MI MING MART HOLDINGS LIMITED
彌明生活百貨控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 8473

2024/25
ANNUAL REPORT

INSISTENCE

No Animal Testing

Commitment To
Human Safety

No Harmful
Chemical Ingredients

Natural And Organic

Quality Assurance

Premium Source
Of Ingredients

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This annual report, for which the directors (the "**Directors**") of Mi Ming Mart Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this annual report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this annual report misleading.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. Yuen Mi Ming Erica
(Chairlady and Chief Executive Officer)
Ms. Yuen Mimi Mi Wahng

Non-executive Directors

Mr. Cheung Siu Hon Ronald
Mr. Lam Yue Yeung Anthony

Independent Non-executive Directors

Ms. Tsang Wing Yee
Ms. Wong Yuen Kwan
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*

BOARD COMMITTEES

Audit Committee

Ms. Tsang Wing Yee *(Chairlady)*
Ms. Wong Yuen Kwan
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*

Remuneration Committee

Ms. Wong Yuen Kwan *(Chairlady)*
Ms. Yuen Mi Ming Erica
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*

Nomination Committee

Ms. Yuen Mi Ming Erica *(Chairlady)*
Ms. Wong Yuen Kwan
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*

COMPLIANCE OFFICER

Ms. Yuen Mimi Mi Wahng

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

16th Floor, Guangdong Tours Centre
18 Pennington Street
Hong Kong

COMPANY SECRETARY

Mr. Mak Yau Kwan

AUTHORISED REPRESENTATIVES

Ms. Yuen Mi Ming Erica
Ms. Yuen Mimi Mi Wahng

LEGAL ADVISER

TC & Co.
Units 501-2, 5th Floor
Tai Tung Building, 8 Fleming Road
Wanchai
Hong Kong

AUDITOR

Grant Thornton Hong Kong Limited
Registered Public Interest Entity Auditors
11th Floor, Lee Garden Two
28 Yun Ping Road, Causeway Bay
Hong Kong

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKS

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Hang Seng Bank
83 Des Voeux Road Central
Hong Kong

Nomura Singapore Limited
10 Marina Boulevard
Marina Bay Financial Centre Tower 2
Singapore 018983

COMPANY WEBSITE ADDRESS

www.mimingmart.com

STOCK CODE

8473

CHAIRLADY'S STATEMENT

To all shareholders,

On behalf of the Board of Directors (the "Board") of Mi Ming Mart Holdings Limited (the "Company", together with its subsidiaries, the "Group"), I am delighted to present to shareholders of the Company (the "Shareholders") the annual results of our Group for the year ended 31 March 2025.

Our Group is a multi-brand retailer, which operates nine retail stores under the brand of "MI MING MART" ("彌明生活百貨") in Hong Kong. Driven by our Group's philosophy "defining clean beauty" ("擇善美麗"), we endeavours to select and offer products that do not contain any ingredients that, in our view, would adversely affect or impair the health of our customers. We targets to serve and offer our products to customers who are ingredient conscious and aspire to the betterment of their health.

REVIEW

In light of relatively high interest rates and the strong Hong Kong dollar against major foreign currencies, Hong Kong's economy continued to face various challenges throughout the fiscal year 2025. The difficult economic environment, coupled with the high cost of living, led to significant shifts in consumption and travel behaviors among Hong Kong residents, which particularly impacted the retail sector. For the year ended 31 March 2025, our Group recorded declines in revenue and gross profit of 20.2% and 21.7%, respectively when compared to those of the previous year.

Despite these challenging market conditions, our Group remains committed to upholding our core philosophy. To address the difficulties ahead, we have adjusted our sales strategies and product portfolio with the goal of increasing customer repurchase rates and foot traffic.

Additionally, we have restructured our sales channels and business operations to optimise resource utilisation. As a result of these initiatives, our Group has successfully reduced the selling and distribution expenses, as well as the administrative and operating expenses, for the year ended 31 March 2025. Nevertheless, our profit attributable to the owners of the Company for the year amounted to approximately HK$5.1 million, representing a significant decline of approximately 66.0% when compared to that of the previous year.

Despite the decrease in profit, to acknowledge and reward the continued support of our Shareholders, the Board has recommended a final dividend of HK0.8 cent per share. This recommendation takes into account (i) the operating profit for the year ended 31 March 2025; (ii) the Group's surplus; and (iii) the capital requirements for our Group's future operation.

CHAIRLADY'S STATEMENT

PROSPECTS

We anticipate the Hong Kong's economic outlook for the next fiscal year will remain uncertain and challenging, primarily due to unpredictable trade protection measures and fluctuating monetary and interest rate policies of the major global economies. These external factors create a complex environment that may impact market stability, consumer confidence, and overall business conditions. In light of this, our Group remains committed to proactively navigating these uncertainties by continuously monitoring the evolving market trends and customer behavior.

To effectively respond to these challenges, we will strengthen collaboration and communication across all our business units, fostering a more integrated and cohesive approach to decision-making and operational execution. Additionally, we plan to strategically expand our product portfolio to better meet changing customer demands. Simultaneously, we will seek opportunities to expand our e-commerce business by leveraging both our own online store and third-party e-commerce platforms, aiming to reach a broader customer audience and enhance convenience.

Through these concerted efforts, our Group aims to maintain and further enhance our competitiveness in the market by improving our agility and responsiveness. This approach will enable us to adapt swiftly to changing market conditions, seize emerging opportunities, and mitigate potential risks, thereby supporting sustainable growth and long-term success.

APPRECIATION

On behalf of the Board, I would also like to take this opportunity to express my sincere gratitude to our Shareholders, customers and business partners for their continuous support, and to our management and staff for their relentless efforts and input. I will continue to work with my colleagues on the Board and the management team of our Group in seizing opportunities and making innovative moves in the fast-changing retail market, with the aim of delivering long-lasting and satisfactory returns to our Shareholders.

Yuen Mi Ming Erica
Chairlady, Executive Director and Chief Executive Officer
Hong Kong

26 June 2025

FINANCIAL HIGHLIGHTS

For the year ended 31 March 2025, the audited operating results of the Group were as follows:

- the Group's revenue decreased by approximately HK$30.1 million or approximately 20.2% from approximately HK$148.8 million for the year ended 31 March 2024 to approximately HK$118.7 million for the year ended 31 March 2025.

- the Group recorded a gross profit of approximately HK$73.0 million for the year ended 31 March 2025 (2024: HK$93.3 million), representing a decrease of approximately 21.7% as compared to that for the previous year.

- profit attributable to the owners of the Company for the year ended 31 March 2025 amounted to approximately HK$5.1 million (2024: HK$14.9 million), representing a decrease of approximately 66.0% as compared to that for the previous year. Excluding the charity donation made during the year ended 31 March 2025, the Group's profit attributable to owners of the Group for the year ended 31 March 2025 amounted to approximately HK$5.2 million (2024: approximately HK$15.1 million). Despite the decrease in profit, the Board has recommended a final dividend of HK0.8 cent per share after considering (i) the operating profit for the year ended 31 March 2025; (ii) the surplus of the Group; and (iii) the capital required for the Group's future operations.

- The Board has recommended a final dividend of HK0.8 cent per ordinary share for the year ended 31 March 2025 (2024: HK0.8 cent per ordinary share), in an aggregate amount of approximately HK$9.0 million (2024: approximately HK$9.0 million), to shareholders of the Company (the "Shareholders") whose names appeared on the register of members of the Company on Friday, 29 August 2025 and the payment of the final dividend is subject to approval by the Shareholders in the forthcoming annual general meeting.

  During the year ended 31 March 2025, the Board has paid an interim dividend for the six months ended 30 September 2024 of HK0.4 cents per share, in an aggregate amount of approximately HK$4.5 million, on Friday, 10 January 2025 to the Shareholders whose names appear in the register of members of the Company at the close of business on Friday, 20 December 2024 (2024: an interim dividend of HK0.8 cents per share, in an aggregate amount of approximately HK$9 million, have been paid). Furthermore, the Board has declared a special dividend of HK2.6 cents per share, in an aggregate amount of approximately HK$29.1 million, on Friday, 28 March 2025. This special dividend was paid on Friday, 9 May 2025 to the Shareholders whose names appear in the register of members of the Company at the close of business on Thursday, 17 April 2025 (2024: no special dividend was declared or paid).

  On 20 June 2025, the Board proposed a special dividend of HK2.3 cents per share, in an aggregate amount of approximately HK$25.8 million, to the Shareholders whose names appear in the register of members of the Company on a record to be determined and is subject to approval by the independent Shareholders of the Company in the extraordinary general meeting and the completion of the transaction of the disposal of the Japan and US properties.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a multi-brand retailer, which operates nine retail stores under the brand of "MI MING MART" ("彌明生活百貨") (the "Brand") in Hong Kong. The Group offers a wide range of beauty and health products, which can mainly be categorised into (i) skincare products; (ii) cosmetics products; and (iii) food and health supplements.

Driven by the Brand's philosophy "defining clean beauty" ("擇善美麗"), the Group endeavours to select and offer products that do not contain any ingredients that, in its view, would adversely affect or impair the health of its customers. The Group targets to serve and offer its products to customers who are ingredient conscious and aspire to the betterment of their health.

The Group mainly sells products at its retail stores, with a portion through its online shop at www.mimingmart.com and other e-commerce platforms operated by independent third parties, consignees and distributors. The Group also acts as the consignee for some suppliers on a consignment basis whereby the Group is entitled to consignment commissions based on the amount of sales of the consignors' products and the predetermined percentage as agreed between the consignors and the Group.

The Directors believe that the Group's success is attributable to the brand image of the Brand, which emphasises its offer of quality beauty and health products selected by its senior management team, reinforcing its customers' confidence in the Group's products and building up its customers' loyalty to the Group's Brand. The Group believes its marketing strategy, established network of retail stores and the quality products offered by the Group will continue to strengthen its brand image and customer base.

The Group aims to expand its product portfolio and e-commerce business to maintain its competitiveness in the small and medium segment of the skincare and cosmetics multi-brand specialty retailers market in Hong Kong. Leveraging the Group's extensive knowledge in both the skincare and cosmetics market and the health supplements market in Hong Kong, the Directors believe the Group is well-positioned to remain resilient in the challenging business environment.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately HK$30.1 million to approximately HK$118.7 million for the year ended 31 March 2025 from approximately HK$148.8 million for the previous year, representing a decrease of approximately 20.2%. The Directors believe that the decrease in revenue was primarily due to the decrease in the Group's retail sales in general mainly as a result of the decrease in sales of the Group's skincare products and food and health supplements.

For the year ended 31 March 2025, the revenue generated from the sale of our products accounted for approximately 99.7% of our total revenue, whilst the provision of beauty services and consignment commission income accounted for approximately 0.2% and 0.1% of our total revenue, respectively.

Cost of sales

The Group's cost of sales primarily consists of cost of inventories sold, cost of service, commission expenses, and incoming shipping, freight and delivery charges. The cost of sales decreased by approximately HK$9.9 million to approximately HK$45.7 million for the year ended 31 March 2025 from approximately HK$55.6 million for the previous year, representing a decrease of approximately 17.7%. Despite a decrease in sales for the year ended 31 March 2025, the decrease in the cost of sales during the year was relatively moderate primarily due to a decrease in the proportion of sales of certain exclusive brand products which had a relatively lower cost in general as compared to other products.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately HK$20.3 million to approximately HK$73.0 million for the year ended 31 March 2025 from approximately HK$93.3 million for the previous year, representing a decrease of approximately 21.7%, whilst the Group's gross profit margin decreased from approximately 62.7% for the year ended 31 March 2024 to approximately 61.5% for the year ended 31 March 2025. The decrease in the gross profit margin was mainly attributable to a relatively moderate decrease in the cost of sales as compared to the decline in sales due to the factors mentioned above.

Other income, gains and losses

The Group's other income, gains and losses decreased by approximately HK$1.7 million to approximately HK$1.6 million for the year ended 31 March 2025 from approximately HK$3.3 million for the previous year, representing a decrease of approximately 51.0%. The decrease in other income, gains, and losses was primarily due to (i) a gain on disposal of property, plant, and equipment of approximately HK$0.6 million recognised in the previous year whereas no such gain for the year ended 31 March 2025; (ii) a decline in interest income of approximately HK$0.4 million; and (iii) fair value losses on financial assets at fair value through profit or loss of approximately HK$0.3 million recorded for the year ended 31 March 2025, compared to a fair value gains of HK$0.1 million recognised in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and distribution expenses

The Group's selling and distribution expenses decreased by approximately HK$6.0 million to approximately HK$31.8 million for the year ended 31 March 2025 from approximately HK$37.8 million for the previous year, representing a decrease of approximately 15.9%. The decrease was primarily due to (i) a decrease in marketing expenses of approximately HK$2.0 million; (ii) a decrease in staff costs for sales staff of approximately HK$1.8 million; and (iii) a decrease in rental related expenses of retail stores of approximately HK$1.8 million.

Administrative and operating expenses

Administrative and operating expenses decreased by approximately HK$4.2 million to approximately HK$36.1 million for the year ended 31 March 2025 from approximately HK$40.3 million for the previous year, representing a decrease of approximately 10.2%. Such decrease was primarily due to (i) a decrease in staff costs for administrative staff of approximately HK$2.3 million; and (ii) a decrease in Directors' remuneration of approximately HK$0.8 million.

Finance costs

Finance costs primarily consists of interest expenses on the lease liabilities. The finance costs remained relatively stable at approximately HK$0.5 million for the year ended 31 March 2025 as compared to that of approximately HK$0.6 million for the previous year.

Income tax expense

For the years ended 31 March 2024 and 2025, the Group's income tax expense was approximately HK$2.9 million and HK$1.1 million respectively, representing an effective tax rate of approximately 16.3% and 18.2% respectively. The higher effective tax rate for the year ended 31 March 2025 was mainly due to the fair value loss of the financial assets at fair value through profit or loss and loss on written off of property, plant and equipment incurred during that year which were not deductible for taxation purpose.

Net profit for the year

As a result of the foregoing, the Group's net profit decreased by approximately HK$9.8 million or approximately 66.0% from approximately HK$14.9 million for the year ended 31 March 2024 to approximately HK$5.1 million for the year ended 31 March 2025, whilst the Group's net profit margin decreased from approximately 10.0% for the year ended 31 March 2024 to approximately 4.3% for the year ended 31 March 2025.

GEARING RATIO

As at 31 March 2025, the Group did not have any bank borrowings or other borrowings and therefore, gearing ratio is not applicable (31 March 2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND FINANCIAL RESOURCES AND TREASURY POLICY

	As at 31 March	
	2025	2024
Current ratio *(Note)*	**1.4**	3.8

Note: Current ratio is calculated by dividing current assets by current liabilities as at the end of respective years.

The Group's financial position remains healthy. As at 31 March 2025, the Group's bank balances and cash and time deposits with original maturity of more than three months amounted to HK$43.2 million (31 March 2024: HK$45.8 million). The significant decrease in current ratio was due to the fact that the Group has declared a significant special dividend which was payable as of 31 March 2025.

The Group's management closely monitors the Group's cash flow position to ensure that the Group has sufficient working capital available to meet its operational needs. The management takes into account the financial assets, trade receivables, trade payables, bank balances and cash, time deposits with original maturity of more than three months, accrued expenses, dividend payable, and other payables, administrative and capital expenditures of the Group when preparing the cash flow forecast to forecast the Group's future financial liquidity.

The Group generally financed its capital expenditure and operational requirements through a combination of cash generated from its operations.

FOREIGN EXCHANGE EXPOSURE

As at 31 March 2025, the Group is exposed to foreign exchange risk arising from various currencies, primarily with respect to bank deposits and financial assets denominated in the United States dollars, Australian dollars and Japanese Yen. For the bank deposits and financial assets denominated in the United States dollars and Australian dollars, the Directors consider that maintaining the said foreign currencies for payment of purchase for at least six months and keeping of at least two months' inventory, with reference to its historical purchases, will provide the Group with a sufficient buffer to minimise the Group's exposure to the fluctuation in those foreign currencies. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

SIGNIFICANT INVESTMENTS

During the year ended 31 March 2025, the Group has acquired several US Treasury bonds and a US Treasury note (collectively, the "US Treasury Medium to Long Term Wealth Management Products") at a cost of approximately USD0.9 million (equivalent to approximately HK$7.3 million) in order to maximise the utilisation of its surplus cash received from its business operations, with a view to achieving balanced yields whilst maintaining high liquidity and reasonable levels of risks. During the year ended 31 March 2025, approximately USD1.4 million (equivalent to approximately HK$10.9 million) US Treasury bills acquired during the year ended 31 March 2024 were matured and redeemed and approximately USD0.2 million (equivalent to approximately HK$1.6 million) of US Treasury Bonds were sold.

MANAGEMENT DISCUSSION AND ANALYSIS

The salient terms of the US Treasury Medium to Long Term Wealth Management Products as at 31 March 2025 are as below:

Date of subscription	Issuer	Type of return	Date of maturity	Face value	Subscription price	Fair value	% of total assets
7 December 2023 *(Note)*	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 100,000	USD 104,000	USD 102,000	0.5%
12 January 2024 *(Note)*	Government of the United States	Fixed and guaranteed return	15 November 2033	USD 100,000	USD 104,000	USD 102,000	0.5%
7 February 2024 *(Note)*	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 200,000	USD 209,000	USD 204,000	1.0%
8 March 2024 *(Note)*	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 200,000	USD 210,000	USD 204,000	1.0%
15 April 2024 *(Note)*	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 200,000	USD 201,000	USD 204,000	1.0%
20 May 2024	Government of the United States	Fixed and guaranteed return	15 November 2033	USD 100,000	USD 101,000	USD 102,000	0.5%
2 July 2024	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 100,000	USD 101,000	USD 102,000	0.5%
15 July 2024	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 100,000	USD 104,000	USD 102,000	0.5%
22 July 2024	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 100,000	USD 104,000	USD 102,000	0.5%
15 August 2024	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 200,000	USD 215,000	USD 204,000	1.0%
20 August 2024	Government of the United States	Fixed and guaranteed return	15 November 2043	USD 100,000	USD 107,000	USD 102,000	0.5%

Note: the principal terms have been provided in the announcement of the Company dated 15 April 2024.

The aggregated fair value of these US Treasury Medium to Long Term Wealth Management Products was approximately USD1.5 million (equivalent to approximately HK$11.9 million), which constituted 7.7% of the total assets of the Group as at 31 March 2025. For the year ended 31 March 2025, (i) the interest income associated with the US Treasury Medium to Long Term Wealth Management Products recorded; (ii) the net fair value loss of the US Treasury Medium to Long Term Wealth Management Products classified as debt investments at fair value through other comprehensive income ; and (iii) the loss on disposal of US Treasury Medium to Long Term Wealth Management Products reclassified to profit or loss amounted to approximately USD70,000 (equivalent to approximately HK$0.5 million), and approximately USD17,000 (equivalent to approximately HK$131,000) and approximately USD4,000 (equivalent to approximately HK$30,000), respectively.

Save as disclosed above, we did not hold any other significant investment as at 31 March 2025. As at 31 March 2024, the US Treasury Wealth Management Products held by the Group amounted to approximately USD2.2 million (equivalent to approximately HK$17.3 million).

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

The Shares of the Company (the "Shares") were successfully listed on the GEM of the Stock Exchange on 12 February 2018 ("Listing Date"). There has been no change in the capital structure of the Company since then. The equity of the Company only comprises of ordinary shares.

As at the date of this annual report, the issued share capital of the Company is HK$11.2 million and the number of issued ordinary shares was 1,120,000,000 of HK$0.01 each.

CAPITAL COMMITMENT

As at 31 March 2025, the Group did not have any significant capital commitments (2024: nil).

CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have any material contingent liabilities (2024: nil).

DIVIDEND

The Board has recommended a final dividend of HK0.8 cent per ordinary share for the year ended 31 March 2025 (2024: HK0.8 cent per ordinary share), in an aggregate amount of approximately HK$9.0 million (2024: HK$9.0 million), to Shareholders whose names appeared on the register of members of the Company on Friday, 29 August 2025 and the payment of the final dividend it is subject to the approval by the Shareholders in the forthcoming annual general meeting.

During the year ended 31 March 2025, the Board has paid on Friday, 10 January 2025 an interim dividend of HK0.4 cent per share, in an aggregate amount of approximately HK$4.5 million, to the Shareholders whose names appear in the register of members of the Company at the close of business on Friday, 20 December 2024 (2024: an interim dividend of HK0.8 cents per share, in an aggregate amount of approximately HK$9.0 million, have been paid). Furthermore, the Board has declared a special dividend of HK2.6 cents per share, in an aggregate amount of approximately HK$29.1 million, on Friday, 28 March 2025. This special dividend was paid on Friday, 9 May 2025 to the Shareholders whose names appear in the register of members of the Company at the close of business on Thursday, 17 April 2025 (2024: no special dividend was declared or paid).

On 20 June 2025, the Board proposed a special dividend of HK2.3 cents per share, in an aggregate amount of approximately HK$25.8 million, to the Shareholders whose names appear in the register of members of the Company on a record to be determined and is subject to approval by the independent Shareholders of the Company in the extraordinary general meeting and the completion of the transaction of the disposal of the Japan and US properties.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICIES

The Group recognises the importance of a good relationship with its employees. The Directors believe that the work environment and benefits offered to the employees have contributed to building good staff relations and retention. The Group is committed to employee development and has implemented various training programs to strengthen management and industry and product knowledge of the employees. The Directors believe such training programs will equip the employees with skills and knowledge to enhance the Group's services to its customers.

A Remuneration Committee has been set up since the Listing for reviewing the Group's emolument policy and structure of all the remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual duties and responsibilities, individual performance and comparable market practices.

The remuneration policy of the Group to reward its employees and executives is based on their performance, qualifications, competence displayed and market comparable. Employee remuneration packages are typically comprised of salary, sales commission, contribution to pension schemes and discretionary bonuses relating to the profit of the Group. The remuneration package of the Group's Executive Directors and the senior management is, in addition to the above factors, linked to the return to the Shareholders. The Remuneration Committee will review the remuneration of all the Group's Executive Directors and senior management annually to ensure that it is attractive enough to attract and retain a competent team of executive members.

As at 31 March 2025, the Group employed a total of 73 (2024: 73) full-time employees and 11 (2024: 15) part-time employees. The staff costs, including Directors' emoluments, of the Group for the year ended 31 March 2025 was approximately HK$34.3 million (2024: HK$39.2 million). The Company maintains a share option scheme for the purpose of providing incentives and rewards to the participants for their contributions to the Group. As at the date of this annual report, no option has been granted under the share option scheme.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 March 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 March 2025, the Group did not have a plan for material investments or capital assets.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Ms. Yuen Mi Ming Erica (袁彌明), aged 44, is an Executive Director, chairlady of the Board and the Chief Executive Officer of the Company. She is also the chairlady of the Nomination Committee and a member of the Remuneration Committee. She was appointed as a Director on 4 November 2016 and was then redesignated as an Executive Director and appointed as the chairlady and the Chief Executive Officer of the Company on 11 January 2017. Ms. Erica Yuen is also a director of Inwell International Limited, Rosy Horizon Global Limited, Universal Benefits Company Limited, Mi Ming Investment Limited, CI CI Investment Limited, Inwell US Limited and Perfect Horizon International Limited, and together with Ms. Mimi Yuen, established the business of the Group back in 2009. Ms. Erica Yuen is mainly responsible for corporate strategic planning, overall management and supervision of sales and marketing, and development of market recognition of the Group. Ms. Erica Yuen is the sister of Ms. Mimi Yuen, spouse of Mr. Lam Yue Yeung Anthony and sister-in-law of Mr. Cheung Siu Hon Ronald.

Ms. Erica Yuen has over 20 years of experience in the marketing and entertainment fields. Between August 2003 and May 2005, Ms. Erica Yuen worked as a business associate in PCCW Services Limited, which is a wholly-owned subsidiary of PCCW Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0008). Thereafter, she joined the entertainment industry in 2005. She casted in a number of movies and television programmes which include drama and variety shows. From 2007 to 2009, Ms. Erica Yuen had been a columnist for several newspapers in Hong Kong, namely “Apple Daily” and “Sudden Weekly”, with some columns for the review of beauty and health products in the market. She has gained more than 15 years of marketing experience in the skincare and cosmetics industry and health supplement industry since 2009 when the Group was established.

