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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

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

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**Raily Aesthetic Medicine International Holdings Limited**

**瑞麗醫美國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2135)**

**PROPOSALS FOR**  
**1) ADOPTION OF AUDITED CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**AND REPORTS OF DIRECTORS AND AUDITORS,**  
**2) RE-ELECTION OF RETIRING DIRECTORS,**  
**3) RE-APPOINTMENT OF AUDITORS,**  
**4) GENERAL MANDATES**  
**TO ISSUE SHARES AND REPURCHASE SHARES**  
**AND**  
**NOTICE OF 2023 ANNUAL GENERAL MEETING**

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A notice convening the 2023 annual general meeting of the Company (the "2023 AGM") to be held at 5/F., Minhang Tower, No. 290 North Zhongshan Road, Gongshu District, Hangzhou City, PRC on Friday, 16 June 2023 at 3:00 p.m. is set out on pages 19 to 23 of this circular. A form of proxy for use at the 2023 AGM is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at <https://www.hkexnews.hk> and the Company at <http://www.raily.com>.

Whether or not you are able to attend the 2023 AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent to you by the Company on 24 April 2023 and in any event not less than 48 hours before the time appointed for the holding of the 2023 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2023 AGM or any adjournment thereof should you so wish and in such an event, the form of proxy will be deemed to be revoked.

24 April 2023

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## DEFINITIONS

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

“2023 AGM”	the 2023 annual general meeting of the Company to be convened and held on Friday, 16 June 2023 at 3:00 p.m. to consider and, if thought fit, approve, among other things, the proposed grant of the Issue Mandate, the Repurchase Mandate and the extension of Issue Mandate and the proposed re-election of the retiring Directors
“Audit Committee”	the audit committee of the Board
“Auditors”	the auditors of the Company
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	Raily Aesthetic Medicine International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and all of its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the 2023 AGM to exercise the power of the Company to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution as set out in the notice of the 2023 AGM

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## DEFINITIONS

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“Latest Practicable Date”	14 April 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	28 December 2020, being the date on which the Shares were listed and from which dealings therein were permitted to take place on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the 2023 AGM to exercise the power of the Company to repurchase Shares of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution as set out in the notice of the 2023 AGM
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company with par value of US\$0.01 each
“Share Option Scheme”	the share option scheme of the Company adopted on 4 December 2020
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules

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## DEFINITIONS

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“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended from time to time
“%”	per cent.

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LETTER FROM THE BOARD

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

*Executive Directors:*

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

*Registered office in the Cayman Islands:*

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

*Independent Non-executive Directors:*

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

*Principal place of business in Hong Kong:*

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

24 April 2023

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR**  
**1) ADOPTION OF AUDITED CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**AND REPORTS OF DIRECTORS AND AUDITORS,**  
**2) RE-ELECTION OF RETIRING DIRECTORS,**  
**3) RE-APPOINTMENT OF AUDITORS,**  
**4) GENERAL MANDATES**  
**TO ISSUE SHARES AND REPURCHASE SHARES**  
**AND**  
**NOTICE OF 2023 ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to give you notice of the 2023 AGM and to provide you with details of the resolutions to be proposed at the 2023 AGM relating to:

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## LETTER FROM THE BOARD

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- a) the adoption of audited consolidated financial statements and the reports of the Directors and the Auditors for the year ended 31 December 2022;
- b) the proposed re-election of the retiring Directors;
- c) the proposed re-appointment of the Auditors;
- d) the granting of the Issue Mandate to the Directors;
- e) the granting of the Repurchase Mandate to the Directors; and
- f) the extension of the Issue Mandate to the Directors.

### **RESOLUTION (1) ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS FOR THE YEAR ENDED 31 DECEMBER 2022**

The audited consolidated financial statements of the Company for the year ended 31 December 2022 together with the reports of the Directors and Auditors, are set out in the 2022 Annual Report which will be sent to the Shareholders together with this circular. The 2022 Annual Report may be viewed and downloaded from the Company's website (<http://www.raily.com>) and the Hong Kong Exchanges and Clearing Limited's website (<https://www.hkexnews.hk>). The audited consolidated financial statements have been reviewed by the Audit Committee.

