



SAU SAN TONG HOLDINGS LIMITED
修身堂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code: 8200)

(股份代號：8200)

RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2019
截至二零一九年三月三十一日止年度之業績公佈

CHARACTERISTICS OF GEM
OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)
香港聯合交易所有限公司(「聯交所」) GEM之特色

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This announcement, for which the directors (the “Directors”) of Sau San Tong Holdings Limited (the “Company”) 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 of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or in this announcement misleading.

GEM之定位，乃為中小型公司提供一個上市之市場，此等公司相比起其他在聯交所主板上市之公司帶有較高投資風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

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本公佈(修身堂控股有限公司(「本公司」)董事(「董事」)願共同及個別對此負全責)乃遵照聯交所GEM證券上市規則(「GEM上市規則」)之規定而提供有關本公司之資料。本公司董事經作出一切合理查詢後，確認就彼等所知及所信：(1)本公佈所載資料在各重大方面均屬準確及完整，且無誤導或欺詐成份；及(2)並無遺漏任何其他事項，致使本公佈或其所載任何陳述產生誤導。

The Board of Directors (the “Board”) of Sau San Tong Holdings Limited (the “Company”) announces the audited consolidated financial results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2019, together with the comparative audited figures for the year ended 31 March 2018, as follows:

修身堂控股有限公司(「本公司」)董事會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零一九年三月三十一日止年度之經審核綜合財務業績，連同截至二零一八年三月三十一日止年度之經審核比較數字如下：

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2019

綜合損益表

截至二零一九年三月三十一日止年度

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	2		
— Distribution sale of cosmetic and skin care products	— 分銷銷售化妝及護膚產品		2,365,690	2,422,133
— Provision of beauty and slimming services	— 提供美容及纖體服務		80,753	107,576
— Provision of franchise services	— 提供加盟合作服務		852	2,976
— Sale of health, beauty and related products	— 銷售保健、美容及相關產品		3,969	5,381
— Results from investments in securities	— 證券投資業績		(40,320)	62,142
— Interest income from money lending	— 放債之利息收入		12,232	7,779
			<u>2,423,176</u>	<u>2,607,987</u>
Cost of sales	銷售成本		(2,296,714)	(2,362,517)
Gross profit	毛利		126,462	245,470
Other revenue	其他收益	3	3,212	2,796
Other gains or losses	其他收益或虧損	3	2,984	3,724
Selling and distribution costs	銷售及分銷成本		(84,978)	(97,948)
General and administrative expenses	一般及行政開支		(116,980)	(116,783)
(Loss)/profit from operations	經營(虧損)/溢利		(69,300)	37,259
Finance costs	融資成本	4	(2,712)	(4,382)
(Loss)/profit before taxation	除稅前(虧損)/溢利	4	(72,012)	32,877
Income tax expense	所得稅開支	5	(13,700)	(13,771)
(Loss)/profit for the year	年內(虧損)/溢利		(85,712)	19,106
Attributable to:	歸屬於：			
Owners of the Company	本公司擁有人		(95,376)	6,439
Non-controlling interests	非控股權益		9,664	12,667
			<u>(85,712)</u>	<u>19,106</u>
			<i>HK cents</i> 港仙	<i>HK cents</i> 港仙 (restated) (經重列)
(Loss)/earnings per share	每股(虧損)/盈利	7		
— Basic and diluted	— 基本及攤薄		(13.97)	0.94

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the year ended 31 March 2019

綜合損益及其他全面收益表

截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Note 附註		
(Loss)/profit for the year	年內(虧損)/溢利	(85,712)	19,106
Other comprehensive (loss)/income for the year, net of nil tax	年內其他全面(虧損)/收益， 無稅項之淨額		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
— Exchange difference on translation of financial statements of foreign operations	— 換算海外業務之財務報表所產生之匯兌差額	(12,351)	18,096
— Cumulative exchange gain reclassified to profit or loss upon deregistration of a subsidiary	— 一間附屬公司註銷後重新分類入損益之累計匯兌收益	(221)	—
	3		
Other comprehensive (loss)/income for the year	年內其他全面(虧損)/收益	(12,572)	18,096
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	(98,284)	37,202
Attributable to:	歸屬於：		
Owners of the Company	本公司擁有人	(103,595)	18,694
Non-controlling interests	非控股權益	5,311	18,508
		(98,284)	37,202

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

綜合財務狀況表

於二零一九年三月三十一日

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元 (Note) (附註)
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	130,705	138,853
Investment property	投資物業	—	8,001
Intangible assets	無形資產	—	410
Goodwill	商譽	25,886	26,480
Loans receivable	應收貸款	—	40
		<u>156,591</u>	<u>173,784</u>
Current assets	流動資產		
Inventories	存貨	16,240	8,847
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	9	137,899
Trade receivables	應收貿易款項	10	323,432
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	10	129,880
Loans and interest receivables	應收貸款及利息	11	56,187
Amounts due from related parties	應收關連人士款項	2	179
Current tax recoverable	可收回當期稅項	2,016	—
Pledged bank deposits	已抵押銀行存款	7,003	—
Cash and cash equivalents	現金及現金等值物	391,743	496,482
		<u>919,924</u>	<u>1,152,906</u>
Current liabilities	流動負債		
Bank loans	銀行貸款	—	99,976
Contract liabilities	合約負債	20,090	—
Trade payables	應付貿易款項	12	52,983
Other payables and accrued charges	其他應付款項及應計費用	151,596	132,702
Amounts due to related parties	應付關連人士款項	402	16,808
Deferred income	遞延收入	—	16,175
Current tax payable	應付當期稅項	12,144	12,859
		<u>196,873</u>	<u>331,503</u>
Net current assets	流動資產淨額	<u>723,051</u>	<u>821,403</u>
Total assets less current liabilities	資產總額減流動負債	<u>879,642</u>	<u>995,187</u>
Non-current liabilities	非流動負債		
Deferred tax liabilities	遞延稅項負債	3,888	4,163
NET ASSETS	資產淨額	<u>875,754</u>	<u>991,024</u>
Capital and reserves	資本及儲備		
Share capital	股本	109,268	109,268
Reserves	儲備	751,692	850,884
Total equity attributable to owners of the Company	歸屬於本公司擁有人權益總額	<u>860,960</u>	<u>960,152</u>
Non-controlling interests	非控股權益	14,794	30,872
TOTAL EQUITY	權益總額	<u>875,754</u>	<u>991,024</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2019

綜合權益變動表

截至二零一九年三月三十一日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人										
		Share capital	Share premium	Merger reserve	Exchange reserve	Share-based payment reserve	The PRC statutory surplus reserve	Other reserve	Retained profits/losses (accumulated)	Total	Non-controlling interests	Total equity
		股本	股份溢價	合併儲備	匯兌儲備	股份付款儲備	中國法定盈餘儲備	其他儲備	保留溢利/保留虧損	合共	非控股權益	權益總額
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017	於二零一七年四月一日	109,268	778,605	(3,637)	(474)	2,222	13,691	11,611	10,172	921,458	12,364	933,822
Changes in equity for 2018:	二零一八年之權益變動:											
Profit for the year	年內溢利	—	—	—	—	—	—	—	6,439	6,439	12,667	19,106
Other comprehensive income	其他全面收益	—	—	—	12,255	—	—	—	—	12,255	5,841	18,096
Total comprehensive income for the year	年內全面收益總額	—	—	—	12,255	—	—	—	6,439	18,694	18,508	37,202
Expiration of other liabilities	其他負債屆滿	—	—	—	—	—	—	16,444	3,556	20,000	—	20,000
Appropriation to the PRC statutory surplus reserve	撥付中國法定盈餘儲備	—	—	—	—	—	2,994	—	(2,994)	—	—	—
		—	—	—	12,255	—	2,994	16,444	7,001	38,694	18,508	57,202
At 31 March 2018	於二零一八年三月三十一日	109,268	778,605	(3,637)	11,781	2,222	16,685	28,055	17,173	960,152	30,872	991,024
At 1 April 2018	於二零一八年四月一日	109,268	778,605	(3,637)	11,781	2,222	16,685	28,055	17,173	960,152	30,872	991,024
Changes in equity for 2019:	二零一九年之權益變動:											
(Loss)/profit for the year	年內(虧損)/溢利	—	—	—	—	—	—	—	(95,376)	(95,376)	9,664	(85,712)
Other comprehensive loss	其他全面虧損	—	—	—	(8,219)	—	—	—	—	(8,219)	(4,353)	(12,572)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	—	—	—	(8,219)	—	—	—	(95,376)	(103,595)	5,311	(98,284)
Equity-settled share-based transaction	權益結算股份付款交易	—	—	—	—	4,403	—	—	—	4,403	—	4,403
Appropriation to the PRC statutory surplus reserve	撥付中國法定盈餘儲備	—	—	—	—	—	3,282	—	(3,282)	—	—	—
Dividend paid to non-controlling interests	已付非控股權益之股息	—	—	—	—	—	—	—	—	—	(21,389)	(21,389)
		—	—	—	(8,219)	4,403	3,282	—	(98,658)	(99,192)	(16,078)	(115,270)
At 31 March 2019	於二零一九年三月三十一日	109,268	778,605	(3,637)	3,562	6,625	19,967	28,055	(81,485)	860,960	14,794	875,754

