
DIRECTORS, SENIOR MANAGEMENT AND STAFF

DIRECTORS

Our Board consists of six Directors including three independent non-executive Directors. The table below shows certain information in respect of members of our Board.

Name	Age	Position	Date of appointment
Dr. Au-Yeung Kong	40	Chairman, CEO and executive Director	11 March 2011
Ms. Au-Yeung Wai	42	Chief Operating Officer and executive Director	11 March 2011
Ms. Au-Yeung Hung	47	Executive Director	11 March 2011
Ms. Hsu Wai Man, Helen	41	Independent non-executive Director	5 December 2011
Mr. Chi Chi Hung, Kenneth	43	Independent non-executive Director	5 December 2011
Ms. Pang Siu Yin	51	Independent non-executive Director	5 December 2011

Executive Directors

Dr. Au-Yeung Kong (歐陽江醫生), aged 40, is an executive Director, the chairman and the CEO of our Group. Dr. Au-Yeung is our Founder. He is principally responsible for our overall management, strategic development and major decision-making. Dr. Au-Yeung founded our Group in 2003 and has accumulated nearly eight years of management and operation experience in slimming and beauty industry. Dr. Au-Yeung graduated from The Chinese University of Hong Kong with a bachelor degree in medicine and surgery in 1995. He has practiced as a General Practitioner since his graduation. In 1997, Dr. Au-Yeung was appointed the Honorary Clinical Lecturer in General Practice of The University of Hong Kong. From 1998 to 2000, Dr. Au-Yeung was appointed as an Honorary Clinical Assistant Professor in Family Medicine by the Centre for Education and Research in Family Medicine of The University of Hong Kong. From 2001 to 2002, Dr. Au-Yeung was appointed the Medical Consultant of Hong Kong Professional Teachers' Union. Dr. Au-Yeung is a registered practising medical practitioner in Hong Kong. Dr. Au-Yeung is the brother of Ms. Au-Yeung Wai and Ms. Au-Yeung Hung. In the three years preceding the Latest Practicable Date, Dr. Au-Yeung did not hold any directorship in any other listed company.

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Ms. Au-Yeung Wai (歐陽慧女士), aged 42, is an executive Director and the chief operating officer of our Group. Ms. Au-Yeung is principally responsible for financing and accounting management of our Group. She is also in charge of our human resources, administration department and information technology department. Ms. Au-Yeung graduated from City Polytechnic of Hong Kong with a bachelor degree of arts in accountancy in 1991 and obtained a master's degree in business studies in the Faculty of Social Sciences at The University of Kent at Canterbury in 1995. Since her graduation, she has accumulated many years of experience in the business field. Before joining our Group, Ms. Au-Yeung assisted her husband to run a trading company. Ms. Au-Yeung joined our Group in 2004 as our general manager, and has accumulated over six years of experience in slimming and beauty industry. Ms. Au-Yeung is the sister of Dr. Au-Yeung and Ms. Au-Yeung Hung. In the three years preceding the Latest Practicable Date, Ms. Au-Yeung did not hold any directorship in any other listed company.

Ms. Au-Yeung Hung (歐陽虹女士), aged 47, is an executive Director. Ms. Au-Yeung Hung is principally responsible for the operational management of the service centres of our Group. Ms. Au-Yeung graduated from the University of Southern Queensland with a bachelor degree in business administration in 1992. Shortly after graduation, Ms. Au-Yeung commenced her own businesses of provision of employment agency services which she ceased prior to joining us. Ms. Au-Yeung joined our Group in 2005 as our sales and marketing manager, and has accumulated over five years of experience in slimming and beauty industry. Ms. Au-Yeung is the sister of Dr. Au-Yeung and Ms. Au-Yeung Wai. In the three years preceding the Latest Practicable Date, Ms. Au-Yeung did not hold any directorship in any other listed company.

Independent Non-executive Directors

Ms. Hsu Wai Man, Helen (徐慧敏女士), aged 41, was appointed as an independent non-executive Director on 5 December 2011. Ms. Hsu has over 18 years' experience in accounting. Ms. Hsu graduated from The Chinese University of Hong Kong with a bachelor degree in business administration. Ms. Hsu had been working with Ernst & Young for 18 years and was a partner of Ernst & Young before she retired from the firm in February 2011. Ms. Hsu is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Ms. Hsu is also a member of the advisory board of the School of Accountancy of The Chinese University of Hong Kong. Ms. Hsu is currently an independent non-executive director of China Forestry Holdings Co. Ltd. (stock code: 930). Save as the aforesaid, in the three years preceding the Latest Practicable Date, Ms. Hsu did not hold any directorship in any listed company.