### **RESOLUTION (2) RE-ELECTION OF RETIRING DIRECTORS**

The Board currently consists of three Executive Directors, namely Mr. Fu Haishu, Mr. Song Jianliang and Mr. Wang Ying; and three Independent Non-executive Directors, namely Mr. Cao Dequan, Ms. Yang Xiaofen and Mr. Liu Teng.

According to Article 109(a) of the Memorandum and Articles of Association, at each annual general meeting of the Company, one-third of the Directors other than the Director appointed by the Board for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Accordingly, Mr. Cao Dequan (“**Mr. Cao**”), Ms. Yang Xiaofen (“**Ms. Yang**”) and Mr. Liu Teng (“**Mr. Liu**”) shall retire from office at the 2023 AGM. All the above retiring Directors, being eligible, will offer themselves for re-election as Directors at the 2023 AGM.

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## LETTER FROM THE BOARD

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The re-election of the above Directors has been reviewed by the Nomination Committee which recommended to the Board that the re-election be proposed for Shareholders' approval at the 2023 AGM.

The nominations for re-election were made in accordance with the Nomination Policy of the Company and the objective criteria for the nominations include but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, with due regard for the benefits of diversity as set out under the Board Diversity Policy of the Company.

In recommending Mr. Cao, Ms. Yang and Mr. Liu to stand for re-election as Independent Non-executive Directors, the Nomination Committee has considered the following backgrounds and attributes of the nominees concerned:-

- a) Mr. Cao obtained a Bachelor's Degree of Health Management from the Anhui Medical University in July 2001. He then obtained a Master's Degree of Public Health from the Chinese Centre for Disease Control and Prevention in July 2008. He completed the Public Health Leadership Professional Development Program offered by the Griffith University in June 2010. Mr. Cao has over 13 years of experience in the aesthetic medical industry.
- b) Ms. Yang obtained a Master of Law Degree from the Tongji University in June 2013. Ms. Yang has over 16 years of experience in the PRC legal industry.
- c) Mr. Liu obtained a Master of Arts in Professional Accounting and Information Systems Degree 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 the Hong Kong Institute of Certified Public Accountants in February 2007. Mr. Liu has extensive experience in financial management and investment banking.

The Nomination Committee considered that in view of their diverse and different educational background and professional knowledge and experience in aesthetic medical industry, PRC legal industry and financial management and investment banking, the re-elections of Mr. Cao, Ms. Yang and Mr. Liu as Independent Non-executive Directors will bring valuable perspectives, knowledge, skills and experiences to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Company's business.

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## LETTER FROM THE BOARD

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The Board has received confirmations from Mr. Cao, Ms. Yang and Mr. Liu regarding their independence. Taking into account the factors set out in Rule 3.13 of the Listing Rules, the Board considers that Mr. Cao, Ms. Yang and Mr. Liu continue to be independent.

The biographical details of the Directors proposed for re-election respectively at the 2023 AGM are set out in Appendix II to this circular.

### **RESOLUTION (3) RE-APPOINTMENT OF THE AUDITORS**

Ernst & Young, Certified Public Accountants, will retire as the Auditors at the 2023 AGM, and being eligible, offer themselves for re-appointment.

The Board, upon the recommendation of the Audit Committee, proposed to re-appoint Ernst & Young as the Auditors to hold office until the conclusion of the 2023 AGM.

### **RESOLUTIONS (4) TO (6) GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES**

Pursuant to the ordinary resolutions passed at the last annual general meeting of the Company held on 10 June 2022, the Directors were granted general mandates to issue new Shares and to buy back Shares. Unless otherwise renewed, such general mandates will lapse at the conclusion of the 2023 AGM.