1. Basis of preparation**1. 編製基準****(a) Statement of compliance**

The consolidated financial statements for year ended 31 March 2019 comprise the Company and its subsidiaries (together the “Group”).

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”).

The measurement basis used in the preparation of consolidated financial statements is the historical cost basis except that the financial instruments classified as financial assets at fair value through profit or loss (“FVPL”), derivative financial instruments and investment property are stated at their fair values.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(b) provided information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

(b) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group’s consolidated financial statements:

HKFRS 9	“Financial Instruments”
HKFRS 15	“Revenue from Contracts with Customers”
HK(IFRIC) 22	“Foreign Currency Transactions and Advance Consideration”

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(a) 遵例聲明

截至二零一九年三月三十一日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)。

該等綜合財務報表已根據所有適用香港財務報告準則(「香港財務報告準則」,此統稱包括香港會計師公會(「香港會計師公會」)頒佈之所有個別適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。該等綜合財務報表亦符合聯交所GEM證券上市規則(「GEM上市規則」)之適用披露條文。

編製綜合財務報表時採用之計量基準為歷史成本基準,惟分類為按公平值計入損益(「按公平值計入損益」)之金融資產之金融工具、衍生金融工具及投資物業則以其公平值列賬。

香港會計師公會已頒佈於本集團本會計期間首次生效或可供提早採納之若干新訂及經修訂香港財務報告準則。附註1(b)提供有關初次應用該等版本導致出現任何會計政策變動之資料,以於該等綜合財務報表所反映在本期及過往會計期間與本集團有關之資料為限。

(b) 會計政策之變動

香港會計師公會已頒佈香港財務報告準則於本集團本會計期間首次生效之多項修訂本及多項新訂準則。於該等發展當中,以下發展與本集團綜合財務報表有關:

香港財務報告準則 第9號	「金融工具」
香港財務報告準則 第15號	「客戶合約收入」
香港(國際財務報告 詮釋委員會) 第22號	「外幣交易及預付 代價」

本集團概無採用尚未於本會計期間生效之任何新訂準則或詮釋。

HKFRS 9 replaces HKAS 39 “Financial Instruments: Recognition and Measurement”. It introduces revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for measuring impairment of financial assets, and new general hedge accounting requirements.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. Any cumulative effect of initial application is recognised as an adjustment to the opening equity at 1 April 2018. Therefore, comparative information continues to be reported under HKAS 39.

(i) Classification of financial assets and liabilities

HKFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised costs, (2) FVPL and (3) fair value through other comprehensive income. The classification for financial assets is determined based on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the asset. The Group has assessed that its financial assets measured at amortised cost at 31 March 2018 continue with their classification and measurements upon the adoption of HKFRS 9 on 1 April 2018.

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at FVPL that is attributable to changes of that financial liability’s credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group does not have any financial liabilities designated at FVPL and therefore this new requirement has no impact on the Group’s consolidated financial statements.

(ii) Credit losses

The new impairment model in HKFRS 9 replaces the “incurred loss model” in HKAS 39 with an “expected credit loss” model. Under the “expected credit loss” model, it is no longer necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances.

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」。其引入有關金融工具負債分類及計量、計量金融資產減值之新預期信貸虧損模式及新訂一般對沖會計規定之經修訂指引。

根據過渡條文，本集團已追溯應用香港財務報告準則第9號至於二零一八年四月一日存在之項目。於二零一八年四月一日，初次應用之任何累計影響獲確認為對期初權益之調整。因此，比較資料繼續根據香港會計準則第39號呈報。

(i) 金融資產及負債之分類

香港財務報告準則第9號載有金融資產之三個主要分類：(1)按攤銷成本、(2)按公平值計入損益及(3)按公平值計入其他全面收益計量。金融資產之分類乃基於實體管理金融資產之業務模式及該資產之合約現金流量特點而釐定。本集團已評估，於二零一八年四月一日採納香港財務報告準則第9號後，其於二零一八年三月三十一日按攤銷成本計量之金融資產繼續彼等原有之分類及計量。

香港財務報告準則第9號項下金融負債之分類及計量規定與香港會計準則第39號大致上保持不變，惟香港財務報告準則第9號規定因金融負債本身信貸風險有變而導致指定為按公平值計入損益之金融負債公平值變動，須於其他全面收益內確認（不可重新分類至損益）。本集團並無擁有任何指定為按公平值計入損益之金融負債，並因此，此新規定對本集團綜合財務報表並無影響。

(ii) 信貸虧損

香港財務報告準則第9號之新減值模式以「預期信貸虧損」模式取代香港會計準則第39號項下之「已產生虧損」模式。根據「預期信貸虧損」模式，毋須再待發生虧損事件方確認減值虧損。相反，實體須視乎資產以及事實及情況確認及計量預期信貸虧損為12個月預期信貸虧損或永久預期信貸虧損。

The Group has assessed that the adoption of the “expected credit loss” model to the financial assets that existed at 1 April 2018 has had no significant impact on the Group’s consolidated financial position as at 1 April 2018 and its consolidated financial performance for the year then ended.

HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 establishes a comprehensive model for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

(i) Timing of revenue recognition

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised goods or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised goods or service is regarded as being transferred over time:

- When the customer simultaneously receives and consumes the benefits provided by the entity’s performance, as the entity performs;
- When the entity’s performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- When the entity’s performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity’s activities do not fall into any of these three situations, then under HKFRS 15 the entity recognises revenue for the sale of that goods or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indications that is considered in determining when the transfer of control occurs.

The directors consider the adoption of HKFRS 15 does not have a material impact on the timing and amounts of revenue recognised in the years presented in these consolidated financial statements.

本集團已評估並認為，就於二零一八年四月一日存在之資產採納「預期信貸虧損」模式對本集團於二零一八年四月一日之綜合財務狀況及截至該日止年度之綜合財務表現並無重大影響。

香港財務報告準則第15號「客戶合約收入」

香港財務報告準則第15號建立確認客戶合約收入及若干成本之全面模式。香港財務報告準則第15號取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關闡釋。

香港財務報告準則第15號亦引入額外定性及定量披露規定，旨在讓財務報表使用者了解客戶合約所產生之收益及現金流量之性質、金額、時間及不確定性。

(i) 收益確認時間

根據香港財務報告準則第15號，收益乃於客戶取得合約所承諾貨物或服務之控制權時確認。有關確認可能於單一時間點或隨時間轉移而進行。香港財務報告準則第15號識別對承諾貨物或服務之控制被視為隨時間轉移之以下三種情況：

- 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；
- 當實體履約時創造或增強客戶(隨建立或增強該資產之時)所控制之資產(如在建工程)；
- 當實體履約時並無創造對實體而言具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨品或服務確認收益。所有權風險及回報之轉移僅為於釐定控制權轉移發生時將考慮之其中一項指標。

董事認為採納香港財務報告第15號對於該等綜合財務報表呈列年度確認收益之時間及金額並無重大影響。

(ii) *Customers' unexercised rights*

Previously, any unutilised prepaid packages upon expiry of the service period are fully recognised in profit or loss. Upon the adoption of HKFRS 15, such unutilised prepaid packages are referred to as breakage. An expected breakage amount are determined based on the Group's historical experience and are recognised as revenue in proportion to the pattern of prepaid packages utilised by the customers.

