Modern Beauty Salon Holdings Limited Annual Report 2005-2006

Milestones

1991

• Opened the first "Modern Beauty Salon" service centre in Causeway Bay with a gross floor area of approximately 2,000 square feet.



 Mainly provided facial, massage and make-up services.

1992

- Opened the second service centre in Tsimshatsui.
- Started to provide fitness and slimming services.

1993~1999

- Expanded the service network by adding seven more service centres during the years, including the large-scale service centre at On Hing Terrace in Central, with a gross floor area spanning up to 15,000 square feet.
- Appointed Ms. Choi Siu Fan Ada (蔡少芬小姐) as the Group's first spokesperson in 1999 to promote beauty and healthcare services.

2000

- Opened the first prime service centre at shopping plaza of Miramar Hotel focusing on fitness services.
- Introduced fitness courses such as aerobics.

2001

• Opened the first flagship service centre at Asia Standard Tower, Central, which takes up a gross floor area of up to 37,000 square feet. It has been the largest service centre operated by Modern Beauty so far.

2002

 Introduced intense pulse light services performed by registered medical practitioners in Hong Kong.



- Rolled out beauty and skincare products under own brandname "be".
- Launched "be homme" beauty and facial service line for men.
- Set up **Beauty Expert International College** to provide professional training for frontline beauty staff.

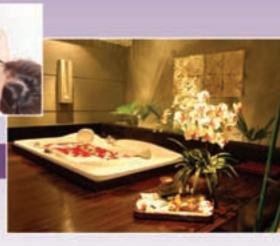
2003

- Launched the tradenames "Slim Express" and "Modern Fitness" to actively promote the Group's slimming and fitness service lines.
- Introduced Thai boxing fitness courses and started to provide spa services.









2004

- Opened the first "be Sanctuary Spa" service centre at Hopewell Centre, Wanchai to provide integrated spa and massage services.
- Obtained approval from international beauty institutions such as the Confederation of International Beauty Therapy and Cosmetology ("CIBTAC") to offer professional training courses with accredited qualifications at Beauty Expert International College.
- Named **Superbrand** by Hong Kong Superbrands Council in Hong Kong.

2005

- The Hopewell service centre was awarded ISO9001:2000 Quality Qualification from the British Standards Institution in the scope of the design and provision of facial and slimming services as well as the provision of spas and body massage services.
- Received **Best of the Best for Executives 2005** by Capital Magazine.
- Introduced teeth whitening services during the year.

January~March 2006

- Successfully listed on the Main Board of the Stock Exchange of Hong Kong on 9 February 2006.
- Introduced foot massage services under the tradename "Moment of Serenity" during the year.
- Launched the service enhancement program and extended the validity period of prepaid packages to three years.
- As at 31 March 2006, the Group operated a network of 17 service centres in Hong Kong, covering an average total gross floor area of approximately 225,000 square feet.

June 2006 (Post-results update)

- Established a special interactive voice response system ("IVRS") to further enhance customer services and launched a brandnew online booking system.
- As at 30 June 2006, the Group operated a network of 19 service centres in Hong Kong, taking up an average total gross floor area of approximately 237,000 square feet.
- Made entry into the China market by setting up service centres in major cities including Beijing, Shanghai, Guangzhou and Shenzhen.