In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed separately at the 2023 AGM to approve:

- (a) the grant of the Issue Mandate to the Directors to exercise the power of the Company to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of such resolution (i.e. a total of 417,808,000 Shares on the basis that the total number of issued Shares remains unchanged until the date of the 2023 AGM);
- (b) the grant of the Repurchase Mandate to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange or any other stock exchange of which the Shares may be listed and which is recognised by the Securities and Futures Commission and the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of such resolution (i.e. a total of 208,904,000 Shares on the basis that the total number of issued Shares remains unchanged until the date of the 2023 AGM); and
- (c) the extension of the Issue Mandate by adding the total number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

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## LETTER FROM THE BOARD

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The general mandates to issue new Shares and to buy back Shares, if granted at the 2023 AGM, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Memorandum and Articles of Association to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

An explanatory statement as required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with the requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate at the 2023 AGM is set out in Appendix I to this circular.

### **2023 ANNUAL GENERAL MEETING AND VOTING AND PROXY ARRANGEMENT**

The notice convening the 2023 AGM at which six ordinary resolutions will be proposed to adopt the audited consolidated financial statements for the year ended 31 December 2022 and the reports of the Directors and Auditors, the re-election of retiring Directors, the re-appointment of Auditors and the granting of the general mandates to issue and buy back Shares are set out on page 19 to page 23 of this circular.

A form of proxy for use at the 2023 AGM is enclosed with this circular and such form of proxy is also published at the websites of Hong Kong Exchanges and Clearing Limited at <https://www.hkexnews.hk> and the Company at <http://www.raily.com>. Whether or not you are able to attend the 2023 AGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 2023 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2023 AGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

In the case of appointment of proxies submitted in electronic form, the proxy appointments must be received by 3:00 p.m. on Wednesday, 14 June 2023 or not less than 48 hours before the time appointed for the holding of the meeting (or at any adjournment thereof). You may submit your form of proxy electronically by scanning the QR code or visiting the designated website (<https://spot-emeeting.tricor.hk>), through using the username and password provided on the notification letter sent to you by the Company on 24 April 2023. If your shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited and would like to appoint proxy to attend and vote at the meeting on your behalf, you should consult directly with your banks or brokers or custodians (as the case may be) for necessary arrangement.

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## LETTER FROM THE BOARD

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Pursuant to Rule 13.39(4) of the Listing Rules and Article 72 of the Memorandum and Articles of Association, any vote of Shareholders at the annual general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. An announcement on the poll vote results will be published by the Company after the 2023 AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 13 June 2023 to 16 June 2023, both days inclusive, for the purpose of ascertaining Shareholders' entitlement to attend and vote at the 2023 AGM. To be entitled to attend and vote at the 2023 AGM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 12 June 2023.

### **RECOMMENDATIONS**

The Board considers that adoption of audited consolidated financial statements and reports of Directors and Auditors, the proposed grant/extension of the Issue Mandate, grant of the Repurchase Mandate, re-election of the retiring Directors and the re-appointment of Auditors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the 2023 AGM.

### **RESPONSIBILITY STATEMENT**

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

### **GENERAL INFORMATION**

The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on any resolution to be proposed at the 2023 AGM.

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## LETTER FROM THE BOARD

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### LANGUAGE

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Your attention is drawn to the information set out in the appendices to this circular.

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

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## **APPENDIX I      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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*This appendix serves as an explanatory statement which contains all the information required under Rule 10.06(1)(b) of the Listing Rules for the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2023 AGM in connection with the granting of the Repurchase Mandate.*

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,089,040,000 Shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the date of the 2023 AGM, the Directors will be authorised under the Repurchase Mandate to repurchase, on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange, a maximum of 208,904,000 Shares, representing 10% of the total number of issued Shares as at the Latest Practicable Date, during the period in which the Repurchase Mandate is in force.

