PERFECT SHAPE (PRC) HOLDINGS LIMITED
必瘦站（中國）控股有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 1830)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2015

HIGHLIGHTS

- The Group's revenue increased by 55.0% year-on-year from HK$470.2 million to HK$728.7 million
- The Group's net profit for the year significantly increased by 62.5% year-on-year from HK$83.0 million to HK$134.9 million
- Basic earnings per share was HK12.1 cents
- Final dividend per share proposed is HK5.6 cents
- Cash generated from operations for the year increased by 144.6% year-on-year from HK$111.9 million to HK$273.7 million

FINAL RESULTS

The board of directors (the "Board") of Perfect Shape (PRC) Holdings Limited (the "Company") announces the results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2015, together with the comparative figures for the year ended 31 March 2014 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Note	**2015** *HK$'000*	2014 *HK$'000*
Revenue	3	**728,655**	470,236
Other income		**2,819**	7,882
Other (losses)/gains — net		**(1,101)**	7,186
Cost of inventories and consumables		**(15,056)**	(10,570)
Employee benefit and manpower services expenses	4	**(228,210)**	(130,838)
Marketing expenses		**(73,810)**	(82,496)
Depreciation		**(45,781)**	(28,134)
Operating lease rentals		**(80,887)**	(56,046)
Other operating expenses		**(116,683)**	(70,597)
Operating profit		**169,946**	106,623
Finance income		**6,797**	3,172
Profit before income tax		**176,743**	109,795
Income tax expense	5	**(41,831)**	(26,771)
Profit for the year attributable to equity holders of the Company		**134,912**	83,024
Other comprehensive (loss)/income:			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences		**(1,844)**	407
Total other comprehensive (loss)/income for the year		**(1,844)**	407
Total comprehensive income for the year attributable to equity holders of the Company		**133,068**	83,431
Earnings per share attributable to equity holders of the Company for the year	6		
— basic		**HK12.1 cents**	HK8.3 cents
— diluted		**HK12.1 cents**	HK8.3 cents

CONSOLIDATED BALANCE SHEET
As at 31 March 2015

	Note	2015 HK$'000	2014 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**198,532**	62,620
Deposits and prepayments		**23,692**	19,685
Deferred income tax assets		**7,056**	6,900
		229,280	89,205
Current assets			
Inventories		**1,718**	3,044
Trade receivables	8	**61,056**	35,986
Other receivables, deposits and prepayments		**47,978**	43,838
Term deposits with initial terms of over three months		**202**	22,826
Pledged bank deposits		**12,270**	12,178
Cash and cash equivalents		**387,253**	178,902
		510,477	296,774
Total assets		**739,757**	385,979
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		**112,697**	100,000
Share premium		**308,185**	91,748
Other reserves		**7,687**	7,910
Retained earnings		**64,098**	38,694
Total equity		**492,667**	238,352

	Note	2015 HK$'000	2014 HK$'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**13,398**	8,586
Provision for reinstatement costs		**2,522**	1,081
		15,920	9,667
Current liabilities			
Provision for reinstatement costs		**2,582**	486
Trade payables	9	**1,282**	1,379
Accruals and other payables		**57,608**	41,093
Deferred revenue		**149,378**	78,876
Tax payables		**20,320**	16,126
		231,170	137,960
Total liabilities		**247,090**	147,627
Total equity and liabilities		**739,757**	385,979
Net current assets		**279,307**	158,814
Total assets less current liabilities		**508,587**	248,019

1 GENERAL INFORMATION

Perfect Shape (PRC) Holdings Limited (the 'Company") and its subsidiaries (together, the "Group") are principally engaged in the provision of slimming and beauty services and the sales of slimming and beauty products in Hong Kong ("HK"), the People's Republic of China (the "PRC") and Macau.

The Company was incorporated in the Cayman Islands on 11 March 2011 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 10 February 2012.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss which are carried at fair value.

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

(a) Amendments to existing standards and interpretation adopted by the Group

HKAS 32 (Amendment)	Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendment)	Impairment of Assets
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement — Novation of Derivatives
HKFRS 10, HKFRS 12 and HKAS 27 (Amendment)	Investment Entities
HK(IFRIC) — Int 21	Levies

The adoption of the above amendments and interpretation has no significant impact to the Group's financial position and operating results.

