

# Industry Report on China's Cosmetics and Skincare Industry

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## CIC introduction, methodologies and assumptions

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CIC was commissioned to conduct research, provide an analysis of, and to produce a report on the cosmetics and skincare industry in China, and other related economic data, at a fee of RMB950,000. The commissioned report has been prepared by CIC independent of the influence of the Company and other interested parties.

CIC provides industry consulting services, commercial due diligence, strategic consulting, and so on. Its consultant team has been tracking the latest market trends in consumer goods, chemicals, marketing and advertising, energy and industry, healthcare, TMT, agriculture, culture and entertainment, finance and services, transportation, etc., and possesses the most relevant and insightful market intelligence regarding these industries.

CIC conducted both primary and secondary research using a variety of resources. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analysing data from various publicly available data sources, such as the National Bureau of Statistics of China, etc. The market projections in the commissioned report are based on the following key assumptions: (i) the overall social, economic, and political environment in China is expected to remain stable during the forecast period; (ii) relevant key industry drivers are likely to drive the skincare market in China during the forecast period; and (iii) there is no extreme force majeure or unforeseen set of industry regulations in which the market may be affected in either a dramatic or fundamental way.

All statistics are reliable and based on information available as of the date of this report. Other sources of information, including those from the government, industry associations, or market participants, may have provided some of the information on which the analysis or its data is based.

All the information about the Company is sourced from the Company's own audited report or management interviews. CIC is not responsible for verifying the information obtained from the Company.



1. **Analysis of China's Cosmetics Market**
2. Analysis of China's Skincare Market
3. Competitive Landscape of China's Skincare Market
4. Appendix

## In this industry report, the cosmetics industry comprises skincare, colour cosmetics, fragrance, personal care and others

### Definition and classification of the cosmetics products, China, 2024

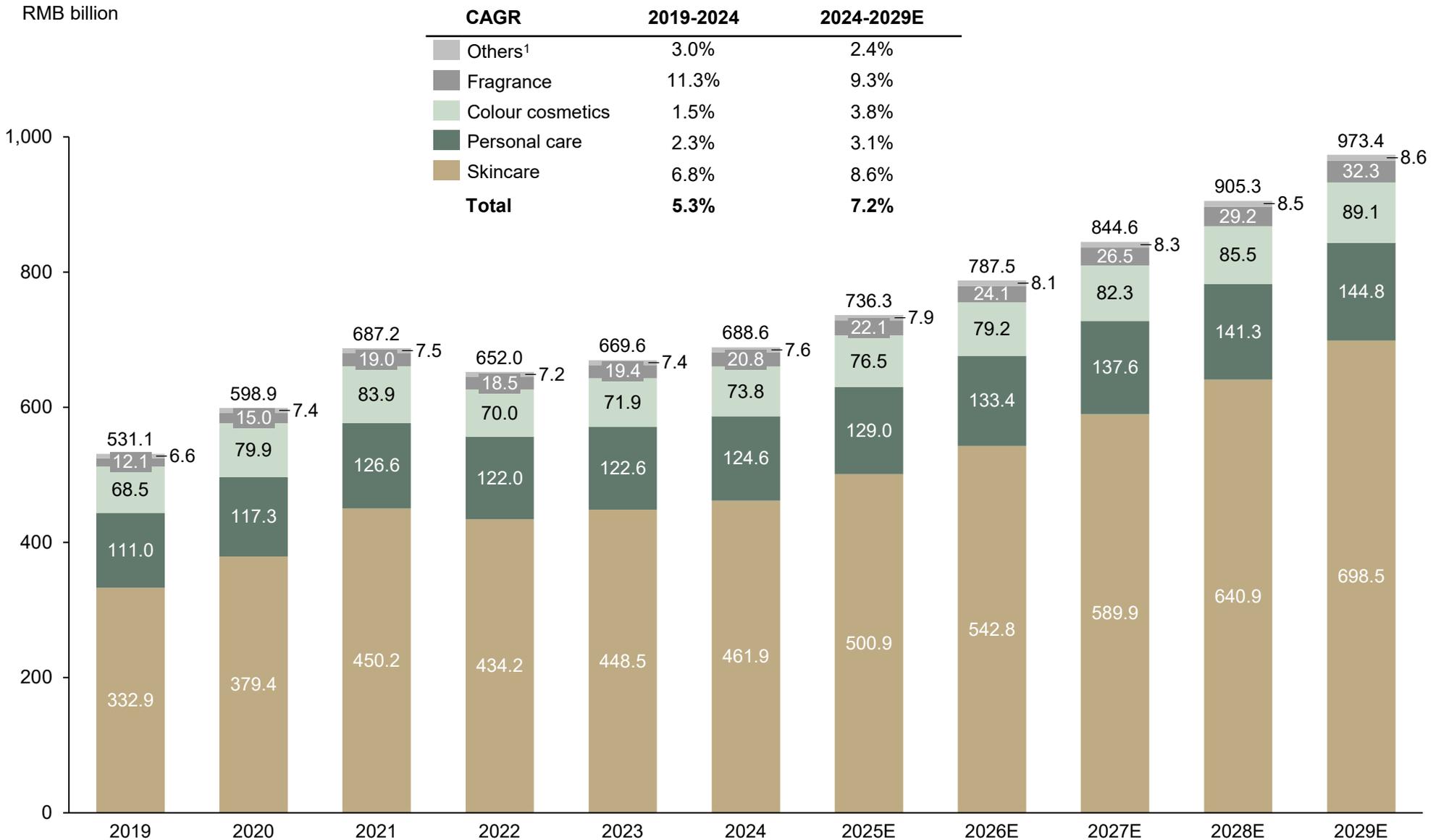
#### Definition

- Cosmetics products are daily-use chemical industrial products applied to the skin, hair and lips on the surface of the human body by means of coating, wiping, or spraying. These products achieve the purposes of cleansing, maintenance, beauty, grooming, and personal care. They not only have practical functions but also meet the consumer's pursuit of beauty and daily care needs.

Classification	Main products
<b>Skincare</b> 	<ul style="list-style-type: none"> <li>• Skincare products are formulations designed to cleanse, moisturise, treat, and protect the skin, addressing various concerns and promoting overall skin health and appearance.</li> <li>• Skincare products comprise a wide range of formulations, including essences, facial creams, facial masks, cleansers, moisturizers, toners, etc.</li> </ul>
<b>Colour cosmetics</b> 	<ul style="list-style-type: none"> <li>• Colour cosmetics are a combination of chemicals used for enhancing one's appearance and facial features.</li> <li>• Colour cosmetics products comprise facial make-up, eye make-up and lip make-up.</li> </ul>
<b>Fragrance</b> 	<ul style="list-style-type: none"> <li>• Fragrance products, usually in liquid form, are formulated with a blend of aromatic ingredient oils, alcohol solvents, and fixatives to give body parts a long-lasting, pleasing aroma.</li> </ul>
<b>Personal care</b> 	<ul style="list-style-type: none"> <li>• Personal care products encompass a diverse range of items designed for hygiene, grooming purposes.</li> <li>• Personal care products comprise hair care, body care, hand care, oral care, men's shaving, and infant personal care products.</li> </ul>
<b>Others</b> 	<ul style="list-style-type: none"> <li>• Others encompass miscellaneous cosmetics products that do not fit neatly into the skincare, colour cosmetics, fragrance, or personal care categories, such as cross-category product sets, etc.</li> </ul>

**China's cosmetics market has witnessed significant growth in recent years, from RMB531.1 billion in 2019 to RMB688.6 billion in 2024, with skincare sector accounting for the greatest proportion of the total market**

**Market size of the cosmetics industry in China, in terms of retail sales value, by product category, 2019-2029E**

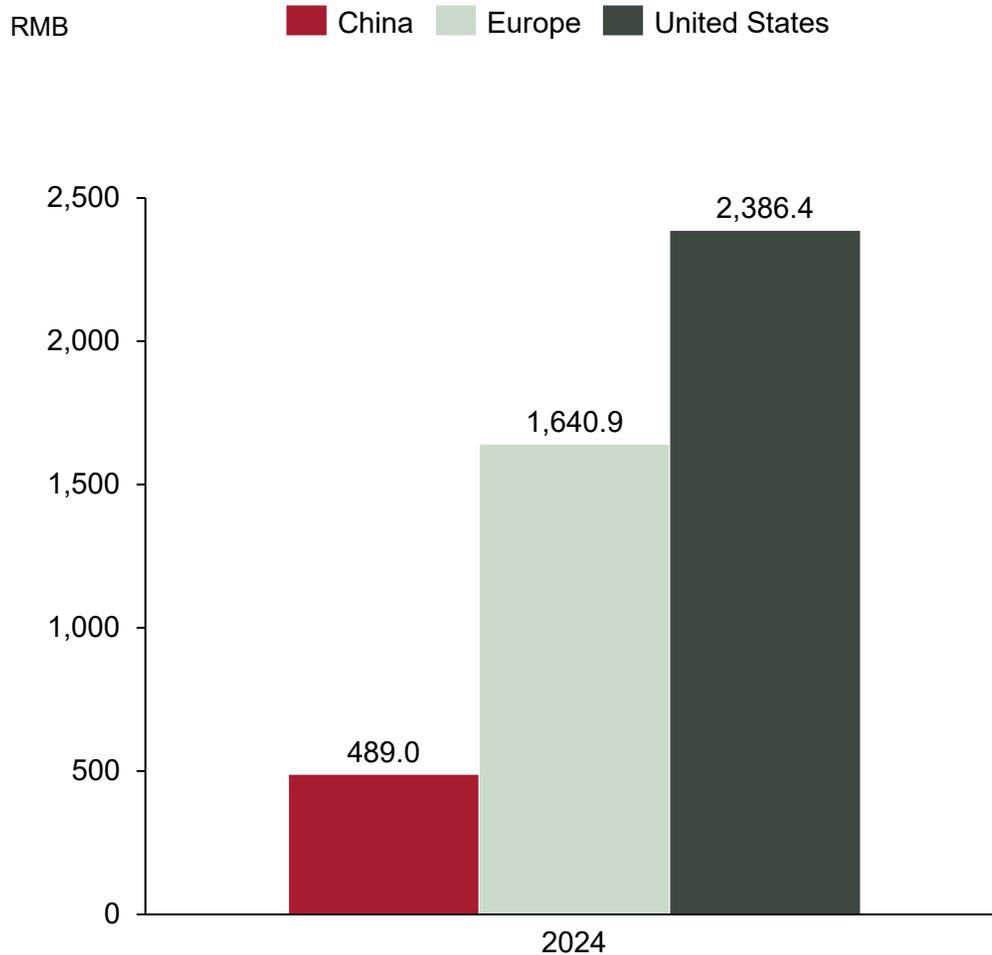


Note: 1. Others mainly include miscellaneous cosmetics products such as cross-category product sets, etc.