### **2. REASONS FOR THE REPURCHASE**

The Directors believe that the grant of the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

### **3. FUNDING OF REPURCHASE**

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the laws of the Cayman Islands and/or any applicable laws, the Memorandum and Articles of Association and the Listing Rules, as the case may be.

### **4. IMPACT OF REPURCHASE**

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 December 2022, being the date of its latest published audited consolidated financial statements. The Directors do not, however, intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company which is in the opinion of the Directors are from time to time appropriate for the Company.

**5. SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months and up to the Latest Practicable Date were as follows:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2022</b>		
April	0.235	0.162
May	0.198	0.165
June	0.228	0.163
July	0.198	0.168
August	0.175	0.160
September	0.176	0.151
October	0.160	0.105
November	0.138	0.106
December	0.200	0.120
<b>2023</b>		
January	0.204	0.155
February	0.249	0.180
March	0.233	0.178
April (up to the Latest Practicable Date)	0.199	0.179

**6. GENERAL**

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates, have any present intention to sell to the Company any Shares if the Repurchase Mandate is approved by the Shareholders at the 2023 AGM.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company, nor has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders at the 2023 AGM.

**7. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the Memorandum and Articles of Association.

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**APPENDIX I            EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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**8.    EFFECT OF TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If a Shareholder’s proportionate interest in the voting rights of the Company increases as a result of the Company repurchasing Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase in the Shareholder’s interests, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the total number of issued Shares. Their respective interest as at the Latest Practicable Date is shown under the column “Approximate % of the issued Shares before a possible exercise of the Repurchase Mandate” while the respective interest in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the ordinary resolutions in relation to the Repurchase Mandate to be proposed at the 2023 AGM (and assuming that the total number of issued Shares remains unchanged up to the date of the 2023 AGM) is shown under the column “Approximate % of the issued Shares should the Repurchase Mandate be exercised in full”:

Name of Shareholder	Number of Shares Held	Approximate% of the issued Shares before a possible exercise of the Repurchase Mandate	Approximate% of the issued Shares should the Repurchase Mandate be exercised in full
Fu Haishu ( <i>Note 1</i> )	1,109,283,463	53.10%	59.00%
Jin Chunmiao ( <i>Note 2</i> )	1,109,283,463	53.10%	59.00%
Ruide Consultation Limited ( <i>Note 3</i> )	1,109,283,463	53.10%	59.00%
Beauty Milkway (HK) Limited ( <i>Note 4</i> )	129,128,745	6.18%	6.87%
China Orient Asset Management (International) Holding Limited ( <i>Note 6</i> )	112,244,454	5.37%	5.97%
China Orient Asset Management Co., Ltd. ( <i>Note 6</i> )	112,244,454	5.37%	5.97%
Dong Yin Development (Holdings) Limited ( <i>Note 6</i> )	112,244,454	5.37%	5.97%
Wise Leader Assets Ltd. ( <i>Note 6</i> )	112,244,454	5.37%	5.97%
上海東燿健康管理合夥企業(有限合夥) ( <i>Note 5</i> )	112,244,454	5.37%	5.97%
東方資產管理(中國)控股有限公司 ( <i>Note 6</i> )	112,244,454	5.37%	5.97%

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**APPENDIX I                      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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Name of Shareholder	Number of Shares Held	Approximate% of the issued Shares before a possible exercise of the Repurchase Mandate	Approximate% of the issued Shares should the Repurchase Mandate be exercised in full
深圳東方創業投資有限公司 (Note 6)	112,244,454	5.37%	5.97%
深圳前海財富東方股權投資基金管理有限公司 (Note 6)	112,244,454	5.37%	5.97%
青海省東方藏醫藥產業發展基金(有限合夥)(Note 6)	112,244,454	5.37%	5.97%
青海省東方藏醫藥產業投資管理有限公司 (Note 6)	112,244,454	5.37%	5.97%

The above are calculated based on 2,089,040,000 Shares in issue as at the Latest Practicable Date.