(b) New standards and amendments to standards that have been issued but are not effective

		Effective for accounting periods beginning on or after
Annual Improvements Project	Annual Improvements 2010–2012 Cycle	1 July 2014
Annual Improvements Project	Annual Improvements 2011–2013 Cycle	1 July 2014
Annual Improvements Project	Annual Improvements 2012–2014 Cycle	1 January 2016
HKAS 1 (Amendment)	Disclosure Initiative	1 January 2016
HKAS 16 and HKAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
HKAS 16 and HKAS 41 (Amendment)	Agriculture: Bearer Plants	1 January 2016
HKAS 19 (2011) Amendment	Defined Benefit Plans: Employee Contributions	1 July 2014
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements	1 January 2016
HKFRS 9	Financial Instruments	1 January 2018
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment Entities: Apply the Consolidation Exception	1 January 2016
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
HKFRS 14	Regulatory Deferral Accounts	1 January 2016
HKFRS 15	Revenue from Contracts with Customers	1 January 2017

The directors are in the process of assessing the financial impact of the adoption of the above new standards and amendments to standards and are not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

In addition, the disclosure requirements of the new Hong Kong Companies Ordinance (Cap. 622) will become effective for the Company's financial year ending 31 March 2016. The Group is in the process of making an assessment of expected impact of the changes. So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

3 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. As the Group is principally engaged in the provision of beauty and slimming services and the sales of beauty and slimming products, which are subject to similar business risk, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole rather than any specific unit, the Group's chief operating decision maker considers that the performance assessment of the Group should be based on the profit before income tax of the Group as a whole. Therefore, management considers there to be only one operating segment under the requirements of HKFRS 8.

The Group primarily operates in Hong Kong, the PRC and Macau, and its revenue was derived from the following regions:

	2015	2014
	HK$'000	*HK$'000*
Hong Kong	**427,759**	182,292
The PRC	**285,099**	282,167
Macau	**15,797**	5,777
	728,655	470,236

The consolidated profit before income tax of the Group, prior to certain intra-group recharges, was attributable to the profits of the following regions:

	2015	2014
	HK$'000	*HK$'000*
Hong Kong	**80,682**	28,484
The PRC	**85,061**	78,205
Macau	**11,000**	3,106
	176,743	109,795

The Group's total non-current assets other than deferred income tax assets were located in the following regions:

	2015	2014
	HK$'000	*HK$'000*
Hong Kong	**188,006**	49,965
The PRC	**31,602**	32,326
Macau	**2,616**	14
	222,224	82,305

4 EMPLOYEE BENEFIT AND MANPOWER SERVICES EXPENSES

	2015	2014
	HK$'000	*HK$'000*
Wages and salaries	**192,674**	91,475
Pension costs — defined contribution plans *(note a)*	**11,661**	3,549
Other staff welfares	**7,075**	4,183
Total employee benefit expenses (including directors' remunerations)	**211,410**	99,207
Manpower service costs *(note b)*	**16,800**	31,631
	228,210	130,838

Notes:

(a) Hong Kong

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), which is a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Hong Kong subsidiaries of the Group and its Hong Kong employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The respective monthly contributions made by the Group and the employee are subject to a cap of HK$1,250 prior to 1 June 2014 and HK$1,500 thereafter, with contributions beyond these amounts being voluntary.

The PRC

As stipulated under the relevant rules and regulations in the PRC, the subsidiaries operating in the PRC contribute to state-sponsored retirement plans for its employees. Depending on the provinces of their registered residences and their current regions of work, the employees contribute approximately 0% to 12% (2014: 0% to 12%) of their basic salaries, while the subsidiaries contribute approximately 11% to 35% (2014: 11% to 35%) of the basic salaries of its employees and have no further obligations for the actual payment of pensions or post-retirement benefits beyond the contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to the retired employees.

(b) During the years ended 31 March 2015 and 2014, the Group entered into certain manpower service arrangements with several external manpower service organisations in the PRC. Under these arrangements, certain of the Group's manpower requirements were fulfilled by these organisations at agreed service fees whereas the human resources provided were directly employed by the relevant service organisations. The individuals providing services to the Group do not have any employment relationship with the Group.

(c) The Company has a share option scheme, under which it may grant options to directors (including executive, non-executive or independent non-executive directors), any employee (full-time or part-time), any consultant or adviser of or to the Company or the Group (on an employment or contractual or honorary basis and paid or unpaid) to subscribe for the shares of the Company, subject to a maximum of 10% of number of shares in issue as at the listing date or such maximum number as approved by the shareholders. The exercise price shall be at least the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the options, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five consecutive business days immediately preceding the date of grant of the options; and (iii) the nominal value of the shares.