Source: National Bureau of Statistics, General Administration of Customs of China, China Insights Consultancy

**Despite a significant growth in recent years, the per capita spending in China’s cosmetics market still lags behind that of developed markets such as United States and Europe, which shows high growth potential and is expected to increase progressively**

Per capita spending on cosmetics products, major markets, 2024



*Europe includes Albania, Andorra, Austria, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kosovo, Latvia, Lithuania, Luxembourg, Malta, Moldova, Montenegro, the Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, the Russian Federation, San Marino, Serbia, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Ukraine and the United Kingdom.*

Source: China Insights Consultancy

**Analysis**

- China is one of the largest cosmetics markets in the world, with its market size reaching RMB531.1 billion in 2019. In 2022, the retail sales of China’s cosmetics industry experienced a decline, mainly due to the multiple outbreaks of the pandemic in scattered areas and related control measures. This led to a reduction in foot traffic to offline stores, while consumer willingness and ability to spend faced temporary pressure. At the same time, supply chain and logistics restrictions also impacted the supply of some products and sales through channels, including online sales. Additionally, some consumers delayed or reduced spending on non-essential cosmetics products, resulting in an overall contraction of the market size. The market soon recovered and rose to RMB688.6 billion in 2024, reflecting a CAGR of 5.3% between 2019 to 2024. This growth during 2019 and 2024 was driven by several factors including rising awareness of health and personal appearance, the digital transformation of consumer shopping behaviours, innovative cosmetics product development, a growing focus on healthier and high-quality offerings, etc. Among the various segments of China’s cosmetics market, skincare accounts for the largest market share.
- Despite significant growth in recent years, China’s per capita annual spending on cosmetics products is far below the level of developed markets such as the United States and Europe, which shows high growth potential. In 2024, per capita annual spending on cosmetics products in China reached RMB489.0, whereas in the United States and Europe, it was approximately RMB2,386.4 and RMB1,640.9, respectively. By 2029, China’s cosmetics industry is expected to increase to RMB973.4 billion, with a CAGR of 7.2% from 2024 to 2029.



1. Analysis of China's Cosmetics Market
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# Skincare products are cosmetic products that act on the face to moisturise, nourish, protect and beautify the skin

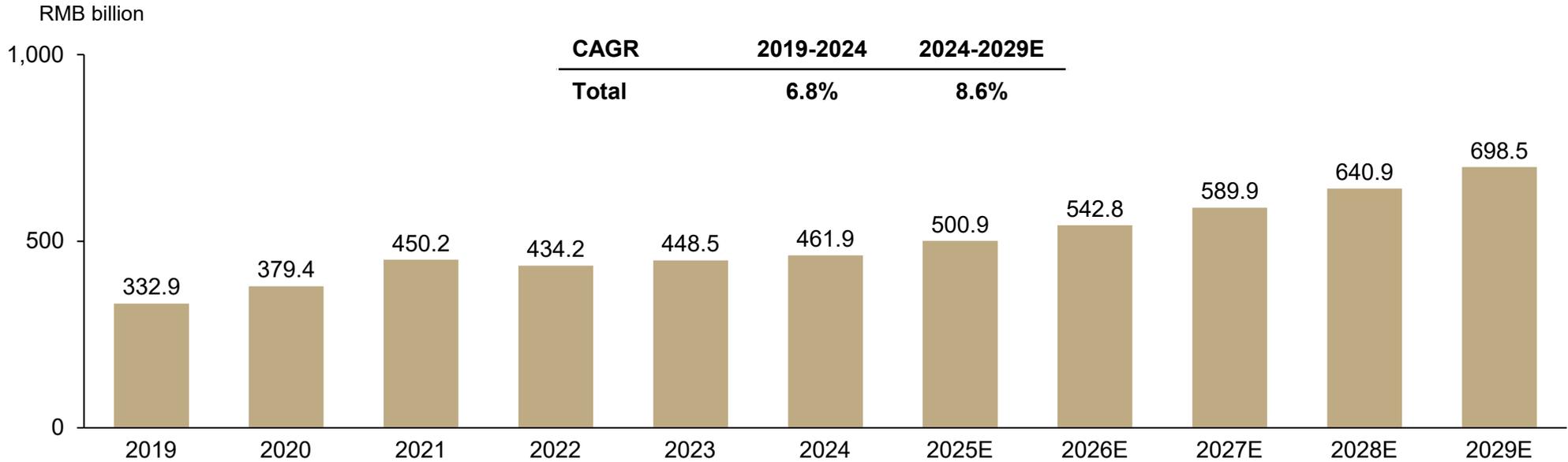
## Definition and categorization of skincare

Skincare products are cosmetic products that act on the face to moisturise, nourish, protect and beautify the skin, usually containing a variety of active ingredients and formulations designed to address or prevent skin problems such as dryness, greasiness, acne, wrinkles, discolouration, sensitivity, etc.

Classification by price level		Classification by product category	
Category	Definition	Category	Definition
Premium skincare brand	The definition of premium skincare brands is typically assessed from the following dimensions: <b>(a)Differentiated product positioning.</b> The core products of premium skincare brands typically include serums, creams, lotion and toners, which are widely regarded as the core categories within the skincare field, involving higher R&D barriers and emphasizing the development of innovative active ingredients and advanced skincare technologies to deliver superior efficacy. <b>(b)Accumulated expertise in skincare field.</b> Premium skincare brands also demonstrate long-term accumulation within the skincare field, typically supported by in-house R&D centers and manufacturing facilities, with skincare products typically accounting for over 50% of the brand's total cosmetics revenue. <b>(c)Pricing.</b> Premium skincare brands generally command a pricing level at least 50% higher than the industry average. <b>(d)R&amp;D.</b> Premium skincare brands rely on substantial and sustained R&D investment to continuously introduce innovative formulations, ingredients and technologies, including proprietary core ingredients that require long-term technological accumulation to meet consumers' expectations for high-efficacy, safe and customized skincare solutions. Continuous R&D investment is essential for maintaining competitiveness and leadership in the premium segment. <b>(e)Brand image.</b> A premium skincare brand is typically characterized by a strong and well-established brand image, developed over time through brand-building activities and consumer education, which enhances consumer recognition, trust and perceived value. <b>(f)Channel strategy.</b> Premium skincare brands typically choose to distribute through channels such as high-end shopping malls and specialty boutiques. These channel strategies ensure that the brand reaches the appropriate target audience and help maintain its exclusivity.	Essence	A lightweight moisturizer with a thin consistency, providing essential hydration, soothing or balancing. It includes essence oil, which is a skincare product formulated with oils, penetrate deeply into the skin to provide targeted hydration, firmness, and rejuvenation.
		Facial cream	A moisturizing skincare product with a thick consistency, designed to hydrate and address specific skin concerns such as aging or dryness.
Mass skincare brand	Mass skincare brands refer to brands whose products are more affordable and widely available to a broad consumer base. These brands offer products that are characterized by accessible pricing, basic formulations, and wide availability in supermarkets, drugstores, online platforms, and other sales channels.	Lotion and toner	Lotion, an oil-water emulsion with a thick, creamy texture, provides intensive moisturization. It forms a protective film on the skin, locking in moisture. Toner, a lightweight, water-based liquid, re-balances the skin's pH after cleansing. It removes residual dirt, oil, and trace makeup.
		Facial mask	Facial masks are skincare products designed to be applied to the face, typically for a set period of time, to deliver a concentrated dose of nutrients, moisture, or other beneficial ingredients directly to the skin.
		Others	Other skincare product categories include eye cream, cleanser, eye mask, etc.

**China's skincare market has been growing steadily in recent years, from RMB332.9 billion in 2019 to RMB461.9 billion in 2024, and is expected to maintain its growing trend, reaching RMB698.5 billion by 2029**