*Notes:*

1. 1,109,283,463 Shares held by Ruide Consultation Limited, a company wholly and beneficially owned by Mr. Fu Haishu, in which Mr. Fu Haishu is deemed, or taken to be, interested in all the Shares held by Ruide Consultation Limited under the SFO.
2. Ms. Jin Chunmiao is the spouse of Mr. Fu Haishu and is deemed, or taken to be, interested in the Shares in which Mr. Fu Haishu has interest under the SFO.
3. 1,109,283,463 Shares are beneficially owned by Ruide Consultation Limited which is wholly and beneficially owned by Mr. Fu Haishu.
4. 129,128,745 Shares are beneficially owned by Beauty Milkway (HK) LIMITED.
5. 112,244,454 Shares are beneficially owned by 上海東燿健康管理合夥企業(有限合夥).
6. According to information available to the Company, 112,244,454 Shares are held by 上海東燿健康管理合夥企業(有限合夥) in the capacity of beneficial owner. 上海東燿健康管理合夥企業(有限合夥) is owned as to approximately 99.81% and approximately 0.19% by 青海省東方藏醫藥產業發展基金(有限合夥) and 青海省東方藏醫藥產業投資管理有限公司 respectively. 青海省東方藏醫藥產業發展基金(有限合夥) is owned as to approximately 48.78% and approximately 2.44% by 深圳東方創業投資有限公司 and 青海省東方藏醫藥產業投資管理有限公司 respectively. 青海省東方藏醫藥產業投資管理有限公司 is owned as to approximately 51% by 深圳前海財富東方股權投資基金管理有限公司. 深圳東方創業投資有限公司 is wholly-owned by 東方資產管理(中國)控股有限公司. 深圳前海財富東方股權投資基金管理有限公司 and 東方資產管理(中國)控股有限公司 is wholly-owned by China Orient Asset Management (International) Holding Limited. Each of Dong Yin Development (Holdings) Limited and Wise Leader Assets Ltd. owns

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## APPENDIX I      EXPLANATORY STATEMENT ON REPURCHASE MANDATE

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50% of China Orient Asset Management (International) Holding Limited. Wise Leader Assets Ltd. is wholly-owned by Dong Yin Development (Holdings) Limited, which is wholly-owned by China Orient Asset Management Co., Ltd. Each of 上海東燼健康管理合夥企業(有限合夥), 青海省東方藏醫藥產業發展基金(有限合夥), 青海省東方藏醫藥產業投資管理有限公司, 深圳前海財富東方股權投資基金管理有限公司, 深圳東方創業投資有限公司, 東方資產管理(中國)控股有限公司, China Orient Asset Management (International) Holding Limited, Dong Yin Development (Holdings) Limited, Wise Leader Assets Ltd. and China Orient Asset Management Co., Ltd. is deemed to be interested in 112,244,454 Shares held by 上海東燼健康管理合夥企業(有限合夥) under the SFO.

On the basis of the shareholding held by the Shareholders named above, an exercise of the Repurchase Mandate in full will not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code and the public holding of Shares will not be reduced below 25% of the total number of issued Shares. The Directors are not aware of any consequence which would arise under the Takeovers Code as a result of exercising the power under the Repurchase Mandate.

### **9. SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

*This Appendix sets out details of the Directors proposed to be re-elected as Directors at the 2023 AGM as below:*

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Cao Dequan (曹德全)**, aged 46, was appointed as our Independent Non-executive Director on 4 December 2020. Mr. Cao is also the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee. Mr. Cao is responsible for supervising and providing independent advice to our Board. Mr. Cao obtained a Bachelor's Degree of Health Management from the Anhui Medical University in July 2001. He then obtained a Master's Degree of Public Health from the Chinese Centre for Disease Control and Prevention (中國疾病預防控制中心) in July 2008. He completed the Public Health Leadership Professional Development Program offered by the Griffith University in June 2010.

