expense	利息開支		
— Interest charges on borrowings	— 借款利息費用	—	(17)
— Interest charges for lease liabilities	— 租賃負債利息費用	(24,713)	(24,199)
		(24,713)	(24,216)
Finance costs — net	財務成本淨額	(21,619)	(22,933)

12 INCOME TAX EXPENSES

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

12 所得稅開支

本附註提供本集團所得稅開支的分析，呈列所得稅開支受非應稅及不可扣稅項目所影響。

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current income tax — PRC income tax	即期所得稅 — 中國所得稅	29,371	44,944
Over provision in prior years	過往年度超額撥備	(181)	(1,644)
Deferred income tax (Note 31)	遞延所得稅(附註31)	(9,247)	3,461
Income tax expense	所得稅開支	19,943	46,761

(a) Cayman Islands

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

(a) 開曼群島

本公司根據開曼群島公司法註冊成立為獲豁免有限公司，毋須繳納開曼群島所得稅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INCOME TAX EXPENSES (Continued)

(b) Hong Kong Profits Tax

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong.

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

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

CIT was levied at the reduced rate of 15% for new/high-tech subsidiaries. Certain subsidiaries of the Group met the definition of STE (Small and Thin-profit Enterprises) and entitled to a reduced corporate income tax rate of 5% (2021: 10%).

The Company and its subsidiaries, except for STE and new/high tech subsidiaries and those incorporated in Hong Kong, are generally subject to the PRC standard corporate income tax rate of 25% (2021: 25%).

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate of 25% is as follows:

12 所得稅開支(續)

(b) 香港利得稅

於香港註冊成立的附屬公司須就在香港產生的任何估計應課稅利潤按16.5%的稅率繳納香港利得稅。

(c) 中國企業所得稅(「企業所得稅」)

中國企業所得稅按中國現行稅率就年內應課稅利潤計算得出。

就高新技術附屬公司而言，企業所得稅按15%的減免稅率繳納。本集團若干附屬公司符合小型微利企業的定義，享有5% (2021年：10%) 的優惠企業所得稅稅率。

除小型微利企業及高新技術附屬公司以及於香港註冊成立的公司外，本公司及其附屬公司一般須按中國標準企業所得稅率25% (2021年：25%) 繳稅。

本集團除所得稅前利潤的稅項有別於使用法定稅率25%計算的理論金額，載列如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	130,475	255,102
Tax calculated at the applicable statutory tax rate of 25%	按25%的適用法定稅率計算的稅項	32,619	63,776
Adjustment for tax effect of: Preferential income tax rates applicable to certain companies comprising the Group	就以下各項的稅務影響作出調整：適用於本集團旗下若干公司的優惠所得稅稅率	(16,151)	(16,985)
Tax effects of expenses not deductible for tax purposes	就稅項而言不可扣稅開支的稅務影響	3,656	1,614
Current income tax filing difference of prior years	過往年度的即期所得稅報稅差異	(181)	(1,644)
Tax charge	稅項支出	19,943	46,761

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INCOME TAX EXPENSES (Continued)

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

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. For the year ended 31 December 2022, no PRC withholding tax was accrued since the Group estimated that no earnings generated by its PRC entities would be distributed to the holding companies outside PRC. As at 31 December 2022, the PRC subsidiaries of the Group have undistributed earnings of approximately RMB122,505,000, which if paid out as dividends, would be subject to tax in the hands of the recipient.

13 BASIC AND DILUTED EARNINGS PER SHARE

(i) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during each year. The weighted average number of ordinary shares is calculated based on the assumption that 99,800,000 shares, excluding 3,092,784 treasury shares held for employee share scheme as detailed in Note 27, and 200,000 shares issued and allotted to ZYLot Holdings, issued upon the incorporation of the Company in connection with the Reorganisation as detailed in Note 27 were deemed to have been in issue since 1 January 2019. For the year ended 31 December 2022, the 200,000 shares issued and allotted to ZYLot Holdings was included in the weighted average number of ordinary shares by multiplication of the number of days after investment divided by total number of the days during the respective reporting periods.

On 16 January 2023, the company conducted a 1 to 2 share split and each existing share was split into 2 shares. The calculation of basic and diluted earnings per share for all periods presented was retrospectively adjusted.

12 所得稅開支(續)

(c) 中國企業所得稅(「企業所得稅」)(續)

企業所得稅法及其實施細則就中國居民企業向其位於中國境外的直接控股公司按於2008年1月1日開始產生的盈利分派的股息徵收10%預扣稅，而於2008年1月1日前產生的未分派盈利則獲豁免繳納有關預扣稅。根據中國與香港的稅務協定安排，倘直接控股公司於香港成立，則可應用較低的5%預扣稅率。截至2022年12月31日止年度，本集團估計，其中國實體所產生盈利並無向中國境外控股公司分派，故並無應計中國預扣稅。於2022年12月31日，本集團中國附屬公司的未分派盈利約為人民幣122,505,000元，倘作為股息派付，則收款人須繳納稅項。

13 每股基本及攤薄盈利

(i) 基本

每股基本盈利按各年本公司擁有人應佔利潤除以已發行普通股加權平均數計算得出。普通股加權平均數按附註27所詳述就重組註冊成立本公司時發行的99,800,000股股份(不包括附註27所詳述就員工股份計劃持有的3,092,784股庫存股以及向ZYLot Holdings發行及配發的200,000股股份)被視為自2019年1月1日起已發行的假設計算得出。截至2022年12月31日止年度，向ZYLot Holdings發行及配發的200,000股股份已計入普通股加權平均數，乘以投資後日數，再除以各報告期間的總日數。

2023年1月16日，本公司進行了1比2的股份分割，每股現有股份被分割為2股。追溯調整所有期間的每股基本盈利和每股攤薄盈利的計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 BASIC AND DILUTED EARNINGS PER SHARE (Continued)

(i) Basic (Continued)

		Year ended 31 December 截至12月31日止年度	
		2022 2022年	2021 2021年
Profit attributable to Owners of the Company (RMB'000)	本公司擁有人應佔利潤 (人民幣千元)	103,109	193,475
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	199,922	199,600
Basic earnings per share for profit attributable to the Owners of the Company during the year (expressed in RMB per share)	年內本公司擁有人應佔利潤的每股基本盈利(以每股人民幣元列示)	0.52	0.97

(ii) Diluted

Options granted to employees under the company Option Plan are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required net profit hurdles would have been met based on the Group's performance up to the reporting date, and to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 20.

13 每股基本及攤薄盈利(續)

(i) 基本(續)

		Year ended 31 December 截至12月31日止年度	
		2022 2022年	2021 2021年
Profit attributable to Owners of the Company (RMB'000)	本公司擁有人應佔利潤 (人民幣千元)	103,109	193,475
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	199,922	199,600
Basic earnings per share for profit attributable to the Owners of the Company during the year (expressed in RMB per share)	年內本公司擁有人應佔利潤的每股基本盈利(以每股人民幣元列示)	0.52	0.97

(ii) 攤薄

根據本公司購股權計劃向僱員授出的購股權均被視為潛在普通股。倘根據集團截至報告日期的業績及其攤薄程度可符合所要求的淨利潤門檻，則於計算每股攤薄盈利時，應計入該等購股權，惟計算每股基本盈利時並未計入該等購股權。購股權有關詳情載於附註20。

		Year ended 31 December 截至12月31日止年度	
		2022 2022年	2021 2021年
Profit attributable to Owners of the Company (RMB'000)	本公司擁有人應佔利潤 (人民幣千元)	103,109	193,475
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	199,922	199,600
Adjustments for calculation of diluted earnings per share:	計算每股攤薄盈利時的調整項目：	166	—
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	計算每股攤薄盈利時作為分母的普通股及潛在普通股的加權平均數	200,088	199,600
Diluted earnings per share for profit attributable to the Owners of the Company during the year (expressed in RMB per share)	年內本公司擁有人應佔利潤的每股攤薄盈利(以每股人民幣元列示)	0.52	0.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

14 DIVIDENDS

14 股息

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Dividends declared (a)	已宣派股息(a)	198,742	86,677
Proposed final dividend of HK\$0.39 (equivalent to RMB0.34) per share (b)	建議末期股息每股0.39港元 (約為人民幣0.34元)(b)	80,465	—

Notes:

- (a) During the years ended 31 December 2022 and 2021, certain companies now comprising the Group declared dividends of RMB198,742,000 and RMB86,677,000 respectively to their then shareholders.

No dividends have been paid or declared by the Company since the incorporation till 31 December 2022.

- (b) A dividend in respect of the year ended 31 December 2022 of HK\$0.39 (equivalent to RMB0.34) per share, amounting to a total dividend of approximately HK\$92.3 million (equivalent to RMB80.46 million), is to be approved at the 2022 annual general meeting of the Company. These consolidated financial statements do not reflect this dividend payable.

附註：

- (a) 截至2022年及2021年12月31日止年度，本集團現時旗下若干公司分別向其當時股東宣派股息人民幣198,742,000元及人民幣86,677,000元。

本公司自註冊成立起至2022年12月31日概無支付或宣派股息。

- (b) 截至2022年12月31日止年度每股0.39港元(約為人民幣0.34元)的股息(股息總額約為92.3百萬港元(約為人民幣80.46百萬元)即將於本公司2022年股東周年大會上審批。此等綜合財務報表並未反映是項應付股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、機器及設備

		Buildings	Electronic equipment and vehicles	Beauty equipment	Office furniture	Long-term leasehold improvement	Assets under construction	Total
		樓宇	電子設備及 汽車	美容設備	辦公家具	長期租賃 物業裝修	在建資產	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2021	於2021年1月1日							
Cost	成本	40,816	18,011	144,181	7,633	293,548	2,720	506,909
Impairment provision	減值撥備	—	—	(862)	—	—	—	(862)
Accumulated depreciation	累計折舊	(21,081)	(9,357)	(90,600)	(3,480)	(164,086)	—	(288,604)
Net book amount	賬面淨值	19,735	8,654	52,719	4,153	129,462	2,720	217,443
Year ended 31 December 2021	截至2021年12月31日止年度							
Opening net book amount	年初賬面淨值	19,735	8,654	52,719	4,153	129,462	2,720	217,443
Additions	添置	—	4,816	35,932	2,144	18,319	69,964	131,175
Transfers	轉撥	—	—	—	—	65,907	(65,907)	—
Addition through purchase	透過購買添置	—	—	60	—	—	—	60
Transferred to intangible assets (Note 18)	轉撥至無形資產(附註18)	—	—	—	—	—	(999)	(999)
Disposals	出售	—	(319)	(1,813)	(311)	—	(197)	(2,640)
Depreciation charge (Note 9)	折舊費用(附註9)	(2,037)	(2,900)	(27,824)	(1,298)	(51,476)	—	(85,535)
Closing net book amount	年末賬面淨值	17,698	10,251	59,074	4,688	162,212	5,581	259,504
At 31 December 2021	於2021年12月31日							
Cost	成本	40,815	22,444	177,998	8,900	376,382	5,581	632,120
Impairment provision	減值撥備	—	—	(862)	—	—	—	(862)
Accumulated depreciation	累計折舊	(23,117)	(12,193)	(118,062)	(4,212)	(214,170)	—	(371,754)
Net book amount	賬面淨值	17,698	10,251	59,074	4,688	162,212	5,581	259,504

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

15 PROPERTY, PLANT AND EQUIPMENT
(Continued)

15 物業、機器及設備 (續)

		Buildings	Electronic equipment and vehicles	Beauty equipment	Office furniture	Long-term leasehold improvement	Assets under construction	Total
		樓宇	電子設備及汽車	美容設備	辦公家具	長期租賃物業裝修	在建資產	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2022	截至2022年12月31日止年度							
Opening net book amount	年初賬面淨值	17,698	10,251	59,074	4,688	162,212	5,581	259,504
Additions	添置	—	6,802	34,057	901	22,746	74,584	139,090
Transfers	轉撥	—	—	—	—	64,206	(64,206)	—
Disposals	出售	—	(158)	(490)	(43)	(434)	—	(1,125)
Deduction due to disposal of a subsidiary	出售附屬公司扣款	—	(21)	(2)	(4)	(96)	—	(123)
Depreciation charge (Note 9)	折舊費用(附註9)	(2,037)	(3,489)	(26,531)	(1,540)	(56,045)	—	(89,642)
Closing net book amount	年末賬面淨值	15,661	13,385	66,108	4,002	192,589	15,959	307,704
At 31 December 2022	於2022年12月31日							
Cost	成本	40,815	27,721	206,681	9,382	460,807	15,959	761,365
Impairment provision	減值撥備	—	—	(185)	—	—	—	(185)
Accumulated depreciation	累計折舊	(25,154)	(14,336)	(140,388)	(5,380)	(268,218)	—	(453,476)
Net book amount	賬面淨值	15,661	13,385	66,108	4,002	192,589	15,959	307,704

The amounts of depreciation expense charged to profit or loss are as follows:

於損益扣除的折舊開支金額如下：

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of sales and services	銷售及服務成本	83,773	80,892
Selling expenses	銷售開支	3,926	3,230
General and administrative expenses	一般及行政開支	1,943	1,413
		89,642	85,535

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 INVESTMENT PROPERTIES

16 投資物業

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Leasehold land and buildings	租賃土地及樓宇		
Opening net book amount	年初賬面淨值	74,538	78,114
Disposals	出售	—	(95)
Depreciation charge	折舊費用	(3,393)	(3,481)
		71,145	74,538
Closing net book amount:	年末賬面淨值：		
Cost	成本	78,019	78,019
Accumulated depreciation	累計折舊	(6,874)	(3,481)
Net book value	賬面淨值	71,145	74,538
Fair value at the end of year	年末公允價值	92,700	92,280

As at 31 December 2022 and 2021, the Group assessed the fair values of investment properties with reference to valuation reports issued by an independent valuer. The valuation method is the income approach, which takes into account the rental income of such portion of the property derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the market value at an appropriate capitalisation rate.

During the year ended 31 December 2022 and 2021, rental income of the Group's investment properties recognised as "other income" (Note 7) were amounted to RMB5,890,000 and RMB5,611,000 respectively. And depreciation of the Group's investment properties recognised as "other expenses" (Note 7) amounted to RMB3,393,000 and RMB3,481,000 respectively.

The investment properties are leased to tenants under operating leases with rentals payable quarterly. Lease payments for the contract include CPI increases, but there are no other variable lease payments that depend on an index or rate.

於2022年及2021年12月31日，本集團參照獨立評估師出具的估值報告評估投資物業的公允價值。估值方法為收入法，當中計及來自現有租賃及／或可於現有市場實現的有關物業部分的租金收入，並適當考慮租賃的復歸收入潛力，該租金收入其後按適當的資本化率撥充資本以釐定市值。

於截至2022年及2021年12月31日止年度，確認為「其他收入」(附註7)的本集團投資物業的租金收入分別為人民幣5,890,000元及人民幣5,611,000元。而確認為「其他開支」(附註7)的本集團投資物業折舊分別為人民幣3,393,000元及人民幣3,481,000元。

投資物業根據經營租賃向租戶出租，按季支付租金。合約租賃付款包括消費者物價指數增加，惟並無取決於指數或利率的其他可變租賃付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LEASES

The consolidated balance sheet show the following amounts relating to leases:

(a) Right-of-use assets

17 租賃

綜合資產負債表列示以下有關租賃的金額：

(a) 使用權資產

		Properties 物業 RMB'000 人民幣千元
Year ended 31 December 2021		
Opening net book amount	截至2021年12月31日止年度 年初賬面淨值	466,467
Additions	添置	159,442
Depreciation (Note 9)	折舊(附註9)	(174,114)
Closing net book amount	年末賬面淨值	451,795
At 31 December 2021		
Cost	於2021年12月31日 成本	890,358
Accumulated depreciation	累計折舊	(438,563)
Net book amount	賬面淨值	451,795
Year ended 31 December 2022		
Opening net book amount	截至2022年12月31日止年度 年初賬面淨值	451,795
Additions	添置	216,759
Depreciation (Note 9)	折舊(附註9)	(187,535)
Closing net book amount	年末賬面淨值	481,019
At 31 December 2022		
Cost	於2022年12月31日 成本	912,093
Accumulated depreciation	累計折舊	(431,074)
Net book amount	賬面淨值	481,019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LEASES (Continued)

(b) Lease liabilities

17 租賃(續)

(b) 租賃負債

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Lease liabilities	租賃負債		
Current	流動	150,979	163,181
Non-current	非流動	374,523	352,279
		525,502	515,460

The consolidated statement of comprehensive income and the consolidated statement of cash flows contain the following amounts relating to leases:

綜合全面收益表及綜合現金流量表包含以下與租賃有關的金額：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
(i) Profit or loss:	(i) 損益：		
Depreciation of right-of-use assets, charged to cost of sales and services and general and administrative expenses	使用權資產折舊，自銷售及服務成本以及一般及行政開支扣除	187,535	174,114
Interest expenses relating to lease liabilities, charged to finance costs	與租賃負債有關的利息開支，自財務成本扣除	24,713	24,199
Expenses relating to variable lease payments	與可變租賃付款有關的開支	4,009	4,562
Expenses relating to short-term leases	與短期租賃有關的開支	6,463	5,335
		222,720	208,210
(ii) Cash flow:	(ii) 現金流量：		
The cash outflow for leases as financing activities	租賃作為融資活動的現金流出	231,430	177,501
The cash outflow for leases as operating activities	租賃作為經營活動的現金流出	10,472	9,897
		241,902	187,398

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

17 LEASES (Continued)

(b) Lease liabilities (Continued)

- (iii) The Group's leasing activities and how these are accounted for

The Group leases various offices and stores. Rental contracts are typically made for fixed periods of six months to fifteen years and have no extension options granted to the Group.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

- (iv) Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For individual stores with variable payment arrangements, up to 95% of lease payments are on the basis of variable payment terms with percentages ranging from 10% to 16% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

If revenue had increased/decreased by 5% with all other variables held constant, variable lease payments for the year, and for the year ended 31 December 2022 and 2021 would have been approximately RMB3,764,000 and RMB2,905,000 respectively higher/lower mainly as a result of lease expenses of cost of sales and services and cash equivalents.