**Market size of the skincare industry in China, in terms of retail sales value, 2019-2029E**

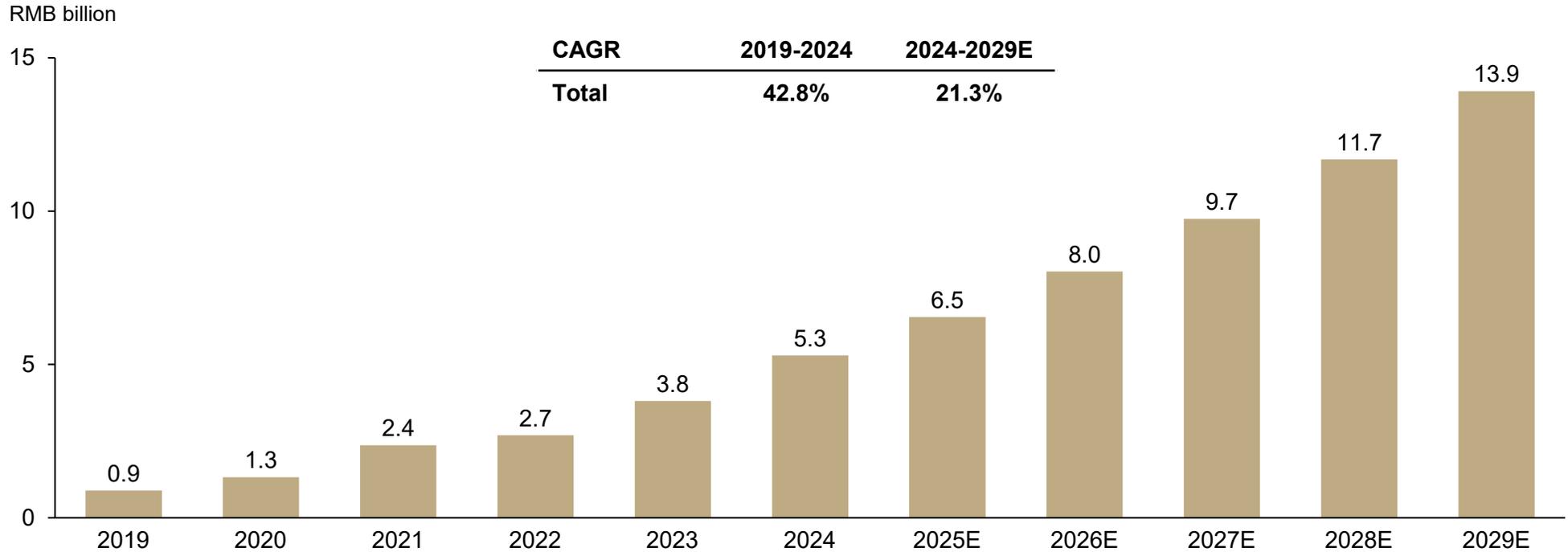


**Key analysis**

- The skincare market in China has been growing steadily in recent years, in line with the overall trends in the cosmetics industry. The market size of China's skincare market increased from RMB332.9 billion in 2019 to RMB461.9 billion in 2024, representing a CAGR of 6.8%. In 2021, the growth of China's skincare market was driven by a rebound in consumer demand, product innovation, the expansion of online channels, and the rise of local brands, which collectively boosted the demand for skincare products. Impacted by the epidemic, China's skincare market, especially foreign skincare brand, experienced sales declines in 2022, causing the skincare market size to shrink compared to 2021 levels. However, with market recovery underway, 2023 saw restorative growth, and by 2024 the market size had surpassed its 2021 benchmark.
- The overall growth can be attributed to factors such as increasing consumer demand for high-quality and specialised skincare products, as well as a strong focus on skin health. Another key driver behind this growth has been the rapid advancements in biotechnology and dermatological research, which have led to the development of highly effective skincare products tailored to various skin concerns. The Chinese market has witnessed a surge in demand for products with specific functions, such as anti-wrinkle, firming, and repairing, driven by a more informed consumer base that prioritises scientifically-backed benefits. Additionally, the rising use of digital platforms has transformed how consumers discover and buy skincare products. E-commerce, social media influencers, and online beauty communities have become crucial in shaping consumer preferences and driving sales. In the future, mainly driven by the rise of domestic Chinese brands which are increasingly accepted by Chinese consumers, the skincare product market in China is expected to reach RMB698.5 billion by 2029, representing a CAGR of 8.6% from 2024 to 2029.
- Skincare accounts for the greatest proportion of the cosmetics market, accounting for 67.1% of the total market in 2024. The proportion is expected to continue rising with skincare being one of the most basic and frequent demands for all kinds of consumers.

**China's facial essence oil market has been fueled by the popularity of “以油养肤” (oil-infused skincare), and its market size has increased from RMB0.9 billion in 2019 to RMB5.3 billion in 2024 with a high CAGR of 42.8%, which is expected to reach RMB13.9 billion by 2029**

Market size of the facial essence oil in China, in terms of retail sales value, 2019-2029E

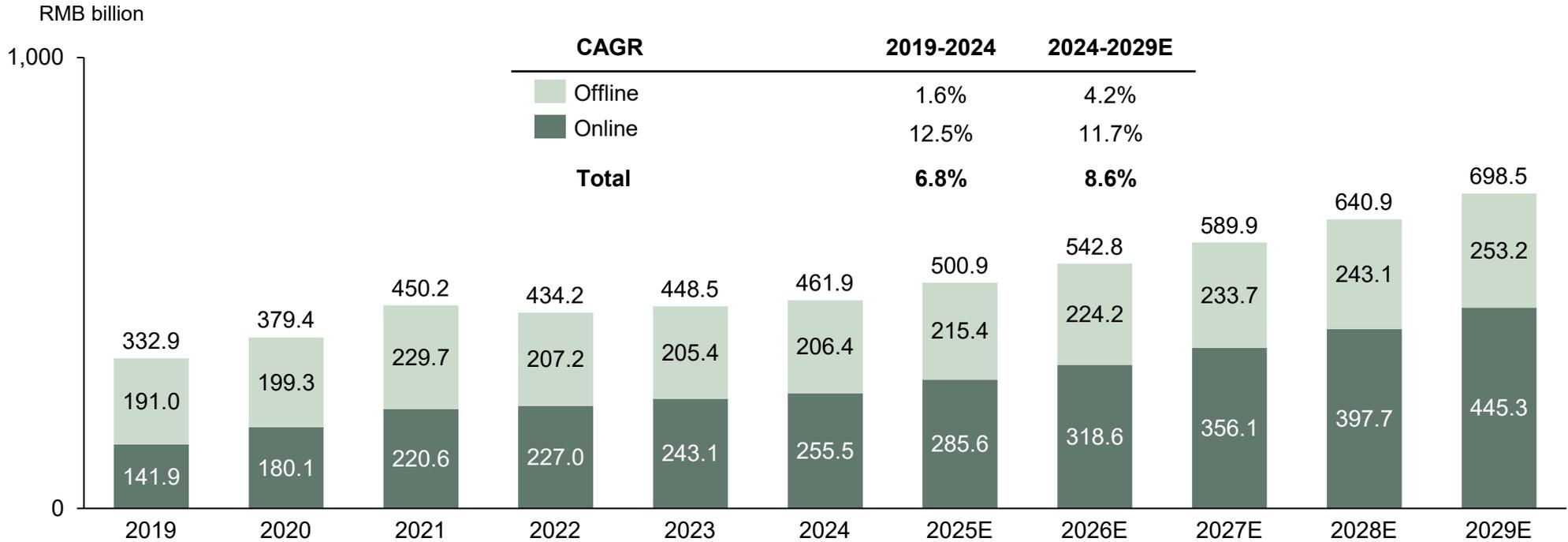


**Key analysis**

- China's facial essence oil market is a segment within the broader skincare that has experienced remarkable growth in recent years. Facial essence oils have gained popularity among Chinese consumers due to their perceived efficacy in providing hydration, nourishment, and anti-wrinkle and firming benefits, and the market size has increased from RMB0.9 billion in 2019 to RMB5.3 billion in 2024 with a high CAGR of 42.8%. This growth is driven by evolving consumer preferences favoring natural skincare solutions, as facial essence oils often boast formulations enriched with botanical extracts and essential oils. Moreover, the trend of “以油养肤”(oil-infused skincare) has significantly influenced the growth trajectory of China's facial essence oil market. This skincare philosophy, rooted in traditional Chinese medicine principles and influenced by global beauty trends, emphasises the use of oils as essential components of skincare routines. In Chinese culture, oils have long been revered for their nourishing, balancing, and healing properties, making them integral to holistic skincare practices. Facial essence oils, with their ability to replenish moisture, strengthen the skin barrier, and provide antioxidant protection, align perfectly with the principles of “以油养肤” (oil-infused skincare). Moreover, the versatility of facial essence oils allows for customization based on individual skin types and concerns, making them suitable for a wide range of consumers. As a result, the “以油养肤” (oil-infused skincare) trend has fueled the demand for facial essence oils in China, driving market growth and prompting brands to innovate and expand their oil-based skincare offerings to meet consumers' evolving needs and preferences

**Due to the rapid emergence of e-commerce, the online channel has become the largest channel for skincare product sales in China, with its market size reaching RMB255.5 billion in 2024 and is expected to reach RMB445.3 billion by 2029**

**Market size of the skincare industry in China, in terms of retail sales value, by channel, 2019-2029E**

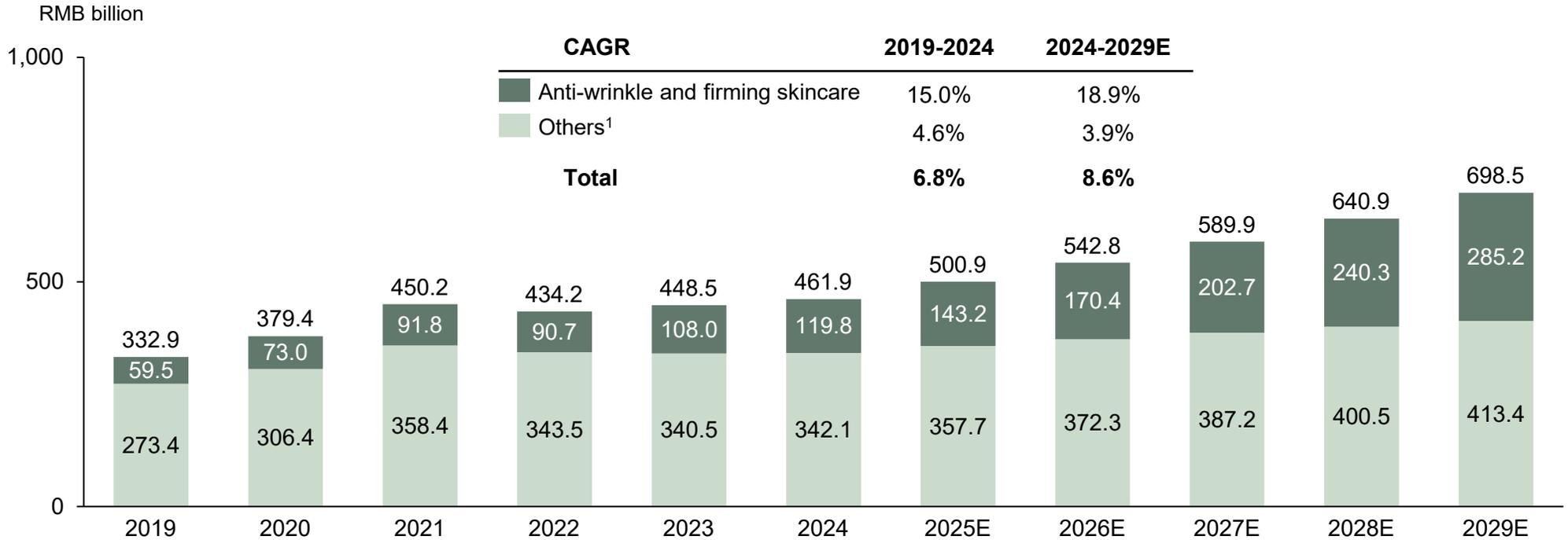


**Key analysis**

- The sales channels of China's skincare products can be divided into online and offline channels. The online channel has witnessed remarkable growth from 2019 to 2024, driven by the widespread adoption of e-commerce platforms. These platforms offer a vast array of skincare products available anytime, providing consumers with greater choice and convenience. Additionally, online platforms facilitate transparency and consumer engagement through reviews and interactive content, influencing purchase decisions and fostering brand loyalty. Online skincare market increased from RMB141.9 billion in 2019 to RMB255.5 billion in 2024 with a CAGR of 12.5%, and is expected to reach RMB445.3 billion by 2029.
- Simultaneously, offline sales channels continue to play an important role in the skincare market. Offline skincare market increased from RMB191.0 billion in 2019 to RMB206.4 billion in 2024, and is expected to reach RMB253.2 billion by 2029. These physical retail spaces serve as key platforms for brands to showcase their image, communicate their philosophy, and establish market positioning. They also provide personalized customer service and allow consumers to try products firsthand, fostering brand trust and enhancing the shopping experience. Moreover, the service quality and shopping experience in offline stores contribute to positive word-of-mouth, further strengthening brand awareness and reputation. As a result, an increasing number of brands are investing in offline channels, particularly in developing shopping mall, which offer a more immersive consumer experience compared to other retail formats.

**Anti-wrinkle and firming products have become increasingly popular among consumers in recent years, leading a significant increase in its market size from RMB59.5 billion in 2019 to RMB119.8 billion in 2024, representing a high CAGR of 15.0%**

**Market size of the skincare industry in China, in terms of retail sales value, by function, 2019-2029E**



	CAGR	2019-2024	2024-2029E
Anti-wrinkle and firming skincare		15.0%	18.9%
Others <sup>1</sup>		4.6%	3.9%
<b>Total</b>		<b>6.8%</b>	<b>8.6%</b>

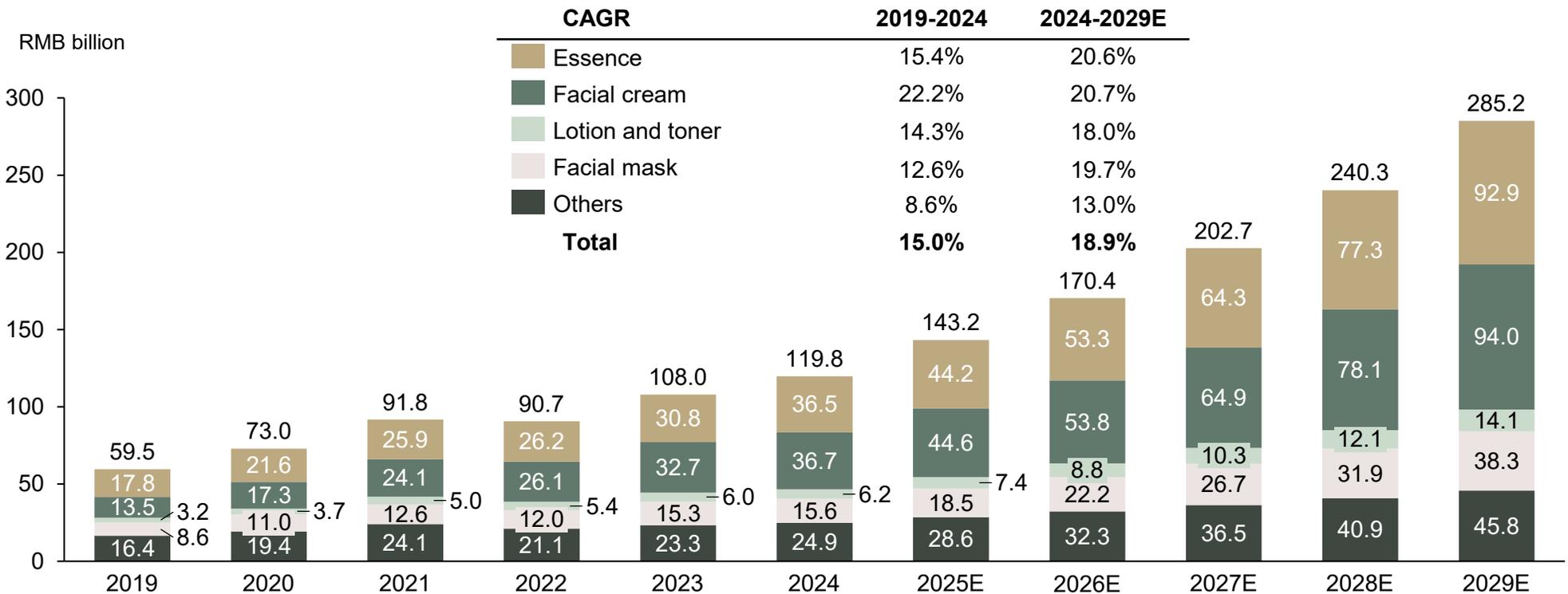
**Key analysis**

- According to the “Classification Rules and Classification Catalogue of Cosmetics” issued by the National Medical Products Administration (NMPA) of China, skincare product efficacies include anti-wrinkle, firming, freckle removal, whitening, repairing, moisturizing, etc. In line with industry practice, anti-wrinkle and firming skincare products refer specifically to those that deliver effects such as anti-wrinkle, repairing, firming, etc. These products are designed to target signs of aging while improving skin texture and elasticity. With the advancement of skincare R&D levels, skincare brands are increasingly adopting more advanced ingredients and formulas in anti-wrinkle and firming skincare products, which can effectively reduce skin sagging and wrinkles with their effectiveness supported by trial data. As consumers are increasingly concerned about the effectiveness and quality of skincare products, these high-tech, high-efficiency anti-wrinkle and firming skincare products are becoming more and more popular among Chinese consumers. The anti-wrinkle and firming skincare market size has expanded significantly, growing from RMB59.5 billion in 2019 to RMB119.8 billion in 2024, with a CAGR of 15.0% exceeding the average level of the total skincare market.
- With the continued evolution of skincare awareness and the rising consumer demand for anti-wrinkle and firming, an increasing number of consumers are making anti-wrinkle and firming key objectives in their daily skincare routines, with growing engagement from younger users. Meanwhile, the influence of social media and the expanding range of anti-wrinkle and firming product offerings have further driven the growth of this category. It is expected that anti-wrinkle and firming skincare products will account for an increasing proportion of the skincare market in the future, becoming an important growth point. Its market size is expected to reach RMB285.2 billion by 2029, representing a CAGR of 18.9% from 2024 to 2029.

Note: 1. Others refer to skincare products that do not feature effects of anti-wrinkle, firming, or repairing functions.

**Essence is an important category in anti-wrinkle and firming skincare and has been growing steadily. The market share of anti-wrinkle and firming facial creams have been increasing rapidly in recent years**

**Market size of the anti-wrinkle and firming skincare industry in China, in terms of retail sales value, by product category, 2019-2029E**

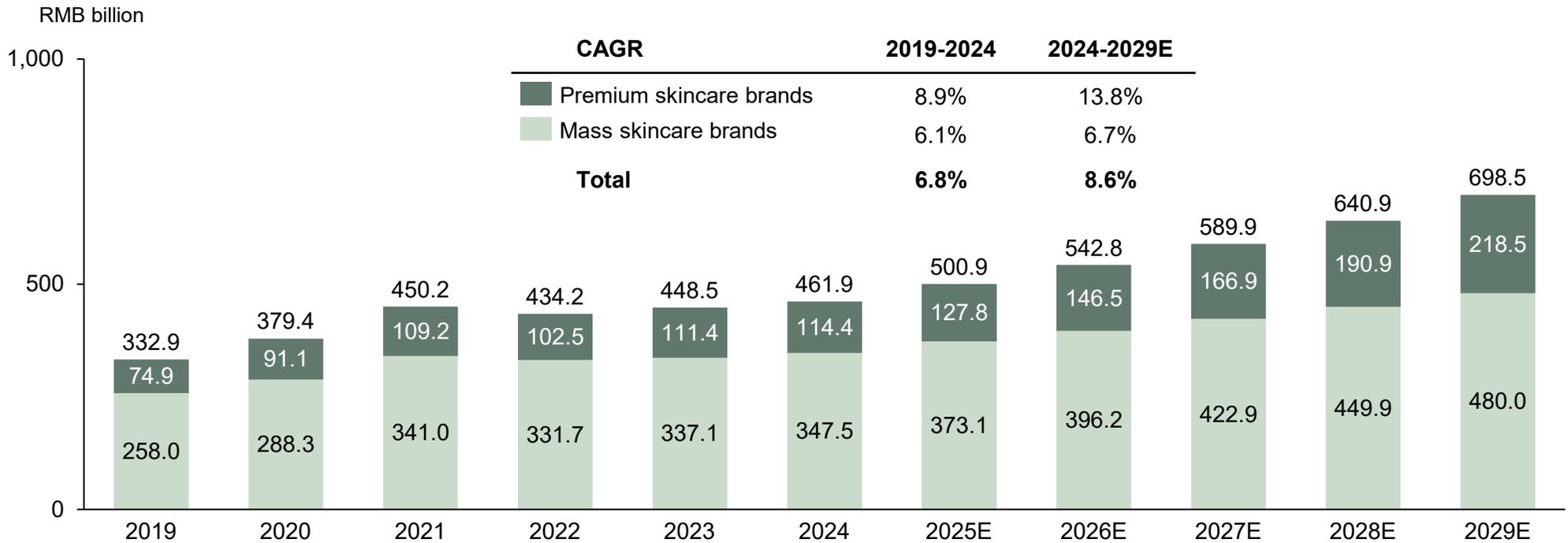


**Key analysis**

- Essence is an important category in anti-wrinkle and firming skincare products and occupies a high market share, driven by the deepening of the concept of meticulous skincare, the addition of high-concentration active ingredients, the rapid onset of anti-wrinkle and firming effects, and the application of the latest formulations and technologies by brands. The market size of anti-wrinkle and firming essence increased from RMB17.8 billion in 2019 to RMB36.5 billion in 2024, and is expected to reach RMB92.9 billion by 2029. Facial cream products with anti-wrinkle and firming benefits have also become increasingly popular in recent years, driving rapid growth in their market size from RMB13.5 billion in 2019 to RMB36.7 billion in 2024, representing a high CAGR of 22.2%.
- In the future, anti-wrinkle and firming essences and anti-wrinkle and firming facial creams will continue to be important sectors of anti-wrinkle and firming skincare products, with their respective CAGR 20.6% and 20.7% outpacing the overall average CAGR of anti-wrinkle and firming skincare products from 2024 to 2029.

**In China's skincare market, mass skincare currently holds a higher market share, but premium skincare sector has been increasing more rapidly, from RMB74.9 billion in 2019 to RMB114.4 billion in 2024, and is expected to reach RMB218.5 billion by 2029**

Market size of the skincare industry in China, in terms of retail sales value, by price level, 2019-2029E



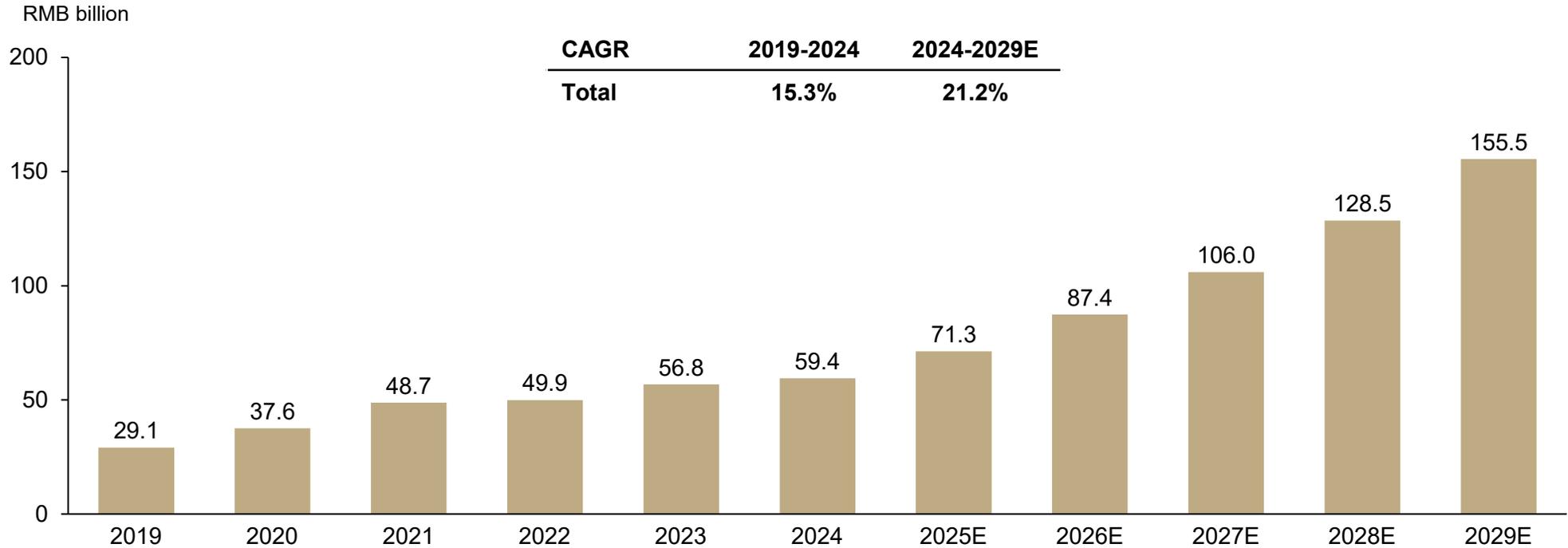
### Key analysis

- The demand for skincare products among Chinese consumers is witnessing a steady rise, particularly for premium skincare products renowned for their superior quality and efficacy. As of 2024, the market size of the skincare industry was valued at RMB461.9 billion, with the premium segment demonstrating noteworthy growth from RMB74.9 billion in 2019 to RMB114.4 billion in 2024.
- The growing demand is closely tied to consumers' evolving aspirations, who increasingly prioritise self-care and seek out products that offer tangible benefits and indulgence. Premium skincare brands strategically leverage innovation and brand prestige to maintain their foothold in evolving market dynamics, which allows them to launch a series of high-tech and highly effective skincare products to meet the consumers' pursuit of a high quality of life. These multifaceted factors collectively contribute to the strong growth of the premium skincare market in China, positioning it as an important segment within the skincare industry landscape. By 2029, China's premium skincare industry is expected to reach RMB218.5 billion, representing a CAGR of 13.8% from 2024 to 2029.

Note: 1. Referring to skincare product retail sales value of premium skincare brands.

**China's premium anti-wrinkle and firming skincare market increased from RMB29.1 billion in 2019 to RMB59.4 billion in 2024, with a high CAGR of 15.3%. It is expected to continue its robust growth trajectory, reaching RMB155.5 billion by 2029**

**Market size of premium anti-wrinkle and firming skincare industry<sup>1</sup> in China, in terms of retail sales value, 2019-2029E**



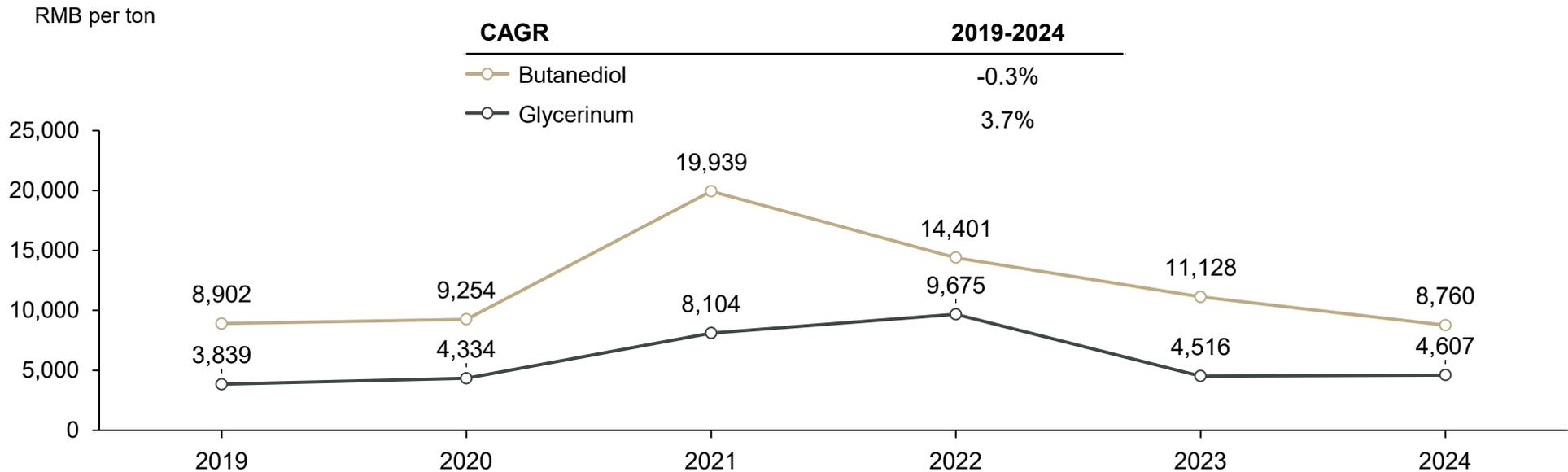
**Key analysis**

- When purchasing anti-wrinkle and firming skincare products, Chinese consumers often prioritise product efficacy to achieve visible and lasting results in their skincare routines. Premium brands are renowned for their exceptional product quality and the application of cutting-edge R&D technologies, making anti-wrinkle and firming skincare products from premium brands more likely to earn consumer trust and preference due to their perceived effectiveness and reliability. Furthermore, compared to mass skincare brands, premium brands are more likely to position anti-wrinkle and firming skincare products as their core product line. This is because their customer base generally has higher purchasing power and a stronger demand for anti-wrinkle and firming products. As a result, anti-wrinkle and firming skincare products tend to represent a larger share of premium skincare brands' overall revenue.
- China's premium anti-wrinkle and firming skincare market has experienced significant growth in recent years, with its market size increasing from RMB29.1 billion in 2019 to RMB59.4 billion in 2024, achieving a high CAGR of 15.3%. In the future, the market is expected to continue its robust growth trajectory. By 2029, the market size is anticipated to reach RMB155.5 billion, with a CAGR of 21.2% from 2024 to 2029.

Note: 1. The scope includes anti-wrinkle and firming skincare products from all premium skincare brands in China's skincare industry.

The main raw materials used in China's skincare industry include glycerinum, butanediol, etc. The prices of glycerinum and butanediol have fluctuated significantly in recent years due to supply conditions and macroeconomic factors

Average price of the main raw materials in the skincare industry, China, 2019-2024



### Key analysis

- The main chemical raw materials used in China's skincare industry include glycerinum, butanediol, etc. Glycerinum and butanediol mainly act as the solvents for skincare products and are therefore important chemical raw materials in the skincare industry, and their price fluctuations affect the production costs in the skincare industry. The average price per ton of butanediol slightly decreased from RMB8,902 in 2019 to RMB8,760 in 2024, and that of glycerinum increased from RMB3,839 in 2019 to RMB4,607 in 2024. In 2019, the supply of chemical raw materials was sufficient as domestic chemical raw materials producers were in good business condition; thus, the prices were on a relatively low level. In 2021, measures to prevent and control epidemics at home and abroad hindered the normal operation of supply chain and logistics of the chemical production industry, while strict regulations are imposed on environmental protection in China, the supply of chemical raw materials decreased significantly, driving prices to surge. Since 2022, supply and demand conditions have gradually returned to normal, leading to a decline in prices.
- There is currently no unified pricing standard for camellia raw materials. Camellia raw materials are not standardized bulk commodities and lack a uniform pricing benchmark. They are primarily cultivated by farmers and local cooperatives, with transactions mostly conducted through negotiated pricing. When used in skincare products, camellia flowers have significantly varying requirements for purity and specifications. Actual procurement prices vary widely depending on quality and product form. The price of camellia in China generally ranges from RMB50/kg to RMB150/kg, covering various forms such as dried flours, powder, and extracts. The price of camellia remains relatively stable and is expected to maintain a stable level in the future.