Having assessed the utilisation of customers' unexercised rights, there is no significant impact on the Group's consolidated financial position and its financial performance upon initial application at 1 April 2018.

(iii) *Presentation of contract assets and liabilities*

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Previously, contract balances relating to unutilised prepaid packages were presented as deferred income in the consolidated statement of financial position. To reflect these changes in presentation regarding the balance at 1 April 2018, the deferred income of HK\$16,175,000 is now included under contract liabilities.

(iv) *Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 March 2019 as a result of the adoption of HKFRS 15 on 1 April 2018*

The following tables summarise the estimated impact of adoption of HKFRS 15 on the Group's consolidated financial statements for the year ended 31 March 2019, by comparing the amounts reported under HKFRS 15 in these consolidated financial statements with estimates of the hypothetical amounts that would have been recognised under HKAS 18 and HKAS 11 if those superseded standards had continued to apply to 2019 instead of HKFRS 15. These tables show only those line items impacted by the adoption of HKFRS 15:

(ii) *客戶未行使之權利*

以往，任何未使用預付套票在服務期屆滿後於損益悉數確認。採納香港財務報告第15號後，該等未使用預付套票以「套票」呈列。預期套票金額乃按本集團過往經驗釐定，並按客戶使用預付套票之模式之比例確認。

經評估客戶運用未行使權利之狀況後，並無對本集團於二零一八年四月一日初步應用後之綜合財務狀況及業績構成重大影響。

(iii) *合約資產和負債之呈列*

根據香港財務報告第15號，應收款項僅於本集團擁有無條件權利收取代價時方會確認。倘本集團於擁有無條件權利收取合約中承諾貨品及服務代價前確認相關收益，收取代價之權利則獲分類為合約資產。同樣，於本集團確認相關收益前，合約負債（並非應付款項）於客戶支付代價或按合約須支付代價而有關金額已到期時確認。就與客戶訂立的單一合約而言，合約資產淨值或合約負債淨值將予呈列。就多份合約而言，非相關合約之合約資產及合約負債並非按淨額基準呈列。

以往，有關未使用預付套票將於綜合財務狀況表呈列為遞延收入。為反映該等有關二零一八年四月一日結餘之呈列變動，遞延收入16,175,000港元現計入合約負債。

(iv) *披露於二零一八年四月一日採納香港財務報告準則第15號導致對截至二零一九年三月三十一日止年度呈報金額之估計影響*

下表透過比較根據香港財務報告準則第15號於該等綜合財務報表中呈報之金額與已根據香港會計準則第18號及第11號確認之估計假設金額（倘於二零一九年繼續應用該等被取代準則而非香港財務報告準則第15號），概述採納香港財務報告準則第15號對本集團截至二零一九年三月三十一日止年度綜合財務報表之估計影響。該等列表僅顯示受採納香港財務報告準則第15號影響之項目：

		Amounts reported in accordance with HKFRS 15 (A)	Hypothetical amounts under HKASs 18 and 11 (B)	Difference: Estimated impact of adoption of HKFRS 15 on 2019 (A) – (B)
		根據香港 財務報告 準則第15號呈報 之金額 (A) HK\$'000 千港元	香港會計準則第 18號及 第11號項下 之假設金額 (B) HK\$'000 千港元	於二零一九年採 納香港 財務報告 準則第15號 之估計影響 (A) – (B) HK\$'000 千港元
Line items in the consolidated statement of financial position as at 31 March 2019 impacted by the adoption of HKFRS 15:	於二零一九年三月三十一日之綜合財務狀況表中受採納香港財務報告準則第15號影響之項目：			
Contract liabilities	合約負債	20,090	—	20,090
Deferred income	遞延收入	—	20,090	(20,090)
		<u>20,090</u>	<u>20,090</u>	<u>(0)</u>
Line items in the consolidated statement of cash flows for the year ended 31 March 2019 impacted by the adoption of HKFRS 15:	截至二零一九年三月三十一日止年度之綜合現金流量表中受採納香港財務報告準則第15號影響之項目：			
Increase in contract liabilities	合約負債增加	20,100	—	20,100
(Decrease)/increase in deferred income	遞延收入(減少)/增加	(15,852)	4,248	(20,100)
		<u>(15,852)</u>	<u>4,248</u>	<u>(20,100)</u>

The significant difference arise as a result of the changes in accounting policies described above.

重大差額因上述會計政策變動而產生。

HK(IFRIC) 22 “Foreign Currency Transactions and Advance Consideration”

This interpretation provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

The interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way. The adoption of HK(IFRIC) 22 does not have any material impact on the Group’s consolidated financial position and its consolidated financial performance for the year then ended.

香港(國際財務報告詮釋委員會)第22號「外幣交易及預付代價」

該詮釋為釐定「交易日期」提供指引，旨在釐定實體以外幣收取或支付預付代價之交易中初步確認相關資產、開支或收入(或其部分)時所用之匯率。

該詮釋釐清，「交易日期」為支付或收取預付代價所產生之非貨幣資產或負債之初步確認日期。倘於確認相關項目前有多筆支付或收取之款項，則應以此方式釐定各款項支付或收取之交易日期。採納香港(國際財務報告詮釋委員會)第22號對本集團截至當日止年度之綜合財務狀況及綜合財務表現並無任何重大影響。

2. Revenue

The principal activities of the Group are the distribution sale of cosmetic and skin care products, provision of beauty and slimming services, provision of franchise services, sale of health, beauty and related products, investments in securities and provision of money lending business.

Revenue represents the invoiced value of goods supplied to customers, net of discounts, returns, value added tax or other sales taxes; service income from provision of beauty and slimming services, net of discounts; franchise fees income and interest income earned from the money lending business. The amount of each significant category of revenue recognised in revenue during the year is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Distribution sale of cosmetic and skin care products	分銷銷售化妝及護膚產品	2,365,690	2,422,133
Provision of beauty and slimming services	提供美容及纖體服務	80,753	107,576
Provision of franchise services	提供加盟合作服務	852	2,976
Sale of health, beauty and related products	銷售保健、美容及相關產品	3,969	5,381
Interest income from money lending	放債之利息收入	12,232	7,779
Fair value (loss)/gain on financial assets at FVPL, net	按公平值計入損益之金融資產之公平值(虧損)/收益淨額	(41,488)	20,111
Realised gain on financial assets at FVPL, net	按公平值計入損益之金融資產之已變現收益淨額	1,168	42,031
		<u>2,423,176</u>	<u>2,607,987</u>

3. Other revenue and other gains or losses

Other revenue

	其他收益		
Bank interest income	銀行利息收入	1,985	2,306
Dividend income	股息收入	—	215
Other interest income	其他利息收入	1,097	195
Others	其他	130	80
		<u>3,212</u>	<u>2,796</u>

Other gains or losses

	其他收益或虧損		
Subsidies from the PRC government	中國政府補貼	2,421	5,114
Net gain/(loss) on disposal of property, plant and equipment	出售物業、機器及設備之收益/(虧損)淨額	344	(1,396)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	193	—
Cumulative exchange gain reclassified from equity to profit or loss upon deregistration of a subsidiary	撤銷註冊一家附屬公司後從權益重新分類至損益之累計匯兌收益	221	—
Net foreign exchange (loss)/gain	匯兌(虧損)/收益淨額	(197)	6
Others	其他	2	—
		<u>2,984</u>	<u>3,724</u>

Subsidies from the PRC government represent funds and subsidies from local government authorities for the Group's development and business activities.