- (v) Extension and termination options

Extension and termination options are not included in leases across the Group. The majority of extension and termination options are exercisable by mutual agreements between the Group and the respective lessor.

17 租賃(續)

(b) 租賃負債(續)

- (iii) 本集團的租賃活動及其入賬方法

本集團租賃多項辦公室及門店。租賃合約通常固定為期六個月至十五年，且並無向本集團授出任何續期選擇權。

租賃條款按個別基準進行磋商，包含廣泛的不同條款及條件。除出租人所持租賃資產的抵押權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款的抵押品。

- (iv) 可變租賃付款

部分物業租賃包含與門店產生的銷售額掛鈎的可變付款條款。就可變租賃付款的個別門店而言，高達95%的租賃付款額按可變付款條款訂立，其百分比介乎銷售額的10%至16%。可變付款條款用於多項原因，包括盡量降低新成立門店的固定成本基數。取決於銷售額的可變租賃付款在觸發該等付款條件發生期間於損益確認。

倘收入上升/下降5%，而所有其他可變因素維持不變，年內以及截至2022年及2021年12月31日止年度可變租賃付款將分別增加/減少約人民幣3,764,000元及人民幣2,905,000元，主要由於銷售及服務成本以及現金等價物的租賃開支所致。

- (v) 續期及終止選擇權

本集團的租賃不包含續期及終止選擇權。大部分續期及終止選擇權由本集團與各自出租人之間的雙方協定方可行使。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INTANGIBLE ASSETS

18 無形資產

		Software 軟件 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Customer relationships 客戶關係 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日					
Cost	成本	22,394	23,208	79,397	74	125,073
Accumulated amortisation and impairment	累計攤銷及減值	(3,091)	(129)	(31,473)	(36)	(34,729)
Net book amount	賬面淨值	19,303	23,079	47,924	38	90,344
Year ended 31 December 2021	截至2021年12月31日止年度					
Opening net book amount	年初賬面淨值	19,303	23,079	47,924	38	90,344
Acquisition of subsidiaries (Note 35)	收購附屬公司(附註35)	—	—	11,000	—	11,000
Transferred from assets under construction (Note 15)	轉撥自在建資產(附註15)	999	—	—	—	999
Impairment	減值	—	(34)	—	—	(34)
Amortisation charge (Note 9)	攤銷費用(附註9)	(2,299)	(21)	(9,731)	(7)	(12,058)
Closing net book amount	年末賬面淨值	18,003	23,024	49,193	31	90,251
At 31 December 2021	於2021年12月31日					
Cost	成本	23,393	23,208	90,397	74	137,072
Accumulated amortisation and impairment	累計攤銷及減值	(5,390)	(184)	(41,204)	(43)	(46,821)
Net book amount	賬面淨值	18,003	23,024	49,193	31	90,251
Year ended 31 December 2022	截至2022年12月31日止年度					
Opening net book amount	年初賬面淨值	18,003	23,024	49,193	31	90,251
Acquisition of subsidiaries (Note 35)	收購附屬公司(附註35)	—	—	3,700	—	3,700
Other acquisitions	其他收購	6,102	—	508	—	6,610
Disposal	出售	—	—	(596)	—	(596)
Amortisation charge (Note 9)	攤銷費用(附註9)	(3,429)	(21)	(13,214)	(7)	(16,671)
Closing net book amount	年末賬面淨值	20,676	23,003	39,591	24	83,294
At 31 December 2022	於2022年12月31日					
Cost	成本	29,495	23,208	92,922	74	145,699
Accumulated amortisation and impairment	累計攤銷及減值	(8,819)	(205)	(53,331)	(50)	(62,405)
Net book amount	賬面淨值	20,676	23,003	39,591	24	83,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INTANGIBLE ASSETS (Continued)

The amounts of amortisation expenses charged to profit or loss are as follows:

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Selling expenses	銷售開支	10,217	7,858
General and administrative expenses	一般及行政開支	3,582	2,327
Research and development expenses	研發開支	2,872	1,873
		16,671	12,058

- (i) The Group designs and develops software systems, such as ERP, BPM. The research and development expenses incurred in 2022 and 2021 were approximately RMB31,187,000 and RMB18,029,000 respectively, which have been included in the research and development expenses in the statement of profit or loss.
- (ii) During the year, management conducted an impairment review on the intangible assets of customers relationships and trademarks with infinite useful life together with goodwill. The key assumptions used in the impairment review were disclosed in Note 21.

18 無形資產(續)

自損益扣除的攤銷費用金額如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Selling expenses	銷售開支	10,217	7,858
General and administrative expenses	一般及行政開支	3,582	2,327
Research and development expenses	研發開支	2,872	1,873
		16,671	12,058

- (i) 本集團設計及開發企業資源規劃、企業流程管理等軟件系統。於2022年及2021年產生的研發開支分別約為人民幣31,187,000元及人民幣18,029,000元，已計入損益表的研發開支。
- (ii) 於年內，管理層對客戶關係的無形資產及具無限可使用年期的商標連同商譽進行減值檢討。減值檢討所用關鍵假設於附註21披露。

19 OTHER NON-CURRENT ASSETS

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Prepayment for procurement of equipment	採購設備預付款項	1,829	2,231
Prepayment for constructions	建設預付款項	916	4,872
		2,745	7,103

19 其他非流動資產

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 SHARED-BASED PAYMENTS

(1) Share Award Scheme

The Group adopted a number of employee restricted share plans to provide long-term incentives for its employees and directors of the Group to deliver long-term shareholder returns. Under the plans, participants are granted restricted share which only vest if certain conditions are met.

On 16 May 2017, Shanghai Youyi Commercial Management Partnership (Limited Partnership) (“Shanghai Youyi”) was established serving as the employee incentive platform, in which Mr. Li was the controlling shareholder and general partner.

In 2017, Mr Li transferred his 0.51% share of Shanghai Beauty Farm to Shanghai Youyi; Shanghai Youyi further subscribed aggregately 2.73% shares of Shanghai Beauty Farm during 2017 and 2018. 0.97% and 1.11% of Shanghai Beauty Farm’s shares that were held by Shanghai Youyi were granted to Grantees on 26 December 2017 and 19 December 2018 respectively at subscription price of RMB4,656,000 and RMB13,875,000. In 2019, Shanghai Beauty Farm bought back the remaining ungranted 1.16% shares held by Shanghai Youyi with the consideration of RMB12,421,000. In 2021, Shanghai Beauty Farm further bought back ungranted shares held by Shanghai Youyi with the consideration of RMB232,000. Such shares were treated as treasury stock and were subsequently transferred to Shanghai Youyi on 31 August 2021 at subscription price of RMB18,557,000, who then granted the shares to the employees of Shanghai Beauty Farm. Shanghai Beauty Farm does not have any obligation to repurchase and pay back the subscription price to employee upon forfeiture.

During the reorganisation in 2022 as mentioned in Note 1.2, the above restricted share plans were replaced by the restricted share plans under Crest Sail Limited, the vesting condition does not change, and no additional benefit to the employee upon modification and thus does not have any accounting impact.

20 以股份支付的付款

(1) 股份獎勵計劃

本集團採納若干員工限制股份計劃，為本集團員工及董事提供長期激勵，以帶來長期股東回報。根據該等計劃，參與者獲授受限制股份，僅於達成若干條件時方會歸屬。

上海優羿商業管理合夥企業（有限合夥）（「上海優羿」）於2017年5月16日成立作為員工獎勵平台，李先生為控股股東及普通合夥人。

於2017年，李先生向上海優羿轉讓其於上海美麗田園的0.51%股份。上海優羿於2017年及2018年進一步認購上海美麗田園合共2.73%股份。於2017年12月26日及2018年12月19日，承授人分別獲授上海優羿所持有的0.97%及1.11%上海美麗田園股份，認購價為人民幣4,656,000元及人民幣13,875,000元。於2019年，上海美麗田園回購上海優羿所持有的餘下未授出1.16%股份，對價為人民幣12,421,000元。於2021年，上海美麗田園進一步回購上海優羿所持未授出股份，對價為人民幣232,000元。有關股份被視為庫存股，且其後於2021年8月31日按認購價人民幣18,557,000元向上海優羿轉讓，該公司其後向上海美麗田園的員工授出股份。上海美麗田園並無任何責任於沒收後向員工購回或返還認購價。

誠如附註1.2所述，於2022年重組期間，上述受限制股份計劃被Crest Sail Limited項下的受限制股份計劃所取代，歸屬條件並未發生改變，修改後並不為員工帶來額外利益，因此並無任何會計影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

20 SHARED-BASED PAYMENTS (Continued)

(1) Share Award Scheme (Continued)

The Group adopted the following restricted share plans to the Grantees, as rewards for their services, full time devotion and professional expertise to the Group.

		Percentage of share granted	Subscription price	Fair value of the share granted as at grant date
		所授出股份的 百分比 (%)	認購價 RMB'000 人民幣千元	於授出日期 授出股份的 公允價值 RMB'000 人民幣千元
2017 Restricted Share Plan	2017年受限制股份計劃	0.97	4,656	7,760
2018 Restricted Share Plan	2018年受限制股份計劃	1.11	13,875	17,760
2021 Restricted Share Plan	2021年受限制股份計劃	1.16	18,557	29,125

Expenses for the share-based compensation have been charged to the consolidated statement of comprehensive income as follows:

以股份支付的報酬開支已自綜合全面收益表扣除如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
General and administrative expenses	一般及行政開支	9,519	4,234

20 以股份支付的付款(續)

(1) 股份獎勵計劃(續)

本集團為承授人採納以下受限制股份計劃作為對本集團服務、全職奉獻及專業知識的獎勵。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 SHARED-BASED PAYMENTS (Continued)

(1) Share Award Scheme (Continued)

Key assumptions

The following table sets forth key assumptions on which management has based its cash flow projections to undertake the fair value as at grant date.

		Annual revenue growth rate 年度收入增長率 (%)	EBIT/Revenue EBIT/收入 (%)
2017 Restricted Share Plan	2017年受限制股份計劃	10.09	4.92
2018 Restricted Share Plan	2018年受限制股份計劃	8.87	11.59
2021 Restricted Share Plan	2021年受限制股份計劃	10.02	8.51

(2) Share awards scheme of Group's subsidiaries

Equity interest of the Group's certain subsidiaries are awarded to certain registered practitioners ("Practitioners"), including store directors, regional managers, senior operation managers, in respect of their future services for the Group.

Several commercial management partnerships ("Limited Partnerships") were established by the Group in 2020 as employee incentive platforms.

Certain percentage of the equity interest of these Limited Partnerships were granted to Practitioners in 2021 and 2022 respectively at subscribe price of the relevant subsidiaries of RMB7,256,000 and RMB5,000,000 as a total respectively. Shanghai Beauty Farm does not have any obligation to repurchase and pay back the subscription price to employee upon forfeiture.

Expenses for the share-based compensation have been charged to the consolidated statement of comprehensive income as follows:

20 以股份支付的付款(續)

(1) 股份獎勵計劃(續)

關鍵假設

下表載列管理層進行現金流量預測以計量授出日期的公允價值所依據的關鍵假設。

		Annual revenue growth rate 年度收入增長率 (%)	EBIT/Revenue EBIT/收入 (%)
2017 Restricted Share Plan	2017年受限制股份計劃	10.09	4.92
2018 Restricted Share Plan	2018年受限制股份計劃	8.87	11.59
2021 Restricted Share Plan	2021年受限制股份計劃	10.02	8.51

(2) 本集團附屬公司的股份獎勵計劃

本集團若干附屬公司已就若干註冊從業員(「從業員」,包括店長、區域經理、高級營運經理)未來為本集團提供服務向其授出股權。

本集團於2020年成立若干商業管理合夥企業(「有限合夥企業」)作為員工激勵平台。

該等有限合夥企業若干百分比的股權在2021年及2022年分別以相關附屬公司認購價合共人民幣7,256,000元及人民幣5,000,000元授予從業員。上海美麗田園並無任何責任於沒收後購回及向員工償還認購價。

以股份支付的報酬開支已自綜合全面收益表扣除如下:

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
General and administrative expenses	一般及行政開支	1,015	2,056

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

20 SHARED-BASED PAYMENTS (Continued)

(2) Share awards scheme of Group's subsidiaries (Continued)

Key assumptions

The following table sets forth key assumptions on which management has based its cash flow projections to undertake the fair value as at grant date.

		Annual revenue growth rate 年度收入增長率 (%)	EBIT/Revenue EBIT/收入 (%)
2020 Restricted Share Plan	2020年受限制股份計劃	4.73~7.53	5.29~15.58
2021 Restricted Share Plan	2021年受限制股份計劃	4.88~8.43	4.43~14.29
2022 Restricted Share Plan	2022年受限制股份計劃	6.93	8.65

(3) On 11 March 2022, ZYLot Holdings Limited completed a RMB3,976,000 investment in the Company for 0.2% of the Company's issued share capital. The difference amounted to RMB1,600,000 between the equity purchase price and the fair value was charged to share-based payment expenses in consolidated statement of profit or loss during the year ended 31 December 2022.

(4) Share option scheme

Pursuant to a resolution of the board of directors of the Company passed on 21 November 2022, 3,092,786 share options were granted to certain eligible employees of the Group under the share option scheme adopted by the Company on 21 November 2022, to subscribe for 3,092,786 shares of the Company in aggregate with an exercise price of RMB24.25.

Expenses for the share options compensation have been charged to the consolidated statement of comprehensive income as follows:

20 以股份支付的付款(續)

(2) 本集團附屬公司的股份獎勵計劃(續)

關鍵假設

下表載列管理層進行現金流量預測以計量授出日期的公允價值所依據的關鍵假設。

		Annual revenue growth rate 年度收入增長率 (%)	EBIT/Revenue EBIT/收入 (%)
2020 Restricted Share Plan	2020年受限制股份計劃	4.73~7.53	5.29~15.58
2021 Restricted Share Plan	2021年受限制股份計劃	4.88~8.43	4.43~14.29
2022 Restricted Share Plan	2022年受限制股份計劃	6.93	8.65

(3) 於2022年3月11日，ZYLot Holdings Limited完成於本公司投資人民幣3,976,000元，獲取本公司0.2%已發行股本。權益購買價與公允價值的差額人民幣1,600,000元已於截至2022年12月31日止年度的綜合損益表中自以股份支付的付款開支扣除。

(4) 購股權計劃

根據本公司董事會於2022年11月21日通過的一項決議案，本公司向本集團若干合資格僱員授出於2022年11月21日採納的購股權計劃項下的3,092,786份購股權，以按行使價人民幣24.25元認購合共3,092,786股本公司股份。

計入綜合全面收益表的購股權成本如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
General and administrative expenses	一般及行政開支	2,044	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 SHARED-BASED PAYMENTS (Continued)

(4) Share option scheme (Continued)

Each option gives the holder the right to subscribe for one ordinary share of the Company at RMB24.25 each. Each 25% of these share options will be vested on 31 December 2023, 31 December 2024, 31 December 2025, and 31 December 2026, respectively, and be exercisable until 31 December 2027.

During the year ended 31 December 2022, no options were exercised. The number of options granted on 21 November 2022 still outstanding at 31 December 2022 are 3,092,786 which have an exercise price of RMB24.25 and a remaining contractual life of 5.00 years.

- (a) The term and conditions of the grants are as follows:

	Number of Instruments 工具數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約期
On 21 November 2022 2022年11月21日	3,092,786	25% on 31 December 2023 2023年12月31日歸屬25% 25% on 31 December 2024 2024年12月31日歸屬25% 25% on 31 December 2025 2025年12月31日歸屬25% 25% on 31 December 2026 2026年12月31日歸屬25%	5.11 years 5.11年

- (b) The number and weighted average exercise prices of share options are as follows:

		2022 2022年	Number of options 購股權數目
		Exercise price 行使價	
Outstanding at the beginning of the year	年初未行使	—	—
Exercised during the year	年內已行使	—	—
Forfeited during the year	年內已沒收	—	—
Granted during the year	年內已授出	RMB24.25 人民幣24.25元	3,092,786
Outstanding at the end of the year	年末未行使	RMB24.25 人民幣24.25元	3,092,786
Exercisable at the end of the year	年末可行使	RMB24.25 人民幣24.25元	—

20 以股份支付的付款(續)

(4) 購股權計劃(續)

每份購股權授予持有人認購本公司一股面值人民幣24.25元的普通股的權利。該等購股權各25%將分別於2023年12月31日、2024年12月31日、2025年12月31日及2026年12月31日歸屬，且於2027年12月31日前均可行使。

截至2022年12月31日止年度，概無行使任何購股權。截至2022年12月31日，於2022年11月21日授出的尚未行使購股權數目為3,092,786份，行使價為人民幣24.25元，餘下合約年期為5.00年。

- (a) 授出的條款及條件如下：

- (b) 購股權的數目及加權平均行使價如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 SHARED-BASED PAYMENTS (Continued)

(4) Share option scheme (Continued)

(c) Fair value of share options and assumptions:

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial option-pricing model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial option-pricing model.

