

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

Defining
Clean
Beauty.

2025/26
ANNUAL REPORT

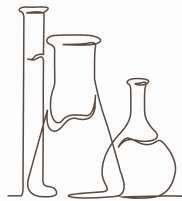
INSISTENCE



No Animal Testing



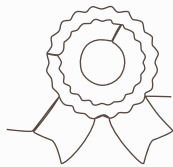
**Commitment To
Human Safety**



**No Harmful
Chemical Ingredients**



Natural And Organic



Quality Assurance



**Premium Source
Of Ingredients**

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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.

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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.

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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*)
Mr. Lam Yue Yeung Anthony (*Appointed on 26 June 2025*)
Ms. Tsang Wing Yee (*Appointed on 26 June 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

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 2026.

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

Throughout the fiscal year 2026, Hong Kong’s business environment and economy continued to face various structural challenges, creating a highly demanding landscape for the local retail sector. The industry was notably impacted by profound shifts in consumer spending habits, driven by the prevailing trend of “offshore consumption” as local residents increasingly sought cost-competitive retail alternatives overseas, alongside an ongoing market transition toward value-driven expenditure patterns.

Despite these persistent headwinds and the leakage of local purchasing power, our Group demonstrated strong resilience. For the year ended 31 March 2026, our sales remained relatively stable as compared to the previous year. Meanwhile, amid intense market-wide promotional pressures, our gross profit recorded a slight decrease of approximately 2.1% as compared to the previous year.

Despite these challenging market conditions, our Group remains deeply committed to upholding our core philosophy of defining clean beauty. To proactively address the difficulties ahead, we have dynamically adjusted our sales strategies and optimized our product portfolio with the explicit goals of driving customer foot traffic and boosting repurchase rates.

Additionally, we have restructured our sales channels and business operations to maximize resource utilization and cost efficiency. Recognizing the rising consumer reliance on digital ecosystems, we accelerated our omnichannel capabilities. During the year, we recorded a notable increase in revenue from our e-commerce business of approximately 22.3% as a direct result of our focused efforts leveraged across both our proprietary online store and third-party e-commerce marketplaces. Backed by these successful initiatives and disciplined cost control, the operating profit attributable to the owners of the Company remained relatively stable as compared to the previous year.

To acknowledge and reward the continued support of our Shareholders, the Board has recommended a final dividend of HK0.3 cent per share. This recommendation takes into account (i) the operating profit for the year ended 31 March 2026; (ii) the Group’s surplus; and (iii) the capital requirements for our Group’s future operation.

CHAIRLADY'S STATEMENT

PROSPECTS

We anticipate that Hong Kong's retail business outlook for the upcoming fiscal year will remain complex, uncertain, and challenging. The sector continues to navigate profound structural adjustments, heavily driven by shifting economic factors alongside intensified market competitions and aggressive cross-border online platforms. In light of this, our Group remains fully committed to proactively navigating these uncertainties by continuously monitoring the evolving market trends, tracking shifting customer behaviors, and refining our unique value proposition.

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. Moving forward, we will focus on strategically applying artificial intelligence in our business operations to identify emerging business opportunities and enhance overall operational efficiency, while actively seeking opportunities to further expand our product breadth to better meet changing and diverse customer demands. Simultaneously, we will seek opportunities to further 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 shopping convenience.

Through these concerted and agile efforts, our Group aims to maintain and further elevate our competitive edge in the market by improving our responsiveness. This multi-pronged approach will empower us to adapt swiftly to changing market realities, capture nascent opportunities, and effectively mitigate potential risks, thereby supporting sustainable growth and delivering long-term success for our Shareholders.

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

25 June 2026

FINANCIAL HIGHLIGHTS

For the year ended 31 March 2026, the audited operating results of the Group were as follows:

- The Group's revenue remained relatively stable at approximately HK\$119.9 million for the year ended 31 March 2026 as compared to that of approximately HK\$118.7 million for the previous year.
- the Group recorded a gross profit of approximately HK\$71.5 million for the year ended 31 March 2026 (2025: HK\$73.0 million), representing a decrease of approximately 2.1% as compared to that for the previous year.
- profit attributable to the owners of the Company for the year ended 31 March 2026 amounted to approximately HK\$12.5 million (2025: HK\$5.1 million), representing an increase of approximately 145.4% as compared to that for the previous year. Excluding the gain from disposal of properties and charity donation made during the year ended 31 March 2026, the Group's profit attributable to owners of the Group for the year ended 31 March 2026 amounted to approximately HK\$4.6 million (2025: approximately HK\$5.2 million). The Board has recommended a final dividend of HK0.3 cent per share after considering (i) the operating profit for the year ended 31 March 2026; (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 HK0.3 cent per ordinary share for the year ended 31 March 2026 (2025: HK0.8 cent per ordinary share), in an aggregate amount of approximately HK\$3.4 million (2025: 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, 4 September 2026 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 2026, the Board has paid an interim dividend of HK0.3 cent per share, in an aggregate amount of approximately HK\$3.4 million, on Friday, 9 January 2026 to the Shareholders whose names appear in the register of members of the Company at the close of business on Friday, 19 December 2025 (2025: an interim dividend of HK0.4 cent per share, in an aggregate amount of approximately HK\$4.5 million, have been paid).

Furthermore, as stated in the circular of the Company to the Shareholders dated 12 September 2025, the Board has proposed a special dividend of HK2.5 cents per share, in an aggregate amount of approximately HK\$28.0 million, to the Shareholders whose names appear in the register of members of the Company on the record date at the close of business on Friday, 17 October 2025. This special dividend payment was approved by the independent Shareholders at the extraordinary general meeting held on Monday, 6 October 2025, and paid on or about Friday, 31 October 2025 (2025: a special dividend of HK2.6 cents per share, in an aggregate amount of approximately HK\$29.1 million was declared 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).

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, consignees, with a portion through its online shop at www.mimingmart.com and other e-commerce platforms operated by independent third parties. 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 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 remained relatively stable at approximately HK\$119.9 million for the year ended 31 March 2026 as compared to that of approximately HK\$118.7 million for the previous year. For the year ended 31 March 2026, the revenue generated from the sale of our products accounted for almost all of our total revenue.

Cost of sales

The Group's cost of sales primarily consists of cost of inventories sold, commission expenses, and incoming shipping, freight and delivery charges. The cost of sales increased by approximately HK\$2.7 million to approximately HK\$48.4 million for the year ended 31 March 2026 from approximately HK\$45.7 million for the previous year, representing an increase of approximately 6.0%. Although the sales remained relatively stable for the year ended 31 March 2026 as compared to the previous year, the increase in the cost of sales during the year was primarily due to (i) an increase in the proportion of sales of certain non-exclusive brand products which had a relatively higher cost in general as compared to the exclusive brand products; and (ii) certain exclusive brand products experienced increased cost-of-sales-to-revenue ratio.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately HK\$1.5 million to approximately HK\$71.5 million for the year ended 31 March 2026 from approximately HK\$73.0 million for the previous year, representing a decrease of approximately 2.1%, whilst the Group's gross profit margin decreased from approximately 61.5% for the year ended 31 March 2025 to approximately 59.6% for the year ended 31 March 2026. The decrease in the gross profit margin was mainly attributable to the increase in the cost of sales due to the factors mentioned above.

Other income, gains and losses

The Group's other income, gains and losses increased by approximately HK\$8.6 million to approximately HK\$10.2 million for the year ended 31 March 2026 from approximately HK\$1.6 million for the previous year, representing an increase of approximately 541.8%. The increase in other income, gains, and losses was primarily due to the net effect of (i) the Group recorded a gain on disposal of properties of approximately HK\$8.3 million whereas no such gain was recorded in the previous year; (ii) an exchange gain of approximately HK\$0.6 million recognised upon the translation of the Group's financial assets and bank deposits denominated in foreign currencies as a result of the appreciation of those foreign currencies against the Hong Kong dollar during the year whilst the Group recorded an exchange loss of approximately HK\$0.8 million in the previous year; and (iii) a decline in interest income of approximately HK\$1.5 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and distribution expenses

The Group's selling and distribution expenses remained relatively stable at approximately HK\$31.3 million for the year ended 31 March 2026 as compared to that of approximately HK\$31.8 million for the previous year.

Administrative and operating expenses

Administrative and operating expenses increased by approximately HK\$1.3 million to approximately HK\$37.4 million for the year ended 31 March 2026 from approximately HK\$36.1 million for the previous year, representing an increase of approximately 3.5%. Such increase was primarily due to an increase in Directors' remuneration of approximately HK\$1.7 million.

Finance costs

Finance costs primarily consist of interest expenses on the lease liabilities. The finance costs remained relatively stable at approximately HK\$0.5 million for the years ended 31 March 2026 and 2025.