No share options were granted or exercised during the year ended 31 March 2015 (2014: Nil) and no share options were outstanding as at 31 March 2015 (2014: Nil).

5 INCOME TAX EXPENSE

The Group is not subject to taxation in the Cayman Islands and the British Virgin Islands. Hong Kong profits tax has been provided for at the rate of 16.5% (2014: 16.5%) for the year on the estimated assessable profits arising in or derived from Hong Kong. Companies established and operating in the PRC are subject to PRC corporate income tax at the rate of 25% (2014: 25%). Companies established and operating in Macau are subject to Macau complementary tax, the tax allowance of profits tax is MOP600,000, and thereafter at a fixed rate at 12% for the year ended 31 March 2015 (2014: 9% on taxable income above MOP200,000 but below MOP300,000, and thereafter at a fixed rate at 12%).

	2015	2014
	HK$'000	*HK$'000*
Current income taxation		
— Hong Kong profits tax	**11,165**	2,973
— PRC corporate income tax	**21,168**	16,349
— Macau income tax	**1,320**	408
	33,653	19,730
(Over)/under-provision in prior years		
— Hong Kong profits tax	**(538)**	568
Total current income taxation	**33,115**	20,298
Deferred taxation	**8,716**	6,473
	41,831	26,771

6 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2015	2014
	HK$'000	*HK$'000*
Profit attributable to equity holders of the Company	**134,912**	83,024
Weighted average number of ordinary shares for the purposes of basic earnings per share *(thousands of share)*	**1,117,835**	1,000,000
Basic earnings per share *(HK cents per share)*	**12.1**	8.3

Diluted

Diluted earnings per share is of the same amount as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the year.

7 DIVIDENDS

	2015	2014
	HK$'000	*HK$'000*
Interim, paid, of HK5.8 cents (2014: HK4.3 cents) per ordinary share (notes i and ii)	**65,521**	43,000
Final, proposed, of HK5.6 cents (2014: HK3.8 cents) per ordinary share (notes iii and iv)	**63,086**	42,969
	128,607	85,969

Notes:

(i) At a board meeting held on 28 November 2013, the directors declared an interim dividend for the year ended 31 March 2014 of HK4.3 cents per ordinary share, totalling HK$43,000,000, which was paid on 13 January 2014 and was reflected as an appropriation of retained earnings for the year ended 31 March 2014.

(ii) At a board meeting held on 18 November 2014, the directors declared an interim dividend for the year ended 31 March 2015 of HK5.8 cents per ordinary share, totalling HK$65,521,000, which was paid on 2 January 2015 and was reflected as an appropriation of retained earnings for the year ended 31 March 2015.

(iii) At a board meeting held on 30 June 2014, the directors recommended the payment of a final dividend of HK3.8 cents per ordinary share, totalling HK$42,969,000, for the year ended 31 March 2014. The amount was paid on 18 September 2014 and was reflected as an appropriation of retained earnings for the year ended 31 March 2015.

(iv) At a board meeting held on 29 June 2015, the directors recommended the payment of a final dividend of HK5.6 cents per ordinary share, totalling HK$63,086,000. The dividend was not reflected as dividend payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 March 2016 after receiving the shareholders' approval at the forthcoming annual general meeting.

8 TRADE RECEIVABLES

The credit terms of the Group's trade receivables generally range from 3 days to 180 days. The ageing analysis of trade receivables by the dates on which the relevant invoices are issued is as follows:

	2015	2014
	HK$'000	*HK$'000*
Less than 60 days	**57,369**	31,899
60 days to 90 days	**3,416**	1,350
91 days to 120 days	**271**	800
Over 120 days	**—**	1,937
	61,056	35,986

At 31 March 2015, trade receivables of approximately HK$5,173,000 (2014: HK$2,456,000) were past due but not considered to be impaired because they were mainly related to a number of financial institutions of high individual credit ratings with no recent history of default. The ageing analysis of these trade receivables by the days of overdue repayment is as follows:

	2015	2014
	HK$'000	*HK$'000*
Less than 60 days	**4,429**	2,416
60 days to 120 days	**744**	24
Over 120 days	**—**	16
	5,173	2,456

The credit quality of trade receivables neither past due nor impaired has been assessed by reference to historical information about the counterparty default rates. The existing counterparties do not have significant defaults in the past.

As at 31 March 2015 and 2014, no collateral was received from these counterparties.

As at 31 March 2015 and 2014 and during the years then ended, no trade receivables were impaired.

9 TRADE PAYABLES

Payment terms with majority of the suppliers are on open account. Certain suppliers grant credit period ranging from 30 to 180 days (2014: 30 to 180 days).

At 31 March 2015, the ageing analysis of trade payables based on invoice date is as follows:

	2015	2014
	HK$'000	*HK$'000*
Less than 60 days	**531**	207
60 days to 120 days	**113**	12
Over 120 days	**638**	1,160
	1,282	1,379

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

For the year ended 31 March 2015, the Group recorded revenue growth of 55.0% to approximately HK$729 million. Profit before income tax increased by 60.9% year-on-year from HK$110 million to HK$177 million. Operating profit margin and net profit margin remained at remarkable level of around 23.3% and 18.5% respectively. Profit attributable to shareholders of the Group increased by 62.5% to HK$135 million year-on-year. The significant increase in both revenue and profit was mainly due to the increased average spending per customer and expansion of service centres network which broadened the Group's customer base.

Hong Kong and Macau Business

During the year under review, revenue contributed from the Hong Kong and Macau markets recorded a promising growth of 136.2% to HK$444 million from HK$188 million in FY2014. As the Group continues to grow, it has been closely examining the market trends. Apart from the traditional slimming services which the Group has offered since inception, it began to tap the high technology beauty segment in Hong Kong shortly after listing in 2012 and this business has started to bear fruits during the year under review. Such stellar performance can be attributed the Group's strong capability of answering customers' needs on a physical and psychological level, while also allowing the Group to benefit from higher efficiency and economies of scale.

With such focused positioning, the high technology beauty service business has soon become a significant growth driver and made promising contribution to the Group. We believe there are more potentials to be unleashed from the market. Led by our Chairman who is a registered medical practitioner in Hong Kong, our management team will continue to bring state-of-the-art high technology beauty treatments to meet the huge demand.

Drawing from the success of our Hong Kong operation, we have transplanted the Hong Kong business model to Macau, resulting in similarly encouraging performance. Compared with last financial year, we recognised a significant growth of cash receipt of 374.7% in Macau.

The PRC Business

The Group has a strong network in the PRC. During the year under review, revenue contributed from the PRC market was HK$285 million (FY2014: HK$282 million), contributing 39.1% of the Group's total revenue. With the government self-imposed macroeconomic discipline that led to softness in both domestic and external economies, the Group faced challenges in the PRC's retail market. Heedless of this unfavourable environment, the Group has successfully leveraged on its leading market position and board-based clientele. As with previous marketing policy, the Group delegated more resources to further enhance brand awareness with an aim to attract a broader base of clients. The Group launched a client-referral program and this program strategically aims to capture more new customers to expand our member base. With all these efforts, we succeeded in attracting a significant number of new members. During the year under review, the number of the PRC new members increased by 23% to 117,000 members when compared with the same period of last year.

Leveraging our management's strong medical background and the Group's advanced technology, we are committed to leading the trend of high technology beauty treatments and instill our high standard of high technology beauty services into our impressive clientele base. The Group intends to integrate high technology beauty services into the existing slimming centres in the forth-coming financial year and these comprehensive service centres will add impressive dynamic to our business. With the expansion of high technology beauty service centres, the Group will be able to extend our customer base and brand loyalty even further.

In view of consumers' ongoing migration towards premium brands for beauty services, the Group is set to replicate its successful business model of high technology beauty services in Hong Kong to the PRC market, offering one-stop services including both slimming and high technology beauty treatments.

Prospects

Moving forward, the management remains optimistic about the Group's prospects in the principal markets of Hong Kong and the PRC, despite modest economic growth anticipated on both sides of the border.

We have captured meaningful trends of high technology beauty services. With the medical background of our top management, selected non-invasive result-driven high-technology beauty treatments have been introduced. During the year under review, the Group dedicated more resources in providing high technology beauty services. The increasing focus on high technology beauty services has not only brought us significant enhancement on profitability but also sustained our growth as well as safeguarded the goodwill of "Perfect Shape".