Fair value of share options and assumptions

		Share options 購股權
Fair value at measurement date (expressed as weighted average fair value option-pricing under binomial model)	於計量日的公允價值(按二項式期權定價模型的加權平均公允價值列示)	RMB38,378,000 人民幣38,378,000元
Share price	股價	RMB29.79 人民幣29.79元
Exercise price	行使價	RMB24.25 人民幣24.25元
Expected volatility (expressed as weighted average volatility used in the modelling under binomial option-pricing model)	預期波幅(按二項式期權定價模型所用加權平均波幅列示)	48.11%
Option life (expressed as weighted average life used in the modelling under binomial option-pricing model)	購股權年期(按二項式期權定價模型所用加權平均年期列示)	5.11 years 5.11年
Expected dividends	預期股息率	3.00%
Risk-free interest rate (based on HKMA Hong Kong Exchange Fund Notes)	無風險利率(根據香港金融管理局香港外匯基金票據計算)	2.61%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on the historical earning per share and management's estimation of dividend payment. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

20 以股份支付的付款(續)

(4) 購股權計劃(續)

(c) 購股權的公允價值及假設：

為獲授購股權而提供的服務的公允價值，乃參考所獲授購股權的公允價值計量。所授出購股權的估計公允價值乃根據二項式期權定價模型計量。購股權的合約期用作輸入此模型的數據。提前行使的預期亦納入至該二項式期權定價模型。

購股權的公允價值及假設

預期波幅乃按照歷史波幅(根據購股權加權平均剩餘年期計算)計算，並且依據公開可得的資料，就任何預期的未來波幅變動作出調整。預期股息率乃根據歷史每股盈利及管理層的估計股息付款計算。主觀輸入數據假設的變動可能會對公允價值估計造成重大影響。

購股權乃根據服務條件授出。計量所獲得服務於授出日期的公允價值時，並無考慮此項條件。授出購股權並不附帶任何與市場有關的條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 GOODWILL

21 商譽

		Goodwill 商譽 RMB'000 人民幣千元
Year ended 31 December 2021		
Opening net book amount	截至2021年12月31日止年度 年初賬面淨值	176,057
Acquisition of business (Note 35)	收購業務(附註35)	18,216
Closing net book amount	年末賬面淨值	194,273
At 31 December 2021		
Cost	於2021年12月31日 成本	194,273
Accumulated impairment	累計減值	—
Net book amount	賬面淨值	194,273
Year ended 31 December 2021		
Opening net book amount	截至2021年12月31日止年度 年初賬面淨值	194,273
Acquisition of business (Note 35)	收購業務(附註35)	4,749
Disposal of business (i)	出售業務(i)	(2,736)
Closing net book amount	年末賬面淨值	196,286
At 31 December 2022		
Cost	於2022年12月31日 成本	196,286
Accumulated impairment	累計減值	—
Net book amount	賬面淨值	196,286

(i) In March 2022, the Group entered into a store transfer agreement with Beijing Jiyueheyan Beauty Co., Ltd. ("Beijing Jiyueheyan"), pursuant to which the Group transferred one of the Palaispa direct store (the "Store") in its subsidiary Beijing Palaispa Business Management Co., Ltd. ("Beijing Palaispa") to Beijing Jiyueheyan at the total consideration of RMB2,125,000.

The Group derecognised related property, plant and equipments, intangible assets and goodwill attributable to the store amounted RMB123,000, RMB596,000 and RMB2,736,000 respectively of the Store from its consolidated balance sheet upon losing control. The consideration was determined based on arm's length negotiation between the parties at the time of the disposal.

(i) 於2022年3月，本集團與Beijing Jiyueheyan Beauty Co., Ltd. (「Beijing Jiyueheyan」) 訂立門店轉讓協議，據此，本集團將其附屬公司北京貝黎詩商業管理有限公司 (「北京貝黎詩」) 的其中一家貝黎詩直營店 (「該門店」) 轉讓予 Beijing Jiyueheyan，總對價為人民幣2,125,000元。

本集團於失去控制權後，自其綜合資產負債表終止確認該門店應佔相關物業、機器及設備、無形資產以及商譽分別為人民幣123,000元、人民幣596,000元及人民幣2,736,000元。對價於出售時經訂約方公平磋商後釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 GOODWILL (Continued)

(a) Impairment tests of goodwill

Goodwill, customer relationships, trademark and other related assets are allocated to group of CGUs, brand of Palaispa as a whole, and brand of Beauty Farm by cities, including Shanghai, Chongqing, and other cities located in PRC.

The management has involved an independent qualified valuer to perform impairment test applying “value-in-use” method as at 31 December 2022 and 2021 by using the discounted cash flow model. The value-in-use calculations use cash flow projections based on financial budgets approved by management for the purposes of impairment reviews. The forecast period is 5 years.

The recoverable amount of the CGUs based on the estimated value-in-use calculations was higher than the carrying amount at 31 December 2022 and 2021. Accordingly, no provision for impairment loss for goodwill is considered necessary.

Asset-unit-level summary of the goodwill allocation is presented below.

2021	2021年	Palaispa 貝黎詩 RMB'000 人民幣千元	Shanghai 上海市 RMB'000 人民幣千元	Chongqing 重慶市 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本	74,800	38,939	31,031	49,503	194,273
Impairment	減值	—	—	—	—	—
		74,800	38,939	31,031	49,503	194,273
2022	2022年	Palaispa 貝黎詩 RMB'000 人民幣千元	Shanghai 上海市 RMB'000 人民幣千元	Chongqing 重慶市 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本	72,063	38,939	35,781	49,503	196,286
Impairment	減值	—	—	—	—	—
		72,063	38,939	35,781	49,503	196,286

21 商譽(續)

(a) 商譽減值測試

商譽、客戶關係、商標及其他相關資產按貝黎詩整體品牌及就美麗田園品牌按城市(包括上海市、重慶市及中國其他城市)分配至現金產生單位組別。

管理層已委聘獨立合資格評估師採用「使用價值」法進行減值測試，使用貼現現金流量模型於2022年及2021年12月31日進行評估。使用價值計算使用基於管理層就進行減值檢討而批准的財務預算的現金流量預測。預測期為5年。

2022年及2021年12月31日，按估計使用價值計算的現金產生單位可收回金額高於其賬面值。因此，就商譽計提減值虧損被視為不必要。

商譽分配的資產單位層面概要呈列如下。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 GOODWILL (Continued)

(b) Key assumptions

The following table sets forth key assumptions on which management has based its cash flow projections to undertake impairment testing of goodwill and intangible assets of customer relationships and trademark with infinite useful life as at 31 December 2022 and 2021.

		As at 31 December 於12月31日	
		2022 2022年	2021 2021年
Palaispa	貝黎詩		
Revenue next 5 year (% annual growth rate)	未來5年收入(年增長率(%))	7.63	7.31
EBIT/Revenue (%)	EBIT/收入(%)	10.14	8.22
Long term growth rate (%)	長期增長率(%)	2	2
Pre-tax discount rate (%)	稅前貼現率(%)	13.65	13.50
Shanghai	上海市		
Revenue next 5 year (% annual growth rate)	未來5年收入(年增長率(%))	13.61	8.19
EBIT/Revenue (%)	EBIT/收入(%)	3.32	3.91
Long term growth rate (%)	長期增長率(%)	2	2
Pre-tax discount rate (%)	稅前貼現率(%)	12.15	13.70
Chongqing	重慶市		
Revenue next 5 year (% annual growth rate)	未來5年收入(年增長率(%))	10.82	7.12
EBIT/Revenue (%)	EBIT/收入(%)	12.44	11.57
Long term growth rate (%)	長期增長率(%)	2	2
Pre-tax discount rate (%)	稅前貼現率(%)	14.45	14.60
Other cities	其他城市		
Revenue next 5 year (% annual growth rate)	未來5年收入(年增長率(%))	6.00~11.88	6.49~12.19
EBIT/Revenue (%)	EBIT/收入(%)	1.03~15.31	4.42~18.14
Long term growth rate (%)	長期增長率(%)	2	2
Pre-tax discount rate (%)	稅前貼現率(%)	12.50~17.50	13.65~17.85

The long term growth rates were estimated based on the overall long-term business development plan of the Group and the inflation rate of China as a whole during the Year.

21 商譽(續)

(b) 關鍵假設

下表載列於2022年及2021年12月31日，管理層進行現金流量預測以開展商譽及客戶關係無形資產以及具有無限可使用年期商標減值測試所採用的各項關鍵假設。

長期增長率根據本集團的整體長期業務發展計劃及年內中國的整體通脹率估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 GOODWILL (Continued)

(b) Key assumptions (Continued)

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption 假設	Approach used to determine values 用於釐定價值的方法
Sales volume 銷量	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development. 五年預測期的平均年增長率；基於過往表現及管理層對市場發展的預期。
Sales price 銷售價格	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory. 五年預測期的平均年增長率；基於目前行業趨勢，包括各地區的長期通貨膨脹預測。
EBIT/Revenue EBIT／收入	Based on past performance and management's expectations for the future. 基於過往表現及管理層對未來的預期。
Long term growth rate 長期增長率	The basis used to determine the value assigned to the long-term growth rate is the forecast price indices during the budget year from where the main services are located. 用於釐定分配至長期增長率價值的基準為預算年度內來自主要服務所在地的預測價格指數。
Pre-tax discount rate 稅前貼現率	Reflect specific risks relating to the operation of the business in the PRC. 反映有關於中國經營業務的特定風險。

Based on the result of the goodwill impairment testing, the estimated recoverable amount of the CGU far exceeded its carrying amount and the headroom was as follows:

21 商譽(續)

(b) 關鍵假設(續)

管理層已釐定分配至上述各項關鍵假設的價值如下：

根據商譽減值測試的結果，現金產生單位的估計可收回金額遠超其賬面值，餘額如下：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Palaispa	貝黎詩	212,928	107,761
Shanghai	上海市	223,885	289,234
Chongqing	重慶市	163,440	110,854
		600,253	507,849

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 GOODWILL (Continued)

(b) Key assumptions (Continued)

The management performed the sensitivity analysis based on the abovementioned key assumptions have been changed. Had the estimated key assumptions during the forecast period been changed as below, the headroom would be decreased to as below:

Palaispa:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Expected revenue next 5 year decreased by 3%	預期未來5年收入下降3%	119,928	31,761
Expected EBIT/Revenue decreased by 3%	預期EBIT/收入下降3%	104,928	75,761
Pre-tax discount rate increased by 1%	稅前貼現率上升1%	195,928	93,761
Expected long term growth rate decreased by 1%	預期長期增長率下降1%	193,928	93,761

Shanghai:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Expected revenue next 5 year decreased by 3%	預期未來5年收入下降3%	56,885	74,234
Expected EBIT/Revenue decreased by 3%	預期EBIT/收入下降3%	5,885	204,234
Pre-tax discount rate increased by 1%	稅前貼現率上升1%	198,885	265,234
Expected long term growth rate decreased by 1%	預期長期增長率下降1%	185,885	257,234

21 商譽(續)

(b) 關鍵假設(續)

管理層根據已變更的上述主要假設進行敏感度分析。倘預測期的估計關鍵假設出現以下變動，餘額將減少至以下數額：

貝黎詩：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元

上海市：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 GOODWILL (Continued)

(b) Key assumptions (Continued)

Chongqing:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Expected revenue next 5 year decreased by 3%	預期未來5年收入下降3%	108,440	63,854
Expected EBIT/Revenue decreased by 3%	預期EBIT/收入下降3%	89,440	79,854
Pre-tax discount rate increased by 1%	稅前貼現率上升1%	151,440	99,854
Expected long term growth rate decreased by 1%	預期長期增長率下降1%	155,440	103,854

The management believes that any reasonable possible change in any of the key assumptions would not cause the carrying amounts of the CGU to exceed its recoverable amount.

The management of the Company concluded that no provision for impairment on the goodwill has to be recognised as at 31 December 2022 and 2021.

管理層認為，任何關鍵假設的任何合理可能變動均不會導致現金產生單位的賬面值超過其可收回金額。

本公司管理層認為，於2022年及2021年12月31日，毋須確認商譽減值撥備。

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Wealth management products 理財產品

The Group purchases low-risk investments for cash management purposes, which mainly included wealth management products from licensed commercial banks and state-owned trust companies. The products were standardised and short-term wealth management products with maturity day within one year with an estimated annualised return rate ranging from 2.37% to 4.30%. Wealth management products are all held for trading and classified as financial assets at FVPL. For information about the methods and assumptions used in determining fair value see Note 3.3.

21 商譽(續)

(b) 關鍵假設(續)

重慶市：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Expected revenue next 5 year decreased by 3%	預期未來5年收入下降3%	108,440	63,854
Expected EBIT/Revenue decreased by 3%	預期EBIT/收入下降3%	89,440	79,854
Pre-tax discount rate increased by 1%	稅前貼現率上升1%	151,440	99,854
Expected long term growth rate decreased by 1%	預期長期增長率下降1%	155,440	103,854

22 按公允價值計入損益的金融資產

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Wealth management products	理財產品	626,864	926,338

本集團購買低風險投資用於現金管理，其中主要包括持牌商業銀行及國有信託公司的理財產品。該等產品為標準化的短期理財產品，到期日於一年內，估計年化回報率介乎2.37%至4.30%。理財產品均持作買賣，並分類為按公允價值計入損益的金融資產。有關釐定公允價值所用方法及假設的資料，見附註3.3。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

23 按類別劃分的金融工具

本集團持有以下金融工具：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Financial assets at amortised cost	按攤銷成本計量的金融資產		
Cash and cash equivalents (Note 26)	現金及現金等價物 (附註26)	164,120	157,284
Term deposits with initial terms of over three months (Note 26)	初始為期超過三個月的定期存款(附註26)	119,646	—
Restricted cash (Note 26)	受限制現金(附註26)	10,284	10,254
Trade receivables (Note 25)	貿易應收款項 (附註25)	37,356	31,316
Deposits, other receivables and amount due from related parties (Note 25)	按金、其他應收款項及 應收關聯方款項 (附註25)	113,498	83,869
Financial assets at FVOCI	按公允價值計入其他全面 收入的金融資產	47	74
Financial assets at FVPL (Note 22)	按公允價值計入損益的 金融資產(附註22)	626,864	926,338
		1,071,815	1,209,135

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Financial liabilities at amortised cost	按攤銷成本計量的金融負債		
Lease liabilities (Note 17)	租賃負債(附註17)	525,502	515,460
Trade payables (Note 30)	貿易應付款項(附註30)	7,857	15,436
Other payables and accruals excluding employee benefits payables and tax payables (Note 30)	其他應付款項及應計費用 (不包括應付員工福利及 應付稅項)(附註30)	118,865	90,409
		652,224	621,305

The Group's exposure to various risks associated with the financial instruments is discussed in Note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

本集團所面臨與金融工具有關的各項風險於附註3討論。於報告期末，面臨的最高信貸風險為上述各類金融資產的賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

24 INVENTORIES

24 存貨

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Body and skin care products and medical consumables	身體及皮膚護理產品以及醫療耗用品	149,931	103,570
Less: provision for inventory	減：存貨撥備	(7,644)	(6,320)
		142,287	97,250

The provision for inventory as at 31 December 2022 and 2021 reconciles to the opening balance of the provision as follows:

於2022年及2021年12月31日的存貨撥備與撥備的年初結餘對賬如下：

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
As at the beginning of year	於年初	6,320	5,608
Increase in loss allowance recognised in profit or loss during the year	於年內損益確認的虧損撥備增加	1,324	712
As at the end of year	於年末	7,644	6,320

The costs of individual items of inventory are determined using weighted average costs at the end of each month. See Note 2.13 for the Group's accounting policies for inventories.

個別存貨項目的成本使用每月末的加權平均成本釐定。有關本集團的存貨會計政策，見附註2.13。

During the years ended 31 December 2022 and 2021, the cost of inventories recognised as expense and included in "cost of sales and services" and "selling expenses" amounted to RMB294,319,000 and RMB320,507,000 respectively (Note 9).