Income tax expense

For the years ended 31 March 2025 and 2026, the Group's income tax expense was approximately HK\$1.1 million and HK\$25,000 respectively, representing an effective tax rate of approximately 18.2% and 0.2%, respectively. The significant decline in the effective tax rate was mainly due to (i) the aforementioned gain on the disposal of properties was presented net of related taxes, therefore, those taxes were excluded from the Group's overall income tax expense; and (ii) the Group has recorded a deferred tax income of approximately HK\$0.5 million during the year.

Net profit for the year

As a result of the foregoing, the Group's net profit increased by approximately HK\$7.4 million or approximately 145.4% from approximately HK\$5.1 million for the year ended 31 March 2025 to approximately HK\$12.5 million for the year ended 31 March 2026, whilst the Group's net profit margin increased from approximately 4.3% for the year ended 31 March 2025 to approximately 10.4% for the year ended 31 March 2026.

GEARING RATIO

As at 31 March 2026, the Group did not have any bank borrowings or other borrowings and therefore, gearing ratio (calculated by the total debts divided by the total equity) is not applicable (31 March 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND FINANCIAL RESOURCES AND TREASURY POLICY

	As at 31 March	
	2026	2025
Current ratio <i>(Note)</i>	2.6	1.4

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 2026, the Group's net current assets amounted to HK\$33.3 million (31 March 2025: HK\$17.0 million). The increase in current ratio was due to the fact that the Group has utilised its financial resources to settle the dividend payable during the year ended 31 March 2026.

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, 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 2026, 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 and Australian dollars. 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 three 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

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, the Group has acquired the iShares 0-3 Month Treasury Bond Exchange-Traded Fund (the "ETF") at a cost of approximately USD0.8M during the year ended 31 March 2026. The ETF seeks to track an index that includes U.S. Treasury bills with maturities of 0–3 months and offers a way to preserve capital and manage liquidity while seeking minimal interest rate risk.

For the year ended 31 March 2026, (i) the dividend income associated with the ETF recorded and (ii) the net fair value gain of the ETF classified as financial assets at fair value through profit or loss amounted to approximately USD12,000 (equivalent to approximately HK\$94,000) and USD1,200 (equivalent to approximately HK\$9,000), respectively.

Save as disclosed above, we did not hold any other significant investment as at 31 March 2026. As at 31 March 2025, the Group held several US Treasury Bonds and US Treasury Notes of approximately USD1.5 million (equivalent to approximately HK\$11.9 million) in total to maximise the utilisation of its surplus cash.

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

The Shares of the Company (the “Shares”) were successfully listed on the GEM of the Stock Exchange (the “Listing”) 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 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 2026, the Group did not have any significant capital commitments (2025: nil).

CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any material contingent liabilities (2025: nil).

DIVIDEND

The Board has recommended a final dividend of HK0.3 cent per ordinary share for the year ended 31 March 2026 (2025: HK0.8 cent per ordinary share), in an aggregate amount of approximately HK\$3.4 million (2025: 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, 4 September 2026 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 2026, the Board has paid an interim dividend of HK0.3 cent per share, in an aggregate amount of approximately HK\$3.4 million, on Friday, 9 January 2026 to the Shareholders whose names appear in the register of members of the Company at the close of business on Friday, 19 December 2025 (2025: an interim dividend of HK0.4 cent per share, in an aggregate amount of approximately HK\$4.5 million, have been paid).

Furthermore, as stated in the circular of the Company to the Shareholders dated 12 September 2025, the Board has proposed a special dividend of HK2.5 cents per share, in an aggregate amount of approximately HK\$28.0 million, to the Shareholders whose names appear in the register of members of the Company on the record date at the close of business on Friday, 17 October 2025. This special dividend payment was approved by the independent Shareholders at the extraordinary general meeting held on Monday, 6 October 2025, and paid on or about Friday, 31 October 2025 (2025: a special dividend of HK2.6 cents per share, in an aggregate amount of approximately HK\$29.1 million was declared 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).

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 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 2026, the Group employed a total of 75 (2025: 73) full-time employees and 15 (2025: 11) part-time employees. The staff costs, including Directors' emoluments, of the Group for the year ended 31 March 2026 was approximately HK\$37.3 million (2025: HK\$34.3 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 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 March 2026, 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 45, 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 53, 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 49, was appointed as a Non-executive Director on 11 January 2017. He is also a member of the Nomination Committee. 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 Twooods (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 46, 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 52, 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 54, was appointed as an Independent Non-executive Director on 23 January 2018. She is also the chairlady of the Audit Committee and a member of the Nomination 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 49, 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 48, 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 39, 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 environmental, 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. 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 13 to 16 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 10 meetings during the year ended 31 March 2026 and the Directors' attendance records are as follows:

Name of Directors	Attendance
Ms. Yuen Mi Ming Erica	8/8
Ms. Yuen Mimi Mi Wahng	8/8
Mr. Cheung Siu Hon Ronald	8/8
Mr. Lam Yue Yeung Anthony	8/8
Ms. Tsang Wing Yee	10/10
Ms. Wong Yuen Kwan	9/9
Ms. Lui Karrie Ka Yee (<i>Appointed on 8 April 2025</i>)	9/9
Ms. Chan Sze Lai Celine (<i>Resigned on 8 April 2025</i>)	1/1

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 assessing 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.

Accordingly, Mr. Cheung Siu Hon Ronald, Mr. Lam Yue Yeung Anthony and Ms. Wong Yuen Kwan, will retire but being eligible, offer themselves for re-election at the annual general meeting to be held on 7 August 2026 (the "2026 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 2026, the Board and senior management comprised 44% male and 56% female.

CORPORATE GOVERNANCE REPORT

During the year ended 31 March 2026 and at the date of this annual report, the Board comprises 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	
	41-49	50 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 (<i>Appointed on 8 April 2025</i>)		✓
Ms. Chan Sze Lai, Celine (<i>Resigned on 8 April 2025</i>)	✓	

Name of Directors	Professional Experience				
	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 (<i>Appointed on 8 April 2025</i>)				✓	
Ms. Chan Sze Lai, Celine (<i>Resigned on 8 April 2025</i>)	✓				

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 directors' duties and regulatory and business development that have been received by the current Directors during the period from 1 April 2025 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 (<i>Appointed on 8 April 2025</i>)	✓	✓
Ms. Chan Sze Lai Celine (<i>Resigned on 8 April 2025</i>)		✓

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 2025 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 2026 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 (<i>Chairlady</i>)	2/2
Ms. Wong Yuen Kwan	2/2
Ms. Lui Karrie Ka Yee (<i>appointed on 8 April 2025</i>)	2/2
Ms. Chan Sze Lai Celine (<i>resigned on 8 April 2025</i>)	0/0

CORPORATE GOVERNANCE REPORT

Remuneration Committee

The Remuneration Committee consists of three members throughout the period from 1 April 2025 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 2026.

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 (<i>Chairlady since 8 April 2025</i>)	1/1
Ms. Yuen Mi Ming Erica	2/2
Ms. Lui Karrie Ka Yee (<i>appointed on 8 April 2025</i>)	2/2
Ms. Chan Sze Lai Celine (<i>resigned on 8 April 2025</i>)	0/0

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 2026.

Nomination Committee

The Nomination Committee consists of five members throughout the period from 1 April 2025 up to the date of this annual report, namely Ms. Yuen Mi Ming Erica, Executive Director, Mr. Lam Yue Yeung Anthony (appointed on 26 June 2025), Non-executive Director, Ms. Wong Yuen Kwan, Independent non-executive Director, Ms. Lui Karrie Ka Yee (appointed on 8 April 2025), Independent Non-executive Director, Ms. Tsang Wing Yee (appointed on 26 June 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.

CORPORATE GOVERNANCE REPORT

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.

The Nomination Committee has held 3 meetings during the year ended 31 March 2026.

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 (<i>Chairlady</i>)	3/3
Mr. Lam Yue Yeung Anthony	1/1
Ms. Wong Yuen Kwan	2/2
Ms. Lui Karrie Ka Yee (<i>appointed on 8 April 2025</i>)	2/2
Ms. Chan Sze Lai Celine (<i>resigned on 8 April 2025</i>)	1/1
Ms. Tsang Wing Yee	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 June 2026 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 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 33 to 65 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 2026.

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 80 to 84.

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 2026 is set out below:

Service Category	Fees Paid/Payable HK\$'000
Audit Services	800

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 2026.

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 2026.