Ms. Erica Yuen obtained a Bachelor’s Degree of Arts (major in Economics) with Magna Cum Laude Honor from the Tufts University in the United States in May 2003.

Ms. Yuen Mimi Mi Wahng (袁彌望), aged 52, was appointed as a Director on 9 December 2016 and was then redesignated as an Executive Director on 11 January 2017. Since Ms. Mimi Yuen established the business of the Group together with Ms. Erica Yuen back in 2009, she has accumulated more than 15 years of experience in the skincare and cosmetics industry and health supplement industry. Ms. Mimi Yuen is also a director of Inwell International Limited, Universal Benefits Company Limited, Mi Ming Investment Limited, CI CI Investment Limited, Inwell US Limited and Perfect Horizon International Limited. She is responsible for the establishment and optimisation of the Group’s day-to-day operations, in particular, overseeing the operational processes, resources allocation and cross-departmental cooperation. Ms. Mimi Yuen also oversees the accounting and human resources departments. Ms. Mimi Yuen is the sister of Ms. Erica Yuen, spouse of Mr. Cheung Siu Hon Ronald and sister-in-law of Mr. Lam Yue Yeung Anthony.

Ms. Mimi Yuen obtained a dual Master’s Degree of Science and Business Administration from the Northeastern University in the United States in September 1997.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Non-executive Directors

Mr. Lam Yue Yeung Anthony (林雨陽), aged 48, was appointed as a Non-executive Director on 11 January 2017. He is responsible for providing strategic advice to our Group, developing and implementing marketing strategy. Mr. Lam is the spouse of Ms. Yuen Mi Ming Erica and brother-in-law of Ms. Yuen Mimi Mi Wahng and Mr. Cheung Siu Hon Ronald.

Mr. Lam has over 10 years of experience in the fields of media and communication. From 1998 to 2004, Mr. Lam had served two broadcasting companies in Hong Kong, where he was responsible for producing radio commercials and hosting radio programmes. Between 2012 and 2016, Mr. Lam was the chief executive officer of Hong Kong New Media Limited, a company which mainly operated an internet radio station, where he was mainly responsible for the overall strategic planning and supervising the business operation of the company. Since November 2000, Mr. Lam has been a shareholder and a director of Twoods (Hong Kong) Limited, a company incorporated in Hong Kong which provides curriculum development and enhancement to kindergarten and primary school students. Since June 2015, Mr. Lam has been the director of Garden by the Woods Limited, a company which is principally engaged in the business of online marketing and video production.

Mr. Lam obtained a Bachelor's Degree of Arts from the University of British Columbia in Canada in November 1998 and a Master's Degree of Business Administration from the University of Strathclyde in the United Kingdom in June 2004.

Mr. Cheung Siu Hon Ronald (張肇漢), aged 45, was appointed as a Non-executive Director on 11 January 2017. He is responsible for providing strategic advice to the operation of our retail stores. Mr. Cheung is the spouse of Ms. Yuen Mimi Mi Wahng and brother-in-law of Ms. Yuen Mi Ming Erica and Mr. Lam Yue Yeung Anthony.

Between September 2008 and March 2010, Mr. Cheung was the project officer of East Asian Games (Hong Kong) Limited, where he was responsible for the preparation and organisation of a number of competition events for the 2009 East Asian Games. He joined Crumbs, a frozen yogurt chain in Hong Kong in December 2009 as operation manager where he was responsible for managing the daily operation of the company and establishing operation procedures. From January 2015 to October 2021, Mr. Cheung joined Shun Sang (H.K.) Company Limited with his last position as an assistant sales manager, where he was responsible for managing the distribution of two renowned brands of children's toy products and executing promotion plans and events in relation to these two brands in Hong Kong and Macau.

Mr. Cheung obtained a Bachelor's Degree of Arts in Hotel and Hospitality Management from the University of Strathclyde in July 2005 and a Master's Degree of Physical Education from the Beijing Sport University in the People's Republic of China in June 2012.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Independent non-executive Directors

Ms. Lui Karrie Ka Yee (雷家懿) ("Ms. Lui"), aged 51, was appointed as an Independent Non-executive Director of the Company on 8 April 2025. She is also a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Ms. Lui has over 20 years of experience in the advertising industry. She was employed by several companies under The Interpublic Group of Companies, Inc. from August 2000 to September 2010 with her last position as the associate planning director. From November 2010 to February 2020, Ms. Lui was employed by Fox Network Group Asia Pacific Limited (formerly known as Satellite Television Asian Region Limited and Fox International Channels Asia Pacific Limited) with her last position as the client solutions, advertising sales and partnerships director. From May 2022 to November 2024, Ms. Lui was employed by Bloomberg L.P. as the head of planning and campaign management Asia-Pacific.

Ms. Lui obtained a Bachelor's Degree in Business Administration from the Wayne State University in the United States in December 2000.

Ms. Tsang Wing Yee (曾詠儀), aged 53, was appointed as an Independent Non-executive Director on 23 January 2018. She is also the chairlady of the Audit Committee.

Ms. Tsang is a Chartered Financial Analyst Charterholder, a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. She has been a licensed person under the Securities and Futures Ordinance (the "SFO") permitted to carry out type 6 (advising on corporate finance) regulated activity as defined under the SFO since August 2003. Ms. Tsang has over 20 years of experience in the field of corporate finance.

Ms. Tsang obtained a Bachelor's Degree in Business Administration from The University of Hong Kong in November 1993 and a Master's Degree of Science in Financial Management from The University of London in December 1998.

Ms. Wong Yuen Kwan (黃婉君) ("Ms. Wong"), aged 48, was appointed as an Independent Non-executive Director on 15 December 2022. She is also the chairlady of Remuneration Committee, a member of each of the Audit Committee and the Nomination Committee.

Ms. Wong has over 18 years of experience in the banking industry. She was employed by The Hongkong and Shanghai Banking Corporation Limited under the HSBC Group from October 2002 to November 2011 with her last position as an associate director. From January 2012 to July 2021, Ms. Wong rejoined HSBC Group with her last position as a director responsible for regional lending and portfolio management.

Ms. Wong obtained a Bachelor's Degree in Business Administration from the Simon Fraser University in Canada in February 1999.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Senior Management

Mr. Ho Man Dic (何文迪), aged 47, was our Logistics Manager since November 2015 and became our Head of the Logistics Department in May 2017. He is responsible for overseeing the logistics operation, developing and implementing repackaging procedures and monitoring and implementing the ISO 9001-compliant quality management system.

Prior to joining our Group as our Logistic Manager, Mr. Ho provided logistic management services to our Group on a self-employed basis from March 2009 to October 2015.

Mr. Ho completed his secondary school education at Kei Heep Secondary Technical School in Hong Kong in July 1994.

Mr. Mak Yau Kwan (麥又焜), aged 38, was appointed as our Company Secretary on 11 January 2017. He was our Finance Manager since January 2016. He was promoted to the position of Financial Controller in January 2017 and further promoted to the position of Chief Financial Officer in September 2022. Mr. Mak is responsible for supervising our Group's finance activities, budgeting and forecasting, as well as corporate secretarial practices and procedures of our Group.

Mr. Mak is a member of the Hong Kong Institute of Certified Public Accountants and has over six years of auditing experience. Prior to joining our Group, Mr. Mak worked as a senior auditor in East Asia Sentinel Limited, a firm of certified public accountants from 2010 to 2015.

Mr. Mak obtained a Bachelor's Degree of Business Administration from the Lingnan University in October 2008.

CORPORATE GOVERNANCE REPORT

CORPORATE CULTURE

A healthy corporate culture across the Group is integral to attain its vision and strategy. It is the Board's role to foster a corporate culture with the following core principles and to ensure that the Company's vision, values and business strategies are aligned to it.

Integrity and code of conduct

The Group strives to maintain high standards of business ethics and corporate governance across all our activities and operations. The Directors, management and staff are all required to act lawfully, ethically and responsibly, and the required standards and norms are explicitly set out in the training materials for all new staff and embedded in various policies such as the Group's employee handbook (including therein the Group's code of conduct), the Anti-corruption Policy and the Whistleblowing Policy of the Group. Trainings are conducted from time to time to reinforce the required standards in respect of ethics and integrity.

Commitment

The Group believes that the culture of acting with probity, transparency and accountability helps to attract, develop, and retain the best talent, and upholds the Group's business philosophy. Moreover, the Company's strategy in business development and management is to achieve long-term, steady and sustainable growth, while having due considerations from environment, social and governance aspects.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to maintaining good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules").

The Shares were listed on the GEM of the Stock Exchange on the Listing Date. Except for code provision C.2.1, the Company has adopted and complied with the CG Code from the Listing Date up to the date of this annual report (the "Relevant Period"). Please refer to the paragraph headed "Chairlady and Chief Executive Officer" below.

CORPORATE GOVERNANCE REPORT

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the "required standard of dealings" as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code regarding securities transactions by Directors (the "Model Code").

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the Relevant Period.

The Company has also established written guidelines (the "Employees Written Guidelines") no less exacting than the Model Code for securities transactions by employees (include Directors) who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees has been noted by the Company.

BOARD OF DIRECTORS

The Board oversees the Group's businesses, strategic decisions and performance and should take decisions objectively in the best interests of the Company.

The Board regularly reviews the contribution of the Directors in performing their duties.

Board Composition

The Board of the Company currently comprises the following Directors:

Executive Directors
Ms. Yuen Mi Ming Erica *(Chairlady and Chief Executive Officer)*
Ms. Yuen Mimi Mi Wahng

Non-executive Directors
Mr. Cheung Siu Hon Ronald
Mr. Lam Yue Yeung Anthony

Independent Non-executive Directors
Ms. Tsang Wing Yee
Ms. Wong Yuen Kwan
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*

Ms. Lui Karrie Ka Yee was appointed on 8 April 2025 as an Independent Non-executive Director and in relation to her appointment. She had obtained the legal advice referred to in Rule 5.02D of the GEM Listing Rules on 7 April 2025, and she had confirmed that she understand her obligations as a director of a listed issuer.

The biographical information of the Directors and relationships between the Directors are set out in the section headed "Biographical Details of Directors and senior management" on pages 14 to 17 of this annual report.

CORPORATE GOVERNANCE REPORT

Board Meetings and Directors' Attendance Records

Regular Board meetings are held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of the Directors.

The Board has held 4 meetings during the year ended 31 March 2025 and the Directors' attendance records are as follows:

Name of Directors	Attendance
Ms. Yuen Mi Ming Erica	3/3
Ms. Yuen Mimi Mi Wahng	3/3
Mr. Cheung Siu Hon Ronald	3/3
Mr. Lam Yue Yeung Anthony	3/3
Ms. Tsang Wing Yee	4/4
Ms. Wong Yuen Kwan	3/4
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*	4/4

Chairlady and Chief Executive Officer

Code provision C.2.1 stipulates that the roles of Chairlady and Chief Executive should be separate and should not be performed by the same individual.

The Company has deviated from the CG Code since Ms. Erica Yuen is both the Chairlady of the Board and the Chief Executive Officer of the Company. The Board believes that it is necessary to vest the roles of the Chairlady and the Chief Executive Officer in the same person as Ms. Erica Yuen has been operating and managing the Group since 2009 and is a prominent social media icon on one of the most popular social media platforms in Hong Kong. The dual role arrangement provides strong and consistent market leadership and is critical for effective management and business development. As all major decisions are made in consultation with the members of the Board, there are three Independent Non-executive Directors on the Board offering independent perspectives and a risk and management system has been set up, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

Independent Non-executive Directors

During the Relevant Period, the Board at all times met the requirements of Rule 5.05 of the GEM Listing Rules relating to the appointment of at least three Independent Non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

CORPORATE GOVERNANCE REPORT

In order to ensure that independent views and input of the Independent Non-executive Directors are made available to the Board, the Nomination Committee and the Board are committed to assess the Directors' independence annually with regards to all relevant factors related to the Independent Non-executive Directors including the following:

(1) required character, integrity, expertise, experience and stability to fulfill their roles;

(2) time commitment and attention to the Company's affairs;

(3) firm commitment to their independent roles and to the Board;

(4) declaration of conflict of interest in their roles as Independent Non-executive Directors;

(5) no involvement in the daily management of the Company nor in any relationship or circumstances which would affect the exercise of their independent judgement; and

(6) the Chairlady meets with the Independent Non-executive Directors regularly without the presence of the Executive Directors.

The Company has further received written annual confirmation from each of the Independent Non-executive Directors in respect of her independence in accordance with the independence guidelines set out in Rule 5.09 of the GEM Listing Rules. The Company considers all Independent Non-executive Directors are independent.

Appointment and Re-election of Directors

The Non-executive Directors (including Independent Non-executive Directors) of the Company are appointed for a specific term of three years, subject to renewal after the expiry of the then current term.

Pursuant to article 108(a) of the Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. In addition, pursuant to article 112 of the Articles, any Director appointed by the Board shall hold office only until the next following general meeting of the Company.

Accordingly, Ms. Yuen Mi Ming Erica, Ms. Yuen Mimi Mi Wahng, Ms. Tsang Wing Yee and Ms. Lui Karrie Ka Yee (appointed by the Board on 8 April 2025 and whose appointment will end at the forthcoming annual general meeting), will retire but being eligible, offer themselves for re-election at the annual general meeting to be held on 8 August 2025 (the "2025 AGM") of the Company.

Responsibilities of the Directors

The Board should assume responsibility for leadership and control of the Company; and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

CORPORATE GOVERNANCE REPORT

All Directors, including Non-executive Directors and Independent Non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Independent Non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

Diversity Policy

The Board adopted a board diversity policy on 15 June 2018 which sets out the approach to achieve diversity on the Board. The Board has on 27 December 2018 adopted a diversity policy (the "Diversity Policy") to replace the board diversity policy adopted on 15 June 2018. The Diversity Policy has been revised and adopted by the Board on 20 June 2023 which sets out the approach to achieve diversity on the Company's Board and senior management.

The Board recognizes and embraces the benefits of diversity in the Board and senior management and believes that it will enhance decision-making capability and a diverse Board and senior management is more effective in dealing with organizational changes and less likely to suffer from group thinking. The Company seeks to achieve board diversity through the consideration against a range of objective criteria, including but not limited to gender, age, nationality, ethnicity, cultural and educational background, skills, knowledge, professional experience and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Company.

There is an appropriate balance of diversity in the composition of the Board and senior management, which comprised members of both gender. All appointments of Directors and senior management will take into account the benefits of diversity and the aim to develop a pipeline of potential successors to the Board. As at 31 March 2025, the Board and senior management comprised of 44% male and 56% female.

CORPORATE GOVERNANCE REPORT

During the year ended 31 March 2025 and at the date of this annual report, the Board comprises of eight Directors, six of them are female and two of them are male. The following tables further illustrate the diversity of the Board members as of the date of this annual report:

Name of Directors	Age Group 41-45	 46 and above
Ms. Yuen Mi Ming Erica	✓	
Ms. Yuen Mimi Mi Wahng		✓
Mr. Lam Yue Yeung, Anthony		✓
Mr. Cheung Siu Hon, Ronald	✓	
Ms. Tsang Wing Yee		✓
Ms. Wong Yuen Kwan		✓
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*		✓
Ms. Chan Sze Lai, Celine *(Resigned on 8 April 2025)*	✓	

	Professional Experience				
Name of Directors	**Skin care and cosmetics industry/ Pharmaceutical Industry**	**Marketing**	**Accounting and Finance**	**Media and Communication**	**Event Management/ Telecommunications and information technology**
Ms. Yuen Mi Ming Erica	✓	✓			
Ms. Yuen Mimi Mi Wahng	✓				
Mr. Lam Yue Yeung, Anthony				✓	
Mr. Cheung Siu Hon, Ronald		✓			✓
Ms. Tsang Wing Yee			✓		
Ms. Wong Yuen Kwan			✓		
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*				✓	
Ms. Chan Sze Lai, Celine *(Resigned on 8 April 2025)*	✓				

CORPORATE GOVERNANCE REPORT

Measurable Objectives and Selection

The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different ethnic backgrounds, and reflecting the Group's strategy.

Implementation and Monitoring

The Nomination Committee will monitor the implementation of the Diversity Policy and report to the Board annually.

Indemnity of the Directors

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

Continuous Professional Development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director will receive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the GEM Listing Rules and relevant statutory requirements.

Directors are advised to participate in appropriate continuous professional development to develop and refresh their knowledge and skills. All Directors are encouraged to attend relevant training courses at the Company's expenses. In addition, relevant reading materials including memorandum on the duties and responsibilities of the Directors have been provided to the Directors for their reference and studying.

CORPORATE GOVERNANCE REPORT

The records of continuous professional development relating to director's duties and regulatory and business development that have been received by the current Directors during the period from 1 April 2024 and up to the date of this annual report are summarized as follows:

Directors	**Training organised by professional organisations**	**Reading materials updating on GEM Listing Rules amendments**
Executive Directors		
Ms. Yuen Mi Ming Erica	✓	✓
Ms. Yuen Mimi Mi Wahng	✓	✓
Non-Executive Directors		
Mr. Cheung Siu Hon Ronald	✓	✓
Mr. Lam Yue Yeung Anthony	✓	✓
Independent Non-Executive Directors		
Ms. Tsang Wing Yee	✓	✓
Ms. Wong Yuen Kwan	✓	✓
Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*	✓	✓
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*	✓	✓

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee have been posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The list of the chairlady and members of each Board committee is set out under "Corporate Information" on page 3.

Audit Committee

The Audit Committee consists of three Independent Non-executive Directors throughout the period from 1 April 2024 and up to the date of this annual report, namely Ms. Tsang Wing Yee, Ms. Wong Yuen Kwan, Ms. Lui Karrie Ka Yee (appointed on 8 April 2025) and Ms. Chan Sze Lai, Celine (resigned on 8 April 2025). Ms. Tsang Wing Yee is the chairlady of the Audit Committee.

The Board has on 27 December 2018 revised the Terms of Reference of the Audit Committee which was adopted on 23 January 2018. The revised Terms of Reference has been posted on the websites of the Company and the Stock Exchange.

The Terms of Reference of the Audit Committee are of no less exacting terms than those set out in the CG Code. The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditor, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

Pursuant to the terms of reference of the Audit Committee, the Audit Committee shall hold at least two meetings a year. The Audit Committee held 2 meetings during the year ended 31 March 2025 to review and approve the Group's, interim and annual financial results and reports before submission to the Board for approval.

The Audit Committee may hold separate private meeting(s) with the internal auditor and/or the external auditor, without the presence of the Executive Directors or senior management of the Company whenever they think fit and appropriate.

The attendance records of the members of the Audit Committee are as follows:

Name of Members of the Audit Committee	**Attendance**
Ms. Tsang Wing Yee *(Chairlady)*	2/2
Ms. Wong Yuen Kwan	1/2
Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*	2/2

CORPORATE GOVERNANCE REPORT

Remuneration Committee

The Remuneration Committee consists of three members throughout the period from 1 April 2024 up to the date of this annual report, namely Ms. Yuen Mi Ming Erica, Executive Director, Ms. Wong Yuen Kwan, Independent Non-executive Director, Ms. Lui Karrie Ka Yee (appointed on 8 April 2025), Independent Non-executive Director and Ms. Chan Sze Lai Celine (resigned on 8 April 2025), Independent Non-executive Director. Ms. Wong Yuen Kwan has been appointed as the chairlady of the Remuneration Committee since 8 April 2025.

The Terms of Reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. The Board has revised the Terms of Reference of the Remuneration Committee on 27 January 2023 which was previously adopted on 23 January 2018. A copy of the revised Terms of Reference has been posted on the websites of the Company and the Stock Exchange.

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual Directors and senior management; the remuneration policy and structure for all Directors and senior management; establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration and to review and/or approve matters relating to share schemes established under Chapter 23 of the GEM Listing Rules.

The Remuneration Committee shall meet at least once every year. The Remuneration Committee has held 2 meetings during the year ended 31 March 2025.

The attendance records of the members of the Remuneration Committee are as follows:

Name of Members of the Remuneration Committee	**Attendance**
Ms. Wong Yuen Kwan *(Chairlady since 8 April 2025)*	2/2
Ms. Yuen Mi Ming Erica	1/1
Ms. Chan Sze Lai Celine *(resigned on 8 April 2025)*	2/2

Details of the remuneration of the senior management by band are set out in note 11 in the notes to the consolidated financial statements for the year ended 31 March 2025.

Nomination Committee

The Nomination Committee consists of three members throughout the period from 1 April 2024 up to the date of this annual report, namely Ms. Yuen Mi Ming Erica, Executive Director, Ms. Wong Yuen Kwan, Independent non-executive Director, Ms. Lui Karrie Ka Yee (appointed on 8 April 2025), Independent Non-executive Director and Ms. Chan Sze Lai Celine (resigned on 8 April 2025), Independent Non-executive Director, Ms. Yuen Mi Ming Erica is the chairlady of the Nomination Committee.

The Terms of Reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. A copy of the Terms of Reference has been posted on the websites of the Company and the Stock Exchange.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of Independent Non-executive Directors.

CORPORATE GOVERNANCE REPORT

The Nomination Committee has held 1 meeting during the year ended 31 March 2025.

The attendance records of the members of the Nomination Committee are as follows:

Name of Members of the Nomination Committee	Attendance
Ms. Yuen Mi Ming Erica *(Chairlady)*	1/1
Ms. Wong Yuen Kwan	1/1
Ms. Chan Sze Lai Celine *(resigned on 8 April 2025)*	1/1

Nomination Policy

A Nomination Policy has been adopted by the Board on 27 December 2018 to enable the Nomination Committee to consider and make recommendations to the shareholders for election as Directors at general meetings or to the Directors for appointment to fill casual vacancies.

Selection Criteria

In considering the nomination of new Directors, the Nomination Committee will consider the following criteria in evaluating and selecting candidates for directorship:

(1) Character and integrity;

(2) Qualifications including professional qualification, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;

(3) Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments;

(4) Requirements for the Board to have Independent Non-executive Directors in accordance with the GEM Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in Rules 5.09 of the GEM Listing Rules;

(5) Diversity Policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and

(6) Such other perspectives appropriate to the Company's business.

CORPORATE GOVERNANCE REPORT

Nomination Procedure

Subject to the provisions of the Articles of Association and the GEM Listing Rules, if the Board recognizes the need for an additional Director or a member of senior management, the following procedure will be followed:

(A) Appointment of a new Director

(1) The Nomination Committee shall, upon receipt of the proposal on appointment of a new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria set out in the Nomination Policy to determine whether such candidate is qualified for directorship;

(2) If the process yields one or more desirable candidates, the Nomination Committee shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable);

(3) The Nomination Committee shall then recommend to the Board/shareholders to appoint the appropriate candidate for directorship; and

(4) For any person that is nominated by a shareholder for election as a Director at a general meeting of the Company, the Nomination Committee shall evaluate such candidate based on the criteria set out in the Nomination Policy to determine whether such candidate is qualified for directorship and where appropriate, the Committee and/or the Board shall make recommendation to shareholders in respect of the proposed election of Directors at the general meeting.

(B) Re-election of Directors at General Meeting

(i) The Nomination Committee shall review the overall contribution and service to the Company of the retiring Director including his/her attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board;

(ii) The Nomination Committee shall also review and determine whether the retiring Director continues to meet the criteria set out in the Nomination Policy;

(iii) The Nomination Committee and the Board shall then make recommendation to shareholders in respect of the proposed re-election of Director at the general meeting.

Corporate Governance Functions

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

During the year, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employees Written Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board of the Company is committed to complying with the legal and regulatory requirements in relation to governance, risk management, compliance and internal control of Company operations.

The Board acknowledges its overall responsibility for evaluating and determining the nature and extent of the risks (including environmental, social and governance ("ESG")-related risks) it is willing to take to achieve the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management (including those for ESG-related risks) and internal control systems (including those for ESG-related risks). Such systems are designed to manage rather than eliminate the risk (including those for ESG-related risks) of failure to achieve business objectives, and can provide reasonable assurance against material misstatement or loss.

The Board, supported by the Audit Committee as well as the management, is responsible for establishing our internal control system, reviewing its effectiveness, and overseeing the design, implementation and monitoring of the risk management and internal control systems.

Risk assessment has been performed with senior management to identify the major risks that the Company is facing. This review has been conducted based on risk parameters such as the probability and hazard of the risks, critical points that may trigger the risk control measures, and prioritization of risk control, among others.

The senior management has identified uncertainties and ranked such risks from a long-term perspective instead of concentrating only short-term risks. The management, in coordination with department heads, assesses the likelihood of risk occurrence, and monitors the risk management progress, and reports to the Audit Committee and the Board on all findings and the effectiveness of the systems.

The Board considers the qualification and experience of responsible staff, as well as training programs for staff and relevant budgets, are sufficient after reviewing the resources allocated to accounting, internal control, financial reporting and the Group's ESG performance and reporting.

The management considered that given the size and scale of our operations, it is more appropriate for the Company to outsource its internal audit function to an external service provider.

The Company has developed an internal policy to provide the Company's Directors, senior management and relevant employees a general guide in handling confidential/inside information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and put forward to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the GEM Listing Rules and the Securities and Futures Ordinance will be announced on the websites of the Company and the Stock Exchange.

The Board has conducted an annual review of the risk management and internal control systems in April 2025 and confirmed that the systems are effective and adequate.

CORPORATE GOVERNANCE REPORT

Anti-Corruption Policy and Whistleblowing Policy

The Group regards honesty, integrity and fair play as its core values that must be upheld by all directors and staff of the Group at all times, as such, the Group has its anti-corruption policy (the "Anti-Corruption Policy") which sets out the guidelines and responsibilities for all Directors and staff. The Group has adopted a whistleblowing policy (the "Whistleblowing Policy") which provides formal channels and guidance to facilitate the raising of matters of concern by employees of the and those who deal with the Group (e.g. customers, suppliers, creditors and debtors) (the "Third Parties", each a "Whistleblower"), in confidence, without fear of reprisals.

For more details of the Anti-Corruption Policy and Whistleblowing Policy, please refer to our ESG Report from page 34 to 66 of this annual report.

Dividend Policy

The Company has on 27 December 2018 adopted a dividend policy (the "Dividend Policy") that aims to provide guidelines for the Board to determine whether dividends are to be declared and paid to the shareholders and the level of dividend to be paid. Under the Dividend Policy, in deciding whether to propose a dividend and in determining the amount of dividend payable, the Board shall take into consideration the Company's future operations, earnings, capital requirements, surplus, general financial condition and such other factors that the Directors consider appropriate.

Any declaration and payment as well as the amount of dividend will also be subject to the Articles of Association of the Company and the Companies Act of the Cayman Islands, including (where required) the approval of the shareholders of the company. There is no assurance that any particular dividend amount, or any dividend at all, will be declared and paid in the future.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 March 2025.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 81 to 85.

CORPORATE GOVERNANCE REPORT

AUDITOR'S REMUNERATION

An analysis of the remuneration to the external Auditor of the Company, Messrs. Grant Thornton Hong Kong Limited, in respect of audit services for the year ended 31 March 2025 is set out below:

Service Category	**Fees Paid/Payable** HK$'000
Audit Services	830

COMPANY SECRETARY

Mr. Mak Yau Kwan has been appointed as the Company's Company Secretary. Mr. Mak is a member of the Hong Kong Institute of Certified Public Accountants and he took more than 15 hours of relevant professional training during the year ended 31 March 2025.

All Directors have access to the advice and services of the Company Secretary on corporate governance and board practices and matters.

SHAREHOLDERS' RIGHTS

To safeguard shareholder interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Convening an Extraordinary General Meeting and putting forward proposals at General Meeting

Pursuant to Article 64 of the Articles of the Company, extraordinary general meetings shall be convened on the voting rights (on a one vote per share basis) in requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the voting rights (on a one vote per share basis) in the capital of the Company. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board and adding resolutions to the agenda of meeting for the transaction of any business specified in such requisition.

Any requisition to convene an extraordinary general meeting or proposal to be put forward at the general meeting can be addressed to the principal place of business in Hong Kong of the Company at 16/F., Guangdong Tours Centre, 18 Pennington Street, Hong Kong marked with the attention of the Company Secretary. The requisitionists must state in their request(s) the objects of the extraordinary general meeting to be convened, and such request must be signed by all the requisitionists. Upon receipt, the Company will verify the requisitionists' particulars and if the request is in order, the Company will convene the extraordinary general meeting in accordance with the Articles.

CORPORATE GOVERNANCE REPORT

Communication with Shareholders and investor relations

The Group has in place a shareholders' communication policy (the "Shareholders' Communication Policy") to ensure that Shareholders' view and concerns are appropriately addressed. Under the Shareholders' Communication Policy, the Company's information shall be communicated to the Shareholders mainly through general meetings, including annual general meetings of the Company, the Company's financial reports (mainly interim reports and annual reports), and its corporate communications and publications which include announcements and circulars on the Company's website and the Stock Exchange's website.

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. Any such questions, requests, comments and suggestions can be addressed to the Company by post or by email to its head office and principal place of business in Hong Kong or via telephone.

The Board has carried out annual review on the Shareholders' Communication Policy and considered that the Shareholders' Communication Policy has been properly implemented during the year under 31 March 2025.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following address:

Address:	16/F., Guangdong Tours Centre, 18 Pennington Street, Hong Kong (For the attention of the Company Secretary)

For the avoidance of doubt, shareholder(s) must deposit the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

CONSTITUTIONAL DOCUMENTS

There was no change in the memorandum and articles of association of the Company during the year ended 31 March 2025.

At the forthcoming 2025 AGM, the Directors intend to recommend to the Shareholders to consider a proposal and to pass a Special Resolution to amend the articles of association of the Company in order to (i) bring the current articles of association of the Company in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the relevant amendments made to the Listing Rules; (ii) provide the Company with more flexibility in the manner of holding general meeting by allowing general meetings to be convened and held by way of physical meetings, hybrid meetings or solely by electronic means; (iii) allow the Company to hold repurchased shares as treasury shares for future resale; and (vi) make some housekeeping amendments. Details of the proposed amendments will be set out in both the circular and the notice of the forthcoming 2025 annual general meeting.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

Since the commencement of business in 2009, Mi Ming Mart Holdings Limited and its subsidiaries (collectively "we", "us" our", or the "Group") have upheld the philosophy of "defining clean beauty" ("擇善美麗") to continue with the commitment to serve and offer our products to customers that contain no ingredients that, in our view, would affect or impair health. Our philosophy and commitment have been the cornerstones of our environmental, social and governance ("ESG") strategy which has been the standard the Group used to select brands and products to our customers over the past fifteen years.

This ESG report (the "ESG Report") transparently outlines our policies, strategies, and progress in ESG performance and sustainability initiatives, demonstrates our commitment to ESG dimensions of sustainability, and sets a clear direction towards medium-term and long-term sustainable development objectives in ensuring a better future for consumers, businesses, communities and the planet.

REPORTING SCOPE AND BOUNDARIES

This ESG Report covers the period from 1 April 2024 to 31 March 2025 (the "Reporting Period"), aligning with the Group's financial year. The report encompasses 11 locations (2024: 11), including the head office, nine retail stores, and the warehouse. Data for this ESG Report is primarily sourced from internal policies, documents, and information provided by key stakeholders. Moving forward, we will continue to enhance our data collection and reporting system, progressively expand disclosure coverage, and improve the overall quality and comprehensiveness of our annual ESG report.

REPORTING PRINCIPLES

This ESG Report complies with the "Environmental, Social and Governance Reporting Guide" (the "ESG Reporting Guide") under Appendix C2 of the GEM Listing Rules. This ESG Report is in full compliance with the Guide mandatory disclosure requirements, "comply or explain" provisions, and the four fundamental reporting principles outlined in the ESG Reporting Guide. These principles guide the preparation of this ESG Report to ensure transparency and accuracy.

Reporting Principles	How it is applied to this report
Materiality	This ESG Report comprehensively addresses the environmental and social issues that are material to our diverse stakeholders. The process for identifying these material issues involved a collaborative and rigorous approach, including discussion between the Board and management and engagement with different stakeholders. This ensured a robust integration of perspectives both from within and outside the organisation.
Quantitative	Information on the standards, methodologies, assumptions and/or calculation used, and source of key emission and conversion factors used for both quantitative environmental and social key performance indicators ("KPIs") are disclosed in this ESG Report. Details of this information are all set out in the notes section following relevant KPIs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Principles	How it is applied to this report
Balance	This ESG report provides an unbiased picture of the Group's performance during the Reporting Period. Information is disclosed in an objective manner, avoid selections, omissions, or presentation formats that may inappropriately influence the judgment made by readers.
Consistency	The reporting and calculation methodology are consistently applied by the Group as far as practicable to allow for meaningful comparison. Any changes that could affect a meaningful comparison of the KPIs will be disclosed accordingly.

This ESG Report has been prepared in both Chinese and English, and in case of any discrepancy or inconsistency between the two versions, the English version shall prevail.

STATEMENT OF THE BOARD

The Board recognises the vital importance that strong ESG practices play in meeting the changing expectations of our stakeholders and furthering the Group's sustainable development. Acknowledging this significance, the Board, working closely with the management team, takes on the primary responsibility of establishing and executing the ESG strategies vital to the Group's success. Our ESG strategies are designed to effectively assess and address ESG risks and opportunities, establish a comprehensive data collection framework for ESG reporting, and ensure the efficient allocation of resources to manage ESG-related challenges.

Furthermore, the Board is deeply committed to cultivating an environmentally and socially conscious culture across the organisation. This commitment is reflected in our approach to integrating ESG principles into our daily operations and decision-making processes. We accomplish this commitment by developing and enforcing comprehensive policies and guidelines, as well as executing a range of focused ESG initiatives.

By embedding these values into our fabric, we empower every employee to become an active participant in our sustainability journey. Our employees serve as representatives of our sustainability vision, empowered to expand the reach and impact of our ESG initiatives across all areas of our business operations. This inclusive, organisation-wide approach guarantees that our dedication to sustainable growth is both extensive and impactful, permeating every level of our organisation and extending outward to our community and business practices.

We are committed to working with our employees, consumers, investors, suppliers, merchants, and regulators to understand their needs and align our collective efforts to build a more just and sustainable world.

The Board and the management have reviewed and endorsed the ESG material assessment and this ESG Report on 26 June 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG MANAGEMENT FRAMEWORK

Robust governance is essential for sustainable growth. The Board holds overall responsibility for the Group's sustainability strategy and reporting. It identifies ESG risks through industry benchmarking and engages external experts to evaluate risk analyses and monitor regulatory updates, including global economic risks, talent retention, and customer data security.

The Audit Committee assists the Board in sustainability issues including but not limited to the following:

- Formulating and reviewing sustainability strategies, priorities, metrics, and targets;
- Identifying, evaluating, prioritising, and managing material sustainability risks (including climate-related and supply chain risks);
- Monitoring and reviewing the implementation of sustainability policies and measures;
- Monitoring and reviewing performance and progress against sustainability metrics and targets;
- Ensuring effective execution of sustainability strategies by functional departments; and
- Coordinating sustainability efforts and preparing this annual ESG Report with external consultants for Board approval.

ESG risks are evaluated based on their likelihood of occurrence by using historical data to estimate frequency, and the impact level including financial implications, penalties, or opportunities for revenue and market expansion. A top-down approach integrates ESG principles into operations through established policies. The Group's governance evolves to align with business developments, stakeholder expectations, and a commitment to transparency, accountability, and robust internal controls.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR GOVERNANCE STRUCTURE

<table>
<tr><th colspan="2">Board of Directors</th></tr>
<tr><td colspan="2">• Takes overall responsibility for assessing the key ESG risks faced by the Group (such as supplier management, understand the sustainable needs of society, etc., and other major ESG issues related to the Group).

• Takes overall responsibility for assessing and determining the nature and extent of risks, including ESG risks, that the Group is willing to accept in achieving its strategic objectives, and establish and maintain appropriate and effective risk management and internal control systems.</td></tr>
<tr><th>Audit Committee</th><th>External Professional Consultant</th></tr>
<tr><td>• Assists the Board to lead the management in overseeing the design, implementation and monitor the risk management and internal control systems.

• Makes recommendations to the Board based on regulatory requirements, sustainability trends, and outcomes from stakeholder engagement and materiality assessment.

• Reviews and comments on the ESG report.</td><td rowspan="3">• Conducts annual independent reviews of risk management and internal control systems.

• Ensures that the procedures used to identify, assess and manage material risks properly and identify the key features of risk management and internal control systems.

• Assesses any ESG issues that stand to affect the Group.

• Assists in ESG reporting.</td></tr>
<tr><th>Head of Each Business Department</th></tr>
<tr><td>• Ongoing assessment and identification of risks that may potentially affect the Group's business and various aspects, including ESG risks in the course of operations and lack of internal controls.

• Reports any identified risks to the management and internal control systems.

• Assists with ESG reporting, benchmarking, communications and engagement.</td></tr>
</table>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder Engagement

The Group believes that understanding and taking action to tackle key stakeholders' concerns and expectations is the goal to achieve sustainable development. The Group actively communicates with key stakeholders through different communication channels in order to ensure comments and feedback from major stakeholders can be effectively and timely addressed. The following table shows the expectations and concerns of the major stakeholders as identified by the Group, and the corresponding management responses.

Stakeholders	Expectations	Typical communication channels
Customers	➢ Product quality ➢ Product safety and responsibility ➢ Product price ➢ Return policy ➢ Introduction of new products	➢ Direct engagements at the Group's retail stores ➢ The Group's digital platforms ➢ Customer service hotline ➢ Product complaints
Suppliers	➢ Stable business relationship ➢ Compliance with environmental standards and requirements ➢ Fair and honest dealing ➢ Timely Information sharing ➢ Timely settlement of payment	➢ Supplier evaluations ➢ Regular communication via email or telephone ➢ Regular progress meetings and/or reports ➢ Face to face meetings including visits on factories
Shareholders and investors	➢ Return on investment ➢ Information disclosure and transparency ➢ Protect the rights and interests of shareholders ➢ Operating risks management ➢ Business ethics and credibility	➢ Financial reports, results announcements, press release, circulars and other publicly available information ➢ Regular results briefing towards shareholder and Annual general meetings, etc. ➢ Email and phone inquiry about the Group ➢ Roadshows/meeting/calls/conferences with Shareholders/investors ➢ Website information disclosure on the Stock Exchange and the Group
Employees	➢ Vocational training ➢ Career development and equal opportunities ➢ Working environment ➢ Health and safety protection ➢ Salary and welfare ➢ Labour rights	➢ Training, seminars and workshops ➢ Mentoring by direct supervisor ➢ Employee handbook ➢ Employee notice boards ➢ Regular team gathering and sharing ➢ Employee feedback survey ➢ Employee activities and team-building exercises

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Stakeholders	Expectations	Typical communication channels
The community	➢ Employment opportunities ➢ Ecological environment ➢ Community development and social commonwealth ➢ Enthusiasm towards public welfare ➢ Charitable donations ➢ Reduction in pollutant and emissions ➢ Choose products without animal testing	➢ Charitable activities ➢ Community investment and service ➢ Environmental protection activities ➢ Sponsorships and donations ➢ Energy saving
Media	➢ Transparency of information ➢ Good media relations	➢ Regular press release and update on new product launches ➢ Website information disclosure on the Stock Exchange and the Group ➢ Financial reports, announcements and circulars and other publicly available information
Government and regulators	➢ Regulatory compliance ➢ Business ethics and credibility	➢ Group website ➢ Seminars ➢ Government consultations

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Materiality Assessment

To identify critical ESG issues, the Group conducted a materiality assessment considering business strategy, industry standards, legal obligations, environmental protection, resource use, quality control, and employee welfare.

Identification

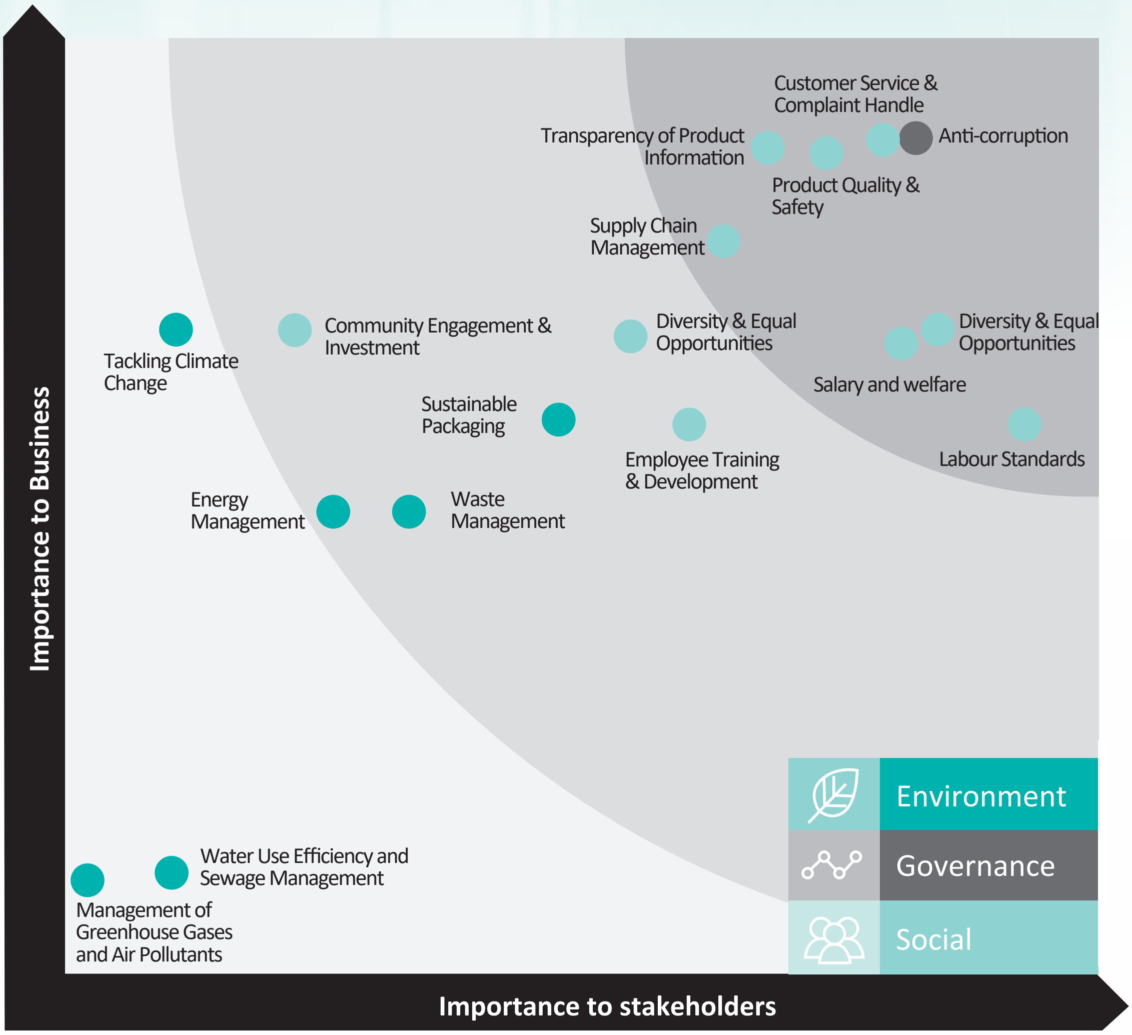
Based on our assessment of the ESG Reporting Guide, industry peer practices, and the company's current development status, we identified no significant changes in ESG issues for the group and therefore maintained the same 17 ESG issues, comprising 6 environmental issues, 10 social issues, and 1 governance issue.

Environmental Issues	Tackling Climate Change Energy Management Waste management Management of Greenhouse Gases and Air Pollutants Water Use Efficiency and Sewage Management Sustainable Packaging
Social Issues	Diversity & Equal Opportunities Labour Standards Occupational Health and Safety Salary and welfare Employee Training & Development Supply Chain Management Product Quality & Safety Transparency of Product Information Community Engagement & Investment Customer Service & Complaint Handling
Governance Issue	Anti-corruption

Prioritisation

Each ESG issue was evaluated on a scale of 0-10, where 0 indicates irrelevance and 10 represents crucial importance, based on senior management's and key stakeholder's input. Based on these assessments, we developed a materiality matrix that plots stakeholder impact on the horizontal axis against business impact on the vertical axis. Issues positioned in the top-right quadrant are deemed most significant, requiring prioritised attention and strategic focus in our ESG initiatives and resource allocation decisions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Validation

The Board, with external consultant support, reviewed and confirmed the materiality assessment results. Based on these findings, the Group will enhance its ESG performance to meet stakeholder expectations and address risks. The following sections– "Our Environment", "Our Employees", "Our Business", and "Our Community"– detail our efforts during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR ENVIRONMENT

The Group focuses on our environmental footprint and aims to minimise the negative impacts on the natural environment through mitigating climate-related risks. We work with our customers, suppliers and industry partners to actively integrate environmental protection and sustainability in improving performance in the supply chain, adopting standards and best practices to obtain products from sustainable sourcing.

No breaches or complaints related to environmental regulations[1] were recorded during the Reporting Period.

Emissions

Since the Group is mainly engaged in the retail business, the environmental impact of our office and retail store operations is insignificant, our emissions come primarily from air pollutants generated by vehicle use. Yet, the Group still pursues the concept of sustainability and has been committed to improving its operations to reduce emissions.

We do not have air pollution emissions for the Reporting Period, mainly due to the discontinuation of the use of the vehicles.

Wastes

During the Reporting Period, the waste generated by the Group was non-hazardous, including items such as cotton pads, makeup brushes, plastic bottles from suppliers, bubble wraps, carton boxes, and paper from office printing.

The Group did not generate any hazardous waste such as chemical waste, medical waste, or hazardous chemicals, and there was no discharge into water or land. Consequently, there is currently no plan to establish a reduction target for hazardous waste. Looking ahead, the Group is committed to reducing waste generation and minimising the waste sent from its operations to landfills, with the aim of promoting reuse and recycling and exploring ways to improve the recycling rate.

Our waste reduction initiatives during the Reporting Period include:

- Adopting minimalist store renovations, and reusing materials like display boards.
- Promoting online marketing to minimise paper use.
- Encouraging employees to reduce printing and recycle office waste.
- Using reusable plastic boxes for product transport.
- Recycling plastic bottles, bubble wrap, and carton boxes where feasible.

---

1 For relevant laws and regulations, please refer to Appendix "Applicable Laws and Regulations"

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To advance circular economy principles and promote sustainable practices among our customer base, the Group has introduced the innovative "Go Clean Empty Bottle Recycling Reward Programme" during the Reporting Period. Through this programme, Go Clean members are encouraged to return empty bottles from our product range, earning valuable Membership Rewards Points that can be redeemed for selected gifts and incentives. The collected empty bottles undergo comprehensive recycling processes, where they are converted into useful raw materials for manufacturing new products. This circular approach ensures that every returned bottle receives a new lease of life, significantly reducing waste generation and minimizing our environmental footprint.

During the Reporting Period, the Group produced a total of 0.25 tonnes of non-hazardous waste, significantly reduced compared to 2023/24. The intensity of non-hazardous waste produced is 0.03 tonnes per retail store. For detailed KPI data on waste management, please refer to the KPI Performance Summary of this ESG Report.

Use of Resources

The Group places significant emphasis on enhancing resource efficiency as part of its environmental protection efforts. The Group uses resources such as energy, water and paper in its operation process. During the Reporting Period, the Group's major energy consumption was purchased electricity consumed in its operations.