於截至2022年及2021年12月31日止年度，確認為開支及計入「銷售及服務成本」及「銷售開支」的存貨成本分別為人民幣294,319,000元及人民幣320,507,000元（附註9）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

25 TRADE RECEIVABLES, PREPAYMENTS,
DEPOSITS AND OTHER RECEIVABLES

25 貿易應收款項、預付款項、按金
及其他應收款項

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Trade receivables ((i) and (ii))	貿易應收款項 ((i)及(ii))		
Trade receivables	貿易應收款項	39,824	33,809
Less: provision for impairment	減：減值撥備	(2,468)	(2,493)
Total trade receivables	貿易應收款項總額	37,356	31,316
Included in current assets	計入流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		
Prepayments for procurement of inventories and operating expenses (vi)	採購存貨的預付款項及經營開支(vi)	42,941	36,494
Prepaid listing expense	預付上市開支	39,562	3,792
Amount due from related parties (Note 33(c))	應收關聯方款項(附註33(c))	20,250	10,849
Deposits — current portion (iii)	按金 — 流動部分(iii)	17,785	12,394
Other current assets (iv)	其他流動資產(iv)	12,426	18,162
Other receivables	其他應收款項	14,756	5,670
Less: provision for impairment	減：減值撥備	(494)	(323)
Total prepayments, deposits and other receivables — current portion	預付款項、按金及其他應收款項總額 — 流動部分	147,226	87,038
Included in non-current assets	計入非流動資產		
Deposits and other receivables	按金及其他應收款項		
Deposits — non-current portion (iii)	按金 — 非流動部分(iii)	61,291	55,360
Less: provision for impairment	減：減值撥備	(90)	(81)
Total	總計	61,201	55,279

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Continued)

(i) Aging analysis of trade receivables

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

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Up to 1 year	不超過1年	37,988	31,888
Between 1 and 2 years	1至2年	1,338	1,304
Between 2 and 3 years	2至3年	392	380
Over 3 years	3年以上	106	237
		39,824	33,809

(ii) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to approximate their fair value.

(iii) Deposits

The current portion of deposits mainly represented the deposits for guarantee of inventories and short-term lease of stores and buildings, and the non-current portion of deposits represented long-term lease of stores and buildings.

(iv) Other current assets

Other current assets include deductible input VAT, prepayment of PRC corporate income tax, and interest of fixed bank deposit as at 31 December 2022 and 2021.

25 貿易應收款項、預付款項、按金及其他應收款項(續)

(i) 貿易應收款項的賬齡分析

本集團的大部分銷售乃通過信用卡或電子支付程序付款結算。於12月31日，來自客戶合約應收款項的貿易應收款項於結算日根據發票日期的賬齡分析如下：

(ii) 貿易應收款項的公允價值

由於流動應收款項屬短期性質，其賬面值被視為與其公允價值相近。

(iii) 按金

按金的流動部分主要指就存貨及門店及樓宇短期租賃擔保的按金，而按金的非流動部分指門店及樓宇長期租賃。

(iv) 其他流動資產

於2022年及2021年12月31日，其他流動資產包括可抵扣進項增值稅、中國企業所得稅的預付款項及定期銀行存款利息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Continued)

(v) Impairment and risk exposure

The movements in the loss allowance of impairment of trade receivables are as below:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
As at 1 January	於1月1日	(2,493)	(2,260)
Reversal of/(Provision) for receivables impairment	應收款項減值撥回/(撥備)	25	(732)
Receivables written off during the year as uncollectible	年內撇銷為無法收回的應收款項	—	499
As at 31 December	於12月31日	(2,468)	(2,493)

The movements in the loss allowance of impairment of deposits including current and non-current portion and other receivables are as below:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
As at 1 January	於1月1日	(404)	(651)
Provision for receivables impairment	應收款項減值撥備	(180)	(574)
Deposits including current and non-current portion and other receivables written off during the year as uncollectible	年內撇銷為無法收回的計入流動和非流動部分的按金及其他應收款項	—	821
As at 31 December	於12月31日	(584)	(404)

25 貿易應收款項、預付款項、按金及其他應收款項(續)

(v) 減值及所面臨的風險

貿易應收款項的減值虧損撥備變動如下：

計入流動和非流動部分的按金及其他應收款項的減值虧損撥備變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**25 TRADE RECEIVABLES, PREPAYMENTS,
DEPOSITS AND OTHER RECEIVABLES**

(Continued)

(v) Impairment and risk exposure (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2021	於2021年12月31日	Up to 1 year 不超過1年	Between 1 and 2 years 1至2年	Between 2 and 3 years 2至3年	Over 3 years 3年以上	Total 總計
Excepted credit loss rate	預期信貸虧損率	7%	10%	20%	66%	7%
Gross carrying amount	賬面總值	31,888	1,304	380	237	33,809
Expected credit losses	預期信貸虧損	2,130	130	76	157	2,493

As at 31 December 2022	於2022年12月31日	Up to 1 year 不超過1年	Between 1 and 2 years 1至2年	Between 2 and 3 years 2至3年	Over 3 years 3年以上	Total 總計
Excepted credit loss rate	預期信貸虧損率	6%	10%	20%	62%	6%
Gross carrying amount	賬面總值	37,988	1,338	392	106	39,824
Expected credit losses	預期信貸虧損	2,195	130	77	66	2,468

**25 貿易應收款項、預付款項、按金
及其他應收款項(續)**

(v) 減值及所面臨的風險(續)

下表載列有關使用撥備矩陣計算本集團貿易應收款項面臨信貸風險的資料：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Continued)

(v) Impairment and risk exposure (Continued)

On the basis as described in Note 3.1(b)(iii), the loss allowance for deposits and other receivables as at 31 December 2022 and 2021 are determined as follows:

		As at 31 December 於12月31日					
		2022 2022年			2021 2021年		
		Expected loss rate 預期虧損率	Gross Carrying amount 賬面總值 RMB'000 人民幣千元	Loss Allowance provision 虧損撥備 RMB'000 人民幣千元	Expected loss rate 預期虧損率	Gross Carrying amount 賬面總值 RMB'000 人民幣千元	Loss Allowance provision 虧損撥備 RMB'000 人民幣千元
Included in current assets	計入流動資產						
Deposits and other receivables	按金及其他應收款項						
Amount due from a related party	應收一名關聯方款項	0.5%	20,250	93	0.5%	10,849	54
Deposits	按金	1%	17,785	173	1%	12,394	148
Other receivables	其他應收款項	2%	14,756	228	2%	5,670	121
Included in non-current assets	計入非流動資產						
Deposits	按金	0.1%	61,291	90	0.1%	55,360	81
			114,082	584		84,273	404

Deposits and other receivables are considered to have a low risk of default and each of the counterparties has a strong capacity to meet its contractual cash flow obligations in the near term, hence the Group considers them to have low credit risk, and thus the impairment provision recognised is limited to 12-month expected losses. For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

25 貿易應收款項、預付款項、按金及其他應收款項(續)

(v) 減值及所面臨的風險(續)

根據附註3.1(b)(iii)所述基準，於2022年及2021年12月31日按金及其他應收款項的虧損撥備釐定如下：

按金及其他應收款項被視為低違約風險，且各對手方的能力強勁，能履行其短期合約現金流量責任，因此本集團認為其信貸風險低，故已確認減值撥備以12個月預期虧損為限。就貿易應收款項而言，本集團應用香港財務報告準則第9號允許的簡化方法，其要求預期全期虧損自初步確認應收款項時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Continued)

(vi) Prepayments and other receivables

The Group makes prepayments for property management fees and utility fees of stores and buildings, certain purchases of inventories, marketing fees, etc.

The carrying amounts of the Group's trade receivables, prepayments, deposits and other receivables are primarily denominated in RMB.

26 CASH AND BANK BALANCES

25 貿易應收款項、預付款項、按金及其他應收款項(續)

(vi) 預付款項及其他應收款項

本集團就門店及樓宇的物業管理費用及公用服務費、採購若干存貨、營銷費用等作出預付款項。

本集團的貿易應收款項、預付款項、按金及其他應收款項的賬面值主要以人民幣計值。

26 現金及銀行結餘

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘		
— Cash on hand	— 手頭現金	75	42
— Cash at bank	— 銀行現金	293,975	167,496
		294,050	167,538
Less: restricted cash (note a)	減：受限制現金(附註a)	(10,284)	(10,254)
term deposits with initial terms of over three months	初始為期超過三個月的 定期存款	(119,646)	—
Cash and cash equivalents	現金及現金等價物	164,120	157,284

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

(a) 受限制現金指本集團存放於一間銀行的銀行存款，作為發出予客戶的預付卡的抵押品，且本集團不能作其他用途。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 CASH AND BANK BALANCES (Continued)

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

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
RMB	人民幣	211,950	161,464
USD	美元	77,394	5,049
HKD	港元	3,791	—
EUR	歐元	911	884
Others	其他	4	141
		294,050	167,538

27 SHARE CAPITAL

As of the date of incorporation of the Company, the Company was authorised to issue 5,000,000,000 shares of USD0.00001 each. Upon its incorporation, 62,260,000 shares were issued to the shareholders.

Ordinary shares issued and not fully paid:

27 股本

截至本公司註冊成立日期，本公司獲授權發行5,000,000,000股每股面值0.00001美元的股份。註冊成立後，本公司已向股東發行62,260,000股股份。

已發行但未繳足的普通股：

		Number of shares 股份數目	Share capital — USD 股本 — 美元	Share capital — RMB 股本 — 人民幣
At 31 December 2021	於2021年12月31日	—	—	—
At 10 February 2022 (date of incorporation) (a)	於2022年2月10日 (註冊成立日期)(a)	62,260,000	623	3,958
Issuance of ordinary shares on 11 March (b)	於3月11日發行普通股(b)	700,000	7	44
Issuance of ordinary shares on 29 March (c)	於3月29日發行普通股(c)	3,092,784	31	197
Issuance of ordinary shares on 21 April (d)	於4月21日發行普通股(d)	37,040,000	370	2,374
At 31 December 2022	於2022年12月31日	103,092,784	1,031	6,573

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 SHARE CAPITAL (Continued)

- (a) 62,260,000 shares of USD0.00001 were allotted and issued to LIY Holdings Limited, LIY Management Holdings Limited, LIFY Management Holdings Limited, MeiYao Holdings Limited, Individual Group Holdings Limited, You Yi Holdings Limited on 10 February 2022, the date of incorporation.
- (b) 500,000 shares of USD0.00001 were allotted and issued to LIY Holdings Limited, LIY Management Holdings Limited, LIFY Management Holdings Limited, MeiYao Holdings Limited, Individual Group Holdings Limited and Crestsail Limited on 11 March 2022. 200,000 share of USD0.00001 was allotted and issued to ZYLot Holdings Limited by cash injection of RMB3,976,000 to the Company.
- (c) 3,092,784 shares of USD0.00001 were allotted and issued to Thriving Team Limited on 29 March 2022, which is wholly-owned by the Thriving Team Trust. Such Shares are to be held in trust to facilitate the transfer of Shares to the grantees upon vesting of the relevant Share Options and Share Awards. The Shares of the Company held in Thriving Team Limited were accounted as "Reserve-Treasury shares held in trust".
- (d) 37,040,000 shares of USD0.00001 were allotted and issued to Beijing Xinyu Meiye Holdings Limited on 21 April 2022. The Company regarded the issued shares as ordinary shares since the preferred rights stipulated in the shareholder agreement among Beijing Xinyu Meiye Holdings Limited and other shareholders mirrored from agreement among shareholders of Shanghai Beauty Farm did not alter. Such shares were treated the same way as ordinary share as they carry the same voting and dividend right and the Group does not have any obligation for redemption.

27 股本(續)

- (a) 62,260,000股每股面值0.00001美元的股份已於2022年2月10日(註冊成立日期)配發及發行予LIY Holdings Limited、LIY Management Holdings Limited、LIFY Management Holdings Limited、MeiYao Holdings Limited、Individual Group Holdings Limited及You Yi Holdings Limited。
- (b) 500,000股每股面值0.00001美元的股份已於2022年3月11日配發及發行予LIY Holdings Limited、LIY Management Holdings Limited、LIFY Management Holdings Limited、MeiYao Holdings Limited、Individual Group Holdings Limited及Crestsail Limited。200,000股每股面值0.00001美元的股份已透過向本公司注資人民幣3,976,000元配發及發行予ZYLot Holdings Limited。
- (c) 3,092,784股每股面值0.00001美元的股份已於2022年3月29日配發及發行予Thriving Team Limited，該公司由Thriving Team Trust全資擁有。該等股份將以信託方式持有，以便在相關購股權及股份獎勵歸屬時向承授人轉讓股份。於Thriving Team Limited持有的本公司股份入賬為「儲備 — 以信託方式持有的庫存股」。
- (d) 37,040,000股每股面值0.00001美元的股份已於2022年4月21日配發及發行予Beijing Xinyu Meiye Holdings Limited。由於Beijing Xinyu Meiye Holdings Limited和其他股東之間的股東協議中規定的優先權參照上海美麗田園股東之間的協議且並無作出修改，故本公司將已發行股份視為普通股。該等股份按與普通股相同的方式處理，原因為其附帶相同投票及股息權利，而本集團並無任何贖回責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 OTHER RESERVES

28 其他儲備

		Other Comprehensive income 其他全面收入	Capital reserve 資本儲備	Other reserve — combined capital 其他儲備 — 合併資本	Total 總計
At 1 January 2021	於2021年1月1日	(811)	3,556	4,707	7,452
Disposal of the Shanghai Beauty Farm's shares through a limited partnership reserved for employee share scheme	通過為員工股份計劃預留的有限合夥企業處置上海美麗田園股份	—	18,325	—	18,325
Other comprehensive loss	其他全面虧損	(105)	—	—	(105)
Share-based payment expenses (Note 20)	以股份支付的付款開支(附註20)	—	5,802	—	5,802
Share reform	股份制改革	—	(35,234)	95,293	60,059
Transactions with non-controlling interests (i)	與非控股權益的交易(i)	—	(23,389)	—	(23,389)
Other movement	其他變動	—	(2,705)	—	(2,705)
At 31 December 2021	於2021年12月31日	(916)	(33,645)	100,000	65,439
		Other Comprehensive income 其他全面收入	Capital reserve 資本儲備	Other reserve — combined capital 其他儲備 — 合併資本	Total 總計
At 1 January 2022	於2022年1月1日	(916)	(33,645)	100,000	65,439
Other comprehensive loss	其他全面虧損	(27)	—	—	(27)
Share-based payment expenses (Note 20)	以股份支付的付款開支(附註20)	—	14,136	—	14,136
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	將出售按公允價值計入其他全面收入的股本投資收益轉撥至保留盈利	825	—	—	825
Capital injection	注資	—	3,971	—	3,971
Transactions with non-controlling interests (i)	與非控股權益的交易(i)	—	2,119	—	2,119
Reorganisation	重組	—	15,635	(100,000)	(84,365)
At 31 December 2022	於2022年12月31日	(118)	2,216	—	2,098

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

28 OTHER RESERVES (Continued)

(i) Transactions with non-controlling interests

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元 (a)	2021 2021年 RMB'000 人民幣千元 (b)
Consideration (paid to)/received from the non-controlling shareholders	(已付)/已收非控股股東的對價	1,953	(21,641)
Carrying amount of non-controlling interests	非控股權益的賬面值	166	(1,748)
Excess of consideration of non-controlling interests received recognised in equity	於權益確認的非控股權益已收對價超出部分	2,119	(23,389)

(a) In 2022, the transaction with non-controlling interests comprised:

(a) 於2022年，與非控股權益的交易包括：

		2022 2022年 RMB'000 人民幣千元
Purchase of 30% of equity interest of Qingdao Aimei Medical Beauty Co., Ltd. from non-controlling shareholders (Note (i))	自非控股股東購買青島艾美醫療美容有限公司30%股權(附註(i))	(2,711)
Dispose of certain percentage of equity interest of Beijing Palaispa Business Management Co., Ltd. to non-controlling shareholders (Note (ii))	向非控股股東出售北京貝黎詩商業管理有限公司若干百分比的股權(附註(ii))	4,119
Others	其他	711
		2,119

28 其他儲備(續)

(i) 與非控股權益的交易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 OTHER RESERVES (Continued)

(i) Transactions with non-controlling interests (Continued)

(a) (Continued)

- (i) In February 2022, Shanghai Beauty Farm purchased additional 30% of equity interests of Qingdao Aimei Medical Beauty Co., Ltd. from non-controlling shareholders at a consideration of RMB2,570,000. After this transaction, Shanghai Beauty Farm owned 100% equity interest of Qingdao Aimei Medical Beauty Co., Ltd. The change of reserves amounted to RMB2,711,000 represented the difference between the amount of consideration and the relevant acquired identified net assets from non-controlling shareholder. The effect on the equity attributable to the owners of Shanghai Beauty Farm for the year ended 31 December 2022 is summarised as follows:

28 其他儲備(續)

(i) 與非控股權益的交易(續)

(a) (續)

- (i) 於2022年2月，上海美麗田園自非控股股東購買青島艾美醫療美容有限公司的額外30%股權，對價為人民幣2,570,000元。該交易後，上海美麗田園擁有青島艾美醫療美容有限公司全部股權。儲備變動人民幣2,711,000元指對價金額與來自非控股股東的相關已收購已識別資產淨值之間的差額。截至2022年12月31日止年度，上海美麗田園擁有人應佔權益的影響概述如下：

		2022 2022年 RMB'000 人民幣千元
Consideration paid to the non-controlling shareholder	已付非控股股東對價	(2,570)
Carrying amount of non-controlling interests	非控股權益的賬面值	(141)
Excess of consideration of non-controlling interests received recognised in equity	於權益確認的非控股權益已收對價超出部分	(2,711)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

