

DIRECTORS

Executive Directors

Ms. Tsang Yue, Joyce (曾裕), former name Tsang Kin Lin, Tsarina (曾庚蓮), aged 44, is the founder, Chairperson and Chief Executive Officer of the Group. She is responsible for the Group's overall management, strategic planning and development, and formulation of the Group's policies and business strategy. Ms. Tsang possesses strong fundamental knowledge of business and corporate management and has about 17 years' experience in beauty and healthcare industry. Ms. Tsang is a director of Beauty Expert (B.V. I.) Limited and Modern Beauty Salon (International) Limited, both of which engage in the provision of sub-franchising services. She made much contribution to community activities in leading the Group to participate in charitable activities organised in relation to South Asia earthquake and tsunami as well as Children's Cancer Fund. Ms. Tsang is the spouse of Mr. Lee Soo Ghee, the Vice Chairperson of the Group.

Mr. Lee Soo Ghee (李守義), aged 30, is the Vice Chairperson of the Group. Mr. Lee oversees various back office operations. He is also the chief designer in the interior design and renovation section of the Group. Mr. Lee served Singapore Armed Forces as an armament technician from 1996 to 1998. Mr. Lee was awarded the diploma in Electronics, Computer & Communication Engineering by Singapore Polytechnic in 1996. Mr. Lee joined the Group in July 2001 and is a director of Beauty Expert (B.V. I.) Limited which engages in the provision of sub-franchising services. Mr. Lee is the spouse of Ms. Tsang, the Chairperson and Chief Executive Officer.

Ms. Yuen Siu Ping (袁少萍), aged 31, is the Chief Operating Officer of the Group. She is responsible for managing the overall sales and marketing operations of the Group, overseeing the day-to-day operations of the Group's service centres; and developing and conducting in-house training for the Group's staff. Ms. Yuen has more than 11 years' solid experience in beauty and skincare industries. She joined the Group in May 1993.

Mr. Hung Fan Kwan (孔繁崑), aged 41, is the Chief Financial Officer and Qualified Accountant of the Group. He is responsible for all the financial and accounting matters of the Group. Mr. Hung was awarded a Professional Diploma in Accountancy by The Hong Kong Polytechnic University in 1987. He is a fellow of the Association of Chartered Certified Accountants and the HKICPA. Mr. Hung has about four years of experience in audit field in Coopers and Lybrand (currently known as PricewaterhouseCoopers) and he has 13 years of experience in finance and operating experience in Hong Kong. Mr. Hung served a number of private companies and listed groups such as Hutchison Whampoa Limited, CCT Telecom Holdings Limited and Celestial Asia Securities Holdings Limited. He joined the Group in February 2004.

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Mr. Yip Kai Wing (葉啟榮), aged 32, is the Chief Technology Officer of the Group. He is responsible for all the computer and information system matters of the Group. He has about seven years of experience in the system integration, information system, network operation and telecom industry. Mr. Yip graduated from the Chinese University of Hong Kong in 1997 with a Bachelor Degree in Social Science. He was awarded a Microsoft Certified Professional Systems Engineer (MCSE), CheckPoint Certified Administrator in 2002 and Turbolinux Certified Engineer in 2002. He joined the Group in March 2002.

Independent non-executive Directors

Mr. Wong See Hong (王仕雄), aged 52, was appointed as an independent non-executive Director with effect from the Listing Date. Mr. Wong graduated from the Hong Kong University of Science and Technology in Hong Kong in November 1998 with a Master Degree of Science in Investment Management and obtained from the University of Singapore a Bachelor Degree in Business Administration in 1977. Mr. Wong is the Managing Director and Country Executive of ABN AMRO Bank, Singapore. Mr. Wong is Vice Chairman of the Singapore Foreign Exchange Market Committee, a Council Member of the Association of Banks in Singapore and Vice Chairman of Financial Industry Competency Standards Committee as well as a member to Market Surveillance and Compliance Panel of Energy Market Company in Singapore.

Mr. Yu How Yuen (余孝源), aged 49, was appointed as an independent non-executive Director with effect from the Listing Date. Mr. Yu is a fellow of the HKICPA and the Association of Chartered Certified Accountants. Mr. Yu is also an associate of the Institute of Chartered Accountants in England and Wales. Mr. Yu is a part-time senior lecturer of Hong Kong Shue Yan College. Mr. Yu is a sole proprietor of Yu How Yuen & Co., Certified Public Accountants.