2. 收益

本集團之主要業務為分銷銷售化妝及護膚產品、提供美容及纖體服務、提供加盟合作服務、銷售保健、美容及相關產品、證券投資及提供放債業務。

收益指向客戶所提供貨品減去折扣、退貨、增值稅或其他銷售稅之發票值；來自提供美容及纖體服務減去折扣之服務收入；加盟合作費收入；以及放債業務賺取之利息收入。年內，於收益確認之各主要收益類別金額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		2,365,690	2,422,133
		80,753	107,576
		852	2,976
		3,969	5,381
		12,232	7,779
		(41,488)	20,111
		1,168	42,031
		<u>2,423,176</u>	<u>2,607,987</u>

3. 其他收益及其他收益及虧損

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		1,985	2,306
		—	215
		1,097	195
		130	80
		<u>3,212</u>	<u>2,796</u>

其他收益或虧損

		2,421	5,114
		344	(1,396)
		193	—
		221	—
		(197)	6
		2	—
		<u>2,984</u>	<u>3,724</u>

中國政府補貼指地方政府機關就本集團之發展及業務活動提供之基金及補貼。

4. (Loss)/profit before taxation

(Loss)/profit before taxation is arrived after charging:

4. 除稅前(虧損)/溢利

除稅前(虧損)/溢利已扣除下列各項：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(a) Finance costs:	(a) 融資成本：		
Interest on bank loans	銀行貸款之利息	2,712	3,618
Interest on other liabilities	其他負債之利息	—	763
Interest on broker's overdrafts	經紀透支之利息	—	1
		<u>2,712</u>	<u>4,382</u>
(b) Staff costs (including directors' remuneration):	(b) 員工成本(包括董事薪酬)：		
Salaries, allowances and other benefits	薪金、津貼及其他福利	78,920	91,808
Contributions to defined contribution retirement plans	界定供款退休計劃之供款	11,166	11,740
Equity-settled share-based payment expense	權益結算股份付款開支	3,578	—
		<u>93,664</u>	<u>103,548</u>
(c) Other items:	(c) 其他項目：		
Cost of inventories sold and services provided*	已售存貨及已提供服務之成本*	2,296,714	2,362,517
Auditors' remuneration	核數師酬金	1,500	1,372
Amortisation of intangible assets	無形資產攤銷	410	1,410
Depreciation of property, plant and equipment	物業、機器及設備折舊	18,645	19,793
Net provision for impairment losses on:	減值虧損撥備淨額：		
— trade receivables	— 應收貿易款項	541	2,475
— other receivables	— 其他應收款項	5,265	2
— loans and interest receivables	— 應收貸款及利息	4,578	—
Write-down of inventories	撇銷存貨	568	553
Write off of:	撇銷：		
— trade receivables	— 應收貿易款項	2,233	—
— other receivables	— 其他應收款項	435	3,080
— amounts due from related parties	— 應收關連人士款項	166	1,333
— property, plant and equipment	— 物業、機器及設備	461	—
Equity-settled share-based payment expense for a consultant	支付予顧問的權益結算股份付款開支	825	—
Operating lease charges: minimum lease payments	經營租賃費用：最低租賃付款	28,784	28,999
		<u>28,784</u>	<u>28,999</u>

* Cost of inventories sold and services provided includes HK\$961,000 (2018: HK\$1,204,000) relating to staff costs and depreciation, which amount is also included in the respective total amounts disclosed separately above or in note 4(b) for each of these types of expenses.

* 已售存貨及已提供服務之成本包括有關員工成本及折舊之961,000港元(二零一八年：1,204,000港元)，該金額亦就各類該等開支分別計入上文或附註4(b)獨立披露之相關總額。

5. Income tax in the consolidated statement of profit or loss

- (a) Taxation in the consolidated statement of profit or loss represents:

Current tax — Hong Kong Profits Tax		當期稅項 — 香港利得稅	
Under provision in respect of prior years	過往年度撥備不足	1,441	2,548
Current tax — PRC Enterprise Income Tax		當期稅項 — 中國企業所得稅	
Provision for the year	年內撥備	12,244	11,223
Under provision in respect of prior years	過往年度撥備不足	15	—
		12,259	11,223
Income tax expense	所得稅開支	13,700	13,771

- (i) In March 2018, the Hong Kong Government introduced a two-tiered profits tax rate regime by enacting the Inland Revenue (Amendment) (No. 3) Ordinance 2018 (the “Ordinance”). Under the two-tiered profits tax rate regime, the first HK\$2,000,000 of assessable profits of qualifying corporations is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The Ordinance is effective from the year of assessment 2018 – 2019.

No provision for Hong Kong Profits Tax has been made for the year ended 31 March 2019 (2018: HK\$Nil) as the Company and subsidiaries incorporated in Hong Kong have either no assessable profits for the year or have sufficient tax losses brought forward to set off against current year’s estimated assessable profits for the year.

- (ii) Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in relevant countries.
- (iii) Under the PRC tax law, profits of the Group’s subsidiaries in the PRC (the “PRC subsidiaries”) derived since 1 January 2008 is subject to withholding income tax at rates of 5% or 10% upon the distribution of such profits to foreign investors or companies incorporated in Hong Kong or for other foreign investors, respectively. Pursuant to the grandfathering arrangements of the PRC tax law, dividends receivable by the Group from the PRC subsidiaries in respect of the undistributed profits derived prior to 31 December 2007 are exempt from the withholding income tax.

5. 綜合損益表內之所得稅

- (a) 綜合損益表內之稅項指：

	2019 二零一九年 HK\$’000 千港元	2018 二零一八年 HK\$’000 千港元
Current tax — Hong Kong Profits Tax		
Under provision in respect of prior years	1,441	2,548
Current tax — PRC Enterprise Income Tax		
Provision for the year	12,244	11,223
Under provision in respect of prior years	15	—
	12,259	11,223
Income tax expense	13,700	13,771

- (i) 於二零一八年三月，香港政府通過頒佈二零一八年稅務(修訂)(第3號)條例(「條例」)引入利得稅兩級制。根據利得稅兩級制，合資格公司的首2,000,000港元應課稅溢利將按8.25%評稅，而餘下的應課稅溢利將按16.5%的稅率徵稅。條例自二零一八年至二零一九年評稅年度生效。

截至二零一九年三月三十一日止年度，並無就香港利得稅計提撥備(二零一八年：零港元)，乃由於本公司及於香港註冊成立的附屬公司於年內並無應課稅溢利或擁有足夠稅項虧損結轉抵銷本年度的估計應課稅溢利。

- (ii) 海外附屬公司之稅項按相關國家現行之適用當期稅率徵收。
- (iii) 根據中國稅法，本集團於中國之附屬公司(「中國附屬公司」)自二零零八年一月一日起產生之溢利須於向外國投資者或在香港註冊成立之公司或其他外國投資者分派該等溢利時，分別按5%或10%稅率繳納預扣所得稅。根據中國稅法之免受新法規限制安排，本集團就二零零七年十二月三十一日前產生之未分派溢利應收中國附屬公司之股息免繳預扣所得稅。

At 31 March 2019 and 2018, no deferred tax liabilities have been recognised in respect of tax that would be payable on the unremitted profits of the PRC subsidiaries derived since 1 January 2008 as the directors of the Company is in a position to control the dividend policies of the PRC subsidiaries and no distribution of such profits is expected to be declared from the PRC subsidiaries in the foreseeable future.

於二零一九年及二零一八年三月三十一日，由於本公司董事能控制中國附屬公司之股息政策及預期中國附屬公司於可見將來不會宣派有關溢利分派，故並無就中國附屬公司自二零一八年一月一日起產生之未匯出溢利應付之稅項確認任何遞延稅項負債。

6. Dividend

The directors do not recommend the payment of a dividend for the year ended 31 March 2019 (2018: HK\$Nil).

6. 股息

董事並不建議派付截至二零一九年三月三十一日止年度之股息(二零一八年：零港元)。

7. (Loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately HK\$95,376,000 (2018: profit of HK\$6,439,000) and the weighted average of approximately 682,926,000 (2018 (restated): 682,926,000) ordinary shares in issue during the year, calculated as follows:

7. 每股(虧損)/盈利

每股基本(虧損)/盈利按年內歸屬於本公司擁有人虧損約95,376,000港元(二零一八年：溢利6,439,000港元)及已發行普通股加權平均數約682,926,000(二零一八年(經重列)：682,926,000)股計算如下：

		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股 (restated) (經重列)
Issued ordinary shares at beginning of the year	於年初已發行普通股	5,463,408	5,463,408
Effect of share consolidation on 11 June 2019 (note)	二零一九年六月十一日股份合併之影響 (附註)	<u>(4,780,482)</u>	<u>(4,780,482)</u>
Weighted average number of ordinary shares at end of the year	於年末之普通股加權平均數	<u>682,926</u>	<u>682,926</u>

Note: As a result of the share consolidation which was completed on 11 June 2019, the earnings per share for the year ended 31 March 2018 has been restated.