28 OTHER RESERVES (Continued)

- (i) Transactions with non-controlling interests (Continued)
- (a) (Continued)
- (ii) In June 2022, Shanghai Beauty Farm disposed certain percentage of equity interests of Beijing Palaispa Business Management Co., Ltd. to non-controlling shareholder at a consideration of RMB4,101,000. The non-controlling shareholder is Shanghai Ziqi Business Management Partnership (Limited Partnership) that is the Group's new shareholding platform. The change of reserves amounted to RMB4,119,000 represented the difference between the amount of consideration and the relevant acquired identified net assets from non-controlling shareholder. The effect on the equity attributable to the owners of Shanghai Beauty Farm for the year ended 31 December 2022 is summarised as follows:

28 其他儲備 (續)

- (i) 與非控股權益的交易 (續)
- (a) (續)
- (ii) 於2022年6月，上海美麗田園向非控股股東出售於北京貝黎詩商業管理有限公司若干百分比的股權，對價為人民幣4,101,000元。非控股股東為Shanghai Ziqi Business Management Partnership (Limited Partnership) (為本集團的新持股平台)。儲備變動人民幣4,119,000元指對價金額與來自非控股股東的相關已收購已識別資產淨值之間的差額。截至2022年12月31日止年度，上海美麗田園擁有人應佔權益的影響概述如下：

		2022 2022年 RMB'000 人民幣千元
Consideration received from the non-controlling shareholder	已收非控股股東對價	4,101
Carrying amount of non-controlling interests	非控股權益的賬面值	18
Excess of consideration of non-controlling interests received recognised in equity	於權益確認的非控股權益已收對價超出部分	4,119

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 OTHER RESERVES (Continued)

- (i) Transactions with non-controlling interests (Continued)
- (b) In 2021, the transaction with non-controlling interests comprised:

28 其他儲備(續)

- (i) 與非控股權益的交易(續)
- (b) 於2021年，與非控股權益的交易包括：

		2021 2021年 RMB'000 人民幣千元
Purchase of 12.345% of equity interest of Beijing Palaispa Business Management Co., Ltd. from non-controlling shareholders (Note (i))	自非控股股東購買北京貝黎詩商業管理有限公司12.345%股權(附註(i))	(18,379)
Purchase of 7.655% of equity interest of Beijing Palaispa Business Management Co., Ltd. from non-controlling shareholders (Note (ii))	自非控股股東購買北京貝黎詩商業管理有限公司7.655%股權(附註(ii))	(11,035)
Issuance of equity interests of Shanghai Ranyou Business Management Co., Ltd. to the non-controlling shareholders (Note (iii))	向非控股股東發行上海冉優企業管理有限公司股權(附註(iii))	4,151
Others	其他	1,874
		(23,389)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

28 OTHER RESERVES (Continued)

- (i) Transactions with non-controlling interests (Continued)
- (b) (Continued)
- (i) Shanghai Beauty Farm purchased additional 12.345% of equity interests of Beijing Palaispa Business Management Co., Ltd. from non-controlling shareholders at a consideration of RMB16,983,000. After this transaction, Shanghai Beauty Farm owned 82.345% equity interest of Beijing Palaispa Business Management Co., Ltd. The change of reserves amounted to RMB18,379,000 represented the difference between the amount of consideration and the relevant acquired identified net liabilities from non-controlling shareholder. The effect on the equity attributable to the owners of Shanghai Beauty Farm during the year ended 31 December 2021 is summarised as follows:

28 其他儲備(續)

- (i) 與非控股權益的交易(續)
- (b) (續)
- (i) 上海美麗田園自非控股股東購買北京貝黎詩商業管理有限公司的額外12.345%股權，對價為人民幣16,983,000元。該交易後，上海美麗田園擁有北京貝黎詩商業管理有限公司82.345%股權。儲備變動人民幣18,379,000元指對價金額與來自非控股股東的相關已收購已識別負債淨額之間的差額。截至2021年12月31日止年度，上海美麗田園擁有人應佔權益的影響概述如下：

		2021 2021年 RMB'000 人民幣千元
Consideration paid to the non-controlling shareholder	已付非控股股東對價	(16,983)
Carrying amount of non-controlling interests	非控股權益的賬面值	(1,396)
Excess of consideration of non-controlling interests received recognised in equity	於權益確認的非控股權益已收對價超出部分	(18,379)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 OTHER RESERVES (Continued)

- (i) Transactions with non-controlling interests (Continued)
- (b) (Continued)
- (ii) In October 2021, Shanghai Beauty Farm purchased additional 7.655% of equity interests of Beijing Palaispa Business Management Co., Ltd. from non-controlling shareholders at a consideration of RMB10,531,000. After this transaction, Shanghai Beauty Farm owned 90% equity interest of Beijing Palaispa Business Management Co., Ltd. The change of reserves amounted to RMB11,035,000 represented the difference between the amount of consideration and the relevant acquired identified net liabilities from non-controlling shareholder. The effect on the equity attributable to the owners of Shanghai Beauty Farm during the year ended 31 December 2021 is summarised as follows:

		2021 2021年 RMB'000 人民幣千元
Consideration paid to the non-controlling shareholder	已付非控股股東對價	(10,531)
Carrying amount of non-controlling interests	非控股權益的賬面值	(504)
Excess of consideration of non-controlling interests received recognised in equity	於權益確認的非控股權益已收對價超出部分	(11,035)

28 其他儲備(續)

- (i) 與非控股權益的交易(續)
- (b) (續)
- (ii) 於2021年10月，上海美麗田園自非控股股東購買北京貝黎詩商業管理有限公司的額外7.655%股權，對價為人民幣10,531,000元。該交易後，上海美麗田園擁有北京貝黎詩商業管理有限公司90%股權。儲備變動人民幣11,035,000元指對價金額與來自非控股股東的相關已收購已識別負債淨額之間的差額。截至2021年12月31日止年度，上海美麗田園擁有人應佔權益的影響概述如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

28 OTHER RESERVES (Continued)

- (i) Transactions with non-controlling interests (Continued)
- (b) (Continued)
- (iii) In December 2021, Shanghai Ranyou Business Management Co., Ltd. and Yanyi (Shanghai) Industrial Co., Ltd., two subsidiaries of Shanghai Beauty Farm, transferred the equity interests of several subsidiaries to registered practitioners under share awards given by the Group's subsidiaries, with the considerations amount to RMB7,256,000. The change of reserves of RMB4,151,000 represented the differences between the amount of consideration and the relevant disposed identified net assets. The effect on the equity attributable to the owners of Shanghai Beauty Farm during the year ended 31 December 2021 is summarised as follows:

28 其他儲備 (續)

- (i) 與非控股權益的交易 (續)
- (b) (續)
- (iii) 於2021年12月，上海美麗田園兩家附屬公司上海冉優企業管理有限公司及焱逸(上海)實業有限公司根據本集團附屬公司提供的股份獎勵向註冊從業員轉讓若干附屬公司的股權，對價為人民幣7,256,000元。儲備變動人民幣4,151,000元指對價金額與相關已出售已識別資產淨值之間的差額。截至2021年12月31日止年度，上海美麗田園擁有人應佔權益的影響概述如下：

		2021 2021年 RMB'000 人民幣千元
Consideration paid to the non-controlling shareholder	已付非控股股東對價	7,256
Carrying amount of non-controlling interests	非控股權益的賬面值	(3,105)
Excess of consideration of non-controlling interests received recognised in equity	於權益確認的非控股權益已收對價超出部分	4,151

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 OTHER CURRENT LIABILITIES

29 其他流動負債

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
VAT recognised in relation to the contract liabilities	就合約負債確認的增值稅	84,120	80,513

30 TRADE AND OTHER PAYABLES AND ACCRUALS

30 貿易及其他應付款項以及應計費用

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Trade payables — Third parties	貿易應付款項 — 第三方	7,857	15,436
Other payables and accruals	其他應付款項及應計費用		
Employee benefits payables (a)	應付員工福利(a)	91,959	105,943
Listing expenses payable	應付上市開支	50,198	10,731
Franchisee deposits	加盟商按金	20,596	17,994
Taxes payables	應付稅項	13,237	18,710
Constructions payables	應付建設款項	13,104	10,425
Accrual expenses	應計開支	10,290	12,057
Dividend payable	應付股息	—	5,521
Others	其他	24,677	33,681
Total other payables and accruals	其他應付款項及應計費用 總額	224,061	215,062

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.

貿易應付款項通常在確認後30日內支付。本集團的貿易應付款項主要包括製成品付款。製成品的信貸期通常為30日內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 TRADE AND OTHER PAYABLES AND ACCRUALS (Continued)

The aging analysis of trade payables as at 31 December 2022 and 2021 based on invoice date was follows:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Within 1 year	1年內	6,640	13,436
1-2 years	1至2年	485	1,544
Over 2 years	超過2年	732	456
		7,857	15,436

(a) Employee benefits payables

The employee benefits payables represented payables for employee salaries for December 2022 and 2021, 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.

30 貿易及其他應付款項以及應計費用(續)

於2022年及2021年12月31日的貿易應付款項根據發票日期的賬齡分析如下：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Within 1 year	1年內	6,640	13,436
1-2 years	1至2年	485	1,544
Over 2 years	超過2年	732	456
		7,857	15,436

(a) 應付員工福利

應付員工福利指2022年及2021年12月的員工薪金的應付款項以及花紅及社會福利利益的應計費用。

由於貿易及其他應付款項以及應計費用屬短期性質，其賬面值被視為與公允價值相若。

31 DEFERRED INCOME TAX

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Deferred income tax assets	遞延所得稅資產	44,165	35,015
Deferred income tax liabilities	遞延所得稅負債	(8,647)	(8,744)
		35,518	26,271

31 遞延所得稅

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 DEFERRED INCOME TAX (Continued)

The analysis of deferred income tax assets & liabilities is as follows:

31 遞延所得稅(續)

遞延所得稅資產及負債的分析如下：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Deferred income tax assets to be recovered after more than 12 months	於12個月後收回的遞延所得稅資產	112,736	109,502
Deferred income tax assets to be recovered within 12 months	於12個月內收回的遞延所得稅資產	25,327	23,844
Deferred income tax assets	遞延所得稅資產	138,063	133,346
Net-off of deferred income tax liabilities	抵銷遞延所得稅負債	(93,898)	(98,331)
Net deferred tax assets	遞延稅項資產淨值	44,165	35,015

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Deferred income tax liabilities to be settled after more than 12 months	於12個月後清償的遞延所得稅負債	83,734	87,928
Deferred income tax liabilities to be settled within 12 months	於12個月內清償的遞延所得稅負債	18,811	19,147
Deferred income tax liabilities	遞延所得稅負債	102,545	107,075
Net-off of deferred income tax assets	抵銷遞延所得稅資產	(93,898)	(98,331)
Net deferred tax liabilities	遞延稅項負債淨額	8,647	8,744

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

31 DEFERRED INCOME TAX (Continued)

The net movement on the deferred income tax account is as follows:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
At beginning of the year	於年初	26,271	29,732
Credited/(Charged) to income tax expense	計入/(扣除自)所得稅開支	9,247	(3,461)
At end of the year	於年末	35,518	26,271

The gross movements in deferred income tax assets and deferred income tax liabilities during the Year are as follows:

(1) Deferred income tax assets:

		Accumulated losses	Unrealised profit	Lease liabilities	Allowance on doubtful debts	Allowance on inventory	Accrued expenses	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日	14,249	7,926	112,026	583	1,099	1,956	137,839
Credited/(charged) to the profit or loss	計入/(扣除自)損益	351	(3,377)	(2,524)	848	481	(272)	(4,493)
At 31 December 2021	於2021年12月31日	14,600	4,549	109,502	1,431	1,580	1,684	133,346
(Charged)/credited to the profit or loss	(扣除自)/計入損益	(1,953)	2,927	3,234	39	331	139	4,717
At 31 December 2022	於2022年12月31日	12,647	7,476	112,736	1,470	1,911	1,823	138,063

31 遞延所得稅(續)

遞延所得稅賬目的變動淨額如下：

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
At beginning of the year	於年初	26,271	29,732
Credited/(Charged) to income tax expense	計入/(扣除自)所得稅開支	9,247	(3,461)
At end of the year	於年末	35,518	26,271

年內遞延所得稅資產及遞延所得稅負債的變動總額如下：

(1) 遞延所得稅資產：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 DEFERRED INCOME TAX (Continued)

(2) Deferred income tax liabilities:

31 遞延所得稅(續)

(2) 遞延所得稅負債：

		Depreciation of property, plant and equipment 物業、機器及 設備折舊 RMB'000 人民幣千元	Right-of-use assets 使用權資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日	7,653	100,454	108,107
Charged/(credited) to profit or loss	扣除自/(計入)損益	2,159	(3,191)	(1,032)
At 31 December 2021	於2021年12月31日	9,812	97,263	107,075
Credited to profit or loss	計入損益	(1,165)	(3,365)	(4,530)
At 31 December 2022	於2022年12月31日	8,647	93,898	102,545

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 CASH FLOW INFORMATION

- (a) Reconciliation of profit before income tax to cash generated from operations

32 現金流量資料

- (a) 除所得稅前利潤與經營所得現金的對賬

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	130,475	255,102
Adjustments for:	就以下各項作出調整：		
Depreciation of property, plant and equipment (Note 15)	物業、機器及設備折舊(附註15)	89,642	85,535
Depreciation of investment properties (Note 16)	投資物業折舊(附註16)	3,393	3,481
Amortisation of intangible assets (Note 18)	無形資產攤銷(附註18)	16,671	12,058
Depreciation of right-of-use asset (Note 17)	使用權資產折舊(附註17)	187,535	174,114
Provision for loss allowance on trade and other receivables (Note 25)	貿易及其他應收款項虧損撥備(附註25)	155	1,306
Provision of impairment on inventory (Note 24)	存貨減值撥備(附註24)	1,324	712
Loss on disposal of property, plant and equipment	出售物業、機器及設備的虧損	906	2,640
Reorganisation costs (Note 9)	重組成本(附註9)	7,279	—
Finance costs (Note 11)	財務成本(附註11)	24,713	24,216
Share-based compensation (Note 10)	以股份支付的報酬(附註10)	14,178	6,290
Provision of impairment on intangible assets (Note 18)	無形資產減值撥備(附註18)	—	34
Net fair value gains on financial assets at FVPL (Note 8)	按公允價值計入損益的金融資產公允價值收益淨額(附註8)	(20,695)	(23,407)
Operating profit before working capital changes	營運資金變動前的經營利潤	455,576	542,081

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

32 CASH FLOW INFORMATION (Continued)

- (a) Reconciliation of profit before income tax to cash generated from operations (Continued)

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Changes in working capital:	營運資金變動：		
Restricted cash	受限制現金	(30)	(10,254)
Inventories	存貨	(46,361)	(31,733)
Trade receivables, other receivables and prepayments	貿易應收款項、其他應收款項及預付款項	(35,298)	(9,316)
Contract liabilities	合約負債	61,536	165,855
Trade payables, other payables and accruals	貿易應付款項、其他應付款項及應計費用	(26,331)	59,229
Net cash generated from operations activities	經營活動所得現金淨額	409,092	715,862

- (b) Non-cash financing activities

32 現金流量資料(續)

- (a) 除所得稅前利潤與經營所得現金的對賬(續)

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Addition of right-of-use assets	使用權資產添置	216,759	159,442

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

32 CASH FLOW INFORMATION (Continued)

(c) Net debt reconciliation

32 現金流量資料 (續)

(c) 債務淨額對賬

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
		Note 附註	
Cash and cash equivalents	現金及現金等價物	26	157,284
Term deposits with initial terms of over three months	初始為期超過三個月的 定期存款	26	—
Lease liabilities	租賃負債	17	(515,460)
Dividend payable	應付股息	30	(5,521)
Net debt	債務淨額		(363,697)
Cash and cash equivalents	現金及現金等價物	26	157,284
Term deposits with initial terms of over three months	初始為期超過三個月的 定期存款	26	—
Gross debt	債務總額		(520,981)
Net debt	債務淨額		(363,697)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 CASH FLOW INFORMATION (Continued)

(c) Net debt reconciliation (Continued)

32 現金流量資料(續)

(c) 債務淨額對賬(續)

		Liabilities from financing activities 融資活動產生的負債			Other assets 其他資產		Total
		Leases 租賃	Dividend payable 應付股息	Borrowings 借款	Cash and equivalents 現金及等價物	Term deposits with initial terms of over three months 超過三個月的定期存款	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Net debt as at 1 January 2021	於2021年1月1日的債務淨額	(509,320)	—	(6,370)	143,538	—	(372,152)
Cash flows	現金流量	177,501	81,156	6,370	13,521	—	278,548
Exchange gains on cash and cash equivalents	現金及現金等價物的匯兌收益	—	—	—	225	—	225
New leases	新租賃	(159,442)	—	—	—	—	(159,442)
Dividends declared	已宣派股息	—	(86,677)	—	—	—	(86,677)
Finance costs recognised	已確認財務成本	(24,199)	—	—	—	—	(24,199)
Net debt as at 31 December 2021	於2021年12月31日的債務淨額	(515,460)	(5,521)	—	157,284	—	(363,697)
Cash flows	現金流量	231,430	204,263	—	2,806	119,646	558,145
Exchange gains on cash and cash equivalents	現金及現金等價物的匯兌收益	—	—	—	4,030	—	4,030
New leases	新租賃	(216,759)	—	—	—	—	(216,759)
Dividends declared	已宣派股息	—	(198,742)	—	—	—	(198,742)
Finance costs recognised	已確認財務成本	(24,713)	—	—	—	—	(24,713)
Net debt as at 31 December 2022	於2022年12月31日的債務淨額	(525,502)	—	—	164,120	119,646	(241,736)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

33 RELATED PARTY TRANSACTIONS

(a) Related parties of the Group during the Year

Name of related parties
關聯方名稱

Hainan Qiyang Stem Cell Anti-aging Hospital Co., Ltd.
海南啟研幹細胞抗衰老醫院有限公司

Save as disclosed in Note 1.2 and 25 of this report, the following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the Year, and balances with related parties as at the respective balance sheet dates.