Mr. Chi Chi Hung, Kenneth (季志雄先生), aged 43, was appointed as an independent non-executive Director on 5 December 2011. Mr. Chi has over 18 years of experience in accounting and financial control. He holds a Degree of Bachelor of Accountancy from the Hong Kong Polytechnic University and is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom. He is also an associate member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United

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Kingdom. Mr. Chi is currently an executive director of Morning Star Resources Limited (stock code: 542), Hua Yi Copper Holdings Limited (stock code: 559), China Grand Forestry Green Resources Group Limited (stock code: 910) and M Dream Inworld Limited (stock code: 8100). He is also an independent non-executive director of ZMAY Holdings Limited (stock code: 8085), Aurum Pacific (China) Group Limited (stock code: 8148), Sam Woo Holdings Limited (stock code: 2322), Interchina Holdings Company Limited (stock code: 202) and China Natural Investment Company Limited (Stock code: 8250). Save as the aforesaid, in the three years preceding the Latest Practicable Date, Mr. Chi did not hold any directorship in any listed company.

Ms. Pang Siu Yin (彭小燕女士), aged 51, was appointed as an independent non-executive Director on 5 December 2011. Ms. Pang is a practicing solicitor in Hong Kong and a partner of Messrs. Cheung Tong & Rosa Solicitors, Hong Kong. She is also a member of the Chartered Institute of Arbitrators of the United Kingdom and the Hong Kong Securities Institute. She obtained a master degree of laws from The Victoria University of Manchester in 1992. In the three years preceding the Latest Practicable Date, Ms. Pang did not hold any directorship in any listed company.

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention to the Shareholders and there was no information relation to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

SENIOR MANAGEMENT

Name	Age	Position
Mr. So Hin Lung	35	Chief Financial Officer and Company Secretary
Mr. Cheng Cho Fai	36	Finance Manager (Group)
Mr. Cheng Zhi Hua	35	Finance Manager (China Division)
Mr. Cheung Kin Fan	35	Information Technology Manager

Mr. So Hin Lung (蘇顯龍先生), aged 35, is our chief financial officer and company secretary and is responsible for overseeing our finance and accounting, internal control, corporate governance and regulatory compliance. Mr. So joined our Group in March 2011. Mr. So graduated from the University of Glamorgan, UK with a bachelor degree in business accounting in 1999. Mr. So is a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining our Group, Mr. So worked with Deloitte Touche Tohmatsu. He has over 10 years of experience in auditing and accounting.

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Mr. Cheng Cho Fai (鄭楚輝先生), aged 36, is our finance manager (Group) and is responsible for overseeing our financial reporting and daily accounting operations. He joined our Group in September 2008. Mr. Cheng graduated from Lingnan University with a bachelor degree in business administration in 1997. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants. Mr. Cheng was further accredited as an authorised supervisor of the Hong Kong Institute of Certified Public Accountants from 2009. Mr. Cheng has over 12 years of accounting and auditing experience.

Mr. Cheng Zhi Hua (程芝化先生), aged 35, is our finance manager (China Division) and is responsible for overseeing our financial operations in the PRC. Mr. Cheng joined our Group in 2010. He graduated from Jinan University with a bachelor degree in 1999. He further obtained a master degree of business administration from Jinan University in 2010. Mr. Cheng is a member of the The Chinese Institute of Certified Public Accountants and the China Certified Tax Agents Association. Prior to joining our Group, Mr. Cheng was a manager at Bank of China and a PRC accounting firm. He has nearly 15 years of experience in PRC financial accounting and auditing.

Mr. Cheung Kin Fan (張堅勳先生), aged 35, is our information technology manager and is responsible for overseeing the operations development, maintenance and strategic planning for our information management systems. Mr. Cheung joined our Group in 2008. Mr. Cheung obtained an International Advanced Diploma in Computer Studies issued by National Computing Center Education. Mr. Cheung has been a Microsoft Certified System Engineer (MCSE) and Microsoft Certified Database Administrator (MCDBA) accredited by Microsoft, a IBM Certified Specialist — eServer x Series Technical accredited by IBM, Cisco Certified Network Associate (CCNA) accredited by Cisco, and a Check Point Certified Security Administrator (CCSA) accredited by Check Point. Mr. Cheung has over 14 years of experience in information technology experience.

COMPANY SECRETARY

Mr. So Hin Lung (蘇顯龍先生) — Please refer to the sub-section above under the heading “Senior Management”.

AUDIT COMMITTEE

An audit committee was established by our Company on 5 December 2011 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 approve the Group’s financial reporting process and internal control system. The member of the audit committee are Ms. Hsu Wai Man, Helen, Mr. Chi Chi Hung, Kenneth and Ms. Pang Siu Yin. Ms. Hsu Wai Man, Helen is the chairperson of the audit committee.

REMUNERATION COMMITTEE

A remuneration committee was established by our Company on 5 December 2011 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 remuneration committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management of the Group. The members of the remuneration committee are Ms. Hsu Wai Man, Helen, Mr. Chi Chi Hung, Kenneth, Ms. Pang Siu Yin, Dr. Au-Yeung and Ms. Au-Yeung Wai. Ms. Hsu Wai Man, Helen is the chairperson of the remuneration committee.

NOMINATION COMMITTEE

A nomination committee was established by our Company on 5 December 2011 with written terms of reference. The primary duties of the nomination committee are to make recommendations to the Board on appointment of Directors and the management of the Board succession. The members of the nomination committee are Ms. Hsu Wai Man, Helen, Mr. Chi Chi Hung, Kenneth, Ms. Pang Siu Yin, Dr. Au-Yeung and Ms. Au-Yeung Wai. Ms. Hsu Wai Man, Helen is the chairperson of the nomination committee.