附註：由於股份合併於二零一九年六月十一日完成，截至二零一八年三月三十一日止年度之每股盈利已經重列。

As the Company does not have any potential dilutive ordinary shares during the year ended 31 March 2019 and 2018, basic and diluted (loss)/earnings per share are the same.

由於本公司於截至二零一九年及二零一八年三月三十一日止年度並無任何潛在攤薄普通股，故每股基本及攤薄(虧損)/盈利相同。

8. Segment reporting

Management has determined the operating segments based on the reports reviewed by the directors that are used to make strategic decisions. The directors review the Group's financial information mainly from business lines prospective. Accordingly, the Group's operating segments are:

- (i) Distribution sale of cosmetic and skin care products
- (ii) Provision of beauty and slimming services
- (iii) Franchise operations (including sale of health, beauty and related products to franchised shops)
- (iv) Sale of health, beauty and related products
- (v) Investments in securities
- (vi) Money lending

8. 分部報告

管理層已根據董事審閱用以作出策略性決定之報告釐定經營分部。董事主要從業務線角度審閱本集團之財務資料。因此，本集團之經營分部為：

- (i) 分銷銷售化妝及護膚產品
- (ii) 提供美容及纖體服務
- (iii) 加盟合作業務(包括向加盟合作店舖銷售保健、美容及相關產品)
- (iv) 銷售保健、美容及相關產品
- (v) 證券投資
- (vi) 放債

The directors assess the performance of the operating segments based on a measure of reportable segment results. This measurement basis excludes certain other revenue, other gains or losses, finance costs and unallocated expenses.

Segment assets mainly exclude certain property, plant and equipment, current tax recoverable and other assets that are managed on a central basis. Segment liabilities mainly exclude current tax payable, deferred tax liabilities and other liabilities that are managed on a central basis.

董事按可呈報分部業績基準評核經營分部之表現。計量基準不包括若干其他收益、其他收益或虧損淨額、融資成本及未分配開支。

分部資產主要不包括若干物業、機器及設備、當期可收回稅款及其他集中管理之資產。分部負債主要不包括應付當期稅項、遞延稅項負債及其他集中管理之負債。

(a) Segment results, assets and liabilities

(a) 分部業績、資產及負債

		2019 二零一九年						
		Distribution sale of cosmetic and skin care products 分銷銷售 化妝及 護膚產品 HK\$'000 千港元	Provision of beauty and slimming services 提供美容及 纖體服務 HK\$'000 千港元	Franchise operations 加盟 合作業務 HK\$'000 千港元	Sale of health, beauty and related products 銷售保健、 美容及 相關產品 HK\$'000 千港元	Investments in securities 證券投資 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Disaggregated by timing of revenue recognition	按確認收入時間劃分							
Point in time	於某一時間點	2,365,690	—	244	3,725	1,168	—	2,370,827
Over time	隨著時間	—	80,753	852	—	(41,488)	12,232	52,349
Reportable segment revenue	可呈報分部收益	2,365,690	80,753	1,096	3,725	(40,320)	12,232	2,423,176
Reportable segment results	可呈報分部業績	23,258	(39,969)	(2,760)	3,487	(45,122)	6,200	(54,906)
Unallocated corporate expenses	未分配公司開支							(14,394)
Loss from operations	經營虧損							(69,300)
Finance costs	融資成本							(2,712)
Loss before taxation	除稅前虧損							(72,012)
Income tax expense	所得稅開支							(13,700)
Loss for the year	年內虧損							(85,712)
(Reversal of)/provision for impairment losses on:	減值虧損(撥回)/撥備:							
— trade receivables	— 應收貿易款項	(332)	(1)	874	—	—	—	541
— other receivables	— 其他應收款項	—	5,265	—	—	—	—	5,265
— loans and interest receivables	— 應收貸款及利息	—	—	—	—	—	4,578	4,578
Write-down of inventories	存貨撇銷	—	—	568	—	—	—	568
Write off of:	撇銷:							
— trade receivables	— 應收貿易款項	—	2,233	—	—	—	—	2,233
— other receivables	— 其他應收款項	—	435	—	—	—	—	435
— amounts due from related parties	— 應收關連人士款項	—	166	—	—	—	—	166
— property, plant and equipment	— 物業、機器及設備	—	—	461	—	—	—	461
Amortisation of intangible assets	無形資產攤銷	—	410	—	—	—	—	410
Depreciation of property, plant and equipment	物業、機器及設備折舊	948	11,538	288	—	2,084	72	14,930

		Distribution sale of cosmetic and skin care products 分銷銷售 化妝及 護膚產品 HK\$'000 千港元	Provision of beauty and slimming services 提供美容及 纖體服務 HK\$'000 千港元	Franchise operations 加盟 合作業務 HK\$'000 千港元	Sale of health, beauty and related products 銷售保健、 美容及 相關產品 HK\$'000 千港元	Investments in securities 證券投資 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Disaggregated by timing of revenue recognition	按確認收入時間劃分							
Point in time	於某一時間點	2,422,133	—	3,047	2,334	42,031	—	2,469,545
Over time	隨著時間	—	107,576	2,976	—	20,111	7,779	138,442
Reportable segment revenue	可呈報分部收益	2,422,133	107,576	6,023	2,334	62,142	7,779	2,607,987
Reportable segment results	可呈報分部業績	48,311	(52,866)	(8,241)	1,453	58,088	7,429	54,174
Unallocated corporate expenses	未分配公司開支							(16,915)
Profit from operations	經營溢利							37,259
Finance costs	融資成本							(4,382)
Profit before taxation	除稅前溢利							32,877
Income tax expense	所得稅開支							(13,771)
Profit for the year	年內溢利							19,106
(Reversal of)/provision for impairment losses on:	減值虧損(撥回)/撥備:							
— trade receivables	— 應收貿易款項	(296)	(914)	3,685	—	—	—	2,475
— other receivables	— 其他應收款項	—	2	—	—	—	—	2
Write-down of inventories	存貨撇銷	—	277	—	276	—	—	553
Write off of:	撇銷:							
— other receivables	— 其他應收款項	—	3,080	—	—	—	—	3,080
— amounts due from related parties	— 應收關連人士款項	—	1,333	—	—	—	—	1,333
Amortisation of intangible assets	無形資產攤銷	—	1,410	—	—	—	—	1,410
Depreciation of property, plant and equipment	物業、機器及設備折舊	780	13,869	264	—	1,611	—	16,524

2019
二零一九年

		Distribution sale of cosmetic and skin care products 分銷銷售 化妝及 護膚產品 HK\$'000 千港元	Provision of beauty and slimming services 提供美容及 纖體服務 HK\$'000 千港元	Franchise operations 加盟 合作業務 HK\$'000 千港元	Sale of health, beauty and related products 銷售保健、 美容及 相關產品 HK\$'000 千港元	Investments in securities 證券投資 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Segment assets	分部資產							
— Property, plant and equipment	— 物業、機器及設備	3,422	20,041	82	—	5,336	576	29,457
— Other assets	— 其他資產	268,890	156,371	4,370	3,405	384,043	124,253	941,332
Unallocated corporate assets	未分配公司資產							105,726
Total assets	資產總額							<u>1,076,515</u>
Segment liabilities	分部負債	(138,152)	(34,021)	(8,676)	(570)	(69)	(151)	(181,639)
Unallocated corporate liabilities	未分配公司負債							(19,122)
Total liabilities	負債總額							<u>(200,761)</u>
Additions to segment non-current assets	分部非流動資產添置	1,772	6,885	—	—	3,672	648	<u>12,977</u>