(b) Transactions with related parties

33 關聯方交易

(a) 本集團於年內的關聯方

Relationship
關係

Controlled by the Controlling Shareholders
由控股股東控制

除本報告附註1.2及25所披露者外，以下為本集團於年內與其關聯方在日常業務過程中進行的重大交易的概要，以及於各結算日與關聯方的結餘。

(b) 與關聯方的交易

		Year ended 31 December 截至12月31日止年度	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
(i) Cooperation fee in relation to subhealth assessment and intervention services	(i) 有關亞健康評估及干預服務的合作費用		
Hainan Qiyang Stem Cell Anti-aging Hospital Co., Ltd.	海南啟研幹細胞抗衰老醫院有限公司	19,449	17,159
(ii) Rental income	(ii) 租金收入		
Hainan Qiyang Stem Cell Anti-aging Hospital Co., Ltd.	海南啟研幹細胞抗衰老醫院有限公司	5,872	5,592

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Amount due from related parties	應收關聯方款項		
Trade	貿易		
Hainan Qiyan Stem Cell Anti-aging Hospital Co., Ltd.	海南啟研幹細胞抗衰老醫院 有限公司	20,250	10,849

33 關聯方交易 (續)

(c) 與關聯方的結餘

34 COMMITMENTS

(a) Capital commitments

Significant capital expenditure commitments are set out below:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Contracted but not provided for:	就以下項目已訂約但未計提撥備：		
Property, plant and equipment	物業、機器及設備	25,195	21,579

34 承擔

(a) 資本承擔

重大資本開支承擔載列如下：

(b) Non-cancellable short-term operating leases

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Less than 1 year	1年內	7,767	6,685

(b) 不可撤銷的短期經營租賃

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 BUSINESS COMBINATION

(a) Summary of acquisition

During the Year, the Group acquired business from third parties to enlarge the Group's market share in the industry. Details of the purchase consideration, the net liabilities acquired and goodwill are as follows:

		As at 31 December 於12月31日	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Purchase consideration (refer to (b) below):	購買對價(參閱下文(b)):		
Cash paid	已付現金	5,970	11,297
Total purchase consideration	購買對價總額	5,970	11,297

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

因收購事項確認的資產及負債如下:

2022 2022年		Luan mei 樂美 RMB'000 人民幣千元	Chongqingweiwei 重慶薇薇 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	1,768	—	1,768
Trade receivable	貿易應收款項	12	—	12
Prepayments	預付款項	28	—	28
Other receivables	其他應收款項	202	—	202
Intangible assets — customer relationship	無形資產 — 客戶關係	—	3,700	3,700
Contract liabilities — service	合約負債 — 服務	—	(4,479)	(4,479)
Tax payables	應付稅項	(10)	—	(10)
Net identifiable assets acquired	已收購可識別資產淨值	2,000	(779)	1,221
Add: goodwill	加: 商譽	—	4,749	4,749
Shares acquired percentage	已收購股份百分比	100%	100%	100%
Shares of net identifiable assets acquired	應佔已收購可識別資產淨值	2,000	3,970	5,970
Net assets acquired	已收購資產淨值	2,000	3,970	5,970

35 業務合併

(a) 收購事項概要

年內，本集團自第三方收購業務，以擴大本集團於業內的市場份額。購買對價、已收購負債淨額及商譽的詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 BUSINESS COMBINATION (Continued)

(a) Summary of acquisition (Continued)

2021 2021年		Wuhan Yingmier 武漢英格蜜兒 RMB'000 人民幣千元
Inventories	存貨	880
Other receivables	其他應收款項	3,000
Intangible assets — customer relationship	無形資產 — 客戶關係	11,000
Other payables	其他應付款項	(1,531)
Contract liabilities — service	合約負債 — 服務	(26,768)
Net identifiable liabilities acquired	已收購可識別負債淨額	(13,419)
Shares acquired percentage	已收購股份百分比	100%
Shares of net identifiable assets acquired	應佔已收購可識別資產淨值	(13,419)
Add: goodwill	加：商譽	18,216
Net assets acquired	已收購資產淨值	4,797

(b) Purchase consideration — cash outflow

The goodwill of approximately RMB4,749,000 arising from the acquisition for the year 2022 is attributable to the synergy of business expansion within a city. None of the goodwill recognised is expected to be deductible for income tax purpose.

The goodwill of approximately RMB18,216,000 arising from the acquisition in 2021 respectively is attributable to the synergy of business expansion within a city. None of the goodwill recognised is expected to be deductible for income tax purpose.

Luan mei and Chongqingweiwei contributed revenue of RMB3,116,000 and net profit of RMB17,000 to the Group for the year 2022. If the acquisition had occurred on 1 January 2022, consolidated pro-forma revenue and net profit for the year 2022 of the Group would have been RMB1,638,466,000 and RMB109,641,000 respectively.

35 業務合併(續)

(a) 收購事項概要(續)

(b) 購買對價 — 現金流出

2022年收購事項產生商譽約人民幣4,749,000元，歸因於市內業務擴充的協同效應。預期概無已確認商譽可用作扣減所得稅。

2021年收購事項產生商譽約人民幣18,216,000元，歸因於市內業務擴充的協同效應。預期概無已確認商譽可用作扣減所得稅。

樂美及重慶薇薇於2022年為本集團貢獻收入人民幣3,116,000元及淨利潤人民幣17,000元。倘收購事項於2022年1月1日發生，本集團於2022年的綜合備考收入及淨利潤應分別為人民幣1,638,466,000元及人民幣109,641,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

35 BUSINESS COMBINATION (Continued)

(b) Purchase consideration — cash outflow (Continued)

Wuhan Yingmier contributed revenue of RMB7,290,000 and net loss of RMB784,000 to the Group for the year of 2021. If the acquisition had occurred on 1 January 2021, consolidated pro-forma revenue and net profit for the year of 2021 of the Group would have been RMB1,788,030,000 and RMB207,556,000, respectively.

35 業務合併(續)

(b) 購買對價 — 現金流出(續)

武漢英格蜜兒於2021年為本集團貢獻收入人民幣7,290,000元及虧損淨額人民幣784,000元。倘收購事項於2021年1月1日發生，本集團於2021年的綜合備考收入及年內淨利潤應分別為人民幣1,788,030,000元及人民幣207,556,000元。

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Outflow of cash to acquire subsidiary, net of cash acquired	收購附屬公司的現金流出，扣除已收購現金		
Cash consideration	現金對價	5,970	11,297
Less: Balances acquired cash	減：已收購現金結餘	(1,768)	—
Net outflow of cash — investing activities	現金流出淨額 — 投資活動	4,202	11,297

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

Remuneration of every director and the chief executive during the years ended 31 December 2022 and 2021 was as follows:

Name of Directors	董事姓名	Salary	Discretionary Bonus	Pension costs — defined contribution plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation expenses	Total
		薪金	酌情花紅	退休金成本 — 定額供款計劃	其他社會保險成本、住房福利及其他員工福利	以股份支付的報酬開支	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
For the year ended 31 December 2022	截至2022年12月31日止年度						
Executive directors:	執行董事：						
Mr. Li Yang	李陽先生	370	140	—	—	3,303	3,813
Mr. Lian Songyong	連松泳先生	1,009	821	62	71	258	2,221
Non-executive Directors:	非執行董事：						
Ms. Li Fangyu	李方雨女士	65	—	12	13	—	90
Mr. Geng Jiaqi ⁽¹⁾	耿嘉琦先生 ⁽¹⁾	—	—	—	—	—	—
Mr. Zhai Feng ⁽²⁾	翟鋒先生 ⁽²⁾	—	—	—	—	—	—
Independent Non-executive Directors:	獨立非執行董事：						
Mr. Fan Mingchao	范銘超先生	—	—	—	—	—	—
Mr. Jiang Hua	江華先生	—	—	—	—	—	—
Mr. Liu Teng	劉騰先生	—	—	—	—	—	—
		1,444	961	74	84	3,561	6,124

36 董事福利及權益

(a) 董事酬金

截至2022年及2021年12月31日止年度，每名董事及最高行政人員的薪酬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

36 BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(a) Directors' emoluments (Continued)

Name of Directors	董事姓名	Salary	Discretionary Bonus	Pension costs — defined contribution plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation expenses	Total
		薪金	酌情花紅	退休金成本 — 一定額供款計劃	其他社會保險成本、住房福利及其他員工福利	以股份支付的報酬開支	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
For the year ended 31 December 2021	截至2021年12月31日止年度						
Executive directors:	執行董事：						
Mr. Li Yang	李陽先生	367	287	—	—	877	1,531
Mr. Lian Songyong	連松泳先生	1,007	1,378	57	64	257	2,763
Non-executive Directors:	非執行董事：						
Ms. Li Fangyu	李方雨女士	87	—	—	—	—	87
Mr. Geng Jiaqi ⁽¹⁾	耿嘉琦先生 ⁽¹⁾	—	—	—	—	—	—
Mr. Zhai Feng ⁽²⁾	翟鋒先生 ⁽²⁾	—	—	—	—	—	—
		1,461	1,665	57	64	1,134	4,381

(1) Mr. Geng Jiaqi and Mr. Zhai Feng are non-executive directors designated by a shareholder and have no labour relation with the Group. Therefore they do not receive any emoluments from the Group during the years ended 31 December 2022 and 2021.

(2) Mr. Fan Mingchao, Mr. Jiang Hua and Mr. Liu Teng are independent non-executive directors appointed in March 2022, March 2022 and December 2022 respectively with their appointments taking effect upon Listing in January 2023 and have no labour relation with the Group. Therefore they do not receive any emoluments from the Group during the years ended 31 December 2022 and 2021.

No emoluments have been paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office or no directors waived or agreed to waive any emoluments during the years ended 31 December 2022 and 2021.

36 董事福利及權益 (續)

(a) 董事酬金 (續)

(1) 耿嘉琦先生及翟鋒先生為一名股東指定的非執行董事，與本集團並無勞動關係。因此，他們於截至2022年及2021年12月31日止年度並無自本集團收取任何酬金。

(2) 范銘超先生、江華先生及劉騰先生分別於2022年3月、2022年3月及2022年12月獲委任為獨立非執行董事，均自本公司2023年1月上市後正式生效，與本集團並無勞動關係。因此，他們於截至2022年及2021年12月31日止年度並無自本集團收取任何酬金。

截至2022年及2021年12月31日止年度，本集團並無向董事支付任何酬金，作為加入或在加入本集團時的獎勵或作為離職補償，亦無董事放棄或同意放棄任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(b) Directors' retirement and termination benefits

There were no retirement and termination benefits paid to any director during the years ended 31 December 2022 and 2021.

(c) Consideration provided to third parties for making available directors' services

During the years ended 31 December 2022 and 2021, no consideration to third parties for making available director's services.

(d) Information about loans, quasi-loans or other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans or other dealings were entered into by the Group in favor of directors, controlled bodies corporate by and connected entities with such directors during the year ended December 31, 2022 and 2021.

(e) Directors' material interests in transactions, arrangements or contracts

Other than those disclosed in Note 33, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted as at 31 December 2022 and 2021 or at any time during the years ended 31 December 2022 and 2021.

36 董事福利及權益 (續)

(b) 董事的退休及離職福利

截至2022年及2021年12月31日止年度，概無向任何董事支付退休及離職福利。

(c) 就獲提供董事服務而向第三方提供的對價

截至2022年及2021年12月31日止年度，概無就獲提供董事服務而向第三方提供對價。

(d) 有關以董事、董事控制的實體及其關連實體為受益人的貸款、準貸款或其他交易的資料

截至2022年及2021年12月31日止年度，本集團概無訂立以董事、董事控制的實體及其關連實體為受益人的貸款、準貸款或其他交易。

(e) 董事於交易、安排或合約的重大權益

除附註33所披露者外，本公司概無訂立與本集團業務有關，而本公司董事直接或間接於當中擁有重大權益，且於2022年及2021年12月31日或截至2022年及2021年12月31日止年度的任何時間存續的重大交易、安排及合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 DETAILS OF SUBSIDIARIES

The Registered Shareholders, Shanghai Beauty Farm and the Medical Institutions have entered into exclusive operation services agreements with Shanghai Liernuo on 13 June 2022, (the “Exclusive Operation Services Agreement”), pursuant to which, the Medical Institutions, Registered Shareholders and Shanghai Beauty Farm agreed to engage Shanghai Liernuo as their exclusive provider of technical support, consulting services and other services in exchange for a service fee. Further details of the Contractual Arrangements are set out in Note 2.1.4. All companies comprising the Group have adopted 31 December as their financial year end date.

37 附屬公司詳情

登記股東、上海美麗田園及醫療機構已於2022年6月13日與上海麗爾諾訂立獨家運營服務協議（「獨家運營服務協議」），據此，醫療機構、登記股東及上海美麗田園協定委聘上海麗爾諾為其獨家技術支援、諮詢服務及其他服務供應商，以換取服務費。合約安排的進一步詳情載於附註2.1.4。本集團旗下所有公司已採納12月31日為其財政年度結算日。