Mr. Cao has over 13 years of experience in the aesthetic medical industry. He worked as an assistant researcher in the Chinese Centre for Disease Control and Prevention (中國疾病預防控制中心) from May 2003. From September 2009 to August 2014, Mr. Cao became a director of the office of the Chinese Association of Plastic and Aesthetics (中國整形美容協會). He was then appointed as a full-time deputy secretary general of the Association in January 2015 and the executive deputy secretary general of the Association in May 2021.

Mr. Cao has entered into a letter of appointment with the Company as an Independent Non-executive Director for a term of 3 years commencing from 28 December 2020, which may be terminated in accordance with the terms of the letter of appointment. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with Memorandum and the Articles of Association. Mr. Cao is entitled to Director's remuneration (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) of HK\$180,000 per annum.

As at the Latest Practicable Date, Mr. Cao does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cao does not (i) hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years; (ii) hold any other positions in the Company and its subsidiaries; (iii) have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) have other major appointments or professional qualifications.

**Ms. Yang Xiaofen** (楊小芬), aged 45, was appointed as our Independent Non-executive Director on 4 December 2020. Ms. Yang is also a member of each of the Audit Committee and Nomination Committee. She is responsible for supervising and providing independent advice to our Board.

Ms. Yang obtained a Master of Law Degree from the Tongji University in June 2013. Ms. Yang has over 16 years of experience in the PRC legal industry. She worked in Zhe Jiang Zhehang Law Firm (浙江浙杭律師事務所) from August 2006 to August 2014 with her last position held as a lawyer. She then worked as a lawyer in Zhejiang Dingya Law Firm (浙江鼎亞律師事務所) from August 2014 to March 2018. Since March 2018, she has been a lawyer and the executive head of Zhejiang Zhong Xin Da Law Firm (浙江眾信達律師事務所).

Ms. Yang has entered into a letter of appointment with the Company as an Independent Non-executive Director for a term of 3 years commencing from 28 December 2020, which may be terminated in accordance with the terms of the letter of appointment. She is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with Memorandum and the Articles of Association. Ms. Yang is entitled to Director's remuneration (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) of HK\$180,000 per annum.

As at the Latest Practicable Date, Ms. Yang does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Yang does not (i) hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years; (ii) hold any other positions in the Company and its subsidiaries; (iii) have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) have other major appointments or professional qualifications.

**Mr. Liu Teng** (劉騰), aged 53, was appointed as our Independent Non-executive Director on 4 December 2020. Mr. Liu is also the chairman of the Audit Committee and a member of Remuneration Committee. He is primarily responsible for supervising and providing independent advice to our Board.

Mr. Liu obtained a Master of Arts in Professional Accounting and Information Systems Degree 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 the Hong Kong Institute of Certified Public Accountants in February 2007.

Mr. Liu has extensive experience in financial management and investment banking. He worked in Taikang Asset Management (Hong Kong) Company Limited as executive director from August 2008 to October 2010. He then worked as an executive general manager in China Orient International Asset Management Limited from February 2012 to March 2015. From October 2015 to September 2018, he worked in China Universal Asset Management (Hong Kong) Company Limited as a deputy chief executive officer. He is currently the chairman of China Eagle Asset Management Co., Ltd.

Mr. Liu is currently an independent non-executive director of Beauty Farm Medical and Health Industry Inc. (stock code: 2373), the shares of which are listed on the Main Board of the Stock Exchange.

Mr. Liu has entered into a letter of appointment with the Company as an Independent Non-executive Director for a term of 3 years commencing from 28 December 2020, which may be terminated in accordance with the terms of the letter of appointment. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with Memorandum and the Articles of Association. Mr. Liu is entitled to Director's remuneration (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) of HK\$180,000 per annum.

As at the Latest Practicable Date, Mr. Liu does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu does not (i) hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years; (ii) hold any other positions in the Company and its subsidiaries; (iii) have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) have other major appointments or professional qualifications.