Mr. Cheng Kai Tai, Allen (鄭啟泰), aged 41, was appointed as an independent non-executive Director with effect from the Listing Date. Mr. Cheng graduated from 暨南大學 (Jinan University) in the People's Republic of China with a Master Degree of Management (管理學) in January 2004. Mr. Cheng is a Certified Public Accountant (Practising) of the HKICPA, an associate of the Institute of Chartered Accountants in England and Wales, and a fellow of the Association of Chartered Certified Accountants. Mr. Cheng has practiced as a Certified Public Accountant in Hong Kong for over 10 years. Mr. Cheng is an independent non-executive director of Lo's Enviro-Pro Holdings Limited, the shares of which are listed on the Stock Exchange.

COMPANY SECRETARY

Mr. Hui Hon Wa (許漢華), aged 40, is the Legal Counsel and Company Secretary of the Group. He is responsible for providing legal advice and support to the Group's business, commercial and litigation activities. Mr. Hui was admitted as a solicitor of the High Court of Hong Kong in September 1994. Mr. Hui graduated from the University of Hong Kong with a Postgraduate Certificate in Laws in 1992 and City University of Hong Kong with a Bachelor Degree in Laws in 1991. He joined the Group in March 2005.

SENIOR MANAGEMENT

Ms. Ip Lai Fong (葉麗芳), aged 34, is the Operation Manager of Customer Service of the Group. She is responsible for the day-to-day operations of Customer Services Department. Ms. Ip obtained an Advanced Certificate Programme on Professional Customer Service from Hong Kong Management Association in 2005. Ms. Ip has seven years of guest services experience in the Kimberley Hotel, Hilton Hotel and Marriott Harbour View Hotel — Hong Kong (previously known as New World Harbour View Hotel) in Hong Kong. She joined the Group in May 1999.

Mr. Chan Chit Ming, Joeie (陳哲明), aged 33, is the Finance Manager — Treasury Management of the Group. Mr. Chan oversees the daily treasury and accounting operations of the Group. Mr. Chan graduated from University of Humberside (now known as University of Lincoln) with a Bachelor degree of Arts (Accountancy and Finance) in 1994. Mr. Chan is a member of the Association of Chartered Certified Accountants and a Certified Public Accountant of the HKICPA. Mr. Chan has seven years of audit experience in Hong Kong. He joined the Group in March 2001.

Ms. Ip Priscilla (葉佩詩), aged 31, is the Finance Manager — Tax & Financial Management of the Group. She is responsible for the Group's financial management and overseeing the Group's tax planning and compliance matters. Ms. Ip graduated from The Hong Kong Polytechnic University with a Bachelor Degree of Arts in Accountancy in 1997. Ms. Ip is a Certified Public Accountant of the HKICPA and a member of the Association of Chartered Certified Accountants. Ms. Ip had worked in Arthur Andersen (currently known as PricewaterhouseCoopers) for seven years specializing in tax compliance, tax planning and business consultation work. She joined the Group in April 2004.

Ms. Yeung See Man (楊詩敏), aged 32, is the Finance Manager — Financial Reporting of the Group. She is responsible for overseeing the accounting and financial reporting of the Group. Ms. Yeung graduated from The Hong Kong Polytechnic University with a Bachelor Degree of Arts in Accountancy in 1995. Ms. Yeung is a Certified Public Accountant of the HKICPA and a fellow of the Association of Chartered Certified Accountants. Ms. Yeung had worked in Kwan Wong Tan & Fong (currently known as Deloitte Touche Tohmatsu) for seven years specialising in assurance and advisory services. She joined the Group in March 2004.

Ms. Law Yuk Ting, Angel (羅玉亭), aged 31, is the Legal Counsel of the Group. She is responsible for providing legal advice and support to the Group's business and commercial activities, in particular, handling and dealing with conveyancing and tenancy and intellectual property rights matters of the Group. Ms. Law called to the Bar in Hong Kong in 1998. Ms. Law graduated from City University of Hong Kong with Bachelor of Laws and Master of Laws (Chinese and Comparative Laws) in 1997 and 2003, respectively. Ms. Law had worked in Hip Hing Construction Co. Ltd. (a member of NWS Holdings) as an in-house legal counsel for three years. She joined the Group in May 2004.

AUDIT COMMITTEE

The Company has established its audit committee on 20th January, 2006 with written terms of reference in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group. The audit committee has three members comprising the Company's three independent non-executive Directors, namely Mr. Wong See Hong, Mr. Yu How Yuen and Mr. Cheng Kai Tai, Allen and Mr. Yu How Yuen is the chairperson of the audit committee.

REMUNERATION COMMITTEE

The Company established a remuneration committee on 20th January, 2006 with terms of references in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The remuneration committee comprises of the Chairperson of the Group and three independent non-executive Directors, namely Ms. Tsang, Mr. Wong See Hong, Mr. Yu How Yuen and Mr. Cheng Kai Tai, Allen. Ms. Tsang is the chairperson of the remuneration committee. The primary duties of the remuneration committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

NOMINATION COMMITTEE

The Company established a nomination committee on 20th January, 2006 with terms of references. The nomination committee comprises the Chairperson of the Group and three independent non-executive Directors, namely Ms. Tsang, Mr. Wong See Hong, Mr. Yu How Yuen and Mr. Cheng Kai Tai, Allen and Ms. Tsang is the chairperson of the nomination committee. The nomination committee is mainly responsible for making recommendations to the Board of Directors on appointment of Directors and management of Board succession.