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

To conform to the current requirements of the GEM Listing Rules, the Company has adopted the third amended and restated memorandum and articles of association (the "Third Amended and Restated M&A") by the Shareholders by way of a special resolution at the 2025 annual general meeting held on 8 August 2025 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. The full text of the Third Amended and Restated M&A has been published on the websites of the Company and the Stock Exchange on 8 August 2025.

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” or “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 2025 to 31 March 2026 (the “Reporting Period”), aligning with the Group’s financial year. The report encompasses 11 locations (2025: 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 Code” (the “ESG Reporting Code”) under Appendix C2 of the GEM Listing Rules. This ESG Report is in full compliance with the ESG Reporting Code’s mandatory disclosure requirements, “comply or explain” provisions, and the four fundamental reporting principles outlined in the ESG Reporting Code. 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 25 June 2026.

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

Board of Directors	
- 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.	
Audit Committee	External Professional Consultant
- 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.	- 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.
Head of Each Business Department	
- 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.	

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

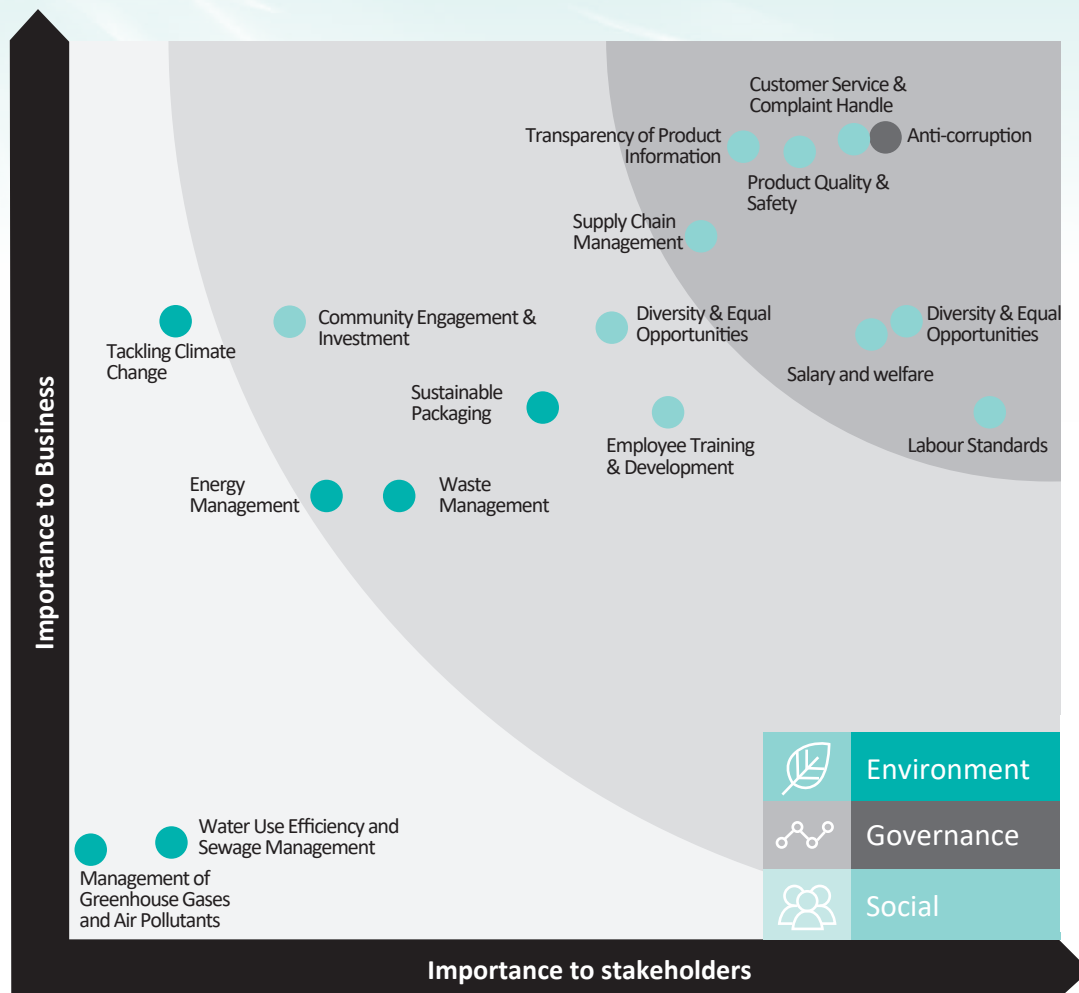
Based on our assessment of the ESG Reporting Code, industry peer practices, and the Company's current development status, we identified no significant changes in ESG issues for the Group and therefore maintained the same 17 ESG issues, comprising 6 environmental issues, 10 social issues, and 1 governance 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
Governance Issue	Community Engagement & Investment
	Customer Service & Complaint Handling
	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 regulations¹ 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 included:

- 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

During the Reporting Period, the Group continued to implement the “Go Clean Empty Bottle Recycling Reward Programme” to advance circular economy principles and promote sustainable practices among our customer base. Through this programme, Go Clean members are encouraged to return empty bottles from our product range, in exchange for 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. Based on records provided by the Group’s third-party recycling service provider, the programme collected a total of 2.57 tonnes of materials during the Reporting Period, all of which were recycled, including 0.34 tonnes of plastic, 2.17 tonnes of glass, 0.004 tonnes of paper and 0.06 tonnes of metal, and recorded an estimated 0.02 tonnes of CO₂ avoided.

During the Reporting Period, the Group produced a total of 0.23 tonnes of non-hazardous waste representing a reduction as compared with 2024/25. The intensity of non-hazardous waste produced was 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-related trainings sessions to keep abreast of the 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.	Short to medium term	- Implementing energy-saving measures. - Develop emergency response plans and staff training.
	Chronic Risks	Increased health and safety risks for employees.	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, the Group’s other indirect GHG emissions (“Scope 3 emissions”) mainly comprised purchased goods and services, waste generated in operations, and business travel. 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.

	Unit	2025/26	2024/25
Scope 1 – Direct GHG emission			
Combustion of fuels	Tonnes of CO ₂ equivalent	— ²	— ²
Total direct CO ₂ emissions	Tonnes of CO ₂ equivalent	— ²	— ²
Intensity of total direct CO ₂ emissions	Tonnes of CO ₂ equivalent/number of retail stores	— ²	— ²
Scope 2 – Energy Indirect GHG emissions³			
Purchased electricity	Tonnes of CO ₂ equivalent	88.40	85.52
Total energy indirect CO ₂ emissions	Tonnes of CO ₂ equivalent	88.40	85.52
Intensity of total energy indirect CO ₂ emissions	Tonnes of CO ₂ equivalent/ number of retail stores	9.82	9.50
Scope 3 – Other indirect emissions			
Category 1: Purchased goods & services (Electricity uses for fresh water and sewage processing)	Tonnes of CO ₂ equivalent	0.06	0.06
Category 5: Waste generated in operations (Paper disposal at landfill)	Tonnes of CO ₂ equivalent	1.10	1.18
Category 6: Business travel	Tonnes of CO ₂ equivalent	8.05	22.61
Total other indirect CO ₂ emissions	Tonnes of CO ₂ equivalent	9.21	23.85
Intensity of total other indirect CO ₂ emissions	Tonnes of CO ₂ equivalent/number of retail stores	1.02	2.65
Total GHG emissions	Tonnes of CO ₂ equivalent	97.61	109.37
Intensity of total GHG emissions	Tonnes of CO ₂ equivalent/number of retail stores	10.85	12.15

² Since the Group did not own any company vehicle during the Reporting Period, there are no air pollution and direct GHG emission emitted.

³ Intensities are calculated by dividing the volume emitted by the number of retail stores as at the end of Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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 CO₂e 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.

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 regulations⁴ 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.

⁴ For relevant laws and regulations, please refer to Appendix "Applicable Laws and Regulations"

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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.

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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employment and turnover

As of 31 March 2026, there are a total of 90 (2025: 84) 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 75 (2025: 73) full-time versus 15 (2025: 11) part-time employees. Most of the part-time employees were beauty advisors who work at our retail stores. The overall turnover rate is approximately 22% (2025: 27%). 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.

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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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 6.03 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.

Labour Standards

The Group strictly abides by the relevant labour laws and regulations applicable to its local businesses, and other laws and regulations⁵ 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.

⁵ 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 (2025: 42) 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. The Group is also registered as a food importer/distributor under the Food and Environmental Hygiene Department in accordance with the Food Safety Ordinance (Chapter 612 of the Laws of Hong Kong).

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 27 (2025: 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.

During the Reporting Period, the Group donated a total of HK\$440,000 to 4 non-governmental organisations supporting the relief efforts in response to the fire disaster at Wang Fuk Court in Tai Po, including The Hong Kong Council of Social Service, Po Leung Kuk, Hong Kong Sheng Kung Hui Welfare Council and Hong Kong Red Cross.

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)
Aspect B2: Health & Safety	Minimum Wage Ordinance (Cap. 608)
	Occupational Safety and Health Ordinance (Cap. 509)
Aspect B6: Product Responsibility	Buildings Ordinance (Cap. 123)
	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)
Aspect B7: Anti-corruption	The Personal Data (Privacy) Ordinance (Cap. 486)
	Prevention of Bribery Ordinance (Cap. 201)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX – KPI PERFORMANCE SUMMARY

Aspects	Category	KPIs	Unit	2025/26	2024/25
A1.1	Emissions	Nitrogen oxides (“NOx”)	kg	– ²	– ²
		Sulphur oxides (“SOx”)	kg	– ²	– ²
		Particulate matter (“PM”)	kg	– ²	– ²
A1.3	Hazardous waste	Total hazardous waste produced	Tonnes	– ⁶	– ⁶
		Intensity of hazardous waste produced	Tonnes/number of retail stores	– ⁶	– ⁶
A1.4	Non-hazardous waste	Total non-hazardous waste produced	Tonnes	0.23	0.25
		Intensity of non-hazardous waste produced	Tonnes/number of retail stores	0.03	0.03
A2.1	Energy	Direct energy consumption			
		Gasoline	kWh ⁷	– ²	– ²
		Total direct energy consumption	kWh	– ²	– ²
		Intensity of direct energy consumption	kWh/number of retail stores	– ²	– ²
		Indirect energy consumption			
		Purchased Electricity	kWh	160,231.00	166,648.00
		Total indirect energy consumption	kWh	160,231.00	166,648.00
		Intensity of indirect energy consumption ⁸	kWh/number of retail stores	17,803.44	18,516.44
		Total energy consumption	kWh	160,231.00	166,648.00
		Intensity of total energy consumption	kWh/number of retail stores	17,803.44	18,516.44
A2.2	Water	Total water consumption	m ³	143.00	141.00
		Intensity of total water consumption ⁹	m ³ /number of retail stores	15.89	15.67
A2.5	Packaging material	Consumption of bottles and droppers ¹⁰	Tonnes	3.12	3.78
		Intensities of bottles and droppers ¹¹	Grams	27.71	27.71
		Consumption of boxes	Tonnes	0.41	0.80
		Intensities of boxes	Grams	6.64	6.64

⁶ No hazardous waste is generated during the Reporting Period.

⁷ 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.

⁸ Intensities are calculated by dividing the total consumption by the number of retail stores as at the end of Reporting Period.

⁹ Intensities are calculated by dividing the total water consumption by the number of retail stores as at the end of Reporting Period.

¹⁰ The consumption amount is calculated by multiplying the intensity and the pieces of packaging materials consumed during the Reporting Period.

¹¹ Intensities are the weights of each of the packaging materials with reference to an average-sized product.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects	Category	KPIs	Unit	2025/26	2024/25
B1.1	Employee	By gender			
		Male	Person	22	24
		Female	Person	68	60
		By age group			
		Below 30	Person	15	10
		30-50	Person	62	65
		Over 50	Person	13	9
		By employee type			
		Full-time	Person	75	73
		Part time	Person	15	11
		By Geographical Region			
		Hong Kong	Person	90	84
B1.2	Employee turnover rate	Overall	% ¹²	22%	27%
		By gender			
		Male	%	18%	13%
		Female	%	24%	31%
		By age group			
		Below 30	%	50%	85%
		30-50	%	20%	17%
		Over 50	%	0%	11%
		By Geographical Region			
		Hong Kong	%	22%	27%
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	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 ¹³	Days	0	0

¹² 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.

¹³ No work-related fatalities was reported for the past three years, including the reporting year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects	Category	KPIs	Unit	2025/26	2024/25
B3.1	Percentage of employees trained	Total percentage of employees trained	%	53%	82%
		By gender			
		Male	%	73%	28%
		Female	%	47%	72%
		By employee role			
		Senior Management	%	100%	6%
		Middle Management	%	100%	17%
		General Executive	%	46%	77%
B3.2	Average training hours	Average training hours per employee	Hours	6.03	6.78
		By gender			
		Male	Hours	9.25	8.84
		Female	Hours	4.99	6.00
		By employee role			
		Senior Management	Hours	14.00	14.00
		Middle Management	Hours	20.50	14.67
		General Executive	Hours	3.44	4.45
B5.1	Number of suppliers	By geographical region			
		Hong Kong	Number	26	27
		European Union	Number	1	1
		Australia	Number	6	6
		Others	Number	9	8
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 ¹⁴	%	0	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	440,000	128,000

¹⁴ 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 CODE CONTENT INDEX

Part C: “Comply or explain” Provisions

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 A1.3	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 2026.

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 37 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2026 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 34 to the consolidated financial statements. 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 the Accounting Department are responsible for monitoring financial risks and periodically adjusting the financial strategy. 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 2026 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 HK0.3 cent per ordinary share for the year ended 31 March 2026 (2025: HK0.8 cent per ordinary share), in an aggregate amount of approximately HK\$3.4 million (2025: approximately HK\$9.0 million), to shareholders whose names appeared on the register of members of the Company on Friday, 4 September 2026.

MAJOR CUSTOMERS AND SUPPLIERS

Owing to the nature of our business, for the year ended 31 March 2026, 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 2026, revenue from our largest and top five largest customers who had registered under our membership programme (inclusive of the bulk purchase customers) was approximately 1.7% and 2.7% of our total revenue, respectively. All of our top five customers during the year ended 31 March 2026 are independent third parties.

The aggregate purchases from our Group's largest and top five suppliers accounted for approximately 22.1% and 66.3% of our total purchases for the year ended 31 March 2026 respectively. All of our top five suppliers during the year ended 31 March 2026 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 2026.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial performance of the Group for the year ended 31 March 2026 and the consolidated financial position of the Group as at 31 March 2026 are set out in the consolidated financial statements on pages 85 and 86, respectively.

REPORT OF THE DIRECTORS

RESERVES

Details of movements in the reserves of the Group during the year ended 31 March 2026 are set out in the consolidated statement of changes in equity on page 87.

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 2026, the Company's reserves available for distribution to the Shareholders amounted to approximately HK\$9.8 million.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year ended 31 March 2026 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 2026 are set out in note 15 to the consolidated financial statements.

DONATIONS

During the year ended 31 March 2026, the Group has made charitable donations amounted to approximately HK\$0.4 million in aggregate (2025: approximately HK\$0.1 million).

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2026 are set out in note 30 to the consolidated financial statements.

DIRECTORS

The Directors during the year ended 31 March 2026 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 13 to 16 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.

Accordingly, Mr. Cheung Siu Hon Ronald, Mr. Lam Yue Yeung Anthony and Ms. Wong Yuen Kwan, will retire but being eligible, offer themselves for re-election at the annual general meeting to be held on 7 August 2026 (the “2026 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 2026 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 2026.

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 2026.

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 2026, 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 2026, 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 2026, 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 2026, 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 2026.

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:

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| 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 | <p>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.</p> <p>The basis of eligibility shall be determined by the Board from time to time.</p> |
| 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

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|----|---|---|
| 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 | <p>Being determine by the Board and shall be a least the highest of:</p> <ul style="list-style-type: none"> (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 2025 and 31 March 2026 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 2026 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 2026, the remaining life of the Scheme is 1 year and 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 2026, certain related party transactions disclosed in note 32 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 2026.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 March 2026, 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 2026 (2025: nil).

CONTRIBUTIONS TO THE RETIREMENT BENEFITS SCHEME

Details of contributions to the retirement benefits scheme of the Group are set out in note 31 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 2026 AGM has been scheduled to be held on Friday, 7 August 2026. A notice convening the 2026 AGM will be issued and despatched to the Shareholders on Monday, 13 July 2026.

REPORT OF THE DIRECTORS

RELEVANT DATES FOR FINAL DIVIDEND

Ex-entitlement date	Tuesday, 1 September 2026
Latest time to lodge share transfer	4:30 p.m., Wednesday, 2 September 2026
Closure of register of members	From Thursday, 3 September 2026 to Friday, 4 September 2026, both dates inclusive
Record date	Friday, 4 September 2026
Payment date	Tuesday, 29 September 2026

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, 2 September 2026.

AUDITOR

The consolidated financial statements for the year ended 31 March 2026 were audited by Grant Thornton Hong Kong Limited which will retire at the 2026 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 2026, 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 33 to 65 for details of our ESG performance.

By order of the Board
Yuen Mi Ming Erica
Chairlady

25 June 2026

INDEPENDENT AUDITOR'S REPORT

**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 85 to 151, which comprise the consolidated statement of financial position as at 31 March 2026, 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 2026, 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”), as applicable to audits of financial statements of public interest entities. We have also 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
<i>Assessment of net realisable value of inventories</i>	
<i>Refer to notes 4.11, 5 and 20 to consolidated financial statements.</i> As at 31 March 2026, the carrying amount of the Group's inventories was HK\$10,826,000 and there is no allowance for inventories as at 31 March 2026. 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 2026 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 HKSAAs, 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

25 June 2026

Lam Yau Hing

Practising Certificate No.: P06622

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Revenue	6	119,905	118,740
Cost of sales		(48,446)	(45,722)
Gross profit		71,459	73,018
Other income, gains and losses	8	10,230	1,594
Selling and distribution expenses		(31,301)	(31,805)
Administrative and operating expenses		(37,401)	(36,145)
Finance costs	9	(502)	(452)
Profit before income tax	9	12,485	6,210
Income tax expense	10	(25)	(1,133)
Profit for the year		12,460	5,077
Other comprehensive income/(expense)			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Fair value gain/(loss) on debt investments at fair value through other comprehensive income ("FVOCI"), net		22	(100)
Loss on disposal of financial assets at FVOCI reclassified to profit or loss		21	30
Other comprehensive income/(expense) for the year, net of tax		43	(70)
Total comprehensive income for the year		12,503	5,007
Basic and diluted earnings per share (HK cents)	12	1.11	0.45

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	14	25,375	56,651
Investment properties	15	5,236	5,390
Right-of-use assets	16	9,756	7,672
Deferred tax assets	17	1,204	874
Financial assets at FVOCI	18	1,549	17,807
Other non-current assets	19	2,275	1,326
		45,395	89,720
Current assets			
Tax recoverable		625	560
Inventories	20	10,826	10,128
Trade receivables	21	865	1,091
Financial assets at fair value through profit or loss	22	10,362	5,104
Deposits, prepayments and other receivables	23	3,576	4,476
Pledged bank deposits	24	313	310
Bank balances and cash	24	27,302	43,238
		53,869	64,907
Current liabilities			
Trade payables	25	1,345	2,426
Accrued expenses and other payables	26	8,408	7,770
Contract liabilities	27	2,900	2,912
Dividend payable	13	–	29,120
Lease liabilities	28	7,912	5,718
		20,565	47,946
Net current assets		33,304	16,961
Total assets less current liabilities		78,699	106,681
Non-current liabilities			
Lease liabilities	28	2,139	2,144
Derivative financial instruments	29	16	–
Deferred tax liabilities	17	49	225
		2,204	2,369
Net assets		76,495	104,312
CAPITAL AND RESERVES			
Share capital	30	11,200	11,200
Reserves		65,295	93,112
Total equity		76,495	104,312

The consolidated financial statements on pages 85 to 151 were approved and authorised for issue by the Board of Directors on 25 June 2026 and are signed on its behalf by:

Yuen Mi Ming Erica
Director

Yuen Mimi Mi Wahng
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	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 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 and 1 April 2025	11,200	87	(37,316)	(122)	130,463	104,312
Profit for the year	–	–	–	–	12,460	12,460
Other comprehensive income for the year	–	–	–	43	–	43
Total comprehensive income for the year	–	–	–	43	12,460	12,503
2025 final dividend paid (note 13)	–	–	–	–	(8,960)	(8,960)
2026 interim dividend paid (note 13)	–	–	–	–	(3,360)	(3,360)
2026 special dividend paid (note 13)	–	–	–	–	(28,000)	(28,000)
At 31 March 2026	11,200	87	(37,316)	(79)	102,603	76,495

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 2026

	2026 HK\$'000	2025 HK\$'000
Cash flows from operating activities		
Profit before income tax	12,485	6,210
Adjustments for:		
Fair value loss of financial assets at fair value through profit or loss ("FVTPL"), net	215	292
Fair value loss of forward foreign exchange contract not designated as hedging instruments	16	–
Loss on disposal of financial assets at FVOCI	21	30
Written off of prepayment	–	32
Depreciation of property, plant and equipment	2,935	3,946
Depreciation of investment properties	154	154
Depreciation of right-of-use assets	9,437	10,252
Interest income	(872)	(2,376)
Dividend income from financial assets at FVTPL	(366)	(266)
(Gain)/Loss on written off/disposal of property, plant and equipment	(8,276)	313
Exchange losses	214	303
Finance costs	502	452
Operating cash flows before movements in working capital	16,465	19,342
(Increase)/Decrease in inventories	(698)	1,414
Decrease in trade receivables	226	1,305
(Increase)/Decrease in deposits, prepayments and other receivables	(567)	539
(Decrease)/Increase in trade payables	(1,081)	1,758
Increase/(Decrease) in accrued expenses and other payables	628	(1,705)
Decrease in contract liabilities	(12)	(55)
Net cash generated from operations	14,961	22,598
Hong Kong Profits Tax paid	(596)	(1,348)
<i>Net cash generated from operating activities</i>	14,365	21,250
Cash flows from investing activities		
Purchase of property, plant and equipment	(316)	(1,470)
Payments for rental deposits	(29)	(416)
Placement on pledged bank deposit	(3)	(5)
Refund of time deposits with original maturity of more than three months	–	780
Refunds of rental deposits	548	278
Interest and dividend received	1,238	2,452
Proceeds from disposal of property, plant and equipment	36,933	–
Proceeds from disposal of financial assets at FVTPL	574	1,023
Proceeds from disposal of financial assets at FVOCI	16,295	1,590
Proceeds from disposal of financial assets at amortised cost	–	14,236
Payment for acquisition of financial assets at FVTPL	(6,277)	(4,134)
Payment for acquisition of financial assets at FVOCI	–	(13,335)
<i>Net cash generated from investing activities</i>	48,963	999
Cash flows from financing activities		
Repayment of lease liabilities	(9,332)	(10,146)
Interests paid	(492)	(442)
Dividends paid	(69,440)	(13,440)
<i>Net cash used in financing activities</i>	(79,264)	(24,028)
Net decrease in cash and cash equivalents	(15,936)	(1,779)
Cash and cash equivalents at beginning of the year	43,238	45,017
Cash and cash equivalents at end of the year, represented by bank balances and cash	27,302	43,238

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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 37. Hereinafter, the Company and its subsidiaries are collectively referred to as the “Group”.

The consolidated financial statements for the year ended 31 March 2026 were approved for issue by the board of directors on 25 June 2026.

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 Amendments to HKAS 21 “Lack of Exchangeability”, which are effective for the Group’s consolidated financial statements for the annual period beginning on 1 April 2025.

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 2026

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 ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures and related amendments ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
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 ²

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ 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 2026

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 Company are currently working to identify all the impacts 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 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with all applicable HKFRS According Standards (which term collectively includes Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) 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”), derivative financial instruments 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 2026

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.2 Revenue recognition (continued)

Revenue from contracts with customers (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.2 Revenue recognition (continued)

Revenue from contracts with customers (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.3 Leases (continued)

The Group as a lessee (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.3 Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.4 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.

4.5 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.5 Taxation (continued)

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.

4.6 Borrowing costs

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

4.7 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.7 Employee benefits (continued)

Retirement benefits (continued)

(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 (included in "accrued expenses and other payables") obligations 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.

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.

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 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.8 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%

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.

4.9 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 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.10 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 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.11 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.

4.12 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.

4.13 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.

4.14 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

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.

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 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of 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 and bank balances 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.

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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

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.

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

4.14 Financial instruments (continued)

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.

Financial liabilities

Trade payables, accrued expenses and other payables, and dividend payable are initially recognised at their fair values, and subsequently measured at amortised cost using the effective interest method.

Details of accounting policy of derivative financial instruments are set out in note 4.15.

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.