2018
二零一八年

		Distribution sale of cosmetic and skin care products 分銷銷售 化妝及 護膚產品 HK\$'000 千港元	Provision of beauty and slimming services 提供美容及 纖體服務 HK\$'000 千港元	Franchise operations 加盟 合作業務 HK\$'000 千港元	Sale of health, beauty and related products 銷售保健、 美容及 相關產品 HK\$'000 千港元	Investments in securities 證券投資 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 合共 HK\$'000 千港元
Segment assets	分部資產							
— Property, plant and equipment	— 物業、機器及設備	3,042	26,178	396	—	3,979	—	33,595
— Intangible assets	— 無形資產	—	410	—	—	—	—	410
— Other assets	— 其他資產	430,883	141,089	1,272	2,757	454,666	120,849	1,151,516
Unallocated corporate assets	未分配公司資產							141,169
Total assets	資產總額							<u>1,326,690</u>
Segment liabilities	分部負債	(275,309)	(28,256)	(10,433)	(471)	—	(138)	(314,607)
Unallocated corporate liabilities	未分配公司負債							(21,059)
Total liabilities	負債總額							<u>(335,666)</u>
Additions to segment non-current assets	分部非流動資產添置	1,173	5,531	—	—	—	—	<u>6,704</u>

(b) Geographical information

The Group's revenue from external customers and information regarding non-current assets by geographical locations are as follows:

Revenue from external customers	外部客戶之收益
Non-current assets	非流動資產

Revenue from external customers	外部客戶之收益
Non-current assets	非流動資產

(c) Major customers

During the year ended 31 March 2019, there were two (2018: two) customers with whom transactions exceeded 10% of the Group's revenue. Revenue from distribution sale of cosmetic and skin care products to these customers in the PRC is set out below:

Customer A	客戶 A
Customer B	客戶 B

(b) 地域資料

本集團外部客戶之收益及有關非流動資產之資料按所在地劃分如下：

	2019 二零一九年		Total 合共
The PRC 中國	Hong Kong 香港		
HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元
Revenue from external customers	2,384,133	39,043	2,423,176
Non-current assets	6,074	150,517	156,591

	2018 二零一八年		Total 合共
The PRC 中國	Hong Kong 香港		
HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元
Revenue from external customers	2,465,593	142,394	2,607,987
Non-current assets	12,266	161,518	173,784

(c) 主要客戶

於截至二零一九年三月三十一日止年度，兩名(二零一八年：兩名)客戶之交易佔本集團收益10%以上。向此等中國客戶分銷銷售化妝及護膚產品之收益載列如下：

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Customer A	981,021	863,042
Customer B	361,409	854,940

9. Financial assets at fair value through profit or loss

9. 按公平值計入損益之金融資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Listed equity securities in Hong Kong (note a)	於香港之上市股本證券 (附註 a)	92,269	116,271
Unlisted convertible bonds in Hong Kong (note b)	於香港之非上市可換股債券 (附註 b)	12,182	11,911
Unlisted equity fund outside Hong Kong	香港境外之非上市股本基金	9,307	9,717
		<u>113,758</u>	<u>137,899</u>

(a) Listed equity securities in Hong Kong

As at 31 March 2019, the Group had financial assets at FVPL representing equity securities listed in Hong Kong of approximately HK\$92,269,000 (2018: HK\$116,271,000). Details of significant investments are as follows:

(a) 於香港之上市股本證券

於二零一九年三月三十一日，本集團有按公平值計入損益之金融資產，指於香港之上市股本證券約92,269,000港元(二零一八年：116,271,000港元)。重大投資詳情如下：

Stock code	Name of investee company	Principal activities	Number of shares held	Percentage of total issued share capital owned by the Group		Market value at the end of the reporting period	Percentage to the Group's total assets	Fair value gain/(loss) for the year	Gain/(loss) on disposal	Dividend received for the year
				Number of shares held	Percentage of total issued share capital owned by the Group					
股份代號	被投資公司名稱	主要業務	持有股份數目	總已發行股本持有比例	成本	於呈報期末市場價值	佔本集團資產總額比例	年內公平值收益/虧損	出售收益/虧損	年內已收股息
			'000 千股	%	HK\$'000 千港元	HK\$'000 千港元	%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
8101	EJE (Hong Kong) Holdings Limited	Manufacture of custom made furniture, the design, manufacture and sale of mattress and soft bed products, property investment, securities investment and money lending.	221,728	7.67%	17,738 (note) (附註)	36,363	3.38%	(42,350) (note) (附註)	—	—
	壹家壹品(香港)控股有限公司	生產定製家具、設計、生產及銷售床墊和軟床產品、物業投資、證券投資及放債。								
1082	Hong Kong Education (Int'l) Investments Limited	Provision of private educational services, investment in securities, property investments and money lending.	20,000	3.65%	20,318 (note) (附註)	19,000	1.76%	7,200 (note) (附註)	—	—
	香港教育(國際)投資集團有限公司	提供私人教育服務、投資證券、物業投資及放債。								

Stock code	Name of investee company	Principal activities	Number of shares held	Percentage of total issued share capital owned by the Group	Cost	Market value at the end of the reporting period	Percentage to the Group's total assets	Fair value gain/(loss) for the year	Gain/(loss) on disposal	Dividend received for the year
股份代號	被投資公司名稱	主要業務	持有股份數目	本集團於總已發行股本持有比例	成本	於呈報期末市場價值	佔本集團資產總額比例	年內公平值收益/(虧損)	出售收益/(虧損)	年內已收取股息
			'000 千股	%	HKS'000 千港元	HKS'000 千港元	%	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
1087	InvesTech Holdings Limited 威訊控股有限公司	Design, development and provision of communication system, as well as the manufacture and sales of signal transmission and connectivity products. 設計、開發及提供通訊系統以及生產及銷售信號傳輸及連接產品。	32,500	2.31%	5,200	9,425	0.88%	4,225	818	—
1587	Shineroad International Holdings Limited 欣融國際控股有限公司	Provision of food ingredients and food additives to food manufacturers. 向食品生產商提供食品配料及食品添加劑。	10,000	1.47%	6,771	4,800	0.45%	(1,971)	(236)	—
1591	Shun Wo Group Holdings Limited 汛和集團控股有限公司	Foundation business of construction of residential, industrial and commercial buildings. 建造住宅、工業及商業樓宇之地基業務。	77,220	1.93%	13,441	6,563	0.61%	(6,878)	(2,507)	—

Stock code	Name of investee company	Principal activities	Number of shares held	Percentage of total issued share capital owned by the Group	Cost	Market value at the end of the reporting period	Percentage to the Group's total assets	Fair value gain/(loss) for the year	Gain/(loss) on disposal	Dividend received for the year
股份代號	被投資公司名稱	主要業務	持有股份數目	本集團於總已發行股本持有比例	成本	於呈報期末市場價值	佔本集團資產總額比例	年內公平值收益/(虧損)	收益/(虧損)	年內已收取股息
			'000 千股	%	HK\$ '000 千港元	HK\$ '000 千港元	%	HK\$ '000 千港元	HK\$ '000 千港元	HK\$ '000 千港元
8101	EJE (Hong Kong) Holdings Limited	Manufacture of custom made furniture, the design, manufacture and sale of mattress and soft bed products, property investment, securities investment and money lending.	221,728	7.67%	17,738 (note) (附註)	78,713	5.93%	51,219 (note) (附註)	—	—
	壹家壹品(香港)控股有限公司	生產定製家具、設計、生產及銷售床墊和軟床產品、物業投資、證券投資及放債。								
1082	Hong Kong Education (Int'l) Investments Limited	Provision of private educational services, investment in securities, property investments and money lending.	20,000	3.65%	20,318 (note) (附註)	11,800	0.89%	(16,018) (note) (附註)	7,964	—
	香港教育(國際)投資集團有限公司	提供私人教育服務、投資證券、物業投資及放債。								
1591	Shun Wo Group Holdings Limited	Foundation business of construction of residential, industrial and commercial buildings.	50,000	1.25%	5,395	7,300	0.55%	1,905	—	—
	訊和集團控股有限公司	建造住宅、工業及商業樓宇之地基業務。								
8351	Larry Jewelry International Company Limited	Design and retailing of jewelry products and sales of pharmaceutical and health products.	20,600	0.57%	7,622	5,768	0.43%	(1,854)	256	—
	俊文寶石國際有限公司	設計及零售珠寶產品，以及銷售醫藥及保健產品。								
8120	China Demeter Financial Investments Limited	Feedstock products and animal husbandry businesses, money lending business, securities investment business, food and beverage business and provision of administrative services.	20,000	2.01%	1,980	2,280	0.17%	300	—	—
	國農金融投資有限公司	飼料產品及畜牧業務、放債業務、證券投資業務、食品及飲料業務及提供管理服務。								

Note: Investments costs in these investee companies represented the initial acquisition cost for the investee companies. The investments in these investee companies were made by the Group in prior years. For that part of investments in these investee companies which were made in prior years, it was subject to fair value gain/(loss) was recognised at the financial year end of the respective years. The fair value gain/(loss) of these investee companies for the year ended 31 March 2019 and 2018 excluded fair value gain/(loss) being recognised in prior years.