Energy and Water Resources

Electricity is the primary source of energy consumed by the Group. It powers various aspects of our operations, including general lighting, laptops, monitors, printers, Point-of-Sales systems, and other equipment in offices, retail stores, and the warehouse. Our continuous efforts to monitor and improve energy use reflect our commitment to reducing our environmental footprint. Water usage within the Group remains minimal, primarily limited to pantries and restrooms. During the Reporting Period, we encountered no issues with water supply. Given the current low level of water consumption and our focus on cost-effectiveness, there are no immediate plans to set water reduction targets. However, should our business model evolve to significantly increase water usage, we will reassess the need for setting specific reduction goals.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Overall, our energy and resource consumption during the Reporting Period remained relatively low. The Group continues to keep track of the consumption of energy and resources and has implemented various corrective actions during the Reporting Period:

- The staff handbook and various other policies encourage employees to shutdown of electronic equipment during non-use periods in order to save energy.

- The Group has actively implemented resource-efficient solutions across its operations, including water-efficient tap installations and the deployment of energy-efficient lighting and electrical appliances throughout office spaces, retail locations, and warehouse facilities.

- The workplace temperature has been maintained at a comfortable level to reduce overcooling or under-cooling and thus reducing excessive use of electricity.

For detailed KPI data on resource consumption, please refer to the KPI Performance Summary of this ESG Report.

Packaging Materials

The Group's products necessitate a considerable amount of packaging materials, such as bottles, droppers, and boxes. Recognising the environmental impact of packaging, we are dedicated to exploring innovative solutions to enhance our packaging practices.

For some products under our own brand "POME," we have adopted the use of Forest Stewardship Council (FSC®) certified recycled paper for packaging. This initiative reflects our commitment to sustainable sourcing and reducing our environmental footprint. Additionally, we limit the use of extra packaging materials by relying solely on what is provided by our suppliers for finished products. To further our sustainability efforts, we encourage customers to bring their own bags when shopping at our retail stores.

For detailed KPI data on packaging material, please refer to the KPI Performance Summary of this ESG Report.

Environment and Natural Resources

The Group's primary business involves retailing beauty and health products. We are committed to selecting environmentally friendly products, resulting in minimal impact on the environment and natural resources during the Reporting Period.

The Group maintains a systematic approach to environmental stewardship through ongoing risk assessments of business operations and regular evaluation of protection measures. Understanding our responsibility to preserve the environment for current and future generations, we actively pursue initiatives to minimise our ecological footprint, including the deployment of resource-efficient and environmentally sustainable equipment whenever possible. Our environmental strategy encompasses comprehensive awareness programs for staff and partners, building a unified culture of environmental stewardship that strengthens our collective contribution to sustainable development and ecological protection.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate Change

Governance

At the Group, we recognise the urgent need to address the challenges posed by climate change and are committed to integrating climate-related responsibilities into our existing ESG governance systems. During the reporting period, our directors participated in various ESG content related trainings such as the Harnessing the Power of Corporate Governance held by the Stock Exchange ESG Academy to keep to latest ESG and climate trends.

The Board, which is responsible for overseeing our overall ESG strategy and performance, also has direct oversight of climate-related matters. The head of each business department is tasked with collecting and collating climate-related materials and information. They regularly report to the Audit Committee, providing them with accurate and up-to-date information in the field of climate change.

Strategy

The Group acknowledges that climate change presents significant risks and opportunities across its operations. In alignment with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, we categorise climate risks into two primary classifications: transitional risks and physical risks. Our comprehensive risk assessment evaluates potential corporate financial impacts across three distinct time horizons: short-term (within three years), medium-term (3-6 years), and long-term (beyond six years) implications.

Type of Risk	**Sub-category**	**Description of Risk**	**Impacted time horizon**	**Mitigation and Adaptation Strategies**
Physical Risks	Acute Risks	• Potential damage to facilities and equipment at the operation sites. • Potential for operational disruption and reduced revenue. • Increased health and safety risks for employees.	Short to medium term	• Implementing energy-saving measures. • Develop emergency response plans and staff training.
	Chronic Risks		Long term	• Adapt business practices to cope with changing climates. • Regularly update risk management plans.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Type of Risk	Sub-category	Description of Risk	Impacted time horizon	Mitigation and Adaptation Strategies
Transition Risks	Policy and Legal	• Potentially leading to greater operating costs for the Group to comply with the relevant new requirements.	Short to medium term	• Regularly reviewing government policies, regulatory requirements and the latest developments related to climate change to ensure adequate preparation. • Encouraging employees to learn about the new requirements for climate-related disclosures
	Technology	• Our existing technologies become obsolete, or new technologies disrupt our business models.	Medium to long term	• Invest in research and development. • Embrace innovation. • Stay ahead of technological trends.
	Market	• Failure to anticipate and respond to changing consumer trends and preferences may impact the brand, business performance and financial status.	Medium to long term	• Analyse market trends and adjust marketing strategies. • Focus on sustainable products and services to meet changing consumer demands.
	Reputation	• Losing customer trust or stakeholder support due to perceived inadequacies in addressing climate-related issues.	Long term	• Enhance transparency in reporting and communications. • Build a strong brand around sustainability and ethical practices.

To address these risks, the Group will identify and prioritise those with the most severe impacts, implementing precautionary measures first. We will also seek opportunities to modify our business processes to enhance resilience. For example, encouraging staff to use online video conferencing can reduce travel-related physical risks.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Risk Management

As mentioned in the "ESG Management Framework" section, including the climate-related risks, our ESG risks are evaluated based on their likelihood of occurrence and impact. ESG-related risks have been integrated into our group-wide risk management framework.

Metrics and Targets

During the Reporting Period, the Group did not have vehicle utilisation, leading to zero direct greenhouse gas emissions ("Scope 1 emissions"). The predominant contributor to the Group's emissions during the Reporting Period was energy-related indirect greenhouse gas emissions ("Scope 2 emissions). Additionally, other indirect GHG emissions ("Scope 3 emissions") include categories business travel and waste generated in operations are disclosed. These emissions were calculated through comprehensive data collection, such as air travel of business travel, paper consumption, wastewater generation and analysis to ensure accuracy and reliability.

The Scope 2 energy indirect emissions were a result of head office, retail stores and warehouse electricity consumption, which are material to the Group's business operation, thus a target for Scope 2 GHG emissions was set in 2022.

The target is to maintain the intensity of 10.12 tonnes of CO_2e per retail store if there is no material change in business mode. In order to achieve this target, the Group puts great emphasis on energy and resource conservation, as explained in the "Energy and Water Resources" sections.

The total GHG emissions have remained at a steadily low level during this Reporting Period as well as those in the past years showing the Group has managed the emission level effectively. Considering future economic development and social changes, the Group will assess the environmental impact of its various business operations, set other GHG emission targets, and maintain performance tracking to improve emission reduction and optimise resource efficiency.

For detailed KPI data on our emissions, please refer to the KPI Performance Summary of this ESG Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR EMPLOYEES

We firmly believe that employees are a valuable asset of the Group in its pursuit of sustainable development. The Group strictly abides by the relevant labour laws and regulations applicable to its local businesses. To fully comply with relevant requirements and supervise our compliance, we have formulated internal policies and regularly review and revise the system, to provide employees with a reasonable, fair and non-discriminatory working atmosphere, so that employees can work energetically and grow with the Group under a good corporate culture.

During the Reporting Period, the Group was not aware of any material non-compliance relating to applicable employment laws and regulations[2] in Hong Kong.

Employment

Recruitment and Promotion

In the recruitment process, we focus on whether the candidates are honest, cooperative and self-disciplined, and respect the different personalities of employees to encourage diversity. We are convinced that diversity can bring new perspectives, changes and challenges to our operations. The Group upholds an open, fair and impartial recruitment policy, opposes any form of discrimination on gender, age, disability, race and religion, and is committed to maintaining a friendly working environment so that employees can work and develop together with us.

The Group's human resources strategy included a fair system of compensation and rewards system with an annual review of market compensation by job types and by pay structures. At the same time, the Group rewards employees who can grow with the company in the long run.

Equal Opportunity, Diversity and Anti-Discrimination

The Group is committed to creating a zero-discrimination workplace for employees, so that they can work in a working environment with fair competition, mutual respect and diversity. When recruiting talents, we avoid taking gender, age, marital status, physical fitness and other personal characteristics as necessary factors for selection, ensuring that employees are treated fairly in terms of recruitment, promotion, dismissal, training, performance appraisal, compensation and benefits, working hours, holidays and other rest periods.

We have established a reporting system and channels to encourage employees to report any incidents of discrimination or harassment, and strictly protect the identity of the complainants. Any employee who engages in unlawful discrimination or harassment may be subject to disciplinary actions or dismissal.

Retaining Talents

The Group has established an orientation program for new joiners. This program includes an orientation session where new employees are introduced to the Group's culture, values, and policies. This structured approach helps new employees integrate quickly and effectively into the Group.

---

2 For relevant laws and regulations, please refer to Appendix "Applicable Laws and Regulations"

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To address talent retention, the Group has implemented several key initiatives aimed at fostering employee growth, satisfaction, and loyalty. These initiatives are designed to ensure that our employees feel valued, fairly compensated, and motivated to achieve their full potential within the organisation. The Group values open communication and regularly organises sharing sessions where employees can voice their opinions, share experiences, and provide feedback. It offers employees the opportunities to express their complaints and feedback about working arrangements or Group policies by directly reflecting to their immediate supervisor or department head so as to explore solutions to deal with it.

Compensation and Benefits

The Group conducts an annual appraisal program that periodically reviews staff performance. Through these appraisals, employees are motivated to achieve their career goals and explore their full potential. Additionally, a system is in place for regular reviews of employee leave and other benefits. The Group also offers opportunities for promotion and internal transfers to different roles for employees seeking new challenges or a change of environment.

Following labour laws and regulations, all employees are granted leave and rest days as specified in their employment contracts and the staff handbook. This includes paid statutory leave, annual leave and sick leave. At the same time, we strive to create a family-friendly working environment by encouraging employees to take maternity and paternity leave to take care of newborn babies. Additionally, the Group provides extra leave options such as compassionate leave and birthday leave, as well as other staff benefits like discretionary performance bonuses and year-end bonuses to reward exceptional performance.

Employment and turnover

As of 31 March 2025, there are a total of 84 (2024: 88) employees, with a female-to-male ratio of approximately 3:1, which is similar to last year. The ratio of female employees remains higher due to the higher of percentage female general staff required as front-line employees to facilitate the sales and to give advice on products which predominantly appeal only to females, such as make-up and cosmetic products.

The majority of the Group's employees were employed full-time. As at the end of the Reporting Period, there were 73 (2024: 73) full-time versus 11 (2024: 15) part-time employees. Most of the part-time employees were beauty advisors who work at our retail stores. The overall turnover rate is approximately 27% (2024: 35%). Most of the employee turnover was from the general staff category during the Reporting Period, which is similar to the situation last year, showing a high retention rate of employees in the middle and senior management categories.

For detailed KPI data on employees, please refer to the KPI Performance Summary of this Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Health and Safety

The care and safety of our employees is our paramount concern, the Group has taken appropriate measures to ensure the health of our employees and the safe operation of our business. The Group complies fully with the related regulations to ensure the safety and protection for our employees and ensure that all planning, design, and construction activities meet regulatory standards.

Our comprehensive occupational health and safety policies are made accessible through the staff handbook, which serves as a vital resource for guidelines and awareness. To safeguard our workforce, we provide Employees' Compensation Insurance in accordance with the Employees' Compensation Ordinance, ensuring financial protection for work-related injuries. Employees are empowered to report immediately in the event of workplace accidents by reporting incidents immediately to their department supervisors and the Human Resources Department.

Recognising the importance of continuous education, we have established regular training programs focused on occupational health and safety. These sessions are designed to equip employees with the knowledge and skills necessary to mitigate workplace hazards effectively. In addition to policies and staff training, the Group ensures the health and safety of both our customers as well as employees by complying with the latest building and fire safety requirements, with regards to any renovations or modifications of existing retail stores, offices and warehouse, and by our full cooperation with fire department should any inspection is needed to be carried out.

Over the past three years, including the Reporting Period, the Group has not reported any significant workplace injuries, work-related fatalities, or lost days due to injuries.

Development and Training

We understand that a team of excellent talents is key to the sustainable development of the Group. Especially in the retail industry, customers rely heavily on the advice given by our beauty advisor to pick the appropriate product. Investing in employee development is also crucial for retaining a skilled and dedicated workforce.

To ensure that employees meet the ongoing professional training requirements of their respective professions, the Group has established systematic training and professional development policies. The Group provides various on-the-job training opportunities to support employees in their personal and professional advancement, and is committed to fostering a culture of self-motivation and continuous learning among employees in the office. We believe that self-driven employees are the cornerstone of professional growth and development.

Additionally, our senior management travelled to Japan for specialised training sessions, enabling them to acquire advanced knowledge and insights about the Group while contributing to the development of the Group's upcoming business strategy.

During the Reporting Period, our average training hours for each employee are approximately 6.78 hours. In the future, the Group will introduce online training and continue to conduct face-to-face training for employees to further enhance their skills for daily operational needs.

For detailed KPI data on training, please refer to KPI Performance Summary of this ESG Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Labour Standards

The Group strictly abides by the relevant labour laws and regulations applicable to its local businesses, and other laws and regulations[3] concerning the protection of the legitimate rights and interests of employees and the prohibition of hiring persons under the age of 18.

To actively detect and prevent unethical practices, we conduct regular internal quality audits and comprehensive screening during the recruitment process. The Human Resources department meticulously checks the identification documents of potential hires to ensure they meet the legal working age requirements. Additionally, we have established a whistle-blowing policy that allows anyone, including employees, to voice grievances, file complaints against the Group, or report unethical behaviour.

Work schedules are reasonably arranged with employee feedback to ensure fairness and voluntary participation, promoting a healthy work-life balance. In cases of urgent need for overtime work, employees may request to work extra hours voluntarily. Such requests require approval from their departmental heads, and overtime compensation is provided in accordance with relevant labour laws and regulations.

3 For relevant laws and regulations, please refer to Appendix "Applicable Laws and Regulations"

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR BUSINESS

Supply Chain Management

The Group operates a network of retail stores in Hong Kong, complemented by an online store, offering a diverse range of products including skincare, cosmetics, food and health supplements, as well as environmentally friendly and skin-safe detergents. Ensuring the quality of our suppliers is crucial to upholding the Group's values and mission in the products we offer. As of the end of the Reporting Period, we had 42 (2024: 40) approved suppliers.

We have established a product quality assurance system covering the entire production process from raw material procurement, production, quality inspection, to delivery. We also place a strong emphasis on our suppliers' sustainability performance, including their environmental protection, as well as occupational safety and health performance, so as to strengthen responsible supply chain management.

The decision to engage the supplier or service provider is usually made after consideration or approval at different levels of seniority within the Group, ensuring there are checks and balances. Both new and existing suppliers are assessed based on stringent criteria aligned with the Group's philosophy on product quality, including:

- level of social responsibility;
- environmental friendliness;
- quality and reputation of their products' ultimate source;
- industry reputation;
- absence of animal testing;
- quality of products or services previously received; and
- timeliness of past deliveries.

New suppliers are only added to our approved list if they meet stringent criteria and receive the Chief Executive Officer's approval. Before initiating any business, we require relevant laboratory test reports and arrange for thorough internal or external examinations of product samples. This ensures compliance with all pertinent regulations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Quality Assurance

Product quality and safety are at the core of our operations. The Group has established strict policies and procedures to ensure product quality, setting us apart from competitors in the industry. In recognition of our service excellence, the Group's repackaging service for skincare products has been certified by the Hong Kong Quality Assurance Agency (HKQAA) with the ISO9001:2015 certificate.

We maintain rigorous quality control by closely monitoring regular shipments and relying on our dedicated quality assurance team to inspect products upon arrival. This team performs visual inspections to identify any defects and ensures that ingredients and labelling meet expectations. If there are any issues with labelling or product quality, we immediately communicate with suppliers to take corrective actions.

For product repackaging and labelling services, we adhere to the stringent guidelines provided by suppliers and our quality control system. These guidelines ensure cleanliness and are prominently posted in the repackaging and labelling office for all staff to follow. Repackaging is conducted in a dust-free environment, where staff are required to wear protective gowns, hats, and gloves before entering the area. To avoid cross-contamination, the team repackages only one product at a time. All repackaging containers are disinfected with ultraviolet light, and repackaging machines are serviced or replaced at least every six months. Our quality assurance officers conduct periodic checks on the repackaging and labelling processes to ensure compliance with our guidelines and relevant laws. This systematic approach reinforces our commitment to maintaining high product quality standards.

During the Reporting Period, there were zero product recalls.

Ethical Responsibility

The Group strives to protect animal rights and welfare while promoting scientific research and innovation. We closely monitor the legislative developments on animal testing to ensure that our beauty and skincare products are of excellent quality, effective, safe and suitable for most people's skin. Additionally, we maintain and regularly update a blacklist of ingredients, guided by information from the Environmental Working Group (EWG), a non-profit organisation dedicated to protecting human health and the environment. This list is checked against our current product offerings to ensure they meet safety standards and align with our commitment to cruelty-free and environmentally friendly products.

Among the eco-friendly and socially responsible products sourced during the Reporting Period, the "INIKA" brand stands out. These products are certified to contain over 70% organic ingredients, are biodegradable, free from animal derivatives, not tested on animals, and free from ingredients resulting from animal cruelty. They are also alcohol-free and vegan, meeting the requirements for halal certification by top halal certifying bodies. Additionally, several products offered during the Reporting Period were certified by the U.S. Food and Drug Administration (FDA) that regulates food and drug safety.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Advertising of Products

The Group utilises a blend of traditional and digital platforms to advertise our products, ensuring our customers are well-informed with accurate and comprehensive information about our offerings and the latest trends in health and skincare. Our advertising strategy includes regular updates on our website and Facebook page, enhancing customer engagement and maintaining a strong online presence.

We regularly review the source of certain data, or the choice of certain words used in our advertising to ensure their accuracy and ensure that product advertising does not contain false descriptions of medical effects or other misleading information. All our marketing and advertising strategies are subject to approval by the Board. The Board ensures that these strategies align with our corporate values, objectives, and compliance requirements. The Board's oversight guarantees that our advertising initiatives not only enhance our brand presence but also uphold our commitment to ethical practices and regulatory compliance.

Complaint Handling

Meeting and exceeding customer expectations is crucial for our business development. We have a dedicated customer service staff to ensure a timely response to all customer inquiries and concerns. We treat all complaints with the utmost seriousness, viewing them as opportunities to consistently improve the quality of our services and products.

Customer Feedback Channel:

- Customers can visit any of our stores or email us to report any issues with our products or services.
- We also maintain a Facebook page dedicated to handling complaints from customers.

Investigation and Handling:

- Our customer service staff takes immediate action upon receipt of any request, working diligently to resolve or follow up on the issue until it is fully addressed.
- If a complaint pertains to one of our products, we initiate internal communication across different departments and engage with suppliers when necessary to resolve the issue effectively.

Correction and Prevention:

- We offer replacements or refunds in accordance with the Group's policies if appropriate.
- We send satisfaction surveys to customers who have made purchases either in our physical stores or online. These surveys are distributed after the month of purchase and are designed to gather feedback on their shopping experience. The collected feedback is consolidated by our sales team and reported to management.
- Further follow-up actions are taken as needed to address any concerns raised.

During the Reporting Period, we have not received any significant complaints.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Protection of Intellectual Property

The Group is the registered owner of 31 (2024: 31) trademarks, including “mi ming mart”, “MI MING MART”, “袁彌明生活百貨” and “彌明生活百貨”, which are pertinent to the ordinary course of our business operations. The Group is committed to protecting its intellectual property as well as that of third parties, including trademarks, copyrights, patents, and domain names.

To protect our customers, we promptly notify suppliers when we become aware of counterfeit or smuggled products in the market. We work closely with our suppliers to determine the appropriate course of action to address these issues. In case of identifying any instances of infringement, we will take appropriate follow-up actions based on the specific circumstances and nature of the infringement.

During the Reporting Period, we have not engaged in, nor have we been threatened with, any claims for infringement of intellectual property rights.

Data Privacy and Protection

To enhance network and information security, we have taken the appropriate backup, encryption, access control and other necessary technical and organisational measures and set up overall cybersecurity and data protection policies to protect data from unauthorised access, disclosure, theft, tampering, destruction, loss, illegal use, or other serious incidents and breaches.

The Group has implemented various information security programs, including a comprehensive “Privacy Policy,” to ensure the confidentiality and integrity of data, as well as compliance with data protection laws and regulations, including but not limited to:

- Protected data and information shall not be used externally without approval.
- Strengthening user access approval and permission configuration control, store sales staff can only view basic customer membership information.
- Data is destroyed when no longer required.
- Strengthening employee training and awareness of information security to prevent illegal use and disclosure of information.
- Employees are contractually bound to protect confidential information; they must keep information in strict confidence and prevent misuse.
- Employees shall not install, download or copy unauthorised software without permission.
- Employees shall not use the company’s network facilities to send, obtain or use information or data that violates company policies.
- Breaches of policies can result in severe consequences, including termination and legal action.

During the Reporting Period, the Group experienced no significant incidents or complaint with regards to data privacy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Anti-corruption

The Group is committed to complying with the laws and regulations in relation to the prevention of bribery. In order to uphold high standards of integrity and business ethics, we have formulated a series of internal anti-fraud and anti-bribery policies such as the "Anti-Corruption Policy" and the "Whistleblowing Policy" to provide employees with relevant code of ethics and guidelines.

Through the establishment of these policies, we encourage all the employees to discharge their duties and conduct themselves in compliance with laws and regulations and to do so with integrity and honesty. Furthermore, similar to compliant handling procedures as described in the previous section, the employees and our stakeholders can also utilise these complaint channels to file complaints to the Group personally or anonymously. Our Anti-Corruption Policy includes effective procedures and policies such as:

- Prevention of Bribery Ordinance.
- Prohibition on soliciting and accepting advantages.
- Regulations on entertainment.
- Conflict of interest.
- Proper use of group assets.
- Confidentiality of information.
- Restrictions on outside business or employment.
- Prohibition on certain activities with suppliers, contractors, and customers.

We have implemented a Whistleblowing Policy to encourage and support whistle-blowers in disclosing information related to misconduct, malpractices, or irregularities through a confidential reporting channel. Suspected misconduct is forwarded to the Compliance Officer, who reviews the cases and determines the necessary investigative and corrective actions. Recommendations for improvements are communicated to the senior management of the relevant departments for implementation. All reported cases are handled with care and investigated impartially. The Audit Committee reviews all reports under the Whistleblowing Policy biannually to ensure appropriate actions are taken and to assess the need for further policy development.

The Group's Disclosure Policy mandates that employees report gifts, entertainment, and travel conducted on behalf of the Group, and manage such gifts and entertainment provided by business associates according to Group guidelines. We take these matters very seriously, and as stated in the staff handbook, any employee found in violation will face severe disciplinary actions, including summary dismissal and/or legal action.

During the Reporting Period, there was no legal case regarding corruption, nor any case of corruption found by or reported to the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR COMMUNITY

The Group is deeply committed to community investment and social responsibility, recognising the critical importance of supporting the well-being of the communities in which we operate. To foster employee engagement, we introduced our "Employee Volunteer Plan", offering an additional half-day of paid personal leave for staff participating in approved social impact initiatives lasting four hours or more, such as animal welfare, environmental conservation, community visits, and charitable walks. Two employees participated in the "Senior Buddy Charity Farm "volunteer service, which encourages Hong Kong citizens to engage in organic farming and share the produce with the elderly, promoting care, support, and healthy eating for seniors.

During the Reporting Period, we donated HK$12,000 to 12 non-governmental organisations, supporting causes including animal welfare, with recipients such as Kelly Animals Shelter, Guard for Stray Welfare Association, and the Hong Kong Saving Cat and Dog Association. We also supported Oxfam Trailwalker and Oxfam Hong Kong's Poverty Alleviation Work, contributing to their efforts in addressing poverty and inequality.

Our commitment to community investment and employee engagement is a cornerstone of our corporate social responsibility strategy, driving meaningful impact and fostering a compassionate, inclusive society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX – APPLICABLE LAWS AND REGULATIONS

Aspects	**Applicable Laws and Regulations**
Aspect A1: Emissions	Waste Disposal Ordinance (Cap. 354)
Aspect A2: Resource Usage	Waste Disposal (Chemical Waste) (General) Regulation (Cap. 354C)
Aspect A3: Environment and Natural Resources	Waste Disposal (Clinical Waste) (General) Regulation (Cap. 345O)
	Water Pollution Control Ordinance (Cap. 358)
	Sewage Services Ordinance (Cap. 463)
Aspect B1: Employment	The Employment Ordinance (Cap. 57)
Aspect B4: Labor Standards	The Sex Discrimination Ordinance (Cap. 480)
	The Disability Discrimination Ordinance (Cap. 487)
	The Family Status Discrimination Ordinance (Cap. 527)
	The Race Discrimination Ordinance (Cap. 602)
	The Employees' Compensation Ordinance (Cap. 282)
	Minimum Wage Ordinance (Cap. 608)
Aspect B2: Health & Safety	Occupational Safety and Health Ordinance (Cap. 509)
	Buildings Ordinance (Cap. 123)
Aspect B6: Product Responsibility	The Consumer Goods Safety Ordinance (Cap. 456)
	The Food Safety Ordinance (Cap. 612)
	The Consumer Goods Safety Ordinance (Cap. 456)
	The Product Eco-Responsibility Ordinance (Cap. 603)
	The Trademarks Ordinance (Cap. 559)
	The Prevention of Bribery Ordinance (Cap. 201)
	The Trade Descriptions Ordinance (Cap. 362)
	The Personal Data (Privacy) Ordinance (Cap. 486)
Aspect B7: Anti-corruption	Prevention of Bribery Ordinance (Cap. 201)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX – KPI PERFORMANCE SUMMARY

Aspects		KPIs	Unit	2024/25	2023/24
A1.1	Emissions	Nitrogen oxides ("NOx")	Kg	–[4]	0.0075
		Sulphur oxides ("SOx")	Kg	–[4]	0.00029
		Particulate matter ("PM")	Kg	–[4]	0.00055
A1.2	Greenhouse gas	**Scope 1 – Direct GHG emission**			
		Combustion of fuels	Tonnes of CO_2 equivalent	–[4]	0.05
		Total direct CO_2 emissions	Tonnes of CO_2 equivalent	–[4]	0.05
		Intensity[5] of total direct CO_2 emissions	Tonnes of CO_2 equivalent/ number of retail stores	–[4]	0.0056
		Scope 2 – Energy Indirect GHG emissions[6]			
		Purchased electricity	Tonnes of CO_2 equivalent	85.52	103.36
		Total energy indirect CO_2 emissions	Tonnes of CO_2 equivalent	85.52	103.36
		Intensity of total energy indirect CO_2 emissions	Tonnes of CO_2 equivalent/ number of retail stores	9.50	11.48
		Scope 3 – Other indirect emissions			
		Electricity uses for fresh water and sewage processing	Tonnes of CO_2 equivalent	0.06	0.09
		Paper disposal at landfill	Tonnes of CO_2 equivalent	1.18	1.63
		Business travel	Tonnes of CO_2 equivalent	22.61	8.33
		Total other indirect CO_2 emissions	Tonnes of CO_2 equivalent	23.85	10.05
		Intensity of total other indirect CO_2 emission	Tonnes of CO_2 equivalent/ number of retail stores	2.65	1.12
		Total GHG emissions			
		Total GHG emissions	Tonnes of CO_2 equivalent	109.37	113.46
		Intensity of total GHG emissions	Tonnes of CO_2 equivalent/ number of retail stores	12.15	12.61
A1.3	Hazardous waste	Total hazardous waste produced	Tonnes	–[7]	–
		Intensity of hazardous waste produced	Tonnes/number of retail stores	–[7]	–
A1.4	Non-hazardous waste	Total non-hazardous waste produced	Tonnes	0.25	0.34
		Intensity of non-hazardous waste produced	Tonnes/number of retail stores	0.03	0.03

[4] Since the group did not own any company vehicle for during the reporting period, there are no air pollution and direct GHG emission emitted.

[5] Intensities are calculated by dividing the volume emitted by the number of retail stores as at the end of Reporting Period.

[6] Energy indirect emissions are calculated with reference to the "How to prepare an ESG Report? – Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

[7] No hazardous waste is generated during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects		KPIs	Unit	2024/25	2023/24
A2.1	Energy	**Direct energy consumption**			
		Gasoline	kWh[8]	–[4]	193.82
		Total direct energy consumption	kWh	–[4]	193.82
		Intensity of direct energy consumption[9]	kWh/number of retail stores	–[4]	21.54
		Indirect energy consumption			
		Purchased Electricity	kWh	166,648.00	185,044.00
		Total indirect energy consumption	kWh	166,648.00	185,044.00
		Intensity of indirect energy consumption	kWh/number of retail stores	18,516.44	20,560.44
		Total energy consumption			
		Total energy consumption	kWh	166,648.00	185,237.82
		Intensity of total energy consumption	kWh/number of retail stores	18,516.44	20,581.98
A2.2	Water	Total water consumption	M^3	141.00	126.00
		Intensity of total water consumption[10]	M^3/number of retail stores	15.67	14.00
A2.5	Packaging material	Consumption of bottles and droppers[11]	Tonnes	3.78	4.47
		Intensities of bottles and droppers[12]	Grams	27.71	32.77
		Consumption of boxes	Tonnes	0.80	0.88
		Intensities of boxes	Grams	6.64	7.30
B1.1	Employee	**By gender**			
		Male	Person	24	21
		Female	Person	60	67
		By age group			
		Below 30	Person	10	16
		30-50	Person	65	63
		Over 50	Person	9	9
		By employee type			
		Full-time	Person	73	73
		Part time	Person	11	15
		By Geographical Region			
		Hong Kong	Person	84	88
B1.2	Employee turnover rate	**Overall**	%[13]	27%	35%
		By gender			
		Male	%	13%	42%
		Female	%	31%	33%
		By age group			
		Below 30	%	85%	60%
		30-50	%	17%	29%
		Over 50	%	11%	24%
		By Geographical Region			
		Hong Kong	%	27%	35%

[8] Direct energy consumption is calculated with reference to the "How to prepare an ESG Report? – Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX.
[9] Intensities is calculated by dividing the total consumption by the number of retail stores as at the end of Reporting Period.
[10] Intensities is calculated by dividing the total water consumption by the number of retail stores as at the end of Reporting Period.
[11] The consumption amount is calculated by multiplying the intensity and the pieces of packaging materials consumed during the Reporting Period.
[12] Intensities are the weights of each of the packaging materials with reference to an average-sized product.
[13] The percentage calculations are updated with reference to the "How to prepare an ESG Report? – Appendix III: Reporting Guidance on Social KPIs" issued by the HKEX, i.e., dividing the number of turnover employees in that category by the average number of employees at beginning and the end of the year in that category.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects		KPIs	Unit	2024/25	2023/24
B.2.1	Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year	Number of work-related fatalities[14]	Person	0	0
		Rate of work-related fatalities	%	0	0
	Lost days due to work injury	Number of lost-days as a result of work injuries day	Days	0	0
B3.1	Percentage of employees trained	**Total percentage of employees trained**	%	82%	75%
		By gender			
		Male	%	28%	31%
		Female	%	72%	69%
		By employee role			
		Senior Management	%	6%	3%
		Middle Management	%	17%	19%
		General Executive	%	77%	78%
B3.2	Average training hours	**Average training hours per employee**	Hours	6.78	7.73
		By gender			
		Male	Hours	8.84	8.35
		Female	Hours	6.00	7.45
		By employee role			
		Senior Management	Hours	14.00	32.00
		Middle Management	Hours	14.67	14.71
		General Executive	Hours	4.45	5.21
B5.1	Number of suppliers	**By geographical region**			
		Hong Kong	Number	27	26
		European Union	Number	1	2
		Australia	Number	6	6
		Others	Number	8	6
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Percentage of total products sold or shipped subject to recalls for safety and health reasons[15]	%	2.5[16]	2.5
B6.2	Number of products related complaints received	Number of products and service-related complaints received	Number	0	0
B7.1	Legal cases regarding corrupt practices	Number of concluded legal cases regarding corrupt practices brought	Number	0	0
B8.1 & B8.2	Community investment	Total donations	HKD	128,000	130,000

14 No work-related fatalities was reported for the past three years, including the reporting year.
15 The data is calculated as the number of products recalled/our total procurement amount of that brand of product
16 The data is calculated as the number of products recalled/our total procurement amount of that brand of product

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX – STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our Environment
KPI A1.1	The types of emissions and respective emissions data.	Our Environment
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Our Environment
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Our Environment
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility	Our Environment
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Our Environment
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Our Environment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Our Environment
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Our Environment
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Our Environment
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Our Environment
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Our Environment
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Our Environment
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Our Environment
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Our Environment
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Our Environment
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Our Environment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our Employees
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Our Employees
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Our Employees
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Our Employees
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Our Employees
KPI B2.2	Lost days due to work injury.	Our Employees
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Our Employees
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our Employees
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Our Employees
KPI B3.2	The average training hours completed per employee by gender and employee category.	Our Employees

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Our Employees
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our Employees
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Our Employees
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Our Business
KPI B5.1	Number of suppliers by geographical region.	Our Business
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Our Business
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Our Business
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Our Business

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Our Business
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Our Business
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Our Business
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our Business
KPI B6.4	Description of quality assurance process and recall procedures.	Our Business
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Our Business
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Our Business
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Our Business
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Our Business
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Our Business
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Our Community
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Our Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Our Community

REPORT OF THE DIRECTORS

The Directors present herewith their annual report together with the audited consolidated financial statements for the year ended 31 March 2025.

GROUP REORGANISATION AND SHARE OFFER

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 4 November 2016.

Pursuant to a reorganisation in preparation for the Listing, the Company became the holding company of the Group. Details of the reorganisation are set out in the Prospectus dated 30 January 2018 (the "Prospectus"). The Company's shares were listed on the GEM on 12 February 2018 by way of share offer.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the Group is principally engaged in the retail of multi-brand beauty and health products and provision of beauty services in Hong Kong. The principal activities and other particulars of the subsidiaries of the Company are set out in note 36 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2025 is set out in the sections headed "Chairlady's Statement" and "Management Discussion and Analysis" of this annual report.

The Group complies with the requirements under the Companies Ordinance, the GEM Listing Rules and the SFO for the disclosure of information and corporate governance.

REPORT OF THE DIRECTORS

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The followings are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

	Key risks and uncertainties	**Management's response to risks and uncertainties**
Market risk	The elevated interest rates and the comparative weakness of certain foreign currencies against the Hong Kong dollar led to an increase in the cost of living and shifts in consumption and travel patterns. These changes dampened the retail sector landscape in Hong Kong as well as our business.	The Group adjusted its business strategies and strengthened internal training programs aimed to increase customer repurchase rates and spending. Additionally, the Group undertaken a restructuring of products, sales channels, and operations to optimize resource utilization.
Strategic risks	We rely on the market recognition of our brand "MI MING MART" ("彌明生活百貨") for offering quality beauty and health products and any damage to our brand name could materially and adversely affect our business.	The Group's brand image is constantly monitored by the management and the Marketing Department, which will make the necessary adjustments to the marketing and sales strategy as needed.
	We have limited product breadth as compared to other retailers in the Hong Kong skincare and cosmetics multi-brand specialty retailers market.	The Group's management and the Business Development Department is planning to expand its product portfolio through various means such as attending trade fairs and exhibitions, conducting feasibility studies, and researching new products and markets.
	The changes in consumer spending patterns and ineffectiveness of promotional activities could materially and adversely affect our business.	The Group's Marketing and Sales Department will keep a close eye on any changes in consumer preferences and requirements, and the management and Marketing Department will make the necessary adjustments to the promotion strategy to align with these changes.
Operational Risks	We rely on major suppliers for the supply of branded beauty and health products.	Apart from the methods mentioned above to broaden its product range by seeking out new suppliers, the Group has also established exclusive purchase agreements with its major suppliers, which have relatively longer contract terms, to ensure more stable supply relationships.

REPORT OF THE DIRECTORS

	Key risks and uncertainties	Management's response to risks and uncertainties
	We rely on our Board members and senior management staff, and their departure would adversely affect our operations and business.	The Group provides career development opportunities and training resources to groom its staff for promotion to Director or senior management positions, in order to prepare potential successors well in advance of the departure of Board members and senior management staff. Additionally, the Human Resources Department has recently conducted a review of the market rates of the remuneration of Directors and senior management to ensure that the compensation is to our Directors and senior management competitive in the market.
Financial risks	An analysis of the Group's financial risk and corresponding management objectives and policies are provided in note 33 to the consolidated financial statements.	The Director, chief financial officer, and the Accounting Department are responsible for monitoring financial risks and periodically adjusting the financial strategy.
	The property market may experience a recession, both in the industrial and residential sectors, can result in impairment losses for those properties.	The Director, chief financial officer, and Accounting Department are responsible for monitoring the property market and implementing asset diversification strategies as needed.
Compliance risks	Risk of breach of product safety requirement, labelling requirement, licensing requirement and risk of change of rules and regulations in Hong Kong.	To ensure compliance with the latest rules and regulations, the Group has established standardised operating procedures that all departments must adhere to. Additionally, the Group has engaged a company lawyer to provide legal advice on matters related to Hong Kong law.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognizes the accomplishment of our employees by providing comprehensive benefit package, career development opportunities and internal training tailored for individual needs. The Group provides a healthy and safe workplace for all the employees. No strikes and cases of fatality due to workplace accidents are found in the year.

The Group encompasses good working relationships with suppliers to meet our customers' needs in an effective and efficient manner. The relevant departments of the Group work closely to make sure that the tender and procurement process is conducted in an open, fair and just manner.

REPORT OF THE DIRECTORS

Apart from the conventional way of customer interaction on a face-to-face basis at our retail stores, we also interact with our customers through online media and social networking platforms. We keep our customers posted about our product offerings by updating our product portfolio, and our latest marketing and promotional initiatives through our website from time to time. We post videos on online media and popular social networking platforms as well as our online shop, whereby the usage of our products, their ingredients and functions can be instilled to our existing and potential customers. Through such interactive online media and social networking platforms, we are able to obtain first-hand feedback from our customers and provide them with our instant response, which in turn enhances our interaction with them, optimises their shopping satisfaction and allows us to reach out to more potential customers.

In view of the above and as at the date of this annual report, there is no circumstances or any event which will cause a significant impact on the Group's business on which the Group's success depends.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2025 are set out in the consolidated statement of profit or loss and other comprehensive income of this annual report.

The Board has recommended a final dividend of HK0.8 cent per ordinary share for the year ended 31 March 2025 (2024: HK0.8 cent per ordinary share), in an aggregate amount of approximately HK$9.0 million (2024: approximately HK$9.0 million), to shareholders whose names appeared on the register of members of the Company on Friday, 29 August 2025.

MAJOR CUSTOMERS AND SUPPLIERS

Owing to the nature of our business, for the year ended 31 March 2025, our customers were mainly retail customers consisting of individuals from the general public, a few bulk purchase customers as well as the distributors. For the year ended 31 March 2025, revenue from our largest and top five largest customers who had registered under our membership programme (inclusive of the bulk purchase customers) was approximately 1.9% and 3.2% of our total revenue, respectively. All of our top five customers during the year ended 31 March 2025 are independent third parties.

The aggregate purchases from our Group's largest and top five suppliers accounted for approximately 29.3% and 72.8% of our total purchases for the year ended 31 March 2025 respectively. All of our top five suppliers during the year ended 31 March 2025 are independent third parties. To the best knowledge of the Directors, none of our Directors or any existing shareholder or their respective close associates holds more than 5% of our issued share capital, had any interest in any of our top five suppliers for the year ended 31 March 2025.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial performance of the Group for the year ended 31 March 2025 and the consolidated financial position of the Group as at 31 March 2025 are set out in the consolidated financial statements on pages 86 and 87, respectively.

REPORT OF THE DIRECTORS

RESERVES

Details of movements in the reserves of the Group during the year ended 31 March 2025 are set out in the consolidated statement of changes in equity on page 88.

DISTRIBUTABLE RESERVES

Pursuant to the Companies Act of the Cayman Islands, share premium, which has been partially offset by the accumulated loss of the Company, are distributable to the Shareholders. As at 31 March 2025, the Company's reserves available for distribution to the Shareholders amounted to approximately HK$3.0 million.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year ended 31 March 2025 are set out in note 14 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of movements in investment properties of the Group during the year ended 31 March 2025 are set out in note 15 to the consolidated financial statements.

DONATIONS

During the year ended 31 March 2025, the Group has made charitable donations amounted to approximately HK$0.1 million in aggregate (2024: approximately HK$0.1 million).

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2025 are set out in note 29 to the consolidated financial statements.

DIRECTORS

The Directors during the year ended 31 March 2025 and up to the date of this annual report are:

Executive Directors

– Ms. Yuen Mi Ming Erica *(Chairlady and Chief Executive Officer)*
– Ms. Yuen Mimi Mi Wahng

Non-executive Directors

– Mr. Cheung Siu Hon Ronald
– Mr. Lam Yue Yeung Anthony

REPORT OF THE DIRECTORS

Independent Non-executive Directors

– Ms. Tsang Wing Yee
– Ms. Wong Yuen Kwan
– Ms. Lui Karrie Ka Yee *(Appointed on 8 April 2025)*
– Ms. Chan Sze Lai Celine *(Resigned on 8 April 2025)*

Biographical information of the Directors and senior management of the Group are set out from pages 14 to 17 of this annual report.

Pursuant to article 108(a) of the Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. In addition, pursuant to article 112 of the Articles, any Director appointed by the Board shall hold office only until the next following general meeting of the Company.

Accordingly, Ms. Yuen Mi Ming Erica, Ms. Yuen Mimi Mi Wahng, Ms. Tsang Wing Yee and Ms. Lui Karrie Ka Yee (appointed by the Board on 8 April 2025 and whose appointment will end at the forthcoming annual general meeting), will retire but being eligible, offer themselves for re-election at the annual general meeting to be held on 8 August 2025 (the “2025 AGM”) of the Company.

DIRECTORS’ SERVICE CONTRACTS

Each of the Executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from Listing Date, and renewable automatically for successive terms for one year, and will continue thereafter until terminated by either party giving not less than three months’ notice in writing.

Each of the Non-executive Directors and Independent Non-executive Directors has entered into an appointment letter with the Company for a term of three years commencing from date of appointment, which can be terminated by either party giving not less than one month’s notice in writing.

The service agreements and appointment letters mentioned above may be terminated in accordance with the terms and are subject to termination provisions therein and retirement and re-election at annual general meetings in accordance with the Articles or any other applicable laws from time to time whereby he/she shall vacate his/her office.

None of the Directors proposed for re-election at the 2025 AGM has entered into any service agreement or appointment letter with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers all the Independent Non-executive Directors to be independent.

REPORT OF THE DIRECTORS

INDEMNITY OF DIRECTORS

The Company has maintained appropriate directors and officers liability insurance and such permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the year ended 31 March 2025.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the year ended 31 March 2025.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2025, the interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO") held by the Directors and chief executives of the Company which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have taken under such provisions of the SFO) or which as entered in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules are set out as follows:

(a) Interests in the Shares of the Company

Name of Directors	Capacity/ nature of interest	Number of Shares interested *(Note 1)*	Percentage of shareholding in the Company
Ms. Yuen Mi Ming Erica ("Ms. Erica Yuen") *(Note 2)*	Interest in controlled corporation	786,530,000 (L)	70.23%
Mr. Lam Yue Yeung Anthony ("Mr. Anthony Lam") *(Note 3)*	Interest of spouse	786,530,000 (L)	70.23%
Ms. Yuen Mimi Mi Wahng ("Ms. Mimi Yuen") *(Note 4)*	Interest in controlled corporation	47,000,000 (L)	4.20%
Mr. Cheung Siu Hon Ronald ("Mr. Ronald Cheung") *(Note 5)*	Interest of spouse	47,000,000 (L)	4.20%

REPORT OF THE DIRECTORS

(b) Interests in the shares of the associated corporation of the Company

Name of Director	Capacity/ nature of interest	Name of associated corporation	Number of share interested *(Note 1)*	Percentage of shareholding in the associated corporation
Ms. Erica Yuen	Beneficial owner	Prime Era Holdings Limited ("Prime Era")	1 (L)	100%
Ms. Mimi Yuen	Beneficial owner	Webber Holdings Limited ("Webber")	1 (L)	100%

Notes:

(1) The letter "L" denotes long position in the relevant share interests.

(2) Prime Era held direct interests of 786,530,000 Shares. Prime Era is wholly and beneficially owned by Ms. Erica Yuen. Therefore, Ms. Erica Yuen is deemed to be interested in all the Shares held by Prime Era under the SFO.

(3) Mr. Anthony Lam is the spouse of Ms. Erica Yuen. Mr. Anthony Lam is deemed to be interested in the same number of Shares in which Ms. Erica Yuen is interested by virtue of the SFO.

(4) Webber held direct interests of 47,000,000 Shares. Webber is wholly and beneficially owned by Ms. Mimi Yuen. Therefore, Ms. Mimi Yuen is deemed to be interested in all the Shares held by Webber under the SFO.

(5) Mr. Ronald Cheung is the spouse of Ms. Mimi Yuen. Mr. Ronald Cheung is deemed to be interested in the same number of Shares in which Ms. Mimi Yuen is interested by virtue of the SFO.

Save as disclosed above, as at 31 March 2025, none of the Directors or chief executive of the Company has any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have taken under the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above, at no time during the year and up to the date of this annual report was the Company, or its holding company or its subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures, of the Company or its associated corporations (with the meaning of Part XV of the SFO).

REPORT OF THE DIRECTORS

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2025, the following persons (not being a Director or chief executive of the Company) had or were deemed or taken to have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO who, are directly or indirectly interested in 5% or more of the Shares:

Name of shareholder	Capacity/ nature of interest	Number of Shares held *(Note 1)*	Percentage of shareholding in the Company
Prime Era *(Note 2)*	Beneficial owner	786,530,000 (L)	70.23%

Notes:

(1) The letter "L" denotes the long position in the share interest.

(2) Prime Era is wholly and beneficially owned by Ms. Erica Yuen. She is deemed to be interested in all the Shares held by Prime Era under the SFO.

Save as disclosed above, as at 31 March 2025, none of the Directors is aware of any other person (other than the Directors or chief executive of the Company as disclosed in the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations" above) who had any interest or short position in the Shares or underlying Shares which would have to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

REPORT OF THE DIRECTORS

EQUITY-LINKED AGREEMENTS

Save for the share option scheme as set out below, no equity-linked agreement was entered into by the Group, or existed during the year ended 31 March 2025.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 23 January 2018 (the "Scheme") as approved by a resolution of the sole shareholder passed on 23 January 2018.

Details of the Scheme are as follows:

1.	Purpose of the Scheme	The Scheme enables our Company to grant share options to eligible persons as incentives or rewards for their contributions to our Group.
2.	Eligible persons to the Scheme	The Board may at its discretion grant options pursuant to the terms of this Scheme to: (i) any director, full-time or part-time employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which a member of the Group holds interest or a subsidiary of such company (the "Affiliate"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company wholly and beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate. The basis of eligibility shall be determined by the Board from time to time.
3.	Maximum number of shares available for the Scheme and percentage to the issued shares as at the date of this annual report	112,000,000 shares (equivalent to 10% of the total number of shares in issue as at the Listing Date).
4.	Maximum entitlement of each participant under the Scheme	The total number of Shares issued and to be issued upon exercise of the options granted to a participant under this scheme or any other share option schemes (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares from time to time in issue. Any further grant of share option in excess of such limit must be separately approved by the shareholders in general meeting.
5.	The period within which the shares must be exercise under an option	A period which shall not be more than ten (10) years from the date of the grant of option and subject to the provisions for lapse of option as contained in the Scheme.