4.15 Derivative financial instruments

Derivative financial instruments are recognised at fair value at the end of each reporting period with gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for hedged accounting under HKFRS 9.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

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 2026

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 2026, the carrying amount of inventories is HK\$10,826,000 (2025: HK\$10,128,000), and there is no allowance for inventories (2025: 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 2026, the carrying amounts of right-of-use assets, investment properties and property, plant and equipment are HK\$9,756,000 HK\$5,236,000 and HK\$25,375,000 (2025: HK\$7,672,000, HK\$5,390,000 and HK\$56,651,000), respectively, and there is no impairment losses recognised in respect of right-of-use assets, investment properties and property, plant and equipment (2025: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. REVENUE

	2026 HK\$'000	2025 HK\$'000
Sales of goods		
Retail stores	82,604	88,785
Online shop	35,119	25,929
Consignment sales	2,128	3,665
Distributors	–	20
Subtotal	119,851	118,399
Consignment commission income		
Retail stores	52	78
Online shop	2	2
Consignment sales	–	2
Subtotal	54	82
Provision of beauty services	–	259
Total	119,905	118,740

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:

	2026 HK\$'000	2025 HK\$'000
Skincare	73,390	80,342
Cosmetics	5,695	4,967
Food and health supplements	34,301	28,058
Other products	6,465	5,032
Consignment commission income	54	82
Provision of beauty services	–	259
Total	119,905	118,740

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. REVENUE (continued)

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

	2026 HK\$'000	2025 HK\$'000
Timing of revenue recognition		
At a point in time	119,905	118,481
Over time	–	259
Total	119,905	118,740

Performance obligation for contracts with customers

Revenue generated from sales of goods and consignment commission income by the Group are 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. REVENUE (continued)

Performance obligation for contracts with customers (continued)

Consignment commission income

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

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\$1,888,000 (2025: HK\$2,083,000) represent the Group's expectation on the timing of redemption made by customers (note 27).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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.

	2026 HK\$'000	2025 HK\$'000
Revenue from external sales	119,905	118,740
Segment results	12,900	5,205
Less:		
Donation	(440)	(128)
Profit for the year	12,460	5,077

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

7. SEGMENT INFORMATION (continued)

Geographical information

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

	Revenue from external sales		Specified Non-current Assets	
	Year ended 31 March 2026 HK\$'000	Year ended 31 March 2025 HK\$'000	As at 31 March 2026 HK\$'000	As at 31 March 2025 HK\$'000
Hong Kong (domicile)	119,374	118,158	35,057	34,975
Japan	—	—	—	23,046
The United States of America ("USA")	531	579	5,310	11,692
Macau	—	3	—	—
Total	119,905	118,740	40,367	69,713

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 2026

8. OTHER INCOME, GAINS AND LOSSES

	2026 HK\$'000	2025 HK\$'000
Other income		
Dividend income from financial assets at FVTPL	366	266
Interest income	872	2,376
Rental income from investment properties	321	316
Sundry income	61	106
Subtotal	1,620	3,064
Other gains and losses		
Gain/(Loss) on disposal of/written off property, plant and equipment	8,276	(313)
Exchange gains/(losses), net	586	(803)
Loss on disposal of financial assets at FVOCI	(21)	(30)
Fair value loss of financial assets at FVTPL, net	(215)	(292)
Fair value loss of forward foreign exchange contracts not designated as hedging instruments	(16)	–
Written off of prepayment	–	(32)
Total	10,230	1,594

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

9. PROFIT BEFORE INCOME TAX

	2026 HK\$'000	2025 HK\$'000
Profit before income tax has been arrived at after charging/(crediting):		
Directors' remuneration (note 11)	9,380	7,699
Other staff salaries and allowances	26,716	25,506
Retirement benefit scheme contributions, excluding those of directors	1,224	1,101
Total employee benefits expenses	37,320	34,306
Auditor's remuneration		
Audit services		
– current year	830	860
– under-provision for prior year	37	40
Depreciation of property, plant and equipment	2,935	3,946
Depreciation of investment properties	154	154
Depreciation of right-of-use assets	9,437	10,252
(Gain)/Loss on disposal of/written off property, plant and equipment	(8,276)	313
Cost of inventories and services recognised as expenses (included in cost of sales)	46,340	43,276
Exchange (gains)/losses, net	(586)	803
Interest on lease liabilities	492	442
Interest on long service payment liabilities	10	10
Finance costs	502	452
Written off of prepayment	–	32
Loss on disposal of financial assets at FVOCI	21	30
Fair value loss of financial assets at FVTPL, net	215	292
Fair value loss of forward foreign exchange contracts not designated as hedging instruments	16	–
Interest income	(872)	(2,376)
Gross rental income from investment properties	(321)	(316)
Less:		
– direct operating expenses incurred for investment properties that generated rental income	37	52
– direct operating expenses incurred for investment properties that did not generate rental income	57	67
	(227)	(197)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

10. INCOME TAX EXPENSE

	2026 HK\$'000	2025 HK\$'000
Hong Kong Profits Tax		
– Current year	553	1,011
– Overprovision in prior years	(22)	(17)
	531	994
Deferred taxation (note 17)	(506)	139
	25	1,133

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

	2026 HK\$'000	2025 HK\$'000
Profit before income tax	12,485	6,210
Tax at Hong Kong Profits Tax rate of 16.5%	2,060	1,025
Tax effect of expenses not deductible for tax purpose	147	306
Tax effect of income not taxable for tax purpose	(1,995)	(16)
Tax effect of two-tiered profits tax rates regime	(165)	(165)
Overprovision in prior years	(22)	(17)
Income tax expense	25	1,133

The provision for Hong Kong Profits Tax for 2026 is calculated at 16.5% (2025: 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 2025.

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 2026

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 2026

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)	–	3,483	–	17	3,500
Ms. Yuen Mi Ming Erica ("Ms. Erica Yuen") (notes i, ii, iv, v and vii)	–	4,204	1,000	18	5,222
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)	–	–	–	–	–
Ms. Tsang Wing Yee (note iv)	180	–	–	–	180
Ms. Wong Yuen Kwan (note iv)	120	–	–	–	120
Ms. Lui Karrie Ka Yee (note iv and viii)	118	–	–	–	118
	658	7,687	1,000	35	9,380

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

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

For the year ended 31 March 2025

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)	–	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:

- (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\$98,000 (2025: HK\$187,000) of US property before being sold to a director (note 14), HK\$596,000 (2025: Nil) of housing allowance for a director's quarter, HK\$73,000 (2025: HK\$25,000) of rental expenses paid for a director's quarter and provision for unused leaves of HK\$Nil (2025: HK\$49,000).
- (vii) Included in the above salaries, allowance and benefits in kind are an estimated rental of HK\$426,000 (2025: HK\$526,000) of Japan property before being sold to a director (note 14), HK\$270,000 (2025: Nil) of housing allowance for a director's quarter, HK\$71,000 (2025: HK\$131,000) of rental expenses paid for the director's quarters and provision for unused leaves of HK\$244,000 (2025: HK\$209,000).
- (viii) Ms. Lui Karrie Ka Yee has been appointed to act as the non-executive director on 8 April 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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 (2025: two) directors whose emoluments are reflected in the analysis presented above. The aggregate emoluments of the remaining three (2025: three) individuals during the years are as follows:

	2026 HK\$'000	2025 HK\$'000
Salaries and other allowances	1,841	1,837
Performance related incentive payments	367	426
Retirement benefit scheme contributions	54	54
	2,262	2,317

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:

	2026 HK\$'000	2025 HK\$'000
Earnings		
Earnings attributable to the owners of the Company for the purpose of calculation of basic earnings per share	12,460	5,077
	2026 '000	2025 '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 2026 and 2025 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 2026

13. DIVIDENDS

	2026 HK\$'000	2025 HK\$'000
Approved		
Interim dividend, paid – HK0.3 cent (2025: HK0.4 cent) per ordinary share	3,360	4,480
Final dividend, in respect of the previous financial year, paid – HK0.8 cent (2024: HK0.8 cent) per ordinary share	8,960	8,960
Special dividend, declared – nil (2025: HK2.6 cents) per ordinary share	–	29,120
Special dividend, paid – HK2.5 cents (2025: nil) per ordinary share	28,000	–
	40,320	42,560
Proposed		
Final dividend, proposed – HK0.3 cent (2025: HK0.8 cent) per ordinary share	3,360	8,960
Special dividend, proposed – nil (2025: HK2.3 cents) per ordinary share	–	25,760
	3,360	34,720

As disclosed in the annual report of the Company for the year ended 31 March 2025, 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 (the “Shareholders”) whose names appear in the register of members of the Company at the close of business on Friday, 29 August 2025. The payment of the 2025 final dividend have been approved by the Shareholders in the 2025 annual general meeting held on Friday, 8 August 2025. The 2025 final dividend have been paid on Friday, 26 September 2025.

During the year ended 31 March 2026, the Board has paid an interim dividend for the year ended 31 March 2026 of HK0.3 cent per share, in an aggregate amount of approximately HK\$3.4 million, on Friday, 9 January 2026 to the Shareholders whose names appear in the register of members of the Company at the close of business on Friday, 19 December 2025.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

13. DIVIDENDS (continued)

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. On 10 September 2025, as a result of the aforesaid increase in the consideration of selling the properties, the Board has increased the related proposed special dividend to HK2.5 cents per share, in an aggregate amount of approximately HK\$28.0 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 properties (note 14).