COMPLIANCE ADVISER

The Company will enter into an agreement with the Sponsor appointing the Sponsor as the compliance adviser pursuant to the requirements of Rule 3A.19 of the Listing Rules. In accordance with Rule 3A.19 of the Listing Rules, such appointment is for a term commencing on the Listing Date and ending on the date on which the Company distributes the annual report for the first full financial year after the Listing Date pursuant to Rule 13.46 of the Listing Rules, unless terminated earlier in accordance with the terms thereof.

During the term of the appointment, the Sponsor shall as compliance adviser, among other things, guide and advise the Company as to the compliance with the Listing Rules and all other applicable rules, codes and guidelines in the discharge of its duties under Chapter 3A of the Listing Rules.

Save as pursuant to the Underwriting Agreement and the Stock Borrowing Agreement, the Sponsor does not have any shareholding interest in the Company or any member of the Group or has any right (whether legally enforceable or not) to subscribe for or to nominate to subscribe for securities in any member of the Group.

STAFF**Overview of staff number**

As at the Latest Practicable Date, the Group had a total of 1,066 full-time employees based in Hong Kong as follows:

	Hong Kong
Management	5
Frontline beauty staff	891
Sales and Marketing Department	18
Advertising and Public Relation Department	16
Customer Service Department	9
Logistics and Purchasing Department	35
Finance and Legal Department	58
Information Technology Department	7
Human Resource and Administration Department	<u>27</u>
Total	<u><u>1,066</u></u>

Relationship with staff

The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes nor has it experienced any difficulties in the recruitment and retention of experienced staff. The Directors consider that the Group has good working relation with its employees.

Benefits scheme

The Group complies in all material aspects with all statutory requirements on retirement contribution in the jurisdictions where it operates. The Group provides fringe benefits to employees in accordance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). The Directors confirm that sufficient provision has been made for the pension fund in all jurisdictions in which the Group operates.

SHARE OPTION SCHEMES

The Group has conditionally adopted the Share Option Scheme and the Pre-IPO Share Option Scheme.

The purpose of the Pre-IPO Share Option Scheme is to give the participants an opportunity to have a personal stake in the Company and help motivate the participants to optimise their performance and efficiency and attract and retain participants whose contributions are important to the long-term growth and profitability of the Group. The principal terms of the Pre-IPO Share Option Scheme, approved and amended by written resolutions of the shareholders of the Company dated 20th January, 2006 are similar to the terms of the Share Option Scheme except for the following:

- (a) the subscription price per Share shall be 60% of the Offer Price; and
- (b) save for the options which have been granted (with details set out below), no further options will be offered or granted, as the right to do so will end upon the listing of Shares on the Stock Exchange.

Application has been made to the listing committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Pre-IPO Options.

As at the date of this prospectus, options have been granted to, inter alia, certain Directors and employees of the Group under the Pre-IPO Share Option Scheme. Details of the options granted have been disclosed under the paragraph headed “Further information about the Directors, management, staff, substantial shareholders and experts” of Appendix V to this Prospectus and below:

Grantee	Position in the Company	Residential/ Registered address	Date of grant	Number of Shares subject to the option	Exercise price	Approximate percentage of the Company's issued share capital immediately upon the listing (if the Over-allotment Option is not exercised)	Approximate percentage of the Company's issued share capital immediately upon the listing (if the Over-allotment Option is exercised in full)
<i>Director</i>							
Ms. Tsang Yue, Joyce	Chairperson and Chief Executive Officer	47 Stanley Village Road, Hong Kong.	24th January, 2006	600,000	60% of the Offer Price	0.083%	0.080%
Mr. Lee Soo Ghee	Vice Chairperson	47 Stanley Village Road, Hong Kong.	24th January, 2006	650,000	60% of the Offer Price	0.090%	0.087%