REPORT OF THE DIRECTORS

6.	The minimum period for which an option must be held before it can be exercised	Unless otherwise determined by the Board, there is no performance target required to be achieved and no minimum period required under the Scheme for the holding of an option before it can be exercised.
7.	The amount payable on application or acceptance of the option and the period offered for acceptance	Upon acceptance of the option, the eligible person shall pay HK$1.00 (or such other nominal sum in any currency as the Board may determine) to our Company as consideration for the grant thereof. The share option offer shall be offered for acceptance by the eligible person concerned for a period not less than 5 business days from the date on which the offer is made, except for any offer which is made within last 5 business days of the life of this share option scheme, the offer shall remain open for acceptance on a business day by the eligible person concerned for a period of not longer than the remaining life of this scheme.
8.	The basis of determining the exercise price	Being determine by the Board and shall be a least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the options, which must be a trading day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the grant of the options; and (c) the nominal value of a share on the offer date.
9.	The remaining life of the Scheme	The Scheme is valid and effective for a period of ten (10) years commencing on the Listing Date.

Since the date of the adoption of the Scheme on 23 January 2018, no share option has been granted, exercised, expired, cancelled or lapsed and there is no outstanding share option under the Scheme. Therefore the weighted average closing price of the shares immediately before the dates on which the options were exercised or vested pursuant to Rule 23.07(1)(d) of the GEM Listing Rules is not available.

Pursuant to Rule 23.07(2) of the GEM Listing Rules, the total number of share options available for grant under the Share Option Scheme as at 1 April 2024 and 31 March 2025 were 112,000,000 and 112,000,000 respectively.

Pursuant to Rule 23.09(3) of the GEM Listing Rules, the total number of share options available for grant under the Scheme as at 31 March 2025 was 112,000,000 shares, representing approximately 10% of the ordinary shares of the Company at issue on the Listing Date.

Pursuant to Rule 23.09(9) of the GEM Listing Rules, as at 31 March 2025, the remaining life of the Scheme is 2 years 10 months, after which no further share options will be issued but the provisions of this Scheme share remain in full force and effect in all other respects and share options granted during the life of this Scheme may continue to be exercisable in accordance with their terms of issue.

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 March 2025, certain related party transactions disclosed in note 31 to the consolidated financial statements constitute de minimis continuing connected transactions of the Company under Rule 20.74 of the GEM Listing Rules.

The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

From information publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, the Company has maintained the public float required by the GEM Listing Rules.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the paragraph headed "Connected Transactions and Continuing Connected Transactions" in this annual report, no transaction, arrangement or contract of significance to which the Company, or its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director and a connected entity of a Director had a material interest, subsisted at the end of the year or at any time during the year ended 31 March 2025.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 March 2025, none of the Directors or their respective close associates had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

In order to protect the Group's interest in its business activities, on 23 January 2018, each of Prime Era Holdings Limited and Ms. Yuen Mi Ming Erica, the controlling shareholders of the Company (the "Controlling Shareholders") as covenantors (each of them, a "Covenantor" and collectively, the "Covenantors") executed a Deed of Non-competition in favour of our Company (for itself and as trustee for each of its subsidiaries).

In accordance with the Deed of Non-competition, each Covenantor undertakes that, from the Listing Date and ending on the occurrence of the earlier of (i) the date on which the Shares cease to be listed on the GEM; or (ii) the date on which the Covenantors and her/its close associates ceases to be entitled to exercise or control the exercise of 30% in aggregate of the voting power at general meetings of the Company:

She/it will not, and will use her/its best endeavours to procure any Covenantor, her/its close associates and any company directly or indirectly controlled by the Covenantor not to, either on her/its own or in conjunction with any body corporate, partnership, joint venture or other contractual agreement, whether directly or indirectly, whether for profit or not, carry on, participate in, hold, engage in, acquire or operate, or provide any form of assistance to any person, firm or company (except members of our Group) to conduct any business which, directly or indirectly, competes or is likely to compete with the business of our Company or any of our subsidiaries in Hong Kong and such other places as our Company or any of our subsidiaries may conduct or carry on business from time to time, including but not limited to the Business.

REPORT OF THE DIRECTORS

The Company has received a confirmation from the Controlling Shareholders on their compliance with the Deed of Non-competition from the Listing Date to the date of this annual report ("Confirmation"). The Independent Non-executive Directors have reviewed the Confirmations and confirmed that they are not aware of any non-compliance of the Deed of Non-competition by the Controlling Shareholders from the Listing Date to the date of this annual report.

Details of the undertaking has been set out in the section headed "Relationship with our Controlling Shareholders" of the Prospectus.

BANK BORROWING

The Group did not have bank borrowing as at 31 March 2025 (2024: nil).

CONTRIBUTIONS TO THE RETIREMENT BENEFITS SCHEME

Details of contributions to the retirement benefits scheme of the Group are set out in note 30 of the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities from the Listing Date to the date of this annual report.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out in the financial summary section on page 152 of this annual report.

ANNUAL GENERAL MEETING

The 2025 AGM has been scheduled to be held on Friday, 8 August 2025. A notice convening the 2025 AGM will be issued and despatched to the Shareholders on Friday, 11 July 2025.

REPORT OF THE DIRECTORS

RELEVANT DATES FOR FINAL DIVIDEND

Ex-entitlement date	Tuesday, 26 August 2025
Latest time to lodge share transfer	4:30 p.m., Wednesday, 27 August 2025
Closure of register of members	From Thursday, 28 August 2025 to Friday, 29 August 2025, both dates inclusive
Record date	Friday, 29 August 2025
Payment date	Friday, 26 September 2025

In order to qualify for the abovementioned final dividend, all share transfer form, accompanied by the relevant share certificates, must be lodged with Tricor Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Wednesday, 27 August 2025.

AUDITOR

The consolidated financial statements for the year ended 31 March 2025 were audited by Grant Thornton Hong Kong Limited which will retire at the 2025 AGM and offer themselves for re-appointment. The re-appointment of Grant Thornton Hong Kong Limited as Auditor of the Company has been recommended by the Audit Committee. A resolution for the re-appointment of Grant Thornton Hong Kong Limited as Auditor of the Company and to authorise the Directors to fix their remuneration will be proposed at the forthcoming AGM.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 March 2025, to the best knowledge of the Directors, the Group has complied with all the relevant laws and regulations that have a significant impact on the Group.

ENVIRONMENTAL POLICY AND SOCIAL RESPONSIBILITY

The Group understands the importance of environmental sustainability and protection and has adopted policies on pollution prevention, preservation of natural resources and adherence to environmental laws and regulations. Please refer to the ESG Report on pages 34 to 66 for details of our ESG performance.

By order of the Board
Yuen Mi Ming Erica
Chairlady

26 June 2025

INDEPENDENT AUDITOR'S REPORT

Grant Thornton
致同

To the members of Mi Ming Mart Holdings Limited
彌明生活百貨控股有限公司
(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Mi Ming Mart Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 86 to 151, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Key audit matter	How the matter was addressed in our audit
Assessment of net realisable value of inventories	
Refer to notes 4.12, 5 and 20 to consolidated financial statements. As at 31 March 2025, the carrying amount of the Group's inventories was HK$10,128,000 and there is no allowance for inventories as at 31 March 2025. As disclosed in note 5 to the consolidated financial statements, allowance for inventories is estimated based on an assessment of the net realisable value of inventories by the management. In determining the net realisable value of the inventories, the management considers the inventory ageing analysis, current market conditions, marketing and promotion plans, historical sales records and subsequent sales of the inventories. We identified the assessment of net realisable value of inventories as a key audit matter due to the significant judgements involved in the determination of the net realisable value of the inventories by the management.	Our audit procedures in relation to assessment of net realisable value of inventories included: • Obtaining an understanding from the management on how the allowance for inventories is estimated and the net realisable value of the inventories is determined, including understanding the key controls of the Group on identifying aged or obsolete, slow-moving or out-of-season inventories that are no longer suitable for sale in the market; • Assessing the reasonableness of the net realisable value of the inventories based on inventory ageing analysis, marketing and promotion plans and subsequent sales of the inventories; • Testing the accuracy of the inventory ageing analysis, on a sample basis, to goods received notes; and • Testing the subsequent sales, on a sample basis, to the sales invoices.

INDEPENDENT AUDITOR'S REPORT

Other Information

The directors are responsible for the other information. The other information comprises all the information included in the 2025 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton Hong Kong Limited
Certified Public Accountants
11th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong SAR

26 June 2025

Lam Yau Hing
Practising Certificate No.: P06622

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Revenue	6	**118,740**	148,835
Cost of sales		**(45,722)**	(55,559)
Gross profit		**73,018**	93,276
Other income, gains and losses	8	**1,594**	3,255
Selling and distribution expenses		**(31,805)**	(37,801)
Administrative and operating expenses		**(36,145)**	(40,264)
Finance costs	9	**(452)**	(643)
Profit before income tax	9	**6,210**	17,823
Income tax expense	10	**(1,133)**	(2,903)
Profit for the year		**5,077**	14,920
Other comprehensive expense			
Item that will be reclassified subsequently to profit or loss			
Fair value loss on debt investments at fair value through other comprehensive income ("FVOCI"), net		**(100)**	(52)
Loss on disposal of financial assets at FVOCI reclassified to profit or loss		**30**	–
Other comprehensive expense for the year, net of tax		**(70)**	(52)
Total comprehensive income for the year		**5,007**	14,868
Basic and diluted earnings per share (HK cents)	12	**0.45**	1.33

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	14	**56,651**	59,440
Investment properties	15	**5,390**	5,544
Right-of-use assets	16	**7,672**	10,351
Deferred tax assets	17	**874**	975
Other financial assets	18	**17,807**	6,483
Other non-current assets	19	**1,326**	2,407
		89,720	85,200
Current assets			
Tax recoverable		**560**	206
Inventories	20	**10,128**	11,542
Trade receivables	21	**1,091**	2,396
Financial assets at fair value through profit or loss	22	**5,104**	2,244
Other financial assets	18	**–**	14,069
Deposits, prepayments and other receivables	23	**4,476**	3,828
Pledged bank deposits	24	**310**	305
Time deposits with original maturity of more than three months	24	**–**	780
Bank balances and cash	24	**43,238**	45,017
		64,907	80,387
Current liabilities			
Trade payables	25	**2,426**	668
Accrued expenses and other payables	26	**7,770**	9,255
Contract liabilities	27	**2,912**	2,967
Dividend payable	13	**29,120**	–
Lease liabilities	28	**5,718**	8,178
		47,946	21,068
Net current assets		**16,961**	59,319
Total assets less current liabilities		**106,681**	144,519
Non-current liabilities			
Lease liabilities	28	**2,144**	2,467
Deferred tax liabilities	17	**225**	187
		2,369	2,654
Net assets		**104,312**	141,865
CAPITAL AND RESERVES			
Share capital	29	**11,200**	11,200
Reserves		**93,112**	130,665
Total equity		**104,312**	141,865

The consolidated financial statements on pages 86 to 151 were approved and authorised for issue by the Board of Directors on 26 June 2025 and are signed on its behalf by:

Yuen Mi Ming Erica	**Yuen Mimi Mi Wahng**
Director	*Director*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital	Share premium	Merger reserve (note)	Fair value reserve – recycling	Retained earnings	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 April 2023	11,200	26,967	(37,316)	–	144,066	144,917
Profit for the year	–	–	–	–	14,920	14,920
Other comprehensive expense for the year	–	–	–	(52)	–	(52)
Total comprehensive (expense)/income for the year	–	–	–	(52)	14,920	14,868
2023 final dividend paid (note 13)	–	(8,960)	–	–	–	(8,960)
2024 interim dividend paid (note 13)	–	(8,960)	–	–	–	(8,960)
At 31 March 2024 and 1 April 2024	11,200	9,047	(37,316)	(52)	158,986	141,865
Profit for the year	–	–	–	–	5,077	5,077
Other comprehensive expense for the year	–	–	–	(70)	–	(70)
Total comprehensive (expense)/income for the year	–	–	–	(70)	5,077	5,007
2024 final dividend paid (note 13)	–	(8,960)	–	–	–	(8,960)
2025 interim dividend paid (note 13)	–	–	–	–	(4,480)	(4,480)
2025 special dividend declared (note 13)	–	–	–	–	(29,120)	(29,120)
At 31 March 2025	**11,200**	**87**	**(37,316)**	**(122)**	**130,463**	**104,312**

Note: The merger reserve represents the difference between the total equity of those subsidiaries acquired and the nominal value of share capital issued by the Company pursuant to the group reorganisation in preparation for the listing of the Company's shares on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
Cash flows from operating activities		
Profit before income tax	**6,210**	17,823
Adjustments for:		
Fair value loss/(gain) of financial assets at fair value through profit or loss ("FVTPL"), net	**292**	(139)
Loss on disposal of financial assets at FVOCI	**30**	–
Written off of inventories	**–**	27
Written off of prepayment	**32**	–
Depreciation of property, plant and equipment	**3,946**	4,343
Depreciation of investment properties	**154**	397
Depreciation of right-of-use assets	**10,252**	9,958
Interest income	**(2,376)**	(2,770)
Dividend income from financial assets at FVTPL	**(266)**	–
Loss/(Gain) on written off/disposal of property, plant and equipment	**313**	(550)
Exchange losses	**303**	15
Finance costs	**452**	643
Operating cash flows before movements in working capital	**19,342**	29,747
Decrease/(Increase) in inventories	**1,414**	(1,232)
Decrease/(Increase) in trade receivables	**1,305**	(751)
Decrease in deposits, prepayments and other receivables	**539**	972
Increase/(Decrease) in trade payables	**1,758**	(596)
Decrease in accrued expenses and other payables	**(1,705)**	(5,091)
(Decrease)/Increase in contract liabilities	**(55)**	89
Net cash generated from operations	**22,598**	23,138
Hong Kong Profits Tax paid	**(1,348)**	(4,378)
Net cash generated from operating activities	**21,250**	18,760
Cash flows from investing activities		
Purchase of property, plant and equipment	**(1,470)**	(3,131)
Placement for time deposits with original maturity of more than three months	**–**	(18,257)
Payments for rental deposits	**(416)**	(1,183)
Placement on pledged bank deposit	**(5)**	(5)
Refund of time deposits with original maturity of more than three months	**780**	25,920
Refunds of rental deposits	**278**	620
Interest and dividend received	**2,452**	1,664
Proceeds from disposal of property, plant and equipment	**–**	550
Proceeds from disposal of financial assets at FVTPL	**1,023**	5,880
Proceeds from disposal of financial assets at FVOCI	**1,590**	–
Proceeds from disposal of financial assets at amortised cost	**14,236**	–
Payment for acquisition of financial assets at FVTPL	**(4,134)**	–
Payment for acquisition of financial assets at FVOCI	**(13,335)**	(6,529)
Payment for acquisition financial assets at amortised cost	**–**	(13,547)
Net cash generated from/(used in) investing activities	**999**	(8,018)
Cash flows from financing activities		
Repayment of lease liabilities	**(10,146)**	(9,993)
Interests paid	**(442)**	(634)
Dividends paid	**(13,440)**	(17,920)
Net cash used in financing activities	**(24,028)**	(28,547)
Net decrease in cash and cash equivalents	**(1,779)**	(17,805)
Cash and cash equivalents at beginning of the year	**45,017**	62,822
Cash and cash equivalents at end of the year, represented by bank balances and cash	**43,238**	45,017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL INFORMATION

Mi Ming Mart Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 4 November 2016 and its shares have been listed on the GEM of the Stock Exchange of Hong Kong Limited. Its immediate and ultimate holding company is Prime Era Holdings Limited ("Prime Era"), a private limited company incorporated in the British Virgin Islands ("BVI"). The address of the registered office of the Company is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and the principal place of business of the Company in Hong Kong is 16th Floor, Guangdong Tours Centre, 18 Pennington Street, Hong Kong.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 36. Hereinafter, the Company and its subsidiaries are collectively referred to as the "Group".

The consolidated financial statements for the year ended 31 March 2025 were approved for issue by the board of directors on 26 June 2025.

2. NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

2.1 Amended HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards as issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of the amended HKFRS Accounting Standards in the current year had no material impact on how the results and financial position of the Group for the current and prior years have been prepared and presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2. NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (continued)

2.2 Amended HKFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contacts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 21	Lack of Exchangeability[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[3]

1 Effective for annual periods beginning on or after 1 January 2025
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual periods beginning on or after 1 January 2027
4 Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

2. NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (continued)

2.2 Amended HKFRS Accounting Standards in issue but not yet effective (continued)

HKFRS 18 "Presentation and Disclosure in Financial Statements" and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 "Presentation of Financial Statements". It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures".

HKFRS 18 will not impact the recognition and measurement of financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely "operating profits" and "profits before financing and income tax"), and classifying items into five newly defined categories (namely "operating", "investing", "financing", "income tax" and "discontinued operation"), depending on the reporting entity's main business activities, in the statement of profit or loss;

- disclosure of management-defined performance measures ("MPMs") in a single note to the financial statements; and

- enhanced guidance of aggregation and disaggregation of information in the financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 "Statement of Cash Flows", which includes:

- using "operating profit or loss" as the starting point for indirect method for the presentation of operating cash flows purposes; and

- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions. The directors of the Group are still in the process of assessing the impact of HKFRS 18, particularly with respect to the structure of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact of how information is grouped in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which collective term includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards and Interpretations ("HKFRS Accounting Standards") and the accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

The material accounting policies that have been used in the preparation of these consolidated financial statements are summarised in note 4. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRS Accounting Standards and the impacts on the Group's consolidated financial statements, if any, are disclosed in note 2.

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss ("FVTPL") and financial assets at fair value through other comprehensive income ("FVOCI"), which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are accounted for in accordance with HKFRS 16 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of Assets".

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES

4.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.1 Basis of consolidation (continued)

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on sales of intra-group asset are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss. Cost includes directly attributable costs of investment.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

4.2 Revenue recognition

Revenue arises mainly from the sales of goods, provision of beauty services and consignment income.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.2 Revenue recognition (continued)

Revenue from contracts with customers (continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Further details of the Group's revenue recognition policies are as disclosed in note 6 to the consolidated financial statements.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.2 Revenue recognition (continued)

Revenue from contracts with customers (continued)

Variable consideration (continued)

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Sale with a right of return

For a sale of products with a right of return, the Group recognises all of the following:

(a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned);

(b) a refund liability; and

(c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers and are presented as right to returned goods asset.

Accounting for unredeemed loyalty stamps under customer loyalty programme

The unredeemed loyalty stamps under customer loyalty programme are recorded as contract liabilities, and only reflect the value that is expected to be redeemed. The Group estimated the value that is expected to be redeemed with reference to historical experience under customer loyalty programme. Revenue is recognised when the stamps are redeemed or expired.

4.3 Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception date, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.3 Leases (continued)

The Group as a lessee

Allocation of consideration to components of a contract

The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component on the basis of their relative standalone prices.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which they are located or restoring the underlying assets to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item in the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted for under HKFRS 9 "Financial Instruments" ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.3 Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable; and
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.3 Leases (continued)

The Group as a lessor

The Group earns rental income from operating leases of its investment properties. Rental income is recognised on a straight-line basis over the term of the lease.

4.4 Purchase rebates

Incentive rebates provided by vendors are recognised on an accrual basis based on the expected entitlement earned up to the reporting date pursuant to each relevant supplier contract. Incentive rebates relating to the goods purchased and sold are deducted from cost of sales, while incentive rebates relating to the goods purchased but still held as inventories at the reporting date are deducted from the carrying value of such inventories so that the cost of inventories is recorded net of applicable rebates.

4.5 Foreign currencies

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

4.6 Taxation

Income tax comprises current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.6 Taxation (continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies the requirements in HKAS 12 to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to the lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

4.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.8 Employee benefits

Retirement benefits

Retirement benefits to employees are provided through defined contribution plans. In addition, the employees employed under the Hong Kong Employment Ordinance are also entitled to long services payment ("LSP") if the eligibility criteria are met. The LSP are defined benefits plans.

(a) Defined contribution plans

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

Contributions are recognised as an expense in the profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

(b) Defined benefit plans

The amount of long service benefit that an employee will receive on cessation of employment in certain circumstances is defined by reference to the employee's length of service and corresponding salary. The legal obligations for any benefits remains with the Group.

The LSP obligations (included in "accrued expenses and other payables") recognised in the consolidated statement of financial position is the present value of the LSP obligation at the end of the reporting period.

Management estimates the LSP obligations annually with the assistance of independent qualified professional valuer. This is based on the discount rate, the salary growth rate, turnover rate and the expected investment return on offsetable MPF accrued benefits. Discount factors are determined close to the end of each annual reporting period by reference to Hong Kong government bonds that are denominated in the currency in which the benefits will be paid and have terms to maturity approximating the terms of the related defined benefit liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.8 Employee benefits (continued)

Retirement benefits (continued)

(b) Defined benefit plans (continued)

Defined benefit costs are categorised as follows:

- service cost (including current and past service cost, and gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost.

Net interest expense on the net defined benefit liability is included in finance costs.

Gains and losses resulting from remeasurements of the net defined benefit liability, comprising actuarial gains and losses, are included in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.9 Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

With the exception of freehold land, all other items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Owned properties	3.3%
Leasehold improvements	Over the lease term or 3 years, whichever is shorter
Computer equipment	30%
Office equipment	20%
Motor vehicles	30%

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4.10 Investment properties

Investment properties comprises freehold land and buildings, which are owned or held under a leasehold interest to earn rental income or for capital appreciation or both.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. With the exception of freehold land, the investment properties are depreciated at rates sufficient to write off the cost over their estimated useful lives of 30 years and after taking into account of their estimated residual value, using the straight-line method.

When the use of a property changes such that it is reclassified as property, plant and equipment, its net carrying amount at the date of reclassification becomes its cost for subsequent accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.11 Impairment on property, plant and equipment, investment properties carried at costs and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, investment properties carried at costs and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment, investment properties and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.12 Inventories

Inventories represent mainly finished goods held for resale (including packaged and unpackaged goods) and are stated at the lower of cost and net realisable value. Cost of inventories are calculated using the weighted average cost method. Net realisable value represents the estimated selling price for inventories less costs necessary to make the sale.

4.13 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash at bank and on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.14 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets, estimates are regularly reviewed and adjusted as appropriate for new circumstances.

4.15 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 "Revenue from contracts with Customers". In case of financial assets and financial liabilities not at FVTPL, transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets are classified into the following categories:

– amortised cost;

– FVTPL; or

– FVOCI.

The classification is determined by both:

– the entity's business model for managing the financial asset; and

– the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or other income, except for expected credit losses ("ECL") allowances of trade receivables which is presented as a separate item in profit or loss.

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial assets (continued)

Debt investments

Financial assets at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in other income in profit or loss. Discounting is omitted where the effect of discounting is immaterial. The Group's trade receivables, other receivables, rental deposits, pledged bank deposits, time deposits with original maturity of more than three months, bank balances, 1-Year US Treasury Bills and Fixed Rate Notes fall into this category of financial instruments.

Financial assets at FVOCI – recycling

If the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale, subsequent changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of ECL, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group performs impairment assessment under ECL model on financial assets (including debt-type financial assets measured at amortised cost and FVOCI, trade receivables, other receivables, rental deposits, pledged bank deposits, time deposits with original maturity of more than three months and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances.

For other financial assets measured at amortised cost and debt investments at FVOCI, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; or
- an actual or expected significant deterioration in the operating results of the debtor.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

The Group recognises an impairment loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification of debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. MATERIAL ACCOUNTING POLICIES (continued)

4.15 Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognised financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4.16 Related parties

For the purposes of these consolidated financial statements, a party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group.

(b) the party is an entity and if any of the following conditions applies:

(i) the entity and the Group are members of the same group.

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) the entity and the Group are joint ventures of the same third party.

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) the entity is controlled or jointly controlled by a person identified in (a).

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

5. KEY SOURCE OF ESTIMATION UNCERTAINTY AND SIGNIFICANT JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the following twelve months.

Estimated allowance for inventories

Inventories are valued at the lower of cost and net realisable value. Judgement and estimates are required based on the condition and marketability of the inventories. Allowance for inventories is estimated based on an assessment of the net realisable value of inventories by the management. In determining the net realisable value of the inventories, the management considers the inventory ageing analysis, current market conditions, marketing and promotion plans, historical sales records and subsequent sales of the inventories. If the net realisable value of the inventories of the Group are less than cost of inventories, additional allowance may be required. As at 31 March 2025, the carrying amount of inventories is HK$10,128,000 (2024: HK$11,542,000), and there is no allowance for inventories (2024: Nil).