附註：於該等被投資公司之投資成本指初始收購該等被投資公司之成本。本集團於過往年度向該等被投資公司作出投資。就於過往年度向該等被投資公司作出之該部分投資而言，已於各年度財政年度結算日確認公平值收益/(虧損)。截至二零一九年及二零一八年三月三十一日止年度，該等被投資公司之公平值收益/(虧損)不包括過往年度確認之公平值收益/(虧損)。

The fair values of listed equity securities are determined based on the quoted market closing price available on the Main Board and GEM of the Stock Exchange at the end of the reporting period.

上市股本證券之公平值按呈報期末聯交所主板及GEM市場收市報價釐定。

(b) Unlisted convertible bonds in Hong Kong

(b) 於香港之非上市可換股債券

On 18 April 2016, the Group subscribed unsecured, three-year maturity 2% coupon convertible bonds with a principal amount of HK\$12,000,000 from Deson Construction International Holdings Limited (“Deson”), a company listed on GEM of the Stock Exchange.

於二零一六年四月十八日，本集團向迪臣建設國際集團有限公司(「迪臣」)(聯交所GEM上市公司)認購無抵押三年期票息2%之可換股債券，本金額為12,000,000港元。

The Group, as a holder of the convertible bonds has:

本集團(作為可換股債券持有人)擁有：

- i) an option to request Deson to redeem the convertible bonds by the Group at its principal amount outstanding together with all accrued and unpaid interest at the date of redemption on 17 April 2019 or the occurrence of other conditions as provided for under the definitive subscription agreement; and
- ii) an option to convert the convertible bonds into ordinary shares of Deson at the conversion price based on certain conditions on the date of conversion as provided for under the definitive subscription agreement.

- i) 本集團要求迪臣於二零一九年四月十七日到期日或最終認購協議規定之其他條件發生時，贖回可換股債券本金額以及所有應計及未償利息之選擇權；及
- ii) 根據於最終認購協議所規定，按照若干條件，於轉換日期以轉換價將可換股債券轉換為迪臣普通股之選擇權。

The convertible bonds, together with abovementioned options, were designated as a financial asset at FVPL and recognised at fair values.

可換股債券及上述選擇權指定為按公平值計入損益之金融資產，並按公平值確認。

10. Trade and other receivables

10. 應收貿易款項及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	應收貿易款項	200,414	329,571
Less: loss allowance	減：虧損撥備	(6,354)	(6,139)
		<u>194,060</u>	<u>323,432</u>
Deposits	按金	16,408	17,034
Prepayments	預付款項	16,379	33,796
Other receivables	其他應收款項	72,126	79,050
		<u>104,913</u>	<u>129,880</u>

Included in the Group's other receivables, prepayments and deposits were rental, utilities and other deposits amounting to approximately HK\$29,214,000 (2018: HK\$40,816,000), which are expected to be recovered or recognised as expenses after more than one year. All of the other trade and other receivables are expected to be recovered or recognised as expenses within one year.

Included in the Group's other receivables were amounts due from slimming business partners and consultants of approximately HK\$67,039,000 (2018: HK\$64,807,000) and advances to staff of approximately HK\$368,000 (2018: HK\$1,346,000).

Certain trade receivables of the Group amounting to approximately HK\$38,304,000 (2018: HK\$222,396,000) is pledged to secure banking facility.

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of allowance for doubtful debts, is as follows:

Less than 1 month	少於1個月
1 to 2 months	1至2個月
More than 2 months but less than 4 months	多於2個月但少於4個月
More than 4 months but less than 12 months	多於4個月但少於12個月
More than 12 months	12個月以上

Trade receivables are usually due within 30 to 90 days from the date of billing.

計入本集團之其他應收款項、預付款項及按金為租金、公用設施及其他按金約29,214,000港元(二零一八年：40,816,000港元)，預期於超過一年後收回或確認為開支。所有其他應收貿易款項及其他應收款項預期於一年內收回或確認為開支。

計入本集團之其他應收款項為應收纖體業務夥伴及顧問之款項約67,039,000港元(二零一八年：64,807,000港元)及向員工墊付之款項約368,000港元(二零一八年：1,346,000港元)。

本集團之若干應收貿易款項約38,304,000港元(二零一八年：222,396,000港元)已抵押用於擔保銀行融資。

(a) 賬齡分析

於呈報期末，應收貿易款項(基於發票日期及扣除呆賬撥備後)之賬齡分析如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
184,423	318,990
7,342	1,902
999	1,607
1,296	60
—	873
194,060	323,432

應收貿易款項一般由發票日期起計30至90日到期。

11. Loans and interest receivables

The Group's loans and interest receivables arise from the money lending business of providing loans in Hong Kong by a wholly-owned subsidiary of the Company. The Group seeks to maintain strict control over its outstanding loans and interest receivables to minimise credit risk. Overdue balances are reviewed regularly by management.

		2019 二零一九年			2018 二零一八年		
		Loan portion 貸款部分 HK\$'000 千港元	Interest portion 利息部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Loan portion 貸款部分 HK\$'000 千港元	Interest portion 利息部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Loans secured by personal guarantees	個人擔保之抵押貸款	10,554	1,024	11,578	13,723	83	13,806
Unsecured loans	無抵押貸款	82,839	350	83,189	42,093	328	42,421
		93,393	1,374	94,767	55,816	411	56,227
Less: loss allowance	減：虧損撥備	(4,246)	(332)	(4,578)	—	—	—
		89,147	1,042	90,189	55,816	411	56,227
Represented by:	以下列項目表示：						
— Non-current portion	— 非即期部分	—	—	—	40	—	40
— Current portion	— 即期部分	89,147	1,042	90,189	55,776	411	56,187
		89,147	1,042	90,189	55,816	411	56,227

Loans receivable are interest-bearing at rates ranging from 5% to 48% (2018: 10% to 42%) per annum and repayable on maturity under the terms of contractual agreements or on demand in writing by the Group.

(a) Ageing analysis

Ageing analysis is prepared based on contractual due dates:

		2019 二零一九年			2018 二零一八年		
		Loan portion 貸款部分 HK\$'000 千港元	Interest portion 利息部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Loan portion 貸款部分 HK\$'000 千港元	Interest portion 利息部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Neither past due nor impaired	既無逾期及亦無減值	68,282	230	68,512	55,816	351	56,167
Less than 1 month past due	逾期少於1個月	—	327	327	—	49	49
1 to 3 months past due	逾期1至3個月	249	415	664	—	11	11
Over 3 months past due	逾期超過3個月	20,616	70	20,686	—	—	—
		20,865	812	21,677	—	60	60
		89,147	1,042	90,189	55,816	411	56,227

11. 應收貸款及利息

本集團應收貸款及利息自於香港提供貸款予本公司全資附屬公司之放債業務產生。本集團致力嚴格管控其未償還應收貸款及利息以盡量降低信貸風險。管理層定期審閱逾期結餘。

應收貸款以年利率介乎5厘至48厘(二零一八年：10厘至42厘)計息，且須根據合約協議條款的到期日或按本集團書面要求償還。

(a) 賬齡分析

基於合約到期日之賬齡分析如下：

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

既無逾期及亦無減值應收貸款及利息之信貸素質已參照有關對手違約率歷史資料進行評估。目前對手方過去概無違約。

12. Trade payables

Included in trade payables are trade creditors with the following ageing analysis as of the end of the reporting period:

Due within 1 month or on demand 於1個月內或於要求時到期

12. 應付貿易款項

以下為計入應付貿易款項之應付貿易款項於呈報期末之賬齡分析：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<u>12,641</u>	<u>52,983</u>

13. Acquisition of assets through acquisition of a subsidiary

Acquisition of Kowloon West Properties Development Limited (“KW Properties”)

On 20 November 2017, the Group acquired the entire equity interest in KW Properties. KW Properties was principally engaged in property investment and its major asset was a residential property in Hong Kong classified as land and buildings.