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Grantee	Position in the Company	Residential/ Registered address	Date of grant	Number of Shares subject to the option	Exercise price	Approximate percentage of the Company's issued share capital immediately upon the listing (if the Over-allotment Option is not exercised)	Approximate percentage of the Company's issued share capital immediately upon the listing (if the Over-allotment Option is exercised in full)
Ms. Yuen Siu Ping	Chief Operating Officer	Room 401, Yun Mei House Yau Mei Court Yau Tong Kowloon Hong Kong	24th January, 2006	700,000	60% of the Offer Price	0.097%	0.094%
Mr. Hung Fan Kwan	Chief Financial Officer and Qualified Accountant	Flat F, 44th Floor, Block 1, Metro Harbourview, 8 Fuk Lee Street, Tai Kok Tsui, Kowloon, Hong Kong	24th January, 2006	300,000	60% of the Offer Price	0.042%	0.040%
Mr. Yip Kai Wing	Chief Technology Officer	Flat D, 10th Floor, Block 5, Waldorf Garden, Tuen Mun, New Territories, Hong Kong	24th January, 2006	250,000	60% of the Offer Price	0.035%	0.033%
<i>Senior Management</i>							
Mr. Hui Hon Wa	Legal Counsel and Company Secretary	211 Kilung Street, 2nd Floor, Shamshuipo, Kowloon, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%
Ms. Ip Lai Fong	Operation Manager	Flat A, 16th Floor, Cheong Ning Building, Tsuen Cheong Centre, Tsuen Wan, New Territories, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%
Mr. Chan Chit Ming, Joeie	Finance Manager — Treasury Management	Flat B, 6th Floor, Block 19, Chi Fu Fa Yuen, Pokfulam, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%
Ms. Ip Priscilla	Finance Manager — Tax & Financial Management	Flat A, 12th Floor, Block 3, Hampton Place, 11 Hoi Fan Road, Kowloon, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%

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Grantee	Position in the Company	Residential/ Registered address	Date of grant	Number of Shares subject to the option	Exercise price	Approximate percentage of the Company's issued share capital immediately upon the listing (if the Over-allotment Option is not exercised)	Approximate percentage of the Company's issued share capital immediately upon the listing (if the Over-allotment Option is exercised in full)
Ms. Yeung See Man	Finance Manager — Financial Reporting	Flat D, 43rd Floor, Tower 7, Park Central, Tseung Kwan O, New Territories, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%
Ms. Law Yuk Ting	Legal Counsel	Room B, 33rd Floor, Block 21, Richland Gardens, Kowloon Bay, Kowloon, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%
<i>Employee</i>							
Ms. Tse Wai Kwan	Executive Manager	Flat 14, 8th Floor, On Yan House, Tsz On Court, 10 Yan Wah Street, Kowloon, Hong Kong	24th January, 2006	190,000	60% of the Offer Price	0.026%	0.025%
Ms. Cheung Kwai Ling	Executive Manager	Flat D, 18th Floor, Block 4, Marina Garden, Tuen Mun, New Territories, Hong Kong	24th January, 2006	190,000	60% of the Offer Price	0.026%	0.025%
Ms. Lo Yuk Ping	Executive Manager	Flat E, 5th Floor, Block 1, Hibiscus Parks, 91 Hing Shing Road, Kwai Chung, New Territories, Hong Kong	24th January, 2006	160,000	60% of the Offer Price	0.022%	0.021%
Mr. Yiu Chi Hang	Assistant Finance Manager	Flat G, 4th Floor, Block 1, Richland Garden, 138 Wu Chui Road, Tuen Mun, New Territories, Hong Kong	24th January, 2006	80,000	60% of the Offer Price	0.011%	0.011%
				<u>3,600,000</u>			

DIRECTORS, SENIOR MANAGEMENT AND STAFF

All holders of options granted under the Pre-IPO Share Option Scheme may only exercise their option in the following manner:

Maximum percentage of option exercisable	Period for exercise of the relevant percentage of the option
50% of the total number of the options granted to any grantee	Upon the expiry of six months after the Listing Date up to five years from the date of grant of the options
100% of the total number of the options granted to any grantee	Upon the expiry of 12 months after the Listing Date up to five years from the date of grant of the options

Each of the Directors has undertaken to the Company and the Stock Exchange that no options granted under the Pre-IPO Share Option Scheme will be exercised to the extent that the percentage of the Shares in the public hands will be less than the minimum public float requirement under Rule 8.08 of the Listing Rules as a result thereby.

The Directors confirmed that discount on the Offer Price is given to the holders of the Pre-IPO Options (all are employees of the Group or Directors) as a recognition of their previous contribution to the Group and to provide an incentive to the grantees of the Pre-IPO Options to work with commitment towards enhancing the value of the Group and its Shares for the benefit of the Shareholders and to compensate the grantees for their past contribution based on their individual performance. The Directors consider the amount of discount of the exercise price of the Pre-IPO Options against the Offer Price to be fair and reasonable, especially as the number of Pre-IPO Options granted to the individual option holders is not exceptionally large, ranging from 80,000 Shares to 700,000 Shares.

The principal terms of the Share Option Scheme and the Pre-IPO Share Option Scheme are summarised in the paragraphs headed “Share Option Scheme” and “Pre-IPO Share Option Scheme” in Appendix V to this prospectus.