## Key market drivers of China's skincare industry include growing demand driven by shifting consumption attitudes, growing public health awareness, integration of technological innovation and product development and popularity of online sales and social marketing

Description	Details
<p><b>1</b></p> <p><b>Growing skincare demand driven by growing emphasis on refined skincare</b></p>	<ul style="list-style-type: none"><li>• With the continuous development of China's economy, people's consumption attitudes have changed significantly. In the field of skincare products, consumers are beginning to shift from simple cleansing and moisturising needs to more diversified and specialised skincare needs. They are not only concerned about the basic function of the product, but also the pursuit of additional value that the product can offer, such as anti-wrinkle, repairing, etc. This upgrading of consumption and change in consumption attitudes has greatly contributed to the continued growth of the skincare market size.</li></ul>
<p><b>2</b></p> <p><b>Demand for skincare products with natural ingredients boosted by health consciousness</b></p>	<ul style="list-style-type: none"><li>• In recent years, as people's health awareness continues to grow, they are demanding more and more from the ingredients and safety of skincare products. Consumers are more inclined to choose those products that use natural ingredients, no additives and no irritation. This pursuit of health has led to the widespread popularity of high-quality, safe and reliable skincare products that apply healthy ingredients (usually at relatively higher prices), thus driving the expansion of the skincare market size.</li></ul>
<p><b>3</b></p> <p><b>Integration of technological innovation and product development</b></p>	<ul style="list-style-type: none"><li>• The deep integration of scientific and technological innovation and product development is another important driving force for skincare market. Scientific and technological innovation has brought unprecedented development opportunities to the skincare industry by applying advanced technology in optimising the R&amp;D process and improving the quality and effectiveness of products. Furthermore, product development teams continue to tap into consumer needs and combine them with market trends to launch innovative products that meet consumer tastes and efficient skincare needs, bringing more market opportunities.</li></ul>
<p><b>4</b></p> <p><b>Popularity of online sales and social marketing</b></p>	<ul style="list-style-type: none"><li>• With the popularity of the Internet and social media, more and more skincare brands are interacting and communicating with consumers through social media platforms to enhance brand awareness. At the same time, online sales also provide consumers with a more convenient and efficient shopping experience, which promotes the growth of sales. This mode of online sales and social marketing has greatly broadened the sales channels and aroused consumers' interest, driving the rapid growth of the skincare market scale.</li></ul>

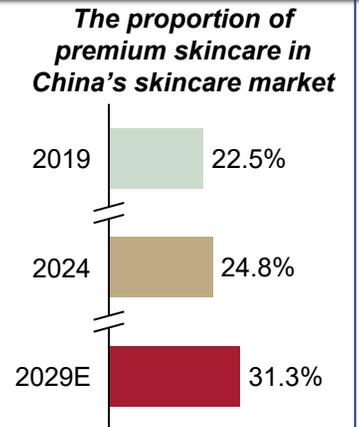
## In the future, the market share of premium skincare products in China's skincare industry will continue to increase, and anti-wrinkle and firming skincare products are expected to gain more and more popularity

### Future trends of the skincare industry in China (1/4)

#### 1 Expansion of premium skincare brands with increasing purchasing power and demand for effective products



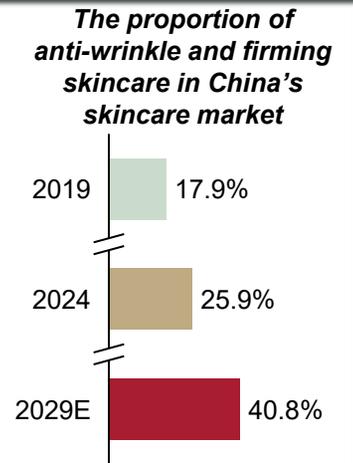
- In the current skincare market, the trend towards premium is becoming more and more significant, which is mainly attributed to the rising income level of Chinese consumers and the promotion of consumption upgrading. With the steady growth of the domestic economy, the purchasing power of consumers is increasing, and the consumption concept of skincare products is also undergoing profound changes. They are no longer satisfied with basic skincare needs, but pay more attention to product quality, technology content and effectiveness.
- As a result, the premium skincare market has seen unprecedented growth opportunities. These premium brands usually have more advanced technology, better raw materials and stricter production processes to ensure the quality and safety of their products. At the same time, through continuous innovation and research and development, they have launched a series of high-tech and high-effective skincare products to meet the consumers' pursuit of a high quality of life.



#### 2 Rising demand for anti-wrinkle and firming skincare and effect upgrades of products



- The market for anti-wrinkle and firming skincare products is witnessing a significant growth trend, which is mainly attributed to the personalization and specialization of consumer demand for skincare products. As the pace of life in modern society increases, people face more stress, resulting in skin that is prone to premature signs of aging. Consumers want to use anti-wrinkle and firming products to slow down the rate of skin aging and keep their skin in good condition.
- On the other hand, with the advancement of technology and the improvement of skincare product research and development, the effectiveness and quality of anti-wrinkle and firming products have been significantly enhanced. Many anti-wrinkle and firming products adopt advanced technological ingredients and formulations that can penetrate deep into the underlying layers of the skin, repair damaged cells and promote collagen production, thus effectively improving the sagging and wrinkles of the skin. The effectiveness of these products has led to strong consumer interest in anti-wrinkle and firming products, while the popularity of social media has also helped to increase consumer awareness of anti-wrinkle and firming products, which in turn has led to increased consumption of anti-wrinkle and firming products.



## In the future, domestic brands are expected to take more market share due to the deep cultural understanding and supply chain advantages, and there will be growing demand for plant-based skincare products with health and eco-friendly qualities

### Future trends of the skincare industry in China (2/4)



#### 3 Rise of domestic skincare brands due to cultural resonance with Chinese consumers

- China's skincare market has shown a remarkable trend of the rise of local brands, with the market share of local brands increasing. Local brands are able to quickly capture market needs and innovate accordingly. Their deep understanding of Chinese consumers' skin characteristics, consumption habits and cultural background has enabled them to develop skincare products that better meet consumers' expectations with a high degree of flexibility and innovation in launching new products.
- Local brands also attach great importance to the connection between brand culture and consumer emotions. They deeply understand the cultural background and emotional needs of Chinese consumers, and have established a deep emotional bond with consumers by creating unique brand stories and cultural concepts, combining traditional Chinese cultural elements with modern skincare concepts, creating skincare products with Chinese characteristics. Thus, they are winning the attention of consumers with cultural identity and emotional resonance, becoming an important force in the Chinese skincare market.
- In terms of marketing, local brands continue to interact and communicate with consumers through online channels such as social media, short videos and live streaming with products, increasing brand awareness and reputation and enhancing consumers' knowledge and trust in the brand. In addition, the supply of domestic raw materials is becoming more and more adequate, which provides support for domestic brands to establish local supply chain advantages, ensure product quality and safety, and speed up the response to changes in domestic market demand, promoting the rise of domestic brands.



#### 4 Growing demand for plant-based skincare products for safety and environmentally friendliness concerns

- The skincare market is witnessing a surge in demand for products formulated with plant-derived ingredients. These natural compounds are favored for their gentle yet effective skincare properties, appealing to consumers seeking safer and environmentally friendly options. Traditional Chinese medicine culture deeply influences Chinese consumers, and botanical products have garnered increasing attention in recent years due to their perceived health and eco-friendly qualities.
- This trend reflects a broader shift towards natural beauty practices and holistic wellness, as consumers prioritise products that promote overall health while addressing specific skincare concerns. Skincare brands are incorporating plant-based ingredients into their formulations and marketing strategies, capitalising on the perceived benefits of botanicals to attract environmentally conscious consumers and differentiate themselves in the market. Overall, the rising popularity of plant-based skincare signifies a significant trend in the industry towards natural and sustainable beauty solutions.
- Plant-based ingredients are a distinctive feature of Chinese skincare. With a plethora of unique Chinese botanicals available, utilising indigenous herbal components has become a direction for domestic skincare brands to focus on. Brands that highlights a natural philosophy can attract consumers with unique and gentle ingredients, as well as the affinity of Chinese culture.. As the trend of "ingredient registration" sweeps across the country, enterprises and brands are rushing to enter or intensify their efforts in the ingredient race. Among them, the registration rate of plant-based ingredients continues to rise.

## In the future, skincare brands will penetrate into lower-tier cities, and online and offline channels will accelerate to integrate. Moreover, the whole skincare industry will pay more attention to green sustainable development

### Future trends of the skincare industry in China (3/4)

#### 5 Skincare brands penetrating into lower-tier cities



- Skincare brands, especially premium skincare brands, are penetrating into middle and low-tier cities, and have successfully attracted a large number of consumers through precise marketing and channel layout. Although these customers live in middle and low-tier cities, they have higher consumption ability and willingness to buy premium skincare products.
- Skincare brands still have huge potential for growth in lower-tier cities, and are expected to achieve deeper market coverage in a wider range of regions in the future.

#### 6 Integration of online and offline channels to cater to consumers' diverse preferences



- The convergence of online sales and offline retail is set to define the future trajectory of multi-channel distribution in the skincare industry. This fusion will allow consumers to access product information and make purchases conveniently through online channels. Simultaneously, brick-and-mortar stores will evolve to offer enhanced experiential and service-oriented features, aimed at enticing consumers to make in-store purchases. This integrated approach capitalises on the strengths of both online and offline platforms, catering to the diverse preferences and shopping behaviours of modern consumers while fostering brand engagement and loyalty across multiple touchpoints.
- The synergy between online and offline channels underscores the dynamic nature of consumer preferences in China's skincare market, driving industry growth and innovation across both platforms. Business models that integrate online and offline sales channels will be adopted by more brands in China, to provide smoother shopping experience for consumers and realize higher customer conversion rate.

#### 7 Achievement of green sustainable development to align with consumers' health and environmental principles



- There is a gradual escalation in consumer awareness regarding environmental conservation and sustainability. Consequently, consumers will increasingly favour products from skincare companies that are green and environmentally friendly in the future. Skincare brands must prioritise environmentally-friendly production processes and packaging, enhancing product sustainability to align with consumers' health and environmental principles. By embracing sustainable practices, skincare brands can not only meet evolving consumer preferences but also contribute positively to environmental preservation, fostering a harmonious balance between consumer well-being and ecological stewardship.

## The trend toward small-pack skincare products reflects consumer preferences for flexibility and convenience, while offering brands a strategic path to expand customer base and expand market presence

### Future trends of the skincare industry in China (4/4)

#### 8 Trend towards small-pack offerings

- In recent years, the trend toward small-pack products has gained traction in the skincare industry. From the consumers' perspective, small-pack products help reduce the cost of trying new or premium products, making these products more accessible, thereby help to broaden the customer base for these skincare brands. The growing popularity of small-pack products also reflects consumers' increasing preference for flexibility and convenience. From the brand owners' perspective, small-pack products serve as an effective tool to enhance brand awareness, facilitate market penetration, and foster deeper consumer engagement. Consequently, adopting a small-pack strategy can be an important approach for brands seeking to capture emerging market opportunities and expand market presence.



1. Analysis of China's Cosmetics Market
2. Analysis of China's Skincare Market
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4. Appendix

**In 2024, Forest Cabin ranked 13<sup>th</sup> in China's premium skincare industry in terms of retail sales value, with a market share of 1.4%, and is the only domestic brand within the top 15 premium skincare brands in China**

Ranking of the top 15 premium skincare brands, in terms of retail sales value, China, 2024

Ranking	Brand	Brand origin	Retail sales value of premium skincare brand, China, 2024, RMB billion	Market share of the premium skincare market, China, 2024
1	Brand A	Foreign	14.77	12.9%
2	Brand B	Foreign	10.35	9.0%
3	Brand C	Foreign	8.01	7.0%
4	Brand D	Foreign	7.53	6.6%
5	Brand E	Foreign	7.02	6.1%
6	Brand F	Foreign	4.38	3.8%
7	Brand G	Foreign	4.04	3.5%
8	Brand H	Foreign	4.00	3.5%
9	Brand I	Foreign	3.98	3.5%
10	Brand J	Foreign	2.82	2.5%
11	Brand K	Foreign	2.46	2.2%
12	Brand L	Foreign	2.19	1.9%
<b>13</b>	<b>Forest Cabin</b>	<b>Domestic</b>	<b>1.59</b>	<b>1.4%</b>
14	Brand M	Foreign	1.31	1.1%
15	Brand N	Foreign	1.25	1.1%
	Top 15	/	<b>75.70</b>	<b>66.1%</b>
	Others	/	<b>38.70</b>	<b>33.9%</b>
	<b>Total</b>	<b>/</b>	<b>114.40</b>	<b>100.0%</b>

China's premium skincare industry is relatively concentrated, with the top 15 brands accounting for 66.1% of the market share. In 2024, China's premium skincare market reached RMB114.4 billion in terms of retail sales value, with the top 15 premium skincare brands predominantly foreign. The brand Forest Cabin ranked 13<sup>th</sup> among the premium skincare brands in China, and is the only domestic brand in the top 15 premium skincare brands in 2024.

# Brief introduction on Brands A to N

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- Brand A is a premium skincare, colour cosmetics, and fragrance brand established in 1935 in France. It belongs to a listed cosmetics company founded in 1909 in France.
- Brand B is a premium skincare, colour cosmetics, and fragrance brand established in 1946 in the United States. It belongs to a listed cosmetics company founded in 1946 in the United States.
- Brand C is a premium skincare brand established in 1980 in Japan. It belongs to a listed cosmetics company founded in 1837 in the United States.
- Brand D is a premium skincare and colour cosmetics brand established in the 1950s in the United States. It belongs to a listed cosmetics company founded in 1946 in the United States.
- Brand E is a premium skincare and colour cosmetics brand established in 1902 in Australia. It belongs to a listed cosmetics company founded in 1909 in France.
- Brand F is a premium skincare and colour cosmetics brand established in 1954 in France. It belongs to a private cosmetics company founded in 1954 in France.
- Brand G is a premium skincare brand established in 1997 in the United States. It belongs to a listed cosmetics company founded in 1909 in France.
- Brand H is a premium skincare and colour cosmetics brand established in 1872 in Japan. It belongs to a listed cosmetics company founded in 1872 in Japan.
- Brand I is a premium skincare, colour cosmetics, and fragrance brand established in 1828 in France. It belongs to a listed cosmetics and fashion company founded in 1987 in France.
- Brand J is a premium skincare, colour cosmetics, fragrance, and fashion brand established in 1910 in France. It belongs to a private cosmetics and fashion company founded in 1910 in France.
- Brand K is a premium skincare and colour cosmetics brand established in 1982 in Japan. It belongs to a listed cosmetics company founded in 1872 in Japan.
- Brand L is a premium skincare, colour cosmetics, fragrance, and hair care brand established in 1976 in France. It belongs to a listed cosmetics and fashion company founded in 1987 in France.
- Brand M is a premium skincare, colour cosmetics, fragrance, and fashion brand established in 1946 in France. It belongs to a listed cosmetics and fashion company founded in 1987 in France.
- Brand N is a premium skincare, colour cosmetics, fragrance, and fashion brand established in 1961 in France. It belongs to a listed cosmetics company founded in 1909 in France.

**In 2024, Forest Cabin ranked 10<sup>th</sup> among the top 10 premium skincare brands in China in terms of retail sales value of anti-wrinkle and firming skincare products, with a market share of 2.2%, and is the only domestic brand within the top 15 premium skincare brands in China**

Ranking of the top 10 premium skincare brands, in terms of retail sales value of their anti-wrinkle and firming skincare products, China, 2024

Ranking	Brand	Brand origin	Retail sales value of premium skincare brand's anti-wrinkle and firming skincare products, China, 2024, RMB billion	Market share of the premium anti-wrinkle and firming skincare market, 2024
1	Brand A	Foreign	6.71	11.3%
2	Brand B	Foreign	5.71	9.6%
3	Brand D	Foreign	4.99	8.4%
4	Brand E	Foreign	4.59	7.7%
5	Brand C	Foreign	2.96	5.0%
6	Brand F	Foreign	2.40	4.0%
7	Brand G	Foreign	2.11	3.5%
8	Brand H	Foreign	2.04	3.4%
9	Brand I	Foreign	1.74	2.9%
<b>10</b>	<b>Forest Cabin</b>	<b>Domestic</b>	<b>1.28</b>	<b>2.2%</b>
	Top 10	/	34.53	58.0%
	Others	/	24.91	42.0%
	<b>Total</b>	<b>/</b>	<b>59.44</b>	<b>100.0%</b>

Anti-wrinkle and firming are core functions of skincare products in China, comprising 25.9% of the total skincare market in 2024. Anti-wrinkle and firming skincare is particularly significant within the premium skincare category, which emphasizes high-quality ingredients, advanced formulations, highly-effective skincare products, and luxury experiences. Within this segment, the brand Forest Cabin ranked 10<sup>th</sup> in retail sales value for anti-wrinkle and firming skincare products, capturing a market share of 2.2% in the anti-wrinkle and firming skincare industry. The Company is also the only domestic brand in the premium anti-wrinkle and firming skincare industry. This positioning underscores its significant presence and competitive strength in the market, highlighting its commitment to innovation and effectiveness in anti-wrinkle and firming skincare solutions.

**In 2024, Forest Cabin ranked 1<sup>st</sup> among the top 5 skincare brands in China in terms of retail sales value of facial essence oil, with a market share of 12.4%**

Ranking of the top 5 brands, in terms of retail sales value of facial essence oil, China, 2024

Ranking	Brand	Brand origin	Retail sales value of facial essence oil in China, 2024, RMB million	Market share of the facial essence oil market, 2024
1	Forest Cabin	Domestic	657.0	12.4%
2	Brand O	Domestic	466.4	8.8%
3	Brand P	Domestic	405.8	7.7%
4	Brand Q	Domestic	265.8	5.0%
5	Brand R	Domestic	184.1	3.5%
Top 5		/	1,979.1	37.4%
Others		/	3,312.4	62.6%
<b>Total</b>		<b>/</b>	<b>5,291.5</b>	<b>100.0%</b>

Facial essence oil is a skincare category that offers hydration, nourishment, and anti-wrinkle and firming benefits. With the growing popularity of “以油养肤” (oil-infused skincare), China’s facial essence oil market reached RMB5,291.5 million in 2024. Forest Cabin led the market, ranked as the 1<sup>st</sup> among the top 5 skincare brands in terms of retail sales value of facial essence oil in China, among all the foreign and domestic brands, capturing an 12.4% market share. This significant market share not only highlights Forest Cabin’s strong brand presence and consumer trust but also underscores its pioneering role in the oil-infused skincare trend, setting industry benchmarks.

- Brand O is a skincare brand established in 2005 in China. It belongs to a private cosmetics company founded in 2003 in China.
- Brand P is a skincare brand established in 2019 in China. It belongs to a private cosmetics company founded in 2018 in China.
- Brand Q is a skincare brand established in 2020 in China. It belongs to a private cosmetics company founded in 2019 in China.
- Brand R is a skincare brand established in 2013 in China. It belongs to a private cosmetics company founded in 2012 in China.

