



For the month of April 2023, CHLITINA HOLDING LIMITED announced consolidated sales of NT\$436 million, setting a new company record for the period. There are now over 5,000 CHLITINA franchise stores. This year we expect business to take off and grow steadily season after season.

Operational Summary

- 1. For April 2023, CHLITINA reported consolidated sales of NT\$435.7m, with sales from our core business in China, the beauty salon franchise channel, contributing NT\$397.4m –or about 91%– to the total.**
- 2. Expressed in renminbi, CHLITINA’s functional currency, for the month of April 2023 alone, consolidated sales reached RMB98.1m (3% MoM; 303% YoY). Sales originating from the beauty salon franchise network in mainland China contributed RMB89.5m to this monthly total.**
- 3. Sales for the first four months of 2023 reached NT\$1,381.9m (20% YoY), with sales in China from our core business, the beauty salon franchise channel, contributing NT\$1,250.3m to this total. Expressed in renminbi, CHLITINA’s functional currency, sales for the first four months of 2023 reached RMB311.8m (21% YoY), with RMB282.1m originating from our mainland China operations.**
- 4. Weathering 3 years of a raging epidemic, Chlitina has been biding its time and has shown its amazing resilience. Now is even more the time to show its business strength. Since the end of the Lunar New Year break, monthly consolidated revenues have indeed been impressive, and a new historical high has been reached in April when compared to sales during the same period in previous years.**
- 5. Our main business channel, the Chlitina franchise store network, has continued to grow and to expand its market share. At the end of April, there were 5,027 CHLITINA franchise beauty salons. The other business channels – manicure and eyelash extensions, medical beauty, e-commerce – are also contributing to the overall business operations of the group, and the company is confident its performance will continue to improve quarter after quarter.**

1. NT\$ Reporting for 4137 TT	Apr. 2023 (NT\$m)	% MoM	% YoY
Consolidated Sales	435.7	4%	281%
Channel – Beauty Salon Franchise (mainland China)	397.4	5%	296%
Channel – Beauty Salon Franchise (Taiwan, Vietnam, etc.)	13.0	-16%	16%
Channel – Internet Retailing	6.5	59%	416%
Channel – Beauty Clinic	18.8	-15%	1233%
NT\$/RMB avg. exchange rate (Apr.)	4.4407	----	----
2. RMB Reporting for 4137 TT	Apr. 2023 (RMBm)	% MoM	% YoY
Consolidated Sales	98.1	3%	303%
Channel – Beauty Salon Franchise (mainland China)	89.5	4%	319%
Channel – Beauty Salon Franchise (Taiwan, Vietnam, etc.)	2.9	-16%	18%
Channel – Internet Retailing	1.5	59%	456%
Channel – Beauty Clinic	4.2	-16%	1423%
3. TWD Reporting	Jan. to Apr. 2023 (NT\$m)	% MoM	% YoY
Consolidated Sales	1,381.9	----	20%
Channel – Beauty Salon Franchise (mainland China)	1,250.3	----	18%
Channel – Beauty Salon Franchise (Taiwan, Vietnam, etc.)	50.4	----	13%
Channel – Internet Retailing	15.6	----	-5%
Channel – Beauty Clinic	65.6	----	114%
NT\$/RMB average exchange rate	4.4326	----	----
4. RMB Reporting	Jan. to Apr. 2023 (RMBm)	% MoM	% YoY
Consolidated Sales	311.8	----	21%
Channel – Beauty Salon Franchise (mainland China)	282.1	----	19%
Channel – Beauty Salon Franchise (Taiwan, Vietnam, etc.)	11.4	----	13%
Channel – Internet Retailing	3.5	----	-4%
Channel – Beauty Clinic	14.8	----	114%

5. Franchise Store Count	End of April 2023	Net Change in April	Yearly Net Change	YoY %
Total	5027	29	94	0%
China	4787	29	94	0%
Taiwan	219	0	0	-2%
Southeast Asia	21	0	0	-9%

2023 Outlook and Targets

- ◆ **Returning to our core business for stable growth, we will actively recruit new franchisees and increase same store performance:** In 2023, we are giving ourselves the targets of adding 400 stores to the CHLITINA beauty salon franchise network. Meanwhile, the RnD Manicure and Eyelash franchise will be combined with the CHLITINA beauty salon franchise to create second-generation franchise stores, reinforcing brand positioning and brand image so as to reap maximum benefits.
- ◆ **Aesthetic surgery clinics and anti-ageing clinics will continue to assist the main channel:** Integration and redistribution of resources will continue. Operations at our 2 UPLIDER aesthetic surgery clinics and at our 2 general practice clinics (HEDENG and JINGHE clinics) will be maintained, as these clinics situated in Nanjing and Shanghai complement the beauty salon franchise.
- ◆ **Brand exposure and special marketing campaigns on e-commerce platforms will help raise the brand's visibility:** Our XINMEILI e-shop and TMALL Flagship Store will cooperate with our physical stores, enabling consumers to connect with us online and offline. E-commerce and beauty salons will share resources, complementing each other.
- ◆ **We will strengthen the competitiveness of the group's products and develop a long-term ESG policy:** We intend to strengthen R&D development, and to use our products to capture blank territories and actively increase our market share. In line with legal and social expectations, we will attach greater importance to ESG goals and strive to implement comprehensive ESG policies.

About CHLITINA

- ◆ **Main Business:** Skin care products. Channels: Beauty salon franchise; Self-owned medical beauty clinics; Self-owned e-shop.
- ◆ **Current Market Positioning:** Industry leader in the mid-to-high-end beauty salon franchise business.
- ◆ **Current Market Focus:** China (above 90% of sales).
- ◆ **Business Model:** We control R&D, manufacture, marketing and sales. We sell our CHLITINA skin care products to franchised beauty salons. In recent years, we have been working on business diversification through new strategies

IR contact:
Laurence Marcout

Tel:
(+886-2) 8758-0370

E-mail:
ir@chlitinaholding.com

including creating the UPLIDER medical beauty clinics and the JINGHE and HEDENG general clinics, developing our e-commerce activities on XINMEILI and TMall, and investing in RnD Nail & Eyelash stores among other subsidiary channels.

- ◆ **Brand Background:** CHLITINA was created in Taiwan in 1989 by Dr. Chen Wu-kang who successfully developed skin care products based on amino acids. In 1997, CEO Joanna Chen brought the CHLITINA brand to the Chinese mainland market where its high-quality products and effective business model have been keys to its remarkable success.
- ◆ **New Developments:** In addition to operating a large beauty salon franchise, in recent years, CHLITINA has been collaborating with academic and medical circles on R&D projects regarding stem cells, as well as anti-ageing and regenerative medicine. We have also made strategic investments in the biotechnology industry. In the long term, we are confident that this strategy will inject new blood into the group.