Save as disclosed above, there are no other matters concerning the re-elections of Mr. Cao, Ms. Yang and Mr. Liu that need to be brought to the attention of the Shareholders nor is there any information need to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

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NOTICE OF 2023 AGM

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

**NOTICE OF 2023 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2023 annual general meeting of Raily Aesthetic Medicine International Holdings Limited (the “**Company**”) will be held at 5/F., Minhang Tower, No. 290 North Zhongshan Road, Gongshu District, Hangzhou City, PRC on Friday, 16 June 2023 at 3:00 p.m. for the following purposes:

**ORDINARY RESOLUTIONS**

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and independent auditors (the “**Auditors**”) of the Company for the year ended 31 December 2022;
2.
  - (a) To re-elect Mr. Cao Dequan as an Independent Non-executive Director;
  - (b) To re-elect Ms. Yang Xiaofen as an Independent Non-executive Director;
  - (c) To re-elect Mr. Liu Teng as an Independent Non-executive Director; and
  - (d) To authorize the board of Directors to fix the Directors’ remuneration;
3. To re-appoint Ernst & Young, Certified Public Accountants as the Auditors of the Company and to authorize the board of Directors to fix their remuneration;

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## NOTICE OF 2023 AGM

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4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of the power of the Company to allot, issue and otherwise deal with additional shares of the Company (the “**Shares**”) or securities convertible into Shares and to make or grant offers, agreements and options (including but not limited to warrants, options, bonds, notes, securities and debentures conferring the rights to subscribe for or otherwise receive Shares), which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and/or options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below); or
  - (ii) the grant of options or rights to acquire Shares or an issue of Shares upon exercise of options or rights granted under the existing share option scheme of the Company or similar arrangement for the time being adopted and approved by the shareholders of the Company; or
  - (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time (the “**Articles**”); or
  - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into Shares,

shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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## NOTICE OF 2023 AGM

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(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any other applicable laws including, without limitation, laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company at general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of the power of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

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(b) the total number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act of the Cayman Islands or any other applicable laws to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company at general meeting revoking or varying the authority given to the Directors by this resolution.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions no. 4 and 5 set out in this notice of 2023 annual general meeting, the general mandate referred to in resolution no. 4 above be and is hereby extended by the addition to the total number of Shares which may be allotted or issued or agreed conditionally or unconditionally to be allotted or issued by the Directors pursuant to such general mandate of the number of Shares repurchased by the Company pursuant to the mandate referred to in the resolution no. 5 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing of this resolution.”

Yours faithfully

By Order of the Board of

**Raily Aesthetic Medicine International Holdings Limited**

**Mr. Fu Haishu**

*Chairman*

Hong Kong, 24 April 2023

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## NOTICE OF 2023 AGM

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*Notes:*

1. All resolutions (except for procedural and administrative matters) at the 2023 annual general meeting will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholders of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his behalf. A shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
3. In case of joint registered holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the Shares.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the meeting or any adjournment thereof should he so wish and in such event, the form of proxy shall be deemed to be revoked.
5. In the case of appointment of proxies submitted in electronic form, the proxy appointments must be received by 3:00 p.m. on Wednesday, 14 June 2023 or not less than 48 hours before the time appointed for the holding of the meeting (or at any adjournment thereof). You may submit your form of proxy electronically by scanning the QR code or visiting the designated website (<https://spot-meeting.tricor.hk>), through using the username and password provided on the notification letter sent to you by the Company on 24 April 2023. If your shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited and would like to appoint proxy to attend and vote at the meeting on your behalf, you should consult directly with your banks or brokers or custodians (as the case may be) for necessary arrangement.
6. The register of members of the Company will be closed from 13 June 2023 to 16 June 2023, both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the meeting. To be entitled to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 12 June 2023.
7. Shareholders of the Company should make their own decision as to whether they would attend the above meeting under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.

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