## Major entry barriers for the premium skincare and anti-wrinkle and firming skincare industry in China are channel establishment and development capabilities, R&D strength, stable supply chain, and brand building and recognition (1/2)

Key entry barriers	Description and implications
<b>Brand building and recognition</b>	<ul style="list-style-type: none"><li>• Brand image and recognition are critical for premium skincare. Companies must invest heavily in building brand awareness and influence to foster consumer loyalty and achieve price differentiation. This involves marketing, creating compelling brand stories, and maintaining a positive brand image through continuous engagement. A well-established brand not only gains recognition but also forms an emotional connection with consumers, leading to a loyal customer base willing to pay premium prices. Importantly, brands that are pioneers in their category can distinguish themselves within the industry, gaining significant influence, setting industry benchmarks, and leading market trends. For new entrants, the challenge of pioneering a new category and overcoming this entrenched loyalty and building comparable brand equity requires significant time, financial resources, and strategic expertise, creating a barrier to entry.</li></ul>
<b>Channel establishment and development capabilities</b>	<ul style="list-style-type: none"><li>• The integration of online and offline channels is crucial in the skincare industry. Particularly, extensive deployment and first-mover advantages in offline channels have become powerful tools for companies to capture market share and establish brand image. Online and offline channels form an interdependent and mutually reinforcing organic system. A robust offline network can directly reach consumers, offering tangible product trials and personalised consultation services, which in turn deepen consumers' understanding and perception of the brand, enhance brand loyalty and trust, and drive further online searches and purchases. The ability to provide direct consumer engagement and premium service experiences, which are key aspects of the premium skincare sector, further distinguishes established brands from new entrants. For new entrants, building a solid offline network requires significant financial investment and long-term brand building, creating a substantial barrier to entry.</li></ul>

## Major entry barriers for the premium skincare and anti-wrinkle and firming skincare industry in China are channel establishment and development capabilities, R&D strength, stable supply chain, and brand building and recognition (2/2)

Key entry barriers	Description and implications
<b>Research and development strength</b>	<ul style="list-style-type: none"><li>Superior research and development (R&amp;D) capabilities are essential for ensuring the quality and efficacy of skincare products. These capabilities enable companies to swiftly meet market demands with differentiated, high-quality products, creating competitive advantages through proprietary ingredients, formulations, and technologies. Strong R&amp;D also means having top-tier innovation teams to improve existing products and expand the product portfolio, solidifying the industry position. A robust R&amp;D infrastructure fosters continuous innovation and helps companies adapt to emerging trends and regulatory changes. This R&amp;D strength creates a significant barrier to entry for new market entrants, as achieving similar expertise and technological advancement quickly is challenging.</li></ul>
<b>Stable and reliable supply chain</b>	<ul style="list-style-type: none"><li>Establishing a stable and reliable supply chain is crucial for ensuring the quality and consistent supply of raw materials, which is essential for the stability of products and the reputation of the company. Premium skincare products require high standards of purity, efficacy, and consistency, necessitating long-term partnerships with premium suppliers or even the ability to produce core ingredients in-house. In-house production of core raw materials helps mitigate supply chain risks posed by raw material price fluctuations and geopolitical factors, enhancing supply chain stability and responsiveness. It also protects the company's proprietary technologies and formulations, creating a unique competitive advantage. A robust supply chain thus becomes a significant barrier to entry for new market players, who must consistently source high-quality raw materials and establish a reliable supplier network or in-house production capability, which is challenging to achieve quickly.</li></ul>

## Key success factors encompass product innovation and R&D capability, ability to create consumers resonance, meticulous quality control, and comprehensive sales network (1/2)

Key success factors	Description and implications
<b>Product innovation capability</b>	<ul style="list-style-type: none"><li>In the premium skincare and anti-wrinkle and firming essence sector, consumers expect exceptional product efficacy and quality, prioritising technological innovation, uniqueness, and scientific credibility. Companies must continuously introduce innovative products with unique benefits to meet these demands. For example, Forest Cabin pioneered the use of facial essence oils in China, establishing a leadership position through novel formulations. This relentless pursuit of innovation enhances brand competitiveness, consumer loyalty, and market leadership. Successful brands also excel in refining and reusing key core ingredients, enhancing both research and development efficiency and product consistency across various platforms. This capability not only ensures superior product performance but also strengthens the brand's reputation for delivering effective skincare solutions.</li></ul>
<b>Ability to create consumer resonance</b>	<ul style="list-style-type: none"><li>Successful brands in the Chinese premium skincare and anti-wrinkle and firming essence industry often achieve resonance with consumers by deeply understanding unique Chinese preferences and cultural nuances. They develop products that resonate culturally and regionally, establishing a strong localised brand identity crucial for earning consumer trust amidst fierce market competition. Consumers tend to favour brands that demonstrate respect for local cultures and values, aligning with their lifestyle and emotional needs. For brands, this involves not only incorporating rare local ingredients into formulations but also localising product packaging designs and marketing strategies. These efforts strengthen emotional connections with consumers, fostering a robust brand affinity and solidifying the bond between the brand and its consumers.</li></ul>

## Key success factors encompass product innovation and R&D capability, ability to create consumers resonance, meticulous quality control, and comprehensive sales network (2/2)

Key success factors	Description and implications
<b>Ensuring meticulous quality control for sustained success</b>	<ul style="list-style-type: none"><li>The success of premium skincare products relies on cutting-edge technology, robust research, and meticulous quality control to ensure efficacy and safety. Premium skincare consumers have high expectations regarding product quality and performance. Rigorous quality control processes, from raw material selection to manufacturing and testing, are essential for establishing a reputable brand image and earning consumer trust. Adhering to or exceeding industry standards safeguards product integrity and efficacy, strengthening brand loyalty. Thus, prioritising quality assurance is a critical component of long-term success in the skincare industry, serving as a cornerstone for sustained growth and competitive differentiation.</li></ul>
<b>Establishing a comprehensive sales network</b>	<ul style="list-style-type: none"><li>A comprehensive sales channel network, including offline retail stores and online e-commerce platforms, is crucial for premium skincare companies. Skincare products appeal to consumers with varied shopping preferences, from personalised in-store experiences to convenient digital transactions. Expanding distribution channels enhances accessibility and caters to diverse consumer needs across different demographics and regions. An omnichannel approach amplifies brand visibility and engagement, fostering brand loyalty and driving sustainable sales growth. Integrating offline experiences with seamless online interactions enhances consumer trust and brand perception.</li></ul>

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## Miscellaneous (1/2)

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- Now in its fifth generation, the Company's Camellia Essence Oil had recorded cumulative sales of over 45 million bottles as of June 30, 2025, and ranked first in China by total retail sales across all sales channels among all facial essence oil products for 11 consecutive years since 2014. The product also remains as the only product in the facial essence oil category in China to achieve over RMB100 million in retail sales for eight consecutive years.
- The Company is the only company in China's facial essence oil market to achieve full value chain integration of core ingredients, encompassing exclusive procurement of camellia, proprietary ingredient extraction, product development and production.
- Approximately 66.1% of our offline stores were directly operated as of June 30, 2025, with the number of directly-operated stores significantly exceeding that of other domestic premium skincare brands, ensuring consistent customer experience and effective brand representation.
- During the Track Record Period, the Company's total revenue increased from RMB691.2 million in 2022 to RMB805.0 million in 2023 and further to RMB1,209.6 million in 2024, representing a CAGR of 32.3%. The Company's profit and total comprehensive income amounted to RMB186.8 million and RMB181.8 million in 2024 and the six months ended June 30, 2025, respectively. The revenue growth rate during the Track Record Period significantly outpaced the industry average.
- During the Track Record Period, the average of the Company's annual repurchase rates was approximately 33.5%, outperforming the industry average of domestic skincare brands.
- During the Track Record Period, the Company's offline revenue increased from RMB378.2 million in 2022 to RMB409.7 million in 2023 and further to RMB494.4 million in 2024, representing a CAGR of 14.3% that outpaced industry peers.
- As a leader in ESG, the Company established one of the first research and production bases in the skincare industry, designed to meet carbon-neutral standards, setting a benchmark in sustainability.
- Generally, there is a positive correlation between per capita disposable income, which represents consumer purchasing power, and per capita expenditure on cosmetic products.

## Miscellaneous (2/2)

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- Since embarking on the Company's camellia-based skincare research journey in 2012, the Company has pioneered the "oil-based skincare" philosophy and the camellia facial essence oil.
- In 2024, the Company ranked first among all premium domestic skincare brands in China by retail sales and was the only domestic brand among the top 15 premium skincare brands (including both domestic and international brands) in China.
- As of June 30, 2025, the Company's offline store network comprised 554 stores nationwide, with over 95% located in shopping malls, ranking first among domestic and international premium skincare brands in terms of total store number in China.
- The Company has solidified its leadership in the essence oil category with a longstanding commitment to skincare solutions rooted in China's heritage.
- The efficacy of Camellia Anti-Wrinkle Repairing Essence Oil was substantiated through in vivo human studies, in vitro cellular assays and ex vivo tissue tests conducted by multiple independent accredited third-party laboratories in China.
- The efficacy of the Black Gold Rejuvenate Peptide Anti-Wrinkle Brightening Essential Cream was validated through independent studies by accredited laboratories.
- The efficacy and safety of the UV Protection Cream were verified through tests conducted by accredited institutions in China.
- The efficacy of the Camellia Moisturizing Peptide Firming Facial Mask was verified by an independent accredited laboratory.
- The efficacy of Camellia Repair Balancing Pre-Essence was evaluated by independent accredited third-party laboratories.
- The efficacy of Camellia Active Anti-Wrinkle Essence Lotion was evaluated by independent accredited third-party laboratories.
- The efficacy of Camellia Black Gold Rejuvenate Peptide Anti-Wrinkle Brightening Toner was evaluated by independent accredited third-party laboratories. In a 28-day study with 32 women (ages 36-55) showing visible facial aging, the product increased stratum corneum hydration by 19.4% and reduced transepidermal water loss by 5.53%, indicating improved skin barrier function.
- In 2022, 2023, 2024 and the six months ended June 30, 2025, the Company's consumer complaint rate on major e-commerce platforms, which is calculated by dividing the number of complaints for each period on Tmall and Douyin by the total number of orders on Tmall and Douyin, was 0.05%, 0.08%, 0.09% and 0.03%, respectively, which were lower than the industry average.
- The Company has set a comprehensive product return policy across sales channels in line with industry practices.



**Thank you!**

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