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元，以人民幣計， 除非另有指明)		Effective interest held 所持實際權益		Principle activities 主要業務
				As at 31 December 於12月31日		
				2022	2021	
Directly hold: 直接持有：						
Beauty Farm Medical and Health Industry Inc. 美麗田園醫療健康產業有限公司	Cayman Islands limited liability company 開曼群島，有限公司	USD50	—	100%	N/A	Holding company 控股公司
Beauty Farm Medical and Health Industry Limited Beauty Farm Medical and Health Industry Limited	Hong Kong, China limited liability company 中國香港，有限公司	HKD10	—	100%	N/A	Holding company 控股公司
Aiyumei (Shanghai) Enterprise Management Co., Ltd. 艾昱美(上海)企業管理有限公司	PRC, limited liability company 中國內地，有限公司	3,800	—	100%	N/A	Holding company 控股公司
Beautyfarm Hongkong Limited 美麗田園香港有限公司	Hong Kong, China limited liability company 中國香港，有限公司	12,204	12,204	100%	100%	Holding company 控股公司
Beijing Beauty Farm Beauty Technology Co., Ltd. 北京美麗田園美容科技有限公司	PRC, limited liability company 中國內地，有限公司	2,000	2,000	95%	95%	Provision of traditional beauty services 提供傳統美容服務
Beijing Beauty Farm Enterprise Management Consulting Co., Ltd. 北京美麗田園企業管理諮詢有限公司	PRC, limited liability company 中國內地，有限公司	2,000	2,000	95%	95%	Provision of traditional beauty services 提供傳統美容服務
Beijing Limei Farm Beauty Co., Ltd. 北京麗美田園美容有限公司	PRC, limited liability company 中國內地，有限公司	1,000	1,000	72%	71%	Provision of traditional beauty services 提供傳統美容服務
Beijing Limei Farm Enterprise Management Co., Ltd. 北京麗美田園企業管理有限公司	PRC, limited liability company 中國內地，有限公司	500	500	72%	71%	Provision of traditional beauty services 提供傳統美容服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情(續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益	
				As at 31 December 於12月31日	
				2022 2022年	2021 Principle activities 2021年 主要業務
Beijing Manshu Enterprise Management Co., Ltd. 北京曼束企業管理服務有限公司	PRC, limited liability company 中國內地, 有限公司	500	500	82%	82% Provision of traditional beauty services 82% 提供傳統美容服務
Beijing Palaispa Business Management Co., Ltd. 北京貝黎詩商業管理有限公司	PRC, limited liability company 中國內地, 有限公司	10,000	10,000	86%	82% Provision of traditional beauty services 82% 提供傳統美容服務
Changchun Zhuoyan Beauty Service Co., Ltd. 長春卓妍美容服務有限公司	PRC, limited liability company 中國內地, 有限公司	500	500	66%	66% Provision of traditional beauty services 66% 提供傳統美容服務
Changsha Meili Pastoral Beauty Co., Ltd. 長沙美麗田園美容有限公司	PRC, limited liability company 中國內地, 有限公司	2,000	—	51%	N/A Provision of traditional beauty services 不適用 提供傳統美容服務
Changsha Yuhua Xiukeer Medical Beauty Clinic Co., Ltd. 長沙雨花區秀可兒醫療美容診所有限公司 ⁽²⁾	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	60%	60% Provision of aesthetic medical services 60% 提供醫療美容服務
Chengdu Jiahao Beauty Service Co., Ltd. 成都嘉好美容服務有限公司	PRC, limited liability company 中國內地, 有限公司	500	500	97%	100% Provision of traditional beauty services 100% 提供傳統美容服務
Chengdu Meishu Beauty Co., Ltd. 成都美束美容有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	100	97%	100% Provision of traditional beauty services 100% 提供傳統美容服務
Chengdu Wuhou Meiju Medical Beauty Clinic Co., Ltd. 成都武侯美聚醫療美容診所有限公司 ⁽⁶⁾	PRC, limited liability company 中國內地, 有限公司	200	200	N/A	100% Provision of aesthetic medical services 100% 提供醫療美容服務
Chongqing Beauty Farm Beauty Development Co., Ltd. 重慶美麗田園美容發展有限公司	PRC, limited liability company 中國內地, 有限公司	5,600	5,600	90%	90% Provision of traditional beauty services 90% 提供傳統美容服務
Chongqing Liyan Medical Beauty Clinic Co., Ltd. 重慶麗研醫療美容門診部有限公司 ⁽¹⁾	PRC, limited liability company 中國內地, 有限公司	2,000	2,000	90%	90% Provision of aesthetic medical services 90% 提供醫療美容服務
Haikou Limei Beauty Co., Ltd. 海口麗美美容有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	98%	98% Provision of traditional beauty services 98% 提供傳統美容服務
Hainan Meirui International Medical & Health Industry Co., Ltd. 海南美瑞國際醫療健康產業有限公司	PRC, limited liability company 中國內地, 有限公司	30,000	30,000	100%	100% Provision of traditional beauty services 100% 提供傳統美容服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情 (續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益		Principle activities 2021 主要業務
				As at 31 December 於12月31日		
				2022	2021	
Hangzhou Beauty Farm Beauty Co., Ltd. 杭州美麗田園美容有限公司	PRC, limited liability company 中國內地, 有限公司	1,500	1,500	97%	97%	Provision of traditional beauty services 提供傳統美容服務
Hefei Beauty Farm Beauty Service Co., Ltd. 合肥美麗田園美容服務有限公司	PRC, limited liability company 中國內地, 有限公司	3,000	3,000	62%	62%	Provision of traditional beauty services 提供傳統美容服務
Jinan Xiuke'er Medical Beauty Co., Ltd. 濟南秀可兒醫療美容有限公司	PRC, limited liability company 中國內地, 有限公司	9,000	9,000	54%	54%	Provision of aesthetic medical services 提供醫療美容服務
Nanjing Xuanwu Ouhua Medical Beauty Clinic Co., Ltd. 南京玄武歐華醫療美容診所有限公司 ⁽⁷⁾	PRC, limited liability company 中國內地, 有限公司	2,600	2,600	N/A	100%	Provision of aesthetic medical services 提供醫療美容服務
Nanning Xiuke'er Medical Beauty Clinic Co., Ltd. 南寧秀可兒醫療美容診所有限公司 ⁽⁸⁾	PRC, limited liability company 中國內地, 有限公司	750	750	60%	60%	Provision of aesthetic medical services 提供醫療美容服務
Ningbo Haishu New Beautiful Farm Beauty Co., Ltd. 寧波海曙新美麗田園美容有限公司	PRC, limited liability company 中國內地, 有限公司	500	500	100%	100%	Provision of traditional beauty services 提供傳統美容服務
Qingdao Tianyuanmeili Enterprise Management Service Co., Ltd. 青島田園美麗企業管理服務有限公司	PRC, limited liability company 中國內地, 有限公司	100	100	100%	100%	Provision of traditional beauty services 提供傳統美容服務
Sanya Beauty Farm Beauty Service Co., Ltd. 三亞美麗田園美容服務有限公司	PRC, limited liability company 中國內地, 有限公司	500	500	51%	51%	Provision of traditional beauty services 提供傳統美容服務
Shanghai Beauty Farm Information Consulting Service Co., Ltd. 上海美麗田園信息諮詢服務有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	100%	100%	Consulting services 諮詢服務
Shanghai Lingxiu Business Management Co., Ltd. 上海領秀商業管理有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	86%	82%	Management company 管理公司
Shanghai Luanmei E-Commerce Co., Ltd. 上海樂美電子商務有限公司	PRC, limited liability company 中國內地, 有限公司	2,000	2,000	100%	N/A	Provision of E-business 提供電子業務
Shanghai Meiju Medical Technology Development Co., Ltd. 上海美聚醫療科技發展有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	100%	100%	Products sales 產品銷售

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情 (續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益 As at 31 December 於12月31日		2021 Principle activities 2021年 主要業務
				2022	2021	
Shanghai Meili Tianyuan Beauty Development Co., Ltd. 上海美麗田園美容發展有限公司	PRC, limited liability company 中國內地, 有限公司	5,000	5,000	96%	96%	Provision of traditional beauty services 提供傳統美容服務
Shanghai Palaispa Business Management Co., Ltd. 上海貝黎詩商業管理有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	86%	82%	Management company 管理公司
Shanghai Pengyiyang Enterprise Service Co., Ltd. 上海芄瑩企業服務有限公司	PRC, limited liability company 中國內地, 有限公司	100	—	100%	N/A	IT service 不適用
Shanghai Ranyou Enterprise Management Co., Ltd. 上海冉優企業管理有限公司	PRC, limited liability company 中國內地, 有限公司	50	50	100%	100%	Management company 管理公司
Shanghai Ronglin Information Technology Co., Ltd. 上海融麟信息科技有限公司	PRC, limited liability company 中國內地, 有限公司	10,000	2,000	100%	100%	IT service 信息技術服務
Shanghai Shuonan Enterprise Management Co., Ltd. 上海朔南企業管理有限公司	PRC, limited liability company 中國內地, 有限公司	30	30	95%	95%	Management company 管理公司
Shanghai Xiujia Business Management Co., Ltd. 上海秀嘉商業管理有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	86%	82%	Management company 管理公司
Shanghai Xuanyan Business Management Co., Ltd. 上海喧顏商業管理有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	86%	82%	Management company 管理公司
Shanghai Yigao Industrial Co., Ltd. 上海逸高實業有限公司	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	100%	100%	Products sales 產品銷售
Shanghai Yingsong Enterprise Management Co., Ltd. 上海榮松企業管理有限公司	PRC, limited liability company 中國內地, 有限公司	50	50	100%	100%	Management company 管理公司
Shanghai Yiyang Enterprise Management Co., Ltd. 上海奕妍企業管理有限公司	PRC, limited liability company 中國內地, 有限公司	30	30	94%	94%	Management company 管理公司
Shanxi Lixing Tianxia Beauty Co., Ltd. 山西麗行天下美容有限公司	PRC, limited liability company 中國內地, 有限公司	3,673	3,673	51%	51%	Provision of traditional beauty services 提供傳統美容服務
Shenzhen Beauty Farm Beauty Co., Ltd. 深圳市美麗田園美容有限公司	PRC, limited liability company 中國內地, 有限公司	2,000	2,000	96%	95%	Provision of traditional beauty services 提供傳統美容服務
Shenzhen Qiyang Medical Beauty Clinic 深圳啟研醫療美容診所 ⁽¹⁾	PRC, limited liability company 中國內地, 有限公司	2,000	200	100%	100%	Provision of aesthetic medical services 提供醫療美容服務
Taiyuan Xiaodian Yanpan Medical Beauty Clinic Co., Ltd. 太原市小店區妍潘醫療美容診所有限公司 ⁽²⁾	PRC, limited liability company 中國內地, 有限公司	2,000	2,000	60%	60%	Provision of aesthetic medical services 提供醫療美容服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情 (續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益		Principle activities 主要業務
				As at 31 December 於12月31日		
				2022	2021	
				2022年	2021年	
Tianjing Beauty Farm Enterprise Management Co., Ltd. 天津美麗田園企業管理服務有限公司	PRC, limited liability company 中國內地, 有限公司	3,636	3,636	81%	76%	Provision of traditional beauty services 提供傳統美容服務
Wuhan Beauty Farm Vocational Skills Training Co., Ltd. 武漢美麗田園職業培訓學校有限責任公司	PRC, limited liability company 中國內地, 有限公司	500	500	100%	100%	Training school 培訓學校
Wuhan Handerui Beauty Co., Ltd. 武漢市漢德瑞美容有限公司	PRC, limited liability company 中國內地, 有限公司	700	700	68%	69%	Provision of traditional beauty services 提供傳統美容服務
Wuhan Meiju Beauty Development Co., Ltd. 武漢美聚美容發展有限公司	PRC, limited liability company 中國內地, 有限公司	2,000	2,000	88%	89%	Provision of traditional beauty services 提供傳統美容服務
Wuhan Mengze Jingru Beauty Co., Ltd. 武漢夢澤境如美容有限公司	PRC, limited liability company 中國內地, 有限公司	700	700	65%	66%	Provision of traditional beauty services 提供傳統美容服務
Wuhan Yijiang Tianyuan Beauty Co., Ltd. 武漢依江田園美容有限公司	PRC, limited liability company 中國內地, 有限公司	800	800	47%	48%	Provision of traditional beauty services 提供傳統美容服務
Wuhan Yijiangpan Beauty Co., Ltd. 武漢依江畔美容有限公司	PRC, limited liability company 中國內地, 有限公司	778	778	83%	94%	Provision of traditional beauty services 提供傳統美容服務
Wuxi Xiukeer Medical Beauty Clinic Co., Ltd. 無錫秀可兒醫療美容診所有限公司 ⁽⁴⁾	PRC, limited liability company 中國內地, 有限公司	2,450	2,450	60%	60%	Provision of aesthetic medical services 提供醫療美容服務
Xiamen Siming Xiuke'er Medical Beauty Clinic Co., Ltd. 廈門思明秀可兒醫療美容診所有限公司	PRC, limited liability company 中國內地, 有限公司	5,000	5,000	60%	NA	Provision of aesthetic medical services 不適用 提供醫療美容服務
Xian Beauty Farm Beauty Service Co., Ltd. 西安美麗田園美容服務有限公司	PRC, limited liability company 中國內地, 有限公司	1,667	1,667	59%	59%	Provision of traditional beauty services 提供傳統美容服務
Yanyi (Shanghai) Industrial Co., Ltd. 焱逸(上海)實業有限公司	PRC, limited liability company 中國內地, 有限公司	10,000	10,000	100%	100%	Products sales 產品銷售
Zhengzhou Beauty Farm Trading Co., Ltd. 鄭州美麗田園商貿有限公司	PRC, limited liability company 中國內地, 有限公司	1,500	1,500	95%	95%	Provision of traditional beauty services 提供傳統美容服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情(續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益 As at 31 December 於12月31日		2021 Principle activities 2021年 主要業務
				2022	2021	
Controlled by the Company pursuant to the Contractual Agreements (Note 2.1.4) 由本公司根據合約安排控制(附註2.1.4)						
Shanghai Liernuo Industry Development Co., Ltd	PRC, limited liability company	1,000	—	100%	—	N/A Holding company that holds no more than 30% equity interest of Restricted Medical Institutions
上海麗爾諾實業發展有限公司	中國內地, 有限公司	1,000	—	100%	—	不適用 持有受限制醫療機構不超過30% 股權的控股公司
Controlled by the Company through directly hold and pursuant to the Contractual Agreements (Note 2.1.4) 由本公司透過直接持有及根據合約安排控制(附註2.1.4)						
Shanghai Xiukeer Clinic Co., Ltd.	PRC, limited liability company	30,000	30,000	100%	—	100% Provision of aesthetic medical services and subhealth assessment and intervention services
上海秀可兒門診部有限公司	中國內地, 有限公司	30,000	30,000	100%	—	100% 提供醫療美容服務以及亞健康評估 及干預服務
Ningbo Jiangbei Yongjiang Xiuke'er Medical Beauty Clinic Co., Ltd.	PRC, limited liability company	1,500	1,500	100%	—	100% Provision of aesthetic medical services
寧波江北甬江秀可兒醫療美容診 所有限公司	中國內地, 有限公司	1,500	1,500	100%	—	100% 提供醫療美容服務
Nanjing Xiukeer Medical Beauty Clinic Co., Ltd.	PRC, limited liability company	2,000	2,000	100%	—	100% Provision of aesthetic medical services
南京秀可兒醫療美容診所有限 公司	中國內地, 有限公司	2,000	2,000	100%	—	100% 提供醫療美容服務
Shenzhen Xiukeer General Outpatient Department Co., Ltd.	PRC, limited liability company	10,000	10,000	100%	—	100% Provision of aesthetic medical services and subhealth assessment and intervention services
深圳秀可兒綜合門診部	中國內地, 有限公司	10,000	10,000	100%	—	100% 提供醫療美容服務以及亞健康評估 及干預服務
Hangzhou Liyan Medical Beauty Clinic Co., Ltd.	PRC, limited liability company	1,000	1,000	100%	—	100% Provision of aesthetic medical services
杭州麗研醫療美容診所有限公司	中國內地, 有限公司	1,000	1,000	100%	—	100% 提供醫療美容服務
Zhengzhou Liyan Medical Beauty Service Co., Ltd.	PRC, limited liability company	1,000	1,000	100%	—	100% Provision of aesthetic medical services
鄭州麗研醫療美容服務有限公司	中國內地, 有限公司	1,000	1,000	100%	—	100% 提供醫療美容服務
Haikou Meilan Meishuyue Medical Beauty Clinic Co., Ltd.	PRC, limited liability company	1,000	1,000	100%	—	100% Provision of aesthetic medical services
海口美蘭美悅醫療美容門診部 有限公司	中國內地, 有限公司	1,000	1,000	100%	—	100% 提供醫療美容服務
Beijing Hexin Medical Beauty Clinic Co., Ltd.	PRC, limited liability company	5,000	5,000	100%	—	100% Provision of aesthetic medical services
北京禾欣醫療美容門診部有限 公司	中國內地, 有限公司	5,000	5,000	100%	—	100% 提供醫療美容服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情 (續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益 As at 31 December 於12月31日		Principle activities 主要業務
				2022	2021	
Beijing Yanyuan Clinic Co., Ltd. 北京研源診所有限公司 ⁽³⁾	PRC, limited liability company 中國內地, 有限公司	5,000	5,000	100%	100%	Provision of subhealth assessment and intervention services 提供亞健康評估及干預服務
Chengdu Gaoxin Xiukeer Medical Beauty Clinic Co., Ltd. 成都高新秀可兒醫療美容診所有 限公司	PRC, limited liability company 中國內地, 有限公司	746	500	100%	100%	Provision of aesthetic medical services 提供醫療美容服務
Chongqing Xiukeer Comprehensive Outpatient Department Co., Ltd.	PRC, limited liability company	20,000	20,000	95%	90%	Provision of aesthetic medical services and subhealth assessment and intervention services 提供醫療美容服務以及亞健康評估 及干預服務
重慶秀可兒綜合門診部有限公司	中國內地, 有限公司	20,000	20,000	95%	90%	提供醫療美容服務以及亞健康評估 及干預服務
Xian Meiju Medical Technology Development Co., Ltd. 西安美聚醫療科技發展有限 公司 ⁽⁴⁾	PRC, limited liability company 中國內地, 有限公司	2,000	2,000	84%	84%	Provision of aesthetic medical services 提供醫療美容服務
Wuhan Qiyuan Comprehensive Outpatient Department Co., Ltd.	PRC, limited liability company	21,053	21,053	90%	90%	Provision of aesthetic medical services and subhealth assessment and intervention services 提供醫療美容服務以及亞健康評估 及干預服務
武漢啟研綜合門診部有限公司	中國內地, 有限公司	21,053	21,053	90%	90%	提供醫療美容服務以及亞健康評估 及干預服務
Beijing Meishu Laser Medical Clinic Co., Ltd. 北京美束激光醫療診所有限 公司 ⁽⁵⁾	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	86%	86%	Provision of subhealth assessment and intervention services 提供亞健康評估及干預服務
Changchun Meiju Medical Technology Development Co., Ltd. 長春美聚醫療科技發展有限 公司 ⁽⁴⁾	PRC, limited liability company 中國內地, 有限公司	1,000	1,000	90%	90%	Provision of aesthetic medical services 提供醫療美容服務
Qingdao Aimei Medical Beauty Co., Ltd. 青島艾美醫療美容有限公司 ⁽⁴⁾	PRC, limited liability company 中國內地, 有限公司	5,900	5,900	100%	70%	Provision of aesthetic medical services 提供醫療美容服務
Haikou Xiukeer Medical Beauty Clinic Co., Ltd. 海口秀可兒醫療美容門診部有限 公司 ⁽³⁾	PRC, limited liability company 中國內地, 有限公司	7,000	4,900	100%	N/A	Provision of aesthetic medical services 提供醫療美容服務
Xian Beilin Xiukeer Comprehensive Outpatient Department Co., Ltd. 西安碑林秀可兒綜合門診部有限 公司 ⁽³⁾	PRC, limited liability company 中國內地, 有限公司	10,000	6,860	82%	N/A	Provision of aesthetic medical services 提供醫療美容服務
Haikou Yanyuan Clinic Co., Ltd. 海口研源診所有限公司 ⁽³⁾	PRC, limited liability company 中國內地, 有限公司	1,200	840	100%	N/A	Provision of subhealth assessment and intervention services 提供亞健康評估及干預服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

37 DETAILS OF SUBSIDIARIES (Continued)

37 附屬公司詳情 (續)

Company name 公司名稱	Country/Place of incorporation/ establishment 註冊成立/成立所在國家/ 地點	Registered/Issued and paid-up capital 註冊/已發行及實繳資本 (‘000, in RMB unless otherwise stated) (千元, 以人民幣計, 除非另有指明)		Effective interest held 所持實際權益 As at 31 December 於12月31日	
				2022 2022年	2021 Principle activities 2021年 主要業務
Hefei Xiukeer Medical Beauty Clinic Co., Ltd. 合肥秀可兒醫療美容診所有限公司 ⁽⁹⁾	PRC, limited liability company 中國內地, 有限公司	1,000	700	100%	N/A Provision of aesthetic medical services 不適用 提供醫療美容服務
Tianjin Heping Xiuke'er Medical Beauty Clinic Co., Ltd. 天津和平秀可兒醫療美容診所 有限公司	PRC, limited liability company 中國內地, 有限公司	4,000	2,800	100%	N/A Provision of aesthetic medical services 不適用 提供醫療美容服務
Zhengzhou Xiuke'er Medical Beauty Clinic Co., Ltd. 鄭州秀可兒醫學美容門診 有限公司	PRC, limited liability company 中國內地, 有限公司	7,000	3,500	100%	N/A Provision of aesthetic medical services 不適用 提供醫療美容服務

Notes:

- The relevant stores were closed as at 31 December 2021.
- The effective interest held was less than 70%, which is the level of equity interest permitted under the Foreign Ownership Restriction, thus no Contractual Arrangements were entered into for these entities.
- The relevant stores were at the pre-opening stage.
- The entities that provide medical services and hold Medical Institution Practicing License are the branch of the relevant entities.
- The relevant store was closed while the Medical Institution Practicing License was not cancelled yet.
- The entity was deregistered on 18 October 2022.
- The entity was deregistered on 27 June 2022.
- All companies comprising the Group have adopted 31 December as their financial year end date.
- None of the subsidiaries had issued any debt securities at the end of the reporting period.