In Hong Kong, the Group will continue with its goal of not only satisfying each customer's needs, but exceeding their expectations. In order to establish an amiable interdependence with our customers, the Group addresses customers' genuine needs with sincerity and offers safe, quality and considerate services to customers. A graceful and comfortable service environment can give assurance that customers enjoy the most fabulous experience in our service centres.

While the Group's development in Hong Kong remains promising, its business prospects in the PRC shows even greater potential. With an increasingly large number of people who are obese, and generally more and more individuals who are overweight, the need for slimming services will continue to rise. And given that there is a growing middle class, particularly women who care about their appearance, the demand for high technology beauty and slimming services will grow further. In view of such trends, the Group will continue to replicate the success of its Hong Kong high technology beauty service business model to the PRC market, and thereby provide one-stop services to local customers. This will allow the Group to further expand its customer base, enhance spending per customer and move it one step closer towards its goal of becoming the largest premium slimming and high technology beauty services provider in Mainland China.

Part of the Group's development road map will involve further expansion of its store and business network in the Greater China in the coming year. In addition, we will invest still more in our workforce, including enhancing the service quality delivered by our frontline staff through ongoing training and information sharing. In this way, staff members will gain a greater appreciation for their occupation, and the pride that they have in their work will be reflected in better service for our customers. The promotion of harmony and satisfaction among our staff and customers is part of the "triple win" ethos that we have been promoting, the third element of which being our investors who are the ultimate winners in that they are able to reap the benefits, which include high dividend payout policy that the Company observes.

Liquidity, Financial Resources and Capital Structure

The total equity of the Group as at 31 March 2015 was HK$493 million (FY2014: HK$238 million). The Group generally finances its operation with internally generated cash flows. The Group had bank and cash balance of approximately HK$400 million as at 31 March 2015 (FY2014: HK$214 million), with no external bank borrowing. The Group's gearing ratio as at 31 March 2015 was nil (FY2014: nil), based on the short-term and long-term interest bearing bank borrowings and the equity attributable to equity holders of the Company. As at 31 March 2015, the Group had net current assets of approximately HK$279 million (FY2014: HK$159 million).

Cash generated from operations in FY2015 was approximately HK$274 million (FY2014: HK$112 million). With the healthy bank and cash balances on hand, the Group's liquidity position remains strong and it has sufficient financial resources to fund its future plans but at the same time to meet its working capital requirement.

Foreign Exchange Exposure

Since the Group's assets and liabilities, revenue and payments are mainly denominated in Hong Kong Dollars and Renminbi, the Group considers that there is no significant exposure to foreign exchange fluctuations.

Employees and Remuneration Policies

The Group adheres to a strong belief that one of the most valuable assets of a corporation is its employees. The Group values its human resources and recognises the importance of attracting and retaining qualified staff for its continuing success.

The Group employed a total work force of 1,099 employees as at 31 March 2015 (FY2014: 691 employees). The Group's remuneration policies are in line with the prevailing market practices and are determined on the basis of performance and experience of the individual. The Group has been constantly reviewing staff remuneration package to ensure it is competitive with relevant industries.

Capital commitments

As at 31 March 2015, the Group had the following capital commitments.

	2015	2014
	HK$'000	*HK$'000*
Capital expenditure contracted for but not yet incurred in respect of acquisition of property, plant and equipment	**6,254**	8,967

Contingent liabilities

As at 31 March 2015, the Group did not have any significant contingent liabilities.

Events after the Balance Sheet Date

On 27 April 2015, the Company granted to certain directors of the Group a total of 8,700,000 share options to subscribe for 8,700,000 new ordinary shares of HK$0.1 each at exercise price of HK$1.72 per share with the exercise period from 27 April 2018 to 26 April 2025. Details are set out in the Company's announcement dated 27 April 2015.

DIVIDEND

The Board recommended a payment of a final dividend equivalent to HK5.6 cents per share of the Company (the "Share") for the year ended 31 March 2015 to the shareholders of the Company (the "Shareholders") whose names appear on the Register of Shareholders on Tuesday, 25 August 2015, together with interim dividend of HK5.8 cents per share paid, the total dividend for the year ended 31 March 2015 amounted to HK11.4 cents per share.

The proposed final dividend is subject to approval by the Shareholders at the forthcoming annual general meeting of the Company and will be paid on or around Tuesday, 15 September 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 12 August 2015 to Friday, 14 August 2015 (both dates inclusive) during which period no transfer of Shares will be registered. In order to attend and vote at the annual general meeting of the Company, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 11 August 2015.