DIRECTORS' REMUNERATION

The remuneration received by our Directors (including fees, basic salaries, bonuses, contributions to defined contribution benefit plans (including pension), housing and other allowances and benefits in kind, and pension costs) for the years ended 31 March 2009, 2010, 2011 and the four months ended 31 July 2011 was HK\$31.2 million, HK\$23.1 million, HK\$12.0 million and HK\$1.2 million, respectively. The decrease in our directors' remuneration during the Track Record Period mainly reflected that our Directors voluntarily reduced their remunerations by making reference to the average market rate of directors' remunerations of around 100 small-to-medium size Hong Kong listed companies in 2008 and 2009.

The aggregate amount of fees, salaries, discretionary bonus, defined contribution benefit plans (including pension), housing and other allowances, and other benefits in kind paid to the five highest paid individuals of our Company, excluding Directors, for the years ended 31 March 2009, 2010 and 2011 and the four months ended 31 July 2011 was HK\$1.6 million, HK\$1.3 million, HK\$2.1 million and HK\$0.6 million, respectively.

We have not paid any remuneration to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of the years ended 31 March 2009, 2010 and 2011 and the four months ended 31 July 2011. Further, none of our Directors had waived any remuneration during the same period.

Under the current arrangements, the Directors will be entitled to receive compensation (including remuneration and benefits in kind) from our Company for the year ending 31 March 2012 in the aggregate amount of HK\$3.7 million.

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Except as disclosed above, no other payments have been paid or are payable, in respect of the years ended 31 March 2009, 2010 and 2011 and the four months ended 31 July 2011, by us to our Directors.

STAFF

As at 31 July 2011, we had a total of 811 full-time employees, a breakdown of which by function is set forth below:

Function	Number of Employees		
	PRC	Hong Kong	Macau
Management	—	3	—
Business development	9	3	—
Customer services	1	8	—
Marketing	17	7	—
Operation	6	5	—
Finance and accounting	26	21	—
Information technology	5	5	—
Human resources and administration	26	12	—
Frontline staff			
— Consultants	103	13	1
— Customer service	38	15	1
— Receptionists	88	16	1
— Therapists	218	49	5
— Nutritionists	24	2	—
— Supporting staff	71	10	2
	<u>632</u>	<u>169</u>	<u>10</u>

Our Directors are of the view that we have maintained a good relationship with our staff. We have not, in the past, experienced any disruption of operation due to labour disputes.

For the years ended 31 March 2009, 2010, 2011 and the four months ended 31 July 2011, our total employee benefit expense excluding directors' remuneration were HK\$55.4 million, HK\$55.5 million, HK\$73.6 million and HK\$30.1 million, respectively.

EMPLOYEES' BENEFITS PROVIDED BY OUR GROUP

Save as disclosed in "Risk Factors — We have not paid certain social insurances and housing provident fund contributions for and on behalf of our employees during the Track Record Period" in this prospectus, we comply in all material aspects with all statutory requirements on retirement contribution in the jurisdictions where we operate.

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We have established various welfare plans including the provision of pension funds, medical insurance, unemployment insurance and other relevant insurance for employees who are employed by us pursuant to the PRC rules and regulations and the existing policy requirements of the local government.

In Hong Kong, we have participated in a mandatory provident fund scheme for our employees in Hong Kong in accordance with the applicable Hong Kong laws and regulations.

COMPLIANCE ADVISOR

We intend to appoint China Everbright Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance advisor will advise us in the following circumstances:

- (i) before the publication of any regulatory announcement, circular or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (iii) if we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or if our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and
- (iv) if the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of the Shares.

In addition, the compliance advisor will also provide, inter alia, the following services to us:

- (i) if required by the Stock Exchange, deal with the Stock Exchange in respect of any or all matters listed in paragraphs (i) to (iv) above;
- (ii) in relation to an application by us for a waiver from any of the requirements in Chapter 14A of the Listing Rules, advise us on our obligations and in particular the requirement to appoint an independent financial advisor; and
- (iii) assess the understanding of all new appointees to the Board regarding the nature of their responsibilities and fiduciary duties as a director of a listed issuer, and, to the extent the Directors form an opinion that the new appointees' understanding is inadequate, discuss the inadequacies with the Board and make recommendations to the Board regarding appropriate remedial steps, such as training.

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The terms of the appointment shall commence on the Listing Date and end on the date on which our Company distributes its annual report in respect of its financial results for our Company's first full financial year commencing after the Listing Date, and such appointment may be subject to extension by mutual agreement.

In addition, after the Listing Date, our Company will retain legal advisors to advise on ongoing compliance and Listing Rules issues and other applicable laws and regulations in Hong Kong.

In addition, we shall be able to comply and will comply with the Code on Corporate Governance Practices to be effective on 1 April 2012 and the associated Listing Rules amendments effective on 1 January 2012.