The transactions were approved by the independent shareholders at the extraordinary general meeting on 6 October 2025 and completed on 8 October 2025 and 9 October 2025, respectively. The special dividend is paid in cash to the Shareholders of the Company whose names appear in the register of members of the Company at the close of business on Friday, 17 October 2025.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2026 of HK0.3 cent per ordinary share, in an aggregate amount of approximately HK\$3.4 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, 4 September 2026 and is subject to approval by the Shareholders of the Company in the forthcoming annual general meeting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

14. PROPERTY, PLANT AND EQUIPMENT

	Owned properties HK\$'000	Leasehold improvements HK\$'000	Computer equipment HK\$'000	Office equipment HK\$'000	Total HK\$'000
Cost					
At 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 and 1 April 2025	60,040	11,595	3,927	3,078	78,640
Additions	–	76	198	42	316
Written off/disposal (note)	(31,259)	–	(130)	–	(31,389)
At 31 March 2026	28,781	11,671	3,995	3,120	47,567
Accumulated depreciation					
At 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 and 1 April 2025	7,642	8,733	3,112	2,502	21,989
Provided for the year	1,501	810	383	241	2,935
Eliminated on written off/disposal	(2,604)	–	(128)	–	(2,732)
At 31 March 2026	6,539	9,543	3,367	2,743	22,192
Carrying values					
At 31 March 2026	22,242	2,128	628	377	25,375
At 31 March 2025	52,398	2,862	815	576	56,651

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

14. PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 March 2026 and 2025, the Group's owned properties are located in:

	2026 HK\$'000	2025 HK\$'000
Hong Kong	22,242	23,197
Japan	–	23,046
The USA	–	6,155
	22,242	52,398

Note:

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). On 10 September 2025, Rosy Horizon Global Limited and Ms. Erica Yuen has entered into an supplemental agreement to increase such consideration to JPY660,000,000 (equivalent to approximately HK\$33,635,000). The transaction was approved by the independent Shareholders at the extraordinary general meeting on 6 October 2025 and was completed on 8 October 2025.

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 transaction was approved by the independent Shareholders at the extraordinary general meeting on 6 October 2025 and was completed on 9 October 2025.

15. INVESTMENT PROPERTIES

	2026 HK\$'000	2025 HK\$'000
Opening net carrying amount	5,390	5,544
Depreciation	(154)	(154)
Closing net carrying amount	5,236	5,390
Fair value at level 3 hierarchy	6,092	6,076

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 (2025: 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 2026

16. RIGHT-OF-USE ASSETS

	Leasehold buildings HK\$'000
At 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 and 1 April 2025	
Cost	21,045
Accumulated depreciation	(13,373)
Net book amount	7,672
Year ended 31 March 2026	
Opening net book amount	7,672
Modifications	11,521
Depreciation	(9,437)
Net book amount	9,756
At 31 March 2026	
Cost	32,566
Accumulated depreciation	(22,810)
Net book amount	9,756

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For the year ended 31 March 2026

16. RIGHT-OF-USE ASSETS (continued)

During the year ended 31 March 2026, 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\$634,000, HK\$10,458,000 and HK\$11,521,000 (2025: HK\$550,000, HK\$11,138,000 and HK\$7,573,000), respectively.

For both years, the Group leases various retail stores for its operations. Lease contracts are entered into for fixed term of one year to three years (2025: seven 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% (2025: 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 retail stores for the year ended 31 March 2026 are as follows:

For the year ended 31 March 2026

	Number of stores				
	As at 1 April 2025	As at 31 March 2026	Fixed lease payments HK\$'000	Variable lease payments HK\$'000	Total payments HK\$'000
Retail stores with variable lease payments	9	9	8,744	634	9,378

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

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 2026

17. DEFERRED TAXATION

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

	2026 HK\$'000	2025 HK\$'000
Net deferred tax assets recognised in the consolidated statement of financial position	1,204	874
Net deferred tax liabilities recognised in the consolidated statement of financial position	(49)	(225)
Net deferred tax	1,155	649

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 2024	1,757	42	884	2,683
Credited/(Charged) to profit or loss (note 10)	(460)	10	(93)	(543)
At 31 March 2025 and 1 April 2025	1,297	52	791	2,140
Credited/(Charged) to profit or loss (note 10)	361	23	290	674
At 31 March 2026	1,658	75	1,081	2,814

Deferred tax liabilities

	Right-of-use assets HK\$'000	Accelerated tax depreciation HK\$'000	Total HK\$'000
At 1 April 2024	(1,708)	(187)	(1,895)
Credited/(Charged) to profit or loss (note 10)	442	(38)	404
At 31 March 2025 and 1 April 2025	(1,266)	(225)	(1,491)
Credited/(Charged) to profit or loss (note 10)	(344)	176	(168)
At 31 March 2026	(1,610)	(49)	(1,659)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2026 HK\$'000	2025 HK\$'000
Financial assets at FVOCI (recycling)		
Debt investments stated at fair value:		
20-Year US Treasury Bills	1,549	10,346
10-Year US Treasury Bills	–	1,594
AUD Corporate Bond	–	5,867
	1,549	17,807

The Group's debt investments of 20-Year US Treasury Bills, 10-Year US Treasury Bills and AUD Corporate Bond are recognised as financial assets at FVOCI (recycling), as the debt investments comprise solely payments of principal and interest and 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 34.3.

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 2026, there were no inventories (2025: Nil) stated at net realisable value or written-off.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

21. TRADE RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Trade receivables	865	1,091

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.

	2026 HK\$'000	2025 HK\$'000
Within 30 days	630	691
31 – 60 days	207	359
61 – 90 days	11	7
Over 90 days	17	34
	865	1,091

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 2026, 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\$43,000 (2025: HK\$50,000) were past due as at the reporting date. No past due balance were considered in default (2025: 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 34.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 HK\$'000	2025 HK\$'000
Listed investment funds	6,330	–
Unlisted investment funds	4,032	5,104
	10,362	5,104

The fair value measurement of the Group's listed investment funds and unlisted investment funds are as set out in note 34.3.

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Other receivables	796	494
Rental and utility deposits	1,268	2,768
Prepayments	1,512	1,198
Deposits paid to suppliers	–	16
	3,576	4,476

Details of impairment assessment are set out in note 34.2.

24. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Pledged bank deposits carried interest rates ranging from 0.30% to 2.31% (2025: 0.93% to 3.40%) per annum as at 31 March 2026. The bank deposits have been pledged to secure the bank facilities of the Group and are classified as current assets.

Bank balances carried interest rates ranging from nil to 3.65% (2025: nil to 4.02%) per annum as at 31 March 2026.

Details of impairment assessment are set out in note 34.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

25. TRADE PAYABLES

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

	2026 HK\$'000	2025 HK\$'000
Within 30 days	1,173	2,418
31 – 60 days	41	7
Over 60 days	131	1
	1,345	2,426

26. ACCRUED EXPENSES AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Other payables	1,286	1,145
Accrued salary and bonus	4,868	4,853
Other accrued expenses	1,843	1,772
Amount due to a director (note)	411	–
	8,408	7,770

Note:

The amount represents the procurement payment paid by a director on behalf of the Group. The amount due is unsecured, interest-free and repayable on demand.

27. CONTRACT LIABILITIES

	2026 HK\$'000	2025 HK\$'000
Advance from customers for sales of goods	1,012	829
Customer loyalty programme	1,888	2,083
	2,900	2,912

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. During the year ended 31 March 2026, 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\$829,000 (2025: HK\$639,000).

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 2026

28. LEASE LIABILITIES

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

	2026 HK\$'000	2025 HK\$'000
Total minimum lease payments:		
– Due within one year	8,210	5,914
– Due with a period of more than one year but not more than three years	2,168	2,188
	10,378	8,102
Future finance charges on lease liabilities	(327)	(240)
Present value of lease liabilities	10,051	7,862
Present value of minimum lease payments:		
– Due within one year	7,912	5,718
– Due within a period of more than one year but not more than three years	2,139	2,144
	10,051	7,862
Less: Amounts due for settlement within 12 months shown under current liabilities	(7,912)	(5,718)
Amounts due for settlement after 12 months shown under non-current liabilities	2,139	2,144

29. DERIVATIVE FINANCIAL INSTRUMENTS

	2026 HK\$'000	2025 HK\$'000
Liabilities		
Forward foreign exchange contracts	16	–

During the year ended 31 March 2026, the Group has entered into a forward foreign exchange contracts with notional amount of US\$2,220,000, equivalent to approximately HK\$17,057,000, to mitigate exchange rate risks between HK\$ and USD. This forward foreign exchange contracts is not designated for hedge purposes and is measured at fair value through profit or loss. Net loss in the fair value of the non-hedging forward foreign exchange contracts amounting to HK\$16,000 was charged to the profit or loss during the year.