The register of members of the Company will be closed from Friday, 21 August 2015 to Tuesday, 25 August 2015 (both dates inclusive), during which period no transfer of Shares will be registered. In order to qualify for the final dividend, all transfers of Shares, accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrars in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 20 August 2015.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On 28 April 2014 and 10 June 2014, 75,000,000 new shares and 58,000,000 new shares have been successfully placed to Fidelity Investment Trust: Fidelity China Region Fund and Value Partners Hong Kong Limited respectively.

In addition, the Company repurchased a total of 6,460,000 ordinary shares of HK$0.1 each of the Company on the Stock Exchange during the year ended 31 March 2015. 6,028,000 shares were cancelled during the year and the remaining 432,000 repurchased shares were pending for cancellation by the Company until 13 April 2015. The number of issued shares of the Company as of 31 March 2015 including the uncancelled repurchased shares was 1,126,972,000. Particulars of the shares repurchased are as follows:

Month of repurchase	**Number of ordinary shares repurchased**	**Purchase price paid per share**		**Aggregate consideration paid***
		Highest	*Lowest*	
		HK$	*HK$*	*HK$*
July 2014	2,236,000	1.90	1.78	4,111,280
August 2014	348,000	1.75	1.72	606,800
September 2014	416,000	1.74	1.64	689,960
October 2014	348,000	1.60	1.51	545,680
February 2015	1,600,000	1.74	1.73	2,783,000
March 2015	1,512,000	1.67	1.59	2,464,200

* *Excluding brokerage and cancellation fees*

Save as disclosed above, during the year ended 31 March 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2015, the Company has complied with the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") except the issue mentioned in the following paragraph.

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. During the year ended 31 March 2015, Dr. Au-Yeung Kong is both the chairman of the Board (the "Chairman") and the chief executive officer of the Company (the "CEO"); therefore, the Group does not at present separate the roles of the Chairman and the CEO.

The Board considered that Dr. Au-Yeung Kong has in-depth knowledge and experience in the slimming and beauty industry and is the appropriate person to manage the Group, therefore, the roles of Chairman and CEO performed by the same individual, Dr. Au-Yeung Kong, is beneficial to the business prospects and management of the Group. Notwithstanding the above, the Board will review the current structure from time to time. If any candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may consider to make necessary arrangements.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code for securities transactions by directors of the Company as set out in Appendix 10 to the Listing Rules (the "Model Code"). Specific enquiry has been made to each of the directors of the Company and all directors of the Company have confirmed that they have complied with the Model Code during the year ended 31 March 2015.

On 19 November 2014, Dr. Au-Yeung Kong, an executive director of the Company, purchased 1,000,000 Shares on the Stock Exchange. Save as disclosed above, no directors of the Company have dealt in the Shares during the year ended 31 March 2015.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 5 December 2011 with written terms of reference which was revised on 20 March 2012 in compliance with the CG Code and is available on the websites of the Stock Exchange and the Company. The primary duties of the Audit Committee are to review the financial information of the Group, oversee the financial reporting process and internal control procedures of the Group, and oversee the relationship with the Company's external auditor.

The Audit Committee comprises three independent non-executive directors of the Company, namely, Ms. Hsu Wai Man, Helen, Ms. Pang Siu Yin and Mr. Chi Chi Hung, Kenneth. Ms. Hsu Wai Man, Helen is the chairman of the Audit Committee.

The Audit Committee has reviewed the accounting standards and practices adopted by the Group and discussed with the management about the internal control and financial reporting matters, including reviewing the financial statements and annual results for the year ended 31 March 2015.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 March 2015 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the Company's website (http://www.perfectshape.com.hk) and the Stock Exchange's website (http://www.hkex.com.hk). The 2015 Annual Report containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the same websites in due course.

By order of the Board
Perfect Shape (PRC) Holdings Limited
Dr. Au-Yeung Kong
Chairman

Hong Kong, 29 June 2015

As at the date of this announcement, the Board comprises Dr. Au-Yeung Kong, Ms. Au-Yeung Wai, and Ms. Au-Yeung Hung as executive directors of the Company and Ms. Hsu Wai Man, Helen, Ms. Pang Siu Yin and Mr. Chi Chi Hung, Kenneth as independent non-executive directors of the Company.