Estimated impairment of property, plant and equipment, investment properties and right-of-use assets

Property, plant and equipment, investment properties and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test. As at 31 March 2025, the carrying amounts of right-of-use assets, investment properties and property, plant and equipment are HK$7,672,000, HK$5,390,000 and HK$56,651,000 (2024: HK$10,351,000, HK$5,544,000 and HK$59,440,000), respectively, and there is no impairment losses recognised in respect of right-of-use assets, investment properties and property, plant and equipment (2024: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

6. REVENUE

	2025 HK$'000	2024 HK$'000
Sales of goods		
Retail stores	**88,785**	115,596
Online shop	**25,929**	26,482
Consignment sales	**3,665**	5,130
Distributors	**20**	102
Subtotal	**118,399**	147,310
Consignment commission income		
Retail stores	**78**	94
Online shop	**2**	3
Consignment sales	**2**	128
Subtotal	**82**	225
Provision of beauty services	**259**	1,300
Total	**118,740**	148,835

Disaggregation of revenue from contracts with customers within the scope of HKFRS 15

The Group derives revenue from the transfer of goods at a point in time and services at a point in time and over time in the following major product and services lines:

	2025 HK$'000	2024 HK$'000
Skincare	**80,342**	98,195
Cosmetics	**4,967**	7,694
Food and health supplements	**28,058**	35,038
Other products	**5,032**	6,383
Consignment commission income	**82**	225
Provision of beauty services	**259**	1,300
Total	**118,740**	148,835

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

6. REVENUE (continued)

Disaggregation of revenue from contracts with customers within the scope of HKFRS 15 (continued)

	2025 HK$'000	2024 HK$'000
Timing of revenue recognition		
At a point in time	**118,481**	147,535
Over time	**259**	1,300
Total	**118,740**	148,835

Performance obligation for contracts with customers

Revenue generated from sales of goods and consignment commission income by the Group have recognised at a point in time and revenue generated from provision of beauty services by the Group is recognised over time.

Sales of goods

The Group sells a wide range of beauty and health products to the distributors and directly to customers both through its own retail outlets and through online sales.

For sales of goods to the distributors, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the distributors' specific location (delivery). Following delivery, the distributors have full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 days upon delivery.

For sales of goods to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

For sales of goods to bulk purchase customers, revenue is recognised when control of the goods has transferred, being at the point the goods are delivered to the customer. Delivery occurs when the goods have been shipped to the customer's specific location. When the customer initially purchases from the Group, the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customers.

For online sales, revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. Delivery occurs when the goods have been shipped to the customer's specific location. When the customer initially purchases the goods online, the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customer.

Consignment commission income

The Group provides consignment sales services to customers. Such services are recognised at a point in time when the services rendered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

6. REVENUE (continued)

Performance obligation for contracts with customers (continued)

Provision of beauty services

Revenue from provision of beauty services is recognised over time when the services have been rendered to customers.

Transaction price allocated to the remaining performance obligation for contracts with customers

The Group offers loyalty stamps to customers when they meet a certain level of sales amount in every transaction. The customer loyalty stamps are generally effective for 6 months from the date of issuance.

The sales amount will be allocated based on the performance obligations and the unsatisfied or partially unsatisfied portion will be recorded as contract liabilities and the expected timing of recognising revenue are within one year.

The amount of HK$2,083,000 (2024: HK$2,328,000) represent the Group's expectation on the timing of redemption made by customers (note 27).

7. SEGMENT INFORMATION

The Group has one operating segment based on information reported to the chief operating decision maker of the Group, being the executive directors of the Company (the "CODM"), for the purpose of resource allocation and performance assessment, which is the aggregate results of the Group including all income and expenses (excluding donation). As a result, there is only one operating and reportable segment of the Group.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment results represents profit earned from the operating segment without allocation of donation. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

The following is an analysis of the Group's revenue and results by its operating and reportable segment.

	2025 **HK$'000**	2024 HK$'000
Revenue from external sales	**118,740**	148,835
Segment results	**5,205**	15,050
Less:		
Donation	**(128)**	(130)
Profit for the year	**5,077**	14,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

7. SEGMENT INFORMATION (continued)

No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM.

Geographical information

The Group's revenue from external sales and its non-current assets (other than deferred tax assets, other non-current assets and other financial assets) ("Specified Non-current Assets") are divided into the following geographical areas:

	Revenue from external sales		Specified Non-current Assets	
	Year ended 31 March 2025 HK$'000	Year ended 31 March 2024 HK$'000	**As at 31 March 2025 HK$'000**	As at 31 March 2024 HK$'000
Hong Kong (domicile)	**118,158**	148,376	**34,975**	39,337
Japan	**–**	–	**23,046**	23,890
The United States of America ("USA")	**579**	437	**11,692**	12,108
Macau	**3**	22	**–**	–
Total	**118,740**	148,835	**69,713**	75,335

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the Specified Non-current Assets is based on the physical location of the asset.

Information about major customers

No revenue from a single customer contributed over 10% of the Group's total revenue during both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

8. OTHER INCOME, GAINS AND LOSSES

	2025 HK$'000	2024 HK$'000
Other income		
Dividend income from financial assets at FVTPL	**266**	–
Interest income	**2,376**	2,770
Rental income from investment properties	**316**	289
Sundry income	**106**	265
Subtotal	**3,064**	3,324
Other gains and losses		
(Loss)/Gain on written off/disposal of property, plant and equipment	**(313)**	550
Exchange losses	**(803)**	(758)
Loss on disposal of financial assets at FVOCI	**(30)**	–
Fair value (loss)/gain of financial assets at FVTPL, net	**(292)**	139
Written off of prepayment	**(32)**	–
Total	**1,594**	3,255

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

9. PROFIT BEFORE INCOME TAX

	2025 HK$'000	2024 HK$'000
Profit before income tax has been arrived at after charging/(crediting):		
Directors' remuneration (note 11)	**7,699**	8,503
Other staff salaries and allowances	**25,506**	29,316
Retirement benefit scheme contributions, excluding those of directors	**1,101**	1,427
Total employee benefits expenses	**34,306**	39,246
Auditor's remuneration		
Audit services		
– current year	**860**	890
– under-provision for prior year	**40**	53
Depreciation of property, plant and equipment	**3,946**	4,343
Deprecation of investment properties	**154**	397
Depreciation of right-of-use assets	**10,252**	9,958
Loss/(Gain) on written off/disposal of property, plant and equipment	**313**	(550)
Cost of inventories and services recognised as expenses (included in cost of sales)	**43,276**	52,439
Exchange losses	**803**	758
Interest on lease liabilities	**442**	634
Interest on long service payment liabilities	**10**	9
Finance costs	**452**	643
Written off of inventories (included in cost of sales)	**–**	27
Written off of prepayment	**32**	–
Loss on disposal of financial assets at FVOCI	**30**	–
Fair value loss/(gain) of financial assets at FVTPL, net	**292**	(139)
Interest income	**(2,376)**	(2,770)
Gross rental income from investment properties	**(316)**	(289)
Less:		
– direct operating expenses incurred for investment properties that generated rental income	**52**	94
– direct operating expenses incurred for investment properties that did not generate rental income	**67**	84
	(197)	(111)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

10. INCOME TAX EXPENSE

	2025 HK$'000	2024 HK$'000
Hong Kong Profits Tax		
– Current year	**1,011**	3,065
– Overprovision in prior years	**(17)**	(63)
	994	3,002
Deferred taxation (note 17)	**139**	(99)
	1,133	2,903

Reconciliation between income tax expense and accounting profit at applicable tax rate is as follow:

	2025 HK$'000	2024 HK$'000
Profit before income tax	**6,210**	17,823
Tax at Hong Kong Profits Tax rate of 16.5%	**1,025**	2,941
Tax effect of expenses not deductible for tax purpose	**306**	294
Tax effect of income not taxable for tax purpose	**(16)**	(104)
Tax effect of two-tiered profits tax rates regime	**(165)**	(165)
Overprovision in prior years	**(17)**	(63)
Income tax expense	**1,133**	2,903

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of qualifying entities are taxed at 8.25%, and the profits above HK$2,000,000 are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

The directors of the Company are in the view that the impact of the two-tiered profits tax rates regime on the Group's deferred tax position is not material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(a) Directors' and chief executive's emoluments

Directors' emoluments, disclosed pursuant to the GEM Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

For the year ended 31 March 2025

Name of director	Fees	Salaries, allowances and benefits in kind	Performance related incentive payments	Retirement benefit scheme contributions	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Executive Directors					
Ms. Yuen Mimi Mi Wahng ("Ms. Mimi Yuen") (notes i, iv and vi)	–	2,843	–	18	2,861
Ms. Yuen Mi Ming Erica ("Ms. Erica Yuen") (notes i, ii, iv, v and vii)	–	3,110	1,050	18	4,178
Non-executive Directors					
Mr. Lam Yue Yeung Anthony ("Mr. Anthony Lam") (note iv)	120	–	–	–	120
Mr. Cheung Siu Hon Ronald ("Mr. Ronald Cheung") (note iv)	120	–	–	–	120
Independent Non-executive Directors					
Ms. Chan Sze Lai Celine ("Ms. Celine Chan") (notes iii and iv)	120	–	–	–	120
Ms. Tsang Wing Yee (note iv)	180	–	–	–	180
Ms. Wong Yuen Kwan (note iv)	120	–	–	–	120
	660	5,953	1,050	36	7,699

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(a) Directors' and chief executive's emoluments (continued)

For the year ended 31 March 2024

Name of director	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Performance related incentive payments HK$'000	Retirement benefit scheme contributions HK$'000	Total HK$'000
Executive Directors					
Ms. Yuen Mimi Mi Wahng ("Ms. Mimi Yuen") (notes i, iv and vi)	360	2,495	–	18	2,873
Ms. Yuen Mi Ming Erica ("Ms. Erica Yuen") (notes i, ii, iv, v and vii)	–	3,470	1,400	18	4,888
Non-executive Directors					
Mr. Lam Yue Yeung Anthony ("Mr. Anthony Lam") (note iv)	120	–	–	–	120
Mr. Cheung Siu Hon Ronald ("Mr. Ronald Cheung") (note iv)	120	–	–	–	120
Mr. Wong Siu Ki (notes iv and viii)	82	–	–	–	82
Independent Non-executive Directors					
Ms. Chan Sze Lai Celine ("Ms. Celine Chan") (notes iii and iv)	120	–	–	–	120
Ms. Tsang Wing Yee (note iv)	180	–	–	–	180
Ms. Wong Yuen Kwan (notes iii and iv)	120	–	–	–	120
	1,102	5,965	1,400	36	8,503

Notes

(i) The emoluments of executive directors were paid or payable by the Group in their capacity as key management personnel of the Group during both years.

(ii) Ms. Erica Yuen is also the chief executive of the Group and her emoluments disclosed above include those for services rendered by her as the chief executive.

(iii) Ms. Celine Chan has ceased to act as the independent non-executive director on 8 April 2025.

(iv) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' and independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(v) Performance related incentive payments were determined with reference to the Group's operating results and individual performance which is in accordance with the Group's remuneration policy approved by the remuneration committee.

(vi) Included in the above salaries, allowance and benefits in kind are an estimated rental of HK$187,000 (2024: HK$187,000) for a director's quarter owned by the Group included in property, plant and equipment, HK$25,000 (2024: HK$56,000) of rental expenses paid for a director's quarter and provision for unused leaves of HK$49,000 (2024: HK$30,000).

(vii) Included in the above salaries, allowance and benefits in kind are an estimated rental of HK$526,000 (2024: HK$184,000) for a director's quarter owned by the Group included in property, plant and equipment, HK$131,000 (2024: HK$523,000) of rental expenses paid for the director's quarters and provision for unused leaves of HK$209,000 (2024: HK$178,000).

(viii) Mr. Wong Siu Ki has ceased to act as the non-executive director on 5 December 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(b) Employees' emoluments

The five individuals whose emoluments were the highest in the Group for the year included two (2024: two) directors whose emoluments are reflected in the analysis presented above. The aggregate emoluments of the remaining three (2024: three) individuals during the years are as follows:

	2025 HK$'000	2024 HK$'000
Salaries and other allowances	**1,837**	1,836
Performance related incentive payments	**426**	483
Retirement benefit scheme contributions	**54**	54
	2,317	2,373

The emoluments of the above highest paid employees were less than HK$1,000,000 each during both years.

During both years, no emoluments were paid by the Group to any of the directors of the Company, the chief executive of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company or the chief executive of the Group waived any emoluments during both years.

12. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	2025 HK$'000	2024 HK$'000
Earnings		
Earnings attributable to the owners of the Company for the purpose of calculation of basic earnings per share	**5,077**	14,920

	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	**1,120,000**	1,120,000

Diluted earnings per share was the same as basic earnings per share for the years ended 31 March 2025 and 2024 as there was no potential dilutive ordinary share in issue during both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

13. DIVIDENDS

	2025 HK$'000	2024 HK$'000
Approved		
Interim dividend, paid – HK0.4 cent (2024: HK0.8 cent) per ordinary share	**4,480**	8,960
Final dividend, in respect of the previous financial year, paid – HK0.8 cent (2023: HK0.8 cent) per ordinary share	**8,960**	8,960
Special dividend, declared – HK2.6 cent (2024: nil) per ordinary share	**29,120**	–
	42,560	17,920
Proposed		
Final dividend, proposed – HK0.8 cent (2024: HK0.8 cent) per ordinary share	**8,960**	8,960
Special dividend, proposed – HK2.3 cent (2024: nil) per ordinary share	**25,760**	–
	34,720	8,960

As disclosed in the annual report of the Company for the year ended 31 March 2024, a final dividend of HK0.8 cent per share, in an aggregate amount of approximately HK$9.0 million, has been recommended by the Board to the Shareholders of the Company whose names appear in the register of members of the Company at the close of business on Friday, 23 August 2024. The payment of the 2024 final dividend have been approved by the Shareholders in the 2024 annual general meeting held on Thursday, 1 August 2024. The 2024 final dividend have been paid on Friday, 20 September 2024.

During the year ended 31 March 2025, the Board has paid an interim dividend for the year ended 31 March 2025 of HK0.4 cent per share, in an aggregate amount of approximately HK$4.5 million, on Friday, 10 January 2025 to the Shareholders whose names appear in the register of members of the Company at the close of business on Friday, 20 December 2024.

On 28 March 2025, the Board declared a special dividend of HK2.6 cents per share, in an aggregate amount of approximately HK$29.1 million, to the Shareholders whose names appear in the register of members of the Company at the close of business on Thursday, 17 April 2025. The special dividend was accounted for as dividend payable in the consolidated statement of financial position as at 31 March 2025 and have been paid on Friday, 9 May 2025.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2025 of HK0.8 cent per ordinary share, in an aggregate amount of approximately HK$9.0 million, has been proposed by the Directors of the Company to the Shareholders whose names appeared on the register of members of the Company on Friday, 29 August 2025 and is subject to approval by the Shareholders of the Company in the forthcoming annual general meeting.

On 20 June 2025, the Board proposed a special dividend of HK2.3 cents per share, in an aggregate amount of approximately HK$25.8 million, to the Shareholders whose names appear in the register of members of the Company on a record to be determined and is subject to approval by the independent Shareholders of the Company in the extraordinary general meeting and the completion of the transaction of the disposal of the Japan and US properties (note 39). Details of which were as set out in the Company's announcement dated 20 June 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

14. PROPERTY, PLANT AND EQUIPMENT

	Owned properties HK$'000	Leasehold improvements HK$'000	Computer equipment HK$'000	Office equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
Cost						
At 1 April 2023	35,544	10,018	3,645	3,953	1,130	54,290
Additions	–	2,599	289	243	–	3,131
Transferred from investment properties (note 15)	24,496	–	–	–	–	24,496
Written off/disposal	–	(1,654)	(51)	–	(1,130)	(2,835)
At 31 March 2024 and 1 April 2024	**60,040**	**10,963**	**3,883**	**4,196**	**–**	**79,082**
Additions	**–**	**1,294**	**44**	**132**	**–**	**1,470**
Written off/disposal	**–**	**(662)**	**–**	**(1,250)**	**–**	**(1,912)**
At 31 March 2025	**60,040**	**11,595**	**3,927**	**3,078**	**–**	**78,640**
Accumulated depreciation						
At 1 April 2023	3,893	8,858	1,845	2,408	1,130	18,134
Provided for the year	1,756	1,366	690	531	–	4,343
Eliminated on written off/disposal	–	(1,654)	(51)	–	(1,130)	(2,835)
At 31 March 2024 and 1 April 2024	**5,649**	**8,570**	**2,484**	**2,939**	**–**	**19,642**
Provided for the year	**1,993**	**825**	**628**	**500**	**–**	**3,946**
Eliminated on written off/disposal	**–**	**(662)**	**–**	**(937)**	**–**	**(1,599)**
At 31 March 2025	**7,642**	**8,733**	**3,112**	**2,502**	**–**	**21,989**
Carrying values						
At 31 March 2025	**52,398**	**2,862**	**815**	**576**	**–**	**56,651**
At 31 March 2024	54,391	2,393	1,399	1,257	–	59,440

As at 31 March 2025 and 2024, the Group's owned properties are located in:

	2025 HK$'000	2024 HK$'000
Hong Kong	**23,197**	24,154
Japan	**23,046**	23,890
The USA	**6,155**	6,347
	52,398	54,391

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

15. INVESTMENT PROPERTIES

	2025 HK$'000	2024 HK$'000
Opening net carrying amount	**5,544**	30,437
Transferred to property, plant and equipment (note 14)	**–**	(24,496)
Depreciation	**(154)**	(397)
Closing net carrying amount	**5,390**	5,544
Fair value at level 3 hierarchy	**6,076**	5,889

During the year ended 31 March 2024, the Group's residential property in Japan, which was previously used as a rental property generating income through operating lease, has undergone a change in usage. Starting from July 2023, has been utilised as a Director's premises. As such, the Group reclassified the property at net carrying amount of HK$24,496,000 from investment properties to owned properties in note 14 "property, plant and equipment" to the Group's consolidated financial statements.

All of the Group's properties above are held under operating leases to earn rental income and/or for capital appreciation purposes, the investment properties are measured using the cost model and are classified and accounted for as investment properties.

The fair value of the Group's investment properties were determined by the market comparison approach valued by an independent qualified professional valuer, Stirling Appraisals Limited (2024: Stirling Appraisals Limited), who have recent experience in the valuations of similar properties in the relevant locations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

16. RIGHT-OF-USE ASSETS

	Leasehold buildings HK$'000
At 1 April 2023	
Cost	25,310
Accumulated depreciation	(12,999)
Net book amount	12,311
Year ended 31 March 2024	
Opening net book amount	12,311
Modifications	7,998
Depreciation	(9,958)
Net book amount	10,351
At 31 March 2024 and 1 April 2024	
Cost	21,683
Accumulated depreciation	(11,332)
Net book amount	10,351
Year ended 31 March 2025	
Opening net book amount	**10,351**
Additions/Modifications	**7,573**
Depreciation	**(10,252)**
Net book amount	**7,672**
At 31 March 2025	
Cost	**21,045**
Accumulated depreciation	**(13,373)**
Net book amount	**7,672**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

16. RIGHT-OF-USE ASSETS (continued)

During the year ended 31 March 2025, the variable lease payments not included in the measurement of lease liabilities, total cash outflows for leases (including payments of principal and interest portion of lease liabilities and variable lease payments) and additions to right-of-use assets (including right-of-use assets resulting from new leases and lease modification) were HK$550,000, HK$11,138,000 and HK$7,573,000 (2024: HK$2,152,000, HK$12,779,000 and HK$7,998,000), respectively.

For both years, the Group leases various retail stores for its operations. Lease contracts are entered into for fixed term of seven months to three years (2024: four months to three years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Leases of retail stores are charged with fixed lease payments and variable lease payments including payments that are based on 8.5% to 13% (2024: 8.5% to 13%) of sales that are fixed over the lease term. The payment terms are common in retail stores in Hong Kong where the Group operates. The amount of fixed and variable lease payments paid/payable to relevant lessors of retails stores for the year ended 31 March 2025 are as follows:

For the year ended 31 March 2025

	Number of stores				
	As at 1 April 2024	**As at 31 March 2025**	**Fixed lease payments HK$'000**	**Variable lease payments HK$'000**	**Total payments HK$'000**
Retail stores with variable lease payments	**9**	**9**	**9,432**	**550**	**9,982**

For the year ended 31 March 2024

	Number of stores				
	As at 1 April 2023	As at 31 March 2024	Fixed lease payments HK$'000	Variable lease payments HK$'000	Total payments HK$'000
Retail stores with variable lease payments	9	9	9,444	2,152	11,596

The overall financial effect of using variable payment terms is that higher rental costs are incurred by stores with higher sales. Variable rent expenses are expected to continue to represent a similar proportion of store sales in future years.

Restrictions on leases

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

17. DEFERRED TAXATION

The following is the analysis of the deferred tax balances after offsetting for financial reporting purposes:

	2025 **HK$'000**	2024 HK$'000
Net deferred tax assets recognised in the consolidated statement of financial position	**874**	975
Net deferred tax liabilities recognised in the consolidated statement of financial position	**(225)**	(187)
Net deferred tax	**649**	788

The following is the gross deferred tax assets/(liabilities) recognised and movements thereon (prior to offsetting of balances within the same taxation jurisdiction) during both years:

Deferred tax assets

	Lease liabilities HK$'000	**Long service payment obligation** HK$'000	**Decelerated tax depreciation** HK$'000	**Total** HK$'000
At 1 April 2023	2,103	–	839	2,942
Credited/(Charged) to profit or loss (note 10)	(346)	42	45	(259)
At 31 March 2024 and 1 April 2024	**1,757**	**42**	**884**	**2,683**
Credited/(Charged) to profit or loss (note 10)	**(460)**	**10**	**(93)**	**(543)**
At 31 March 2025	**1,297**	**52**	**791**	**2,140**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

17. DEFERRED TAXATION (continued)

Deferred tax liabilities

	Right-of-use assets HK$'000	Accelerated tax depreciation HK$'000	Total HK$'000
At 1 April 2023	(2,103)	(150)	(2,253)
Credited/(Charged) to profit or loss (note 10)	395	(37)	358
At 31 March 2024 and 1 April 2024	**(1,708)**	**(187)**	**(1,895)**
Credited/(Charged) to profit or loss (note 10)	**442**	**(38)**	**404**
At 31 March 2025	**(1,266)**	**(225)**	**(1,491)**

18. OTHER FINANCIAL ASSETS

Other financial assets include the following investments:

	Notes	2025 HK$'000	2024 HK$'000
Financial assets at amortised cost	18.1		
Debt investments:			
1-Year US Treasury Bills		–	10,820
Fixed Rate Notes		–	3,249
		–	14,069
Financial assets at FVOCI (recycling)	18.2		
Debt investments stated at fair value:			
20-Year US Treasury Bills		**10,346**	5,683
10-Year US Treasury Bills		**1,594**	800
AUD Corporate Bond		**5,867**	–
		17,807	6,483
Classified as:			
Non-current assets		**17,807**	6,483
Current assets		–	14,069
		17,807	20,552

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

18. OTHER FINANCIAL ASSETS (continued)

18.1 Financial assets measured at amortised cost

The 1-Year US Treasury Bills were matured on 16 May 2024 and 11 July 2024, respectively. The Fixed Rate Notes would be matured on 17 July 2025, however, the issuer has exercised the callable option on 17 July 2024.

The 1-Year US Treasury Bills carried effective interest rates ranging from 5.11% to 5.26% per annum. The Fixed Rate Notes carried a fixed interest rate at 5.62% and the Group receives related interest payments annually.

The 1-Year US Treasury Bills and Fixed Rate Notes are subject to credit risk. Information on the Group's exposure to credit risk is described in note 33.2.

The fair values of these financial assets are as follows:

	2025 **HK$'000**	2024 HK$'000
1-Year US Treasury Bills	–	10,820
Fixed Rate Notes	–	3,218

Fair value for the above investments was determined by reference to published price quotations in an active market, which is classified as level 1 in the fair value hierarchy.