The fair value of these contracts has been measured as described in note 34.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. SHARE CAPITAL

	Number of shares	HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025 and 2026	2,000,000,000	20,000
Issued and fully paid:		
At 1 April 2024, 31 March 2025 and 2026	1,120,000,000	11,200

31. 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 2026 amounted to HK\$1,132,000 (2025: HK\$1,090,000).

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\$450,000 (2025: HK\$313,000) has been recognised at 31 March 2026 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 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

32. RELATED PARTY DISCLOSURES

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

Relationship	Nature of transactions	2026 HK\$'000	2025 HK\$'000
Directors of the Company	Sales of finished goods	32	26
	Sales of property, plant and equipment (note 14)	40,210	–

- (b) Compensation of key management personnel of the Company

	2026 HK\$'000	2025 HK\$'000
Salaries, fees, allowances and benefit in kinds	9,646	7,920
Performance related incentive payments	1,280	1,350
Retirement benefit scheme contributions	71	72
	10,997	9,342

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

33. 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 2026

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

34.1 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:

	2026 HK\$'000	2025 HK\$'000
Financial assets		
Financial assets at amortised cost		
– Trade receivables	865	1,091
– Deposits and other receivables	4,339	4,422
– Pledged bank deposits	313	310
– Bank balances and cash	27,302	43,238
Financial assets at FVOCI (recycling)		
– Debt investments	1,549	17,807
Financial assets at FVTPL		
– Listed investment funds	6,330	–
– Unlisted investment funds	4,032	5,104
	44,730	71,972
Financial liabilities		
Financial liabilities measured at amortised cost		
– Trade payables	1,345	2,426
– Other payables	996	463
– Dividend payable	–	29,120
– Lease liabilities	10,051	7,862
Financial liabilities at FVTPL		
– Derivative financial instruments not designated as hedging instruments	16	–
	12,408	39,871

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.2 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, bank balances and cash, trade and other payables, dividend payable, lease liabilities and derivative financial instruments. 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.

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	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
USD	14,154	39,058	101	1,386
Australian dollars ("AUD")	8,418	12,207	–	–
JPY	4,328	4,218	412	–
Euro ("EUR")	528	609	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.2 Financial risk management objectives and policies (continued)

Market risk – Currency risk (continued)

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% (2025: 10%) increase and decrease in the relevant foreign currencies against HK\$. 10% (2025: 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% (2025: 10%) change in foreign currency rates. There is an increase in post-tax profit for the year where the relevant currency strengthens 10% (2025: 10%) against HK\$. For a 10% (2025: 10%) weakening the relevant currency against HK\$, there would be an equal and opposite impact on the post-tax profit.

	Change in profit for the year	
	2026 HK\$'000	2025 HK\$'000
Foreign currencies		
AUD	703	1,019
JPY	327	352
EUR	44	51

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.2 Financial risk management objectives and policies (continued)

Market risk – Interest rate risk (continued)

Total interest income from financial assets measured at amortised cost and financial assets at FVOCI is as follows:

	2026 HK\$'000	2025 HK\$'000
Other income, gains and losses		
Financial assets at amortised cost	619	1,588
Financial assets at FVOCI	253	788
	872	2,376

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, 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 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 and bank balances were immaterial. Thus, no loss allowance for pledged bank deposits and bank balances were recognised.

All the Group's investments in treasury bills and corporate bond measured at FVOCI (recycling) are considered to have low credit risk as they have a low risk of default due to high credit ratings 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.2 Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

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.

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 TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.2 Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	
				2026 HK\$'000	2025 HK\$'000
Trade receivables	21	Stage 1	Lifetime ECL	865	1,091
Other receivables	23	Stage 1	12m ECL	796	494
Rental deposits	19 & 23	Stage 1	12m ECL	3,543	3,928
Bank balances	24	Stage 1	12m ECL	27,302	43,238
Pledged bank deposits	24	Stage 1	12m ECL	313	310
Financial assets at FVOCI (recycling)	18	Stage 1	12m ECL	1,549	17,807

No ECL allowance has been provided during the year ended 31 March 2026 (2025: 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.

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 non-derivative financial liabilities and lease liabilities. The tables have been drawn up based on the undiscounted cash flows of non-derivative financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.2 Financial risk management objectives and policies (continued)

Liquidity risk (continued)

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 HK\$'000	1 to 3 months HK\$'000	Over 3 months but within 1 year HK\$'000	Over 1 year but within 2 years HK\$'000	Over 2 years but within 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
As at 31 March 2026								
Trade payables	-	1,345	-	-	-	-	1,345	1,345
Other payables	-	996	-	-	-	-	996	996
Lease liabilities	4.85	824	1,480	5,906	2,168	-	10,378	10,051
		3,165	1,480	5,906	2,168	-	12,719	12,392
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

34.3 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 2026

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

34.3 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 2026				
Financial assets at FVOCI (recycling)				
– Debt investments	–	1,549	–	1,549
Financial assets at FVTPL				
– Listed investment funds	6,330	–	–	6,330
– Unlisted investment funds	–	4,032	–	4,032
Net fair value	6,330	5,581	–	11,911
Financial liabilities at FVTPL				
– Derivative financial instruments not designated as hedging instruments	–	16	–	16
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

As at 31 March 2026 and 2025, 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 2026 and 2025, the fair value of the Group's debt investments are traded in markets 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

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

34.3 Fair value measurements of financial instruments (continued)

As at 31 March 2026, the fair value of the Group's listed investment funds are stated with reference to published price quotations in an active market.

As at 31 March 2026, the Group's derivatives financial instruments are traded with bank. The fair values are estimated using observable forward exchange rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for the derivative financial instruments.

There was no transfer among the three levels of the fair value hierarchy during the year (2025: Nil).

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 to their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

35. 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 2024	–	10,645
Financing cash flows	(13,440)	(10,588)
Non-cash transactions:		
New lease entered into/lease modification	–	7,363
Finance costs	–	442
Dividend declared	42,560	–
At 31 March 2025 and 1 April 2025	29,120	7,862
Financing cash flows	(69,440)	(9,824)
Non-cash transactions:		
Lease modification	–	11,521
Finance costs	–	492
Dividend declared	40,320	–
At 31 March 2026	–	10,051

36. 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:

	2026 HK\$'000	2025 HK\$'000
Within one year	80	187

The leases run for an initial period of approximately one year (2025: one year). None of the leases include contingent rentals.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

37. PARTICULARS OF SUBSIDIARIES

As at 31 March 2026 and 2025, 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		Principal activities
				Company		
				2026 %	2025 %	
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	The BVI	Hong Kong	100 ordinary shares of US\$1 each	100	100	Intellectual properties holding

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 2026

38. 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 2026, no share in respect of which options had been granted and remained outstanding under the Scheme (2025: 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 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 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 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 2026

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The statement of financial position of the Company is as follows:

	2026 HK\$'000	2025 HK\$'000
Non-current asset		
Investment in a subsidiary	37,316	37,316
Current assets		
Tax recoverable	347	243
Deposit and prepayments	223	271
Amount due from a subsidiary	997	24,504
Bank balances	140	202
	1,707	25,220
Current liabilities		
Amount due to a subsidiary	486	1,689
Accrued expenses and other payables	317	326
Dividend payable	–	29,120
	803	31,135
Net current assets/(liabilities)	904	(5,915)
Net assets	38,220	31,401
Capital and reserves		
Share capital	11,200	11,200
Reserves (note)	27,020	20,201
Total equity	38,220	31,401

Note:

The movement of the Company's reserves are as follows:

	Share premium HK\$'000	Other reserve* HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 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 and 1 April 2025	87	17,226	2,888	20,201
Profit and other comprehensive income for the year	–	–	47,139	47,139
2025 final dividend paid (note 13)	–	–	(8,960)	(8,960)
2026 interim dividend paid (note 13)	–	–	(3,360)	(3,360)
2026 special dividend paid (note 13)	–	–	(28,000)	(28,000)
At 31 March 2026	87	17,226	9,707	27,020

* 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.

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				
	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
REVENUE	161,049	171,398	148,835	118,740	119,905
PROFIT BEFORE INCOME TAX	24,274	25,050	17,823	6,210	12,485
INCOME TAX EXPENSE	(4,152)	(4,310)	(2,903)	(1,133)	(25)
PROFIT FOR THE YEAR	20,122	20,740	14,920	5,077	12,460

ASSETS AND LIABILITIES

	As at 31 March				
	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
TOTAL ASSETS	177,927	177,356	165,587	154,627	99,264
TOTAL LIABILITIES	(32,470)	(32,439)	(23,722)	(50,315)	(22,769)
NET ASSETS	145,457	144,917	141,865	104,312	76,495