附註:

- 相關門店已於2021年12月31日關閉。
- 所持實際權益少於70% (即外資所有權限制下允許的股權水平), 因此並無就該等實體訂立合約安排。
- 相關門店處於開業前階段。
- 提供醫療服務及持有醫療機構執業許可證的實體為相關實體的分公司。
- 相關門店於醫療機構執業許可證尚未註銷時關閉。
- 該實體已於2022年10月18日取消註冊。
- 該實體已於2022年6月27日取消註冊。
- 本集團旗下所有公司已採納12月31日為其財政年度結算日。
- 於報告期末, 概無附屬公司發行任何債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

38 CONTINGENCIES

As at 31 December 2022 and 2021, there were no significant contingencies for the Group and the Company.

39 EVENTS AFTER THE BALANCE SHEET DATE

On 16 January 2023, the Company's Shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited, where 40,536,500 Shares were issued and subscribed at an offer price of HK\$19.32 per Share by way of initial public offering to Hong Kong and overseas investors. Net proceeds from these issues amounted to approximately HK\$447.4 million.

On 5 February 2023, pursuant to the partial exercise of the over-allotment option by the joint international underwriters of the initial public offering, the Company issued and subscribed an additional 6,080,000 shares at the offer price of HK\$19.32 per Share. The additional net proceeds from the exercise of over-allotment option amounts to approximately HK\$111.1 million.

38 或然事項

於2022年及2021年12月31日，本集團及本公司概無重大或然事項。

39 結算日後事項

於2023年1月16日，本公司股份於香港聯合交易所有限公司主板上市，通過首次公開發售方式向香港及海外投資者按發售價每股股份19.32港元發行及認購40,536,500股股份。上述發行的所得款項淨額約為447.4百萬港元。

於2023年2月5日，本公司因首次公開發售的聯席國際包銷商部分行使超額配股權而按發售價每股股份19.32港元額外發行及認購6,080,000股股份。行使超額配股權的額外所得款項淨額約為111.1百萬港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

(a) Balance sheet of the Company

40 本公司資產負債表及儲備變動

(a) 本公司資產負債表

	Note 附註	As at 31 December 於12月31日 2022 2022年 RMB'000 人民幣千元
Non-current assets		
Investment in a subsidiary	(i)	103,960
Total non-current assets		103,960
Current assets		
Prepayments, deposits and other receivables		42,531
Cash and cash equivalents		7,197
Term deposits with initial terms of over three months		69,646
Total current assets		119,374
Total assets		223,334
LIABILITIES		
Current liabilities		
Other payables		61,713
Total current liabilities		61,713
Total liabilities		61,713
EQUITY		
Share capital		7
Share premium		84,358
Other reserves		97,465
Accumulated losses		(20,209)
Total equity		161,621
Total equity and liabilities		223,334
Net current assets		57,661
Total assets less current liabilities		161,621

The balance sheet of the Company was approved by the Board of Directors on 29 March 2023 and was signed on its behalf.

本公司的資產負債表已於2023年3月29日經董事會批准，並由以下董事代為簽署：

Mr. Li Yang
李陽先生
Director
董事

Mr. Lian Songyong
連松泳先生
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**40 BALANCE SHEET AND RESERVE
MOVEMENT OF THE COMPANY** (Continued)

- (a) Balance sheet of the Company (Continued)
(i) Investment in a subsidiary

40 本公司資產負債表及儲備變動
(續)

- (a) 本公司資產負債表(續)
(i) 於一家附屬公司的投資

		As at 31 December 於12月31日 2022 2022年 RMB'000 人民幣千元
Deemed investment arising from share-based compensation expenses	以股份支付的薪酬開支產生的視作投資	19,602
Investment in subsidiaries	於附屬公司的投資	84,358
		103,960

(b) Equity movement of the Company

(b) 本公司權益變動

		Equity attributable to owners of the Company 本公司擁有人應佔權益				
		Share capital 股本 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2022	於2022年1月1日的結餘	—	—	—	—	—
Profit for the year	年內利潤	—	—	—	(20,209)	(20,209)
Total comprehensive income	全面收入總額	—	—	—	(20,209)	(20,209)
Transactions with owners	與擁有人交易					
Capital contribution from owners of the Company (Note)	本公司擁有人注資(附註)	—	76,263	—	—	76,263
Share-based payment expenses	以股份支付的付款開支	—	21,202	—	—	21,202
Completion of reorganisation	完成重組	7	—	84,358	—	84,365
		7	97,465	84,358	—	181,830
Balance at 31 December 2022	於2022年12月31日的結餘	7	97,465	84,358	(20,209)	161,621

Note: Capital contribution from owners of the Company represented surplus of capital issued from ZYLot Holdings Limited and CITIC PE to the Company as set out in Note 1.2.

附註：本公司擁有人注資指附註1.2所載 ZYLot Holdings Limited及CITIC PE 向本公司發行資本的盈餘。

DEFINITIONS

釋義

In this annual report, the following expressions shall have the meanings set out below, unless the context otherwise requires:

於本年報內，除文義另有所指外，下列詞彙具有以下所載涵義：

<p>“AGM”</p> <p>「股東週年大會」</p>	指	<p>the forthcoming annual general meeting of the Company to be held on June 19, 2023</p> <p>本公司將於2023年6月19日舉行的應屆股東週年大會</p>
<p>“Allergan”</p> <p>「艾爾建公司」</p>	指	<p>Allergan Plc.</p> <p>Allergan Plc. 美國艾爾建有限公司</p>
<p>“Articles of Association”</p> <p>「組織章程細則」</p>	指	<p>the articles of association of the Company currently in force</p> <p>本公司現時有效的組織章程細則</p>
<p>“Audit Committee”</p> <p>「審核委員會」</p>	指	<p>the audit committee of the Board</p> <p>董事會審核委員會</p>
<p>“Beauty Farm”, “Group”, “our Group”, “our”, “we”, or “us”</p> <p>「美麗田園醫療健康」、 「本集團」、「我們的」或 「我們」</p>	指	<p>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</p> <p>本公司及其附屬公司，或其中任何一家公司（如文義可能所指），或（如文義指其註冊成立前的任何時間）其前身公司或其現時附屬公司的前身公司，或其中任何一家公司（如文義可能所指）曾經從事及其後由其承擔的業務</p>
<p>“Board” or “Board of Directors”</p> <p>「董事會」</p>	指	<p>the board of Directors</p> <p>董事會</p>
<p>“Cayman Companies Law” or “Cayman Companies Act”</p> <p>「開曼公司法」</p>	指	<p>the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time</p> <p>開曼群島法例第22章公司法（1961年第3號法例，經綜合及修改），經不時修訂、補充或以其他方式修改</p>
<p>“CG Code” or “Corporate Governance Code”</p> <p>「企業管治守則」</p>	指	<p>the “Corporate Governance Code” set out in Appendix 14 to the Listing Rules</p> <p>上市規則附錄十四所載的「企業管治守則」</p>
<p>“China” or “PRC”</p> <p>「中國」</p>	指	<p>the People’s Republic of China, which, for the purpose of this annual report and for geographical reference only, excludes Hong Kong, Macau and Taiwan</p> <p>中華人民共和國，就本年報及僅就地域參考而言，不包括香港、澳門及台灣</p>
<p>“Company”, “our Company”</p> <p>「本公司」</p>	指	<p>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</p> <p>美麗田園醫療健康產業有限公司，於2022年2月10日根據開曼群島法律註冊成立的獲豁免有限公司</p>

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“Contractual Arrangements”		a series of contractual arrangements the Group entered into to allow our Company to exercise control over the business operation of Shanghai Liernuo and certain Restricted Medical Institutions which Shanghai Liernuo is interested in and enjoy the economic interests derived therefrom
「合約安排」	指	本集團訂立的一系列合約安排，以使本公司可對上海麗爾諾及上海麗爾諾擁有權益的若干受限制醫療機構的業務營運行使控制權，並享有由此產生的一切經濟利益
“Director(s)”		the director(s) of the Company or any one of them
「董事」	指	本公司董事或其中任何一名董事
“Euro” or “EUR”		Euro, the lawful currency of the member states of the European Union
「歐元」	指	歐元，歐盟成員國的法定貨幣
“Global Offering”		the Hong Kong Public Offering and the International Offering, details of which are set forth in the Prospectus
「全球發售」	指	香港公開發售及國際發售，有關詳情載於招股章程
“Hainan Qiyán”		Hainan Qiyán Stem Cell Anti-aging Hospital Co., Ltd. (海南啟研幹細胞抗衰老醫院有限公司), a company incorporated in the PRC with limited liability and formerly an indirectly wholly-owned subsidiary of the Company which was fully transferred to our then Shareholders and their associates on December 25, 2020
「海南啟研」	指	海南啟研幹細胞抗衰老醫院有限公司，在中國註冊成立的有限公司，曾為本公司間接全資附屬公司，於2020年12月25日悉數轉讓予當時股東及其聯繫人
“Henan Meirui”		Hainan Meirui International Medical and Health Industry Co., Ltd (海南美瑞國際醫療健康產業有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Group
「海南美瑞」	指	海南美瑞國際醫療健康產業有限公司，在中國註冊成立的有限公司，為本集團的全資附屬公司
“Hong Kong” or “HK”		the Hong Kong Special Administrative Region of the PRC
「香港」	指	中國香港特別行政區
“Hong Kong dollars” or “HK dollars”, “HKD” or “HK\$”		Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
「港元」	指	港元及港仙，香港法定貨幣
“HKFRS”		Hong Kong Financial Reporting Standards
「香港財務報告準則」	指	香港財務報告準則
“IMEIKE”		Aimeike Technology Development Co., Ltd.
「愛美客公司」	指	愛美客技術發展股份有限公司
“IPO”		the initial public offering of the Shares on the Main Board of the Stock Exchange on January 16, 2023
「首次公開發售」	指	股份於2023年1月16日在聯交所主板首次公開發售

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釋義

“Listing” 「上市」	指	listing of the Shares on the Main Board of the Stock Exchange 股份於聯交所主板上市
“Listing Date” 「上市日期」	指	January 16, 2023, on which the Shares were listed and from which dealings therein were permitted to take place on the Stock Exchange 2023年1月16日，股份將在聯交所上市及批准買賣的日期
“Listing Rules” 「上市規則」	指	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) 香港聯合交易所有限公司證券上市規則(經不時修訂、補充或以其他方式修改)
“Model Code” 「標準守則」	指	the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix 10 to the Listing Rules 上市規則附錄10所載的「上市發行人董事進行證券交易的標準守則」
“MOF” 「財政部」	指	Ministry of Finance of the PRC (中華人民共和國財政部) 中華人民共和國財政部
“MOFCOM” 「商務部」	指	Ministry of Commerce of the PRC (中華人民共和國商務部) 中華人民共和國商務部
“MOH” 「衛生部」	指	Ministry of Health of the PRC (中華人民共和國國家衛生部), later known as the National Health and Family Planning Commission of the PRC (中華人民共和國國家衛生和計劃生育委員會) 中華人民共和國國家衛生部，後稱中華人民共和國國家衛生和計劃生育委員會
“Mr. Li” 「李先生」	指	Mr. LI Yang, being the chairman of our Board and an executive Director and the father of Ms. Li and a Controlling Shareholder 李陽先生，為董事會主席兼執行董事及李女士的父親，並為控股股東
“Mr. Lian” 「連先生」	指	Mr. LIAN Songyong, being the chief executive officer and an executive Director, and a Controlling Shareholder of the Company 連松泳先生，為首席執行官兼執行董事，並為本公司控股股東
“Ms. Li” 「李女士」	指	Ms. LI Fangyu, being a non-executive Director and daughter of Mr. Li and a Controlling Shareholder of the Company 李方雨女士，為非執行董事及李先生的女兒，並為本公司控股股東
“Ms. Wang” 「王女士」	指	Ms. WANG Li, being the late-wife of Mr. Li who passed away in 2006 王莉女士，李先生已故妻子，於2006年離世
“NHC” 「國家衛健委」	指	the National Health Commission (中華人民共和國國家衛生健康委員會) 中華人民共和國國家衛生健康委員會
“NPC” 「全國人大」	指	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會) 中華人民共和國全國人民代表大會

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“Over-allotment Option”		the option to be granted by us to the International Underwriters exercisable by the Overall Coordinators on behalf of the International Underwriters under the International Underwriting Agreement, to require us to allot and issue up to 6,080,000 additional Shares at the Offer Price, representing up to 15% of the total number of Offer Shares initially available under the Global Offering to cover over-allocations in the International Offering, if any, further details of which are described in the section headed “Structure of the Global Offering — Over-allotment Option” in the Prospectus
「超額配股權」	指	我們將授予國際包銷商的選擇權，可由整體協調人代表國際包銷商根據國際包銷協議行使，要求我們按發售價配發及發行最多6,080,000股額外股份，相當於根據全球發售初步可供認購的發售股份總數最多15%，以補足國際發售的超額分配（如有），有關進一步詳情載於本招股章程「全球發售的架構 — 超額配股權」一節
“Prospectus”		the prospectus of the Company dated December 30, 2022
「招股章程」	指	本公司日期為2022年12月30日的招股章程
“Reporting Period”		the year ended December 31, 2022
「報告期間」	指	截至2022年12月31日止年度
“Restricted Medical Institution(s)”		the medical institutions which are partially controlled under the Contractual Arrangement in order to comply with foreign investment restrictions under PRC law
「受限制醫療機構」	指	在合約安排下部分受控的醫療機構，以遵守中國法律項下的外商投資限制
“R&D”		Research and development
「研發」	指	研發
“RMB”		Renminbi, the lawful currency of the PRC
「人民幣」	指	人民幣，中國法定貨幣
“SFO”		the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
「證券及期貨條例」	指	香港法例第571章證券及期貨條例（經不時修訂、補充或以其他方式修改）
“Shanghai Beauty Farm”		Shanghai Beauty Farm Medical Healthcare Industry Co., Ltd. (上海美麗田園醫療健康產業有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Group
「上海美麗田園」	指	上海美麗田園醫療健康產業有限公司，在中國註冊成立的公司，為本集團的全資附屬公司
“Shanghai Liernuo”		Shanghai Liernuo Industry Development Co., Ltd. (上海麗爾諾實業發展有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Group which is controlled through the Contractual Arrangements
「上海麗爾諾」	指	上海麗爾諾實業發展有限公司，在中國註冊成立的有限公司，為本集團通過合約安排控制的附屬公司
“Share(s)”		ordinary share(s) in the capital of our Company with a nominal value of US\$0.000005 each
「股份」	指	本公司股本中每股面值0.000005美元的普通股

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“Shareholder(s)” 「股東」	指	holder(s) of the Share(s) 股份持有人
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Subsidiary” 「附屬公司」	指	has the meaning ascribed thereto under the Listing Rules 具有上市規則所賦予的涵義
“United States” or “U.S.” 「美國」	指	the United States of America, its territories, its possessions and all areas subject to its jurisdiction 美利堅合眾國、其領土、其屬地及所有受其管轄的地區
“United States dollars” or “US dollars”, “USD” or “US\$” 「美元」	指	United States dollars, the lawful currency of the United States 美元，美國法定貨幣
“%” 「%」	指	per cent 百分比