18.2 Financial assets at FVOCI (recycling)

The Group designated its debt investments of 20-Year US Treasury Bills, 10-Year US Treasury Bills and AUD Corporate Bond as FVOCI (recycling), as the debt investments are held within a business model whose objective is achieved by both the collection of contractual cash flows and sale.

The fair values of the Group's debt investments in 20-Year US Treasury Bill, 10-Year US Treasury Bill and AUD Corporate Bond have been measured as described in note 33.3.

19. OTHER NON-CURRENT ASSETS

The balances mainly represent rental deposits placed by the Group in connection with its rented premises. The relevant leases will expire after one year from the end of the respective reporting period, or if the remaining lease term is less than one year, the Group has the positive intention to renew the leases upon expiry. Therefore, the balances are classified as non-current.

20. INVENTORIES

Inventories represent finished goods held for resale (including packaged and unpackaged goods) at the end of the reporting period. As at 31 March 2025, there were no inventories (2024: HK$27,000) fully impaired and written-off.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

21. TRADE RECEIVABLES

	2025 HK$'000	2024 HK$'000
Trade receivables	**1,091**	2,396

The following is an aged analysis of trade receivables, net of ECL allowance, from sales of goods and provision of services presented based on the revenue recognition date at the end of the reporting period.

	2025 HK$'000	2024 HK$'000
Within 30 days	**691**	2,102
31 – 60 days	**359**	273
61 – 90 days	**7**	4
Over 90 days	**34**	17
	1,091	2,396

The Group's revenue, including the sales of goods, consignment commission income and provision of beauty service, is generated mainly from cash sales, credit card sales, online sales through other e-commerce platform and consignment sales. The credit periods on credit cards sales, online sales through other e-commerce platform and consignment sales are 2 days, 30 days and ranging 30 to 90 days, respectively.

As at 31 March 2025, included in the Group's trade receivables are primarily debtors from credit card sales, online sales through other e-commerce platform and consignment sales, in which the carrying amount of approximately HK$50,000 (2024: HK$13,000) were past due as at the reporting date. No past due balance were considered in default (2024: Nil) because the trade receivables were of good credit quality and those debtors did not have any default payment history. The Group did not hold any collateral over these balances.

Trade receivables on overdue debtors were provided for allowance based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience, if any.

Details of impairment assessment are set out in note 33.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	HK$'000	HK$'000
Unlisted investment funds	**5,104**	2,244

The fair value measurement of the Group's unlisted investment funds are as set out in note 33.3.

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2025	2024
	HK$'000	HK$'000
Other receivables	**494**	586
Rental and utility deposits	**2,768**	1,811
Prepayments	**1,198**	1,311
Deposits paid to suppliers	**16**	120
	4,476	3,828

Details of impairment assessment are set out in note 33.2.

24. PLEDGED BANK DEPOSITS/TIME DEPOSITS WITH ORIGINAL MATURITY OF MORE THAN THREE MONTHS/BANK BALANCES AND CASH

Pledged bank deposits carried interest rates ranging from 0.93% to 3.40% (2024: 0.93% to 4.60%) per annum as at 31 March 2025. The bank deposits have been pledged to secure the bank facilities of the Group and are classified as current assets.

Bank balances and time deposits with original maturity of less than three months carried interest rates ranging from nil to 4.02% (2024: nil to 4.85%) per annum as at 31 March 2025.

As at 31 March 2024, time deposits with original maturity of more than three months carried interest rate at 4.64% per annum and have a maturity of approximately 6 months, which are classified as current assets.

Details of impairment assessment are set out in note 33.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

25. TRADE PAYABLES

The following is an aged analysis of trade payables based on the invoice date at the end of the reporting period.

	2025 **HK$'000**	2024 HK$'000
Within 30 days	**2,418**	620
31 – 60 days	**7**	48
Over 60 days	**1**	–
	2,426	668

26. ACCRUED EXPENSES AND OTHER PAYABLES

	2025 **HK$'000**	2024 HK$'000
Other payables	**1,145**	928
Accrued salary and bonus	**4,853**	5,694
Other accrued expenses	**1,772**	2,633
	7,770	9,255

27. CONTRACT LIABILITIES

	2025 **HK$'000**	2024 HK$'000
Advance from customers for sales of goods and provision of services	**829**	639
Customer loyalty programme	**2,083**	2,328
	2,912	2,967

The Group receives certain portions of the contract value as deposits from customers when they entered into the agreement with customers. Contract liabilities represent the receipts in advance from customers which are recognised as revenue at a point in time when the control of the goods are transferred to the customer or over time when the provision of beauty services are rendered to the customer. During the year ended 31 March 2025, revenue recognised in the current year relating to contract liabilities arising from receipts in advance from customers at the beginning of the year was HK$639,000 (2024: HK$737,000).

The Group operates a customer loyalty programme which a stamp will issue to customers when reach certain sales amount in a single transaction with effective period of generally 6 months from the date of issuance. The directors of the Company estimated the redemption of the stamp with reference to the historical experience.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

28. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities:

	2025 HK$'000	2024 HK$'000
Total minimum lease payments:		
– Due within one year	**5,914**	8,478
– Due with a period of more than one year but not more than three years	**2,188**	2,501
	8,102	10,979
Future finance charges on lease liabilities	**(240)**	(334)
Present value of lease liabilities	**7,862**	10,645
Present value of minimum lease payments:		
– Due within one year	**5,718**	8,178
– Due within a period of more than one year but not more than three years	**2,144**	2,467
	7,862	10,645
Less: Amounts due for settlement within 12 months shown under current liabilities	**(5,718)**	(8,178)
Amounts due for settlement after 12 months shown under non-current liabilities	**2,144**	2,467

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

29. SHARE CAPITAL

	Number of shares	HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2023, 31 March 2024 and 2025	2,000,000,000	20,000
Issued and fully paid:		
At 1 April 2023, 31 March 2024 and 2025	1,120,000,000	11,200

30. RETIREMENT BENEFIT SCHEME

The Group participates in the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) ("MPFO") for qualifying employees of the Group in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. The Group contributes at the lower of HK$1,500 or 5% of relevant monthly payroll costs capped at HK$30,000 to the MPF Scheme, which contribution is matched by employees. Contribution to the MPF Scheme during the year ended 31 March 2025 amounted to HK$1,090,000 (2024: HK$1,216,000).

The Group's contributions to the MPF Scheme vest fully and immediately with the employees. Accordingly, there were no forfeited contributions available for the Group to reduce its existing level of contributions to the MPF Scheme.

The Amendment Ordinance was enacted in June 2022 which abolishes the use of the accrued benefits of employers' mandatory contributions under the MPFO to offset severance payment and long service payment (the "Offsetting Arrangement"). The abolishment of the Offsetting Arrangement would increase the benefits that affect the long service payment payable by the employer. In accordance with the requirement of HKAS 19, management has re-measured the provision for long service payment to reflect the financial impact of the abolishment of the Offsetting Arrangement. As a result, a provision for long service payment in the amount of HK$313,000 (2024: HK$256,000) has been recognised at 31 March 2025 which is included in other accrued expenses in note 26 "Accrued expense and other payables" to the Group's consolidated financial statements for the year ended 31 March 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

31. RELATED PARTY DISCLOSURES

(a) During the year, the Group entered into the following transactions with its related parties:

Relationship	Nature of transactions	2025 HK$'000	2024 HK$'000
Directors of the Company	Sales of finished goods	**26**	45

(b) Compensation of key management personnel of the Company

	2025 HK$'000	2024 HK$'000
Salaries, fees, allowances and benefit in kinds	**7,920**	8,389
Performance related incentive payments	**1,350**	1,740
Retirement benefit scheme contributions	**72**	72
	9,342	10,201

The remuneration of directors and other member of key management personnel of the Company are determined having regard to the performance of the individuals.

32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of equity of the Group, comprising issued share capital and reserves.

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company consider the cost and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

33.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

	2025 **HK$'000**	2024 HK$'000
Financial assets		
Financial assets at amortised cost		
– Trade receivables	**1,091**	2,396
– Deposits and other receivables	**4,422**	4,425
– Pledged bank deposits	**310**	305
– Other financial assets – debt investments	**–**	14,069
– Time deposits with original maturity more than three months	**–**	780
– Bank balances and cash	**43,238**	45,017
Financial assets at FVOCI (recycling)		
– Debt investments	**17,807**	6,483
Financial assets at FVTPL		
– Unlisted investment funds	**5,104**	2,244
	71,972	75,719
Financial liabilities		
Financial liabilities measured at amortised cost		
– Trade payables	**2,426**	668
– Other payables	**463**	511
– Dividend payable	**29,120**	–
– Lease liabilities	**7,862**	10,645
	39,871	11,824

33.2 Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, financial assets at FVOCI, financial assets at amortised cost, trade receivables, other receivables, rental deposits, pledged bank deposits, time deposits with original maturity of more than three months, bank balances and cash, trade and other payables, dividend payable and lease liabilities. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risks (represented by interest rate risk and currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.2 Financial risk management objectives and policies (continued)

Market risk – Currency risk

The Group's operational activities are mainly denominated in HK$. The Group is exposed to foreign currency risk primarily arising from purchase of goods by foreign currencies. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

	Assets		Liabilities	
	2025	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000
USD	**39,058**	42,905	**1,386**	399
New Zealand dollars ("NZD")	**–**	3	**–**	–
Australian dollars ("AUD")	**12,207**	13,741	**–**	3
JPY	**4,218**	4,610	**–**	–
Canadian dollars ("CAD")	**–**	6	**–**	–
Euro ("EUR")	**609**	598	**–**	–

Sensitivity analysis

Under the pegged exchange rate system, the financial impact arising from changes in exchange rates between HK$ and USD is not expected to be significant and therefore, the corresponding sensitivity analysis is not prepared.

The following table details the Group's sensitivity to a 10% (2024: 10%) increase and decrease in the relevant foreign currencies against HK$. 10% (2024: 10%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% (2024: 10%) change in foreign currency rates. There is an increase in post-tax profit for the year where the relevant currency strengthens 10% (2024: 10%) against HK$. For a 10% (2024: 10%) weakening the relevant currency against HK$, there would be an equal and opposite impact on the post-tax profit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.2 Financial risk management objectives and policies (continued)

Sensitivity analysis (continued)

	Change in profit for the year	
	2025	2024
	HK$'000	HK$'000
Foreign currencies		
AUD	**1,019**	1,147
JPY	**352**	385
CAD	**–**	1
EUR	**51**	50

Market risk – Interest rate risk

The Group is exposed to fair value interest rate risk in relation to interest bearing bank deposit, debt investments and lease liabilities.

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and pledged bank deposits. The Group's debt investments in treasury bills and fixed rate notes are mainly carried at fixed interest rates. Management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The directors of the Company consider that the Group's exposure to cash flow interest rate risk as a result of the change of market interest rate is insignificant, therefore, no sensitivity analysis is presented.

Total interest income from financial assets measured at amortised cost and financial assets at FVOCI is as follows:

	2025	2024
	HK$'000	HK$'000
Other income, gains and losses		
Financial assets at amortised cost	**1,588**	2,713
Financial assets at FVOCI	**788**	57
	2,376	2,770

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.2 Financial risk management objectives and policies (continued)

Credit risk and impairment assessment

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group's credit risk is primarily attributable to its trade receivables, other receivables, rental deposits, pledged bank deposits, time deposits with original maturity of more than three months, bank balances, other financial assets at amortised cost and financial assets at FVOCI. In order to minimise the credit risk, the management of the Group has assessed the credibility and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model within the scope of HKFRS 9 on trade balances individually. In this regards, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on pledged bank deposits, time deposits with original maturity of more than three months and bank balances are limited because the counterparties are banks with high credit ratings.

The Group has assessed that the expected loss rates for pledged bank deposits, time deposits with original maturity of more than three months and bank balances were immaterial. Thus, no loss allowance for pledged bank deposits, time deposits with original maturity of more than three months and bank balances were recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.2 Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

All the Group's investments in treasury bills, fixed rate notes and corporate bond measured at amortised cost and FVOCI (recycling) are considered to have low credit risk as they have a low risk of default due to high credit rating assigned by international credit-rating agencies, and the issuer has a strong capacity to meet its contractual cash flow obligation in the near term and the ECL recognised is based on the 12-month ECL. As a result, insignificant amount of provision for credit loss was required at the reporting date in respect of these assets.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

The Group's internal credit risk grading assessment comprises the following categories:

Category	Description	Trade receivables	Other financial assets measured at amortised cost and FVOCI (recycling)
Stage 1	The counterparty has a low risk of default and has no past due amounts	Lifetime ECL – not credit-impaired	12m ECL
Stage 2	There has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Stage 3	There is evidence indicating that the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The estimated loss rates are determined based on historical observed default rates over the expected lives of the debtors and are adjusted for forward-looking information, including but not limited to the expected growth rate of the industry, that is available without undue cost or effort.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.2 Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Trade receivables are assessed individually for impairment allowance based on the historical credit losses experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including the time value of money where appropriate.

In determining the ECL for other receivables and rental deposits, the management of the Group has taken into account the historical default experience and forward-looking information, as appropriate, for example, the Group has considered the consistently low historical default rate in connection with payments, and concluded that credit risk inherent in the Group's outstanding other receivables and rental deposits are insignificant.

	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amount 2025 HK$'000	Gross carrying amount 2024 HK$'000
Trade receivables	21	Stage 1	Lifetime ECL	**1,091**	2,396
Other receivables	23	Stage 1	12m ECL	**494**	586
Rental deposits	19 & 23	Stage 1	12m ECL	**3,928**	3,839
Bank balances	24	Stage 1	12m ECL	**43,238**	45,017
Time deposits with original maturity of more than three months	24	Stage 1	12m ECL	**–**	780
Pledged bank deposits	24	Stage 1	12m ECL	**310**	305
Financial assets measured at amortised cost	18	Stage 1	12m ECL	**–**	14,069
Financial assets at FVOCI (recycling)	18	Stage 1	12m ECL	**17,807**	6,483

No ECL allowance has been provided during the year ended 31 March 2025 (2024: Nil).

Liquidity risk

Ultimate responsibility for liquidity risk management rests with management, which has built an appropriate liquidity risk management framework for the management of the Group's short term funding and liquidity management requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.2 Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The Group manages liquidity risk by maintaining adequate reserves and borrowing facilities and continuously monitoring forecast and actual cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities and lease liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interest and principal cash flows. To the extent that interest are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

	Weighted average effective interest rate	On demand or less than 1 month	1 to 3 months	Over 3 months but within 1 year	Over 1 year but within 2 years	Over 2 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 31 March 2025								
Trade payables	**–**	**2,426**	**–**	**–**	**–**	**–**	**2,426**	**2,426**
Other payables	**–**	**463**	**–**	**–**	**–**	**–**	**463**	**463**
Dividend payable	**–**	**–**	**29,120**	**–**	**–**	**–**	**29,120**	**29,120**
Lease liabilities	**4.47**	**843**	**1,373**	**3,698**	**2,176**	**12**	**8,102**	**7,862**
		3,732	**30,493**	**3,698**	**2,176**	**12**	**40,111**	**39,871**
As at 31 March 2024								
Trade payables	–	668	–	–	–	–	668	668
Other payables	–	511	–	–	–	–	511	511
Lease liabilities	4.69	887	1,691	5,900	2,501	–	10,979	10,645
		2,066	1,691	5,900	2,501	–	12,158	11,824

33.3 Fair value measurements of financial instruments

Financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability and significance of inputs to the measurements, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.
- Level 3: significant unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety based on the lowest level of input that is significant to the fair value measurement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (continued)

33.3 Fair value measurements of financial instruments (continued)

The financial assets measured at fair value in the consolidated financial statements on a recurring basis are grouped into the fair value hierarchy as follows:

	Level 1 HK$'000	**Level 2** HK$'000	**Level 3** HK$'000	**Total** HK$'000
31 March 2025				
Financial assets at FVOCI (recycling)				
– Debt investments	**–**	**17,807**	**–**	**17,807**
Financial assets at FVTPL				
– Unlisted investment funds	**–**	**5,104**	**–**	**5,104**
Net fair value	**–**	**22,911**	**–**	**22,911**
31 March 2024				
Financial assets at FVOCI (recycling)				
– Debt investments	–	6,483	–	6,483
Financial assets at FVTPL				
– Unlisted investment funds	–	2,244	–	2,244
Net fair value	–	8,727	–	8,727

As at 31 March 2025 and 2024, the fair value of the Group's unlisted investment funds are stated with reference to price quote provided by the administrator of the funds, which is determined based on the net asset value of the funds. As at 31 March 2025, the fair value of the Group's debt investments are traded in market through brokers, which is based on quoted prices from the brokers at the end of the reporting period. The quoted price used for the debt investments held by the Group was the current last traded price. There was no transfer among the three levels of the fair value hierarchy during the year.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the change in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those from which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

	Dividend payable HK$'000	**Lease liabilities** HK$'000
At 1 April 2023	–	12,745
Financing cash flows	(17,920)	(10,627)
Non-cash transactions:		
Lease modified	–	7,893
Finance costs	–	634
Dividend declared	17,920	–
At 31 March 2024 and 1 April 2024	–	10,645
Financing cash flows	(13,440)	(10,588)
Non-cash transactions:		
New lease entered into/lease modified	–	7,363
Finance costs	–	442
Dividend declared	42,560	–
At 31 March 2025	**29,120**	**7,862**

35. LEASE COMMITMENTS

As lessor

At the reporting date, the total future minimum lease income receivables under non-cancellable operating leases with its tenants are as follows:

	2025 **HK$'000**	2024 HK$'000
Within one year	**187**	222

The leases run for an initial period of approximately one year (2024: one year). None of the leases include contingent rentals.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

36. PARTICULARS OF SUBSIDIARIES

As at 31 March 2025 and 2024, the Company has direct and indirect equity interests in the following subsidiaries:

Name of subsidiary	Place of incorporation	Principal place of business	Issued and fully paid up capital	Percentage of ownership interest held by the Company		Principal activities
				2025 %	2024 %	
Directly held:						
Rosy Horizon Global Limited	The BVI	Hong Kong	4 ordinary shares of US$1 each	**100**	100	Investment holding, fund investment and property holding
Indirectly held:						
Inwell International Limited	Hong Kong	Hong Kong	HK$100	**100**	100	Marketing, selling and distributing a wide range of beauty and health products in Hong Kong
Universal Benefits Company Limited	Hong Kong	Hong Kong	HK$100	**100**	100	Selling and distributing a wide range of beauty and health products in Hong Kong and consignment sales services
CI CI Investment Limited	Hong Kong	Hong Kong	HK$50,000	**100**	100	Property holding
Mi Ming Investment Limited	Hong Kong	Hong Kong	HK$1	**100**	100	Investment holding
Inwell US Limited	The USA	The USA	100 ordinary shares of US$1 each	**100**	100	Property holding and market, selling and distributing of beauty and health products in the USA
Perfect Horizon International Limited (Note)	The BVI	Hong Kong	100 ordinary shares of US$1 each	**100**	–	Intellectual properties holding

Note: Perfect Horizon International Limited was established and incorporated on 17 May 2024 in the BVI.

None of the subsidiaries of the Company had any debt securities outstanding at the end of or any time during both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

37. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme of the Company

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 23 January 2018 for the primary purpose of providing incentives to directors and eligible employees, and will expire on 22 January 2028. Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to outside third parties for settlement in respect of goods or services provided to the Company.

At 31 March 2025, no share in respect of which options had been granted and remained outstanding under the Scheme (2024: Nil). The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to directors, chief executive and substantial shareholders, or any of their respective associates in excess of 0.1% of the Company's share capital and with a value in excess of HK$5,000,000 must be approved in advance by the Company's shareholders.

Options may be exercised at any time from the date of grant of the share. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The statement of financial position of the Company is as follows:

	2025 HK$'000	2024 HK$'000
Non-current asset		
Investment in a subsidiary	**37,316**	37,316
Current assets		
Tax recoverable	**243**	141
Deposit and prepayments	**271**	238
Amount due from a subsidiary	**24,504**	4,781
Bank balances	**202**	170
	25,220	5,330
Current liabilities		
Amount due to a subsidiary	**1,689**	4,032
Accrued expenses and other payables	**326**	421
Dividend payable	**29,120**	–
	31,135	4,453
Net current (liabilities)/assets	**(5,915)**	877
Net assets	**31,401**	38,193
Capital and reserves		
Share capital	**11,200**	11,200
Reserves (note)	**20,201**	26,993
Total equity	**31,401**	38,193

Note:

The movement of the Company's reserves are as follows:

	Share premium HK$'000	**Other reserve*** HK$'000	**(Accumulated losses)/ Retained earnings** HK$'000	**Total** HK$'000
At 1 April 2023	26,967	17,226	(13,856)	30,337
Profit and other comprehensive income for the year	–	–	14,576	14,576
2023 final dividend paid (note 13)	(8,960)	–	–	(8,960)
2024 interim dividend paid (note 13)	(8,960)	–	–	(8,960)
At 31 March 2024 and 1 April 2024	9,047	17,226	720	26,993
Profit and other comprehensive income for the year	–	–	35,768	35,768
2024 final dividend paid (note 13)	(8,960)	–	–	(8,960)
2025 interim dividend paid (note 13)	–	–	(4,480)	(4,480)
2025 special dividend declared (note 13)	–	–	(29,120)	(29,120)
At 31 March 2025	87	17,226	2,888	20,201

* The amount represents the payment of listing expenses by a company controlled by Ms. Erica Yuen on behalf of the Company without recharge in prior years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

39. EVENTS AFTER THE REPORTING PERIOD

(a) On 20 June 2025, Rosy Horizon Global Limited, a wholly-owned subsidiary of the Company and Ms. Erica Yuen, the Chairlady of the Board, the Chief Executive Officer of the Company and an Executive Director, entered into the Sale and Purchase Agreement pursuant to which Rosy Horizon Global Limited has conditionally agreed to sell and Ms. Erica Yuen has conditionally agreed to purchase the Japan Property at a consideration of JPY586,000,000 (equivalent to approximately HK$32,230,000). The completion of the transaction is conditional upon the approval by the independent Shareholders at the extraordinary general meeting.

(b) On 20 June 2025, Inwell US Limited, a wholly-owned subsidiary of the Company and Ms. Mimi Yuen, an Executive Director, entered into the Sale and Purchase Agreement pursuant to which Inwell US Limited has conditionally agreed to sell and Ms. Mimi Yuen has conditionally agreed to purchase the US Property at a consideration of US$843,000 (equivalent to approximately HK$6,575,000). The completion of the transaction is conditional upon the approval by the independent Shareholders at the extraordinary general meeting.

Upon the completion of the above transactions on the disposal of the Japan and US properties, it is estimated that after deducting the estimated taxes and expenses of approximately HK$1,745,000, the Company will record a preliminary net profit of approximately HK$8,033,000.

(c) On 20 June 2025, the Board proposed a special dividend of HK2.3 cents per share, in an aggregate amount of approximately HK$25.8 million, to the Shareholders whose names appear in the register of members of the Company on a record to be determined and is subject to approval by the independent Shareholders of the Company in the extraordinary general meeting and the completion of the above transaction of the disposal of the Japan and US properties.

FIVE YEARS FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements is set out below:

RESULTS

	Year ended 31 March				
	2021 HK$'000	2022 HK$'000	2023 HK$'000	2024 HK$'000	**2025** **HK$'000**
REVENUE	148,913	161,049	171,398	148,835	**118,740**
PROFIT BEFORE INCOME TAX	32,535	24,274	25,050	17,823	**6,210**
INCOME TAX EXPENSE	(5,398)	(4,152)	(4,310)	(2,903)	**(1,133)**
PROFIT FOR THE YEAR	27,137	20,122	20,740	14,920	**5,077**

ASSETS AND LIABILITIES

	As at 31 March				
	2021 HK$'000	2022 HK$'000	2023 HK$'000	2024 HK$'000	**2025** **HK$'000**
TOTAL ASSETS	181,659	177,927	177,356	165,587	**154,627**
TOTAL LIABILITIES	(29,444)	(32,470)	(32,439)	(23,722)	**(50,315)**
NET ASSETS	152,215	145,457	144,917	141,865	**104,312**