In the opinion of management, the acquisition was in substance an acquisition of the land and buildings, rather than a business acquisition and therefore was excluded from the scope of HKFRS 3 “Business Combinations”. As such, the acquisition was not disclosed as a business combination in accordance with the requirements of HKFRS 3.

The assets acquired and liabilities assumed through this transaction were as follows:

13. 透過收購附屬公司收購資產

收購 Kowloon West Properties Development Limited (「KW Properties」)

於二零一七年十一月二十日，本集團收購 KW Properties 之全部股本權益。KW Properties 主要從事物業投資，而其主要資產為被分類為土地及樓宇之一項香港住宅物業。

管理層認為，此項收購實質為收購土地及樓宇，而非收購業務，故並無納入香港財務報告準則第3項「業務合併」之範圍。因此，此項收購並無根據香港財務報告準則第3號之規定披露為業務合併。

透過該項交易所收購之資產及所承擔之負債如下：

	HK\$'000 千港元
Property, plant and equipment 物業、機器及設備	15,812
Prepayments, deposits and other receivables 預付款項、按金及其他應收款項	336
Cash and cash equivalents 現金及現金等值物	80
Other payables and accrued charges 其他應付款項及應計費用	(228)
Shareholder's loan 股東貸款	<u>(11,531)</u>
	4,469
Assignment of a shareholder's loan 轉讓一名股東之貸款	<u>11,531</u>
Total consideration satisfied by cash 現金支付之總代價	<u>16,000</u>
Net cash outflow arising on the acquisitions: 收購產生之現金流出淨額：	
Cash consideration paid 已付現金代價	16,000
Less: cash and cash equivalents acquired 減：所收購現金及現金等值物	<u>(80)</u>
	<u>15,920</u>

14. Disposal of a subsidiary

On 30 April 2018, the Group disposed of the entire equity interest in Achieve Plus Investment Limited (“Achieve Plus”), all the obligations, liabilities and debts owing or incurred by Achieve Plus to the Company and shareholder’s loan to an independent third party for a total consideration of HK\$8,500,000.

The assets and liabilities of Achieve Plus disposed at completion date comprise:

		<i>HK\$’000</i> 千港元
Investment property	投資物業	8,001
Property, plant and equipment	物業、機器及設備	295
Other receivables	其他應收款項	14
Current tax payable	應付當期稅項	(1)
Amount due to the Group	應付本集團款項	(5,312)
Amount due to a fellow subsidiary	應付一間附屬公司款項	(2)
		<hr/>
Net assets disposed of	所出售的資產之淨額	2,995

Gain on disposal of a subsidiary:

出售一間附屬公司之收益：

		<i>HK\$’000</i> 千港元
Cash consideration	現金代價	8,500
Net assets disposed of	所出售的資產之淨額	(2,995)
Shareholder’s loan disposed	所出售的股東貸款	(5,312)
		<hr/>
Gain on disposal	出售之收益	193

Net cash inflow on disposal of a subsidiary:

出售一間附屬公司之現金流入淨額：

		<i>HK\$’000</i> 千港元
Cash consideration	現金代價	8,500
		<hr/>

14. 出售一間附屬公司

於二零一八年四月三十日，本集團將采帆投資有限公司(「采帆」)之全部權益出售，即采帆結欠本公司或承擔之所有債務、負債及債項以及股東貸款予獨立第三方，總代價為8,500,000港元。

於完成日期出售的采帆之資產及負債包括：

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

In 2019, the economic growth rate in Hong Kong and China was 3.0% and 6.6%, respectively, indicating a slower economic growth as compared with the growth in last few years. In addition, the threat of US-China trade war also has negative impact on consumer confidence. As a result, the beauty and slimming industry in Hong Kong and China do not perform very well. The performances of the Group also were not satisfactory in both Hong Kong and China.

For the year ended 31 March 2019 (the “Year Under Review”), the Group recorded a revenue of approximately HK\$2,423,176,000, representing a decrease of 7.1% from approximately HK\$2,607,987,000 of last year. This was mainly attributable to the loss suffered from securities investment of approximately HK\$40,320,000 in the Year Under Review as compared with the positive contribution from securities investments of approximately HK\$62,142,000 in last year. In the recent years, given that the Hong Kong population maintains the predominance of females over males and that many Hong Kong females belong to the high-earning group, females have become an important consumer group for the Hong Kong retail market with the beauty and slimming services and products being increasingly viewed as daily necessities more than luxuries. On the other hand, the demand for beauty and slimming services and products in the PRC was stimulated by the increasing middle-class population. The Group is positive that the performance of the Group will be improved by riding on the industry leadership in Hong Kong and China and sound reputation and customer confidence it has built over the years. The business of distribution sales of cosmetic and skin care products of Shanghai Dong Fang Ri Hua Sales Co. Ltd. (“Dong Fang”) also has successful strategy through expansion in online platform sales, generating a relatively stable contribution to the revenue of approximately HK\$2,365,690,000, slightly decreased by 2.3% from approximately HK\$2,422,133,000 of last year, forming a stable source of revenues for the Group.

Loss for the year was approximately HK\$85,712,000 as compared with profit for the year of approximately HK\$19,106,000 of last year, as the securities investments business brought along net fair value gain and net realised gains on financial assets at fair value through profit or loss of approximately HK\$20,111,000 and HK\$42,031,000, respectively in last year while net fair value loss of approximately HK\$41,488,000 and net realised gains of approximately HK\$1,168,000 were recorded in the Year Under Review.

As at 31 March 2019, cash and bank balances decreased to approximately HK\$391,743,000 (2018: approximately HK\$496,482,000), whereas liquidity ratio (represented by a ratio of current assets over current liabilities) was 4.67:1 (2018: 3.48:1), reflecting the adequacy of financial resources.

管理層討論及分析

業務回顧

二零一九年，香港及中國經濟之增長率分別為3.0%及6.6%，反映經濟增長較過往幾年增長緩慢。此外，美中貿易戰威脅亦對消費者信心構成負面影響。因此，香港及中國美容及纖體行業表現不太理想。本集團在香港及中國的表現亦不甚理想。

截至二零一九年三月三十一日止年度（「本回顧年度」），本集團錄得收益約為2,423,176,000港元，較去年約2,607,987,000港元減少7.1%。這主要歸咎於本年度證券投資錄得約40,320,000港元虧損，而有關去年證券投資錄得約62,142,000港元的收益。近年來，本港人口繼續「女多男少」，其中本港女士又不乏高收入人士，女士成為香港零售市場之其中一個重要消費群體，美容及纖體服務及產品已逐漸由奢侈品變為日常必需品。另一方面，中國之中產人口持續增長，刺激對美容及纖體服務及產品之需求。本集團有信心可憑藉多年以來於中港兩地業內之領導地位及良好之信譽與客戶信心，改善本集團表現。上海東紡日化銷售有限公司（「東紡」）分銷銷售化妝及護膚產品之業務亦成功推行擴展網上平台銷售之策略，收益貢獻相對穩定，由去年約2,422,133,000港元微降2.3%至約2,365,690,000港元，為本集團提供一個穩定收益來源。

相較於去年年內溢利約19,106,000港元，年內虧損約為85,712,000港元，原因主要為證券投資業務去年帶來按公平值計入損益之公平值收益淨額及已變現收益淨額分別約20,111,000港元及42,031,000港元，而本回顧年度僅錄得公平值虧損淨額約41,488,000港元及已變現收益淨額約1,168,000港元。

於二零一九年三月三十一日，現金及銀行結餘減少至約391,743,000港元（二零一八年：約496,482,000港元），而流動資金比率（即流動資產與流動負債之比率）則為4.67:1（二零一八年：3.48:1），反映財務資源充足。

Beauty, Slimming and Spa Centres

During the Year Under Review, the slower Hong Kong and China economy growth and the threat of US-China trade war have negative impact on consumer confidence. In addition, the Group faced various negative factors such as increasing costs of sales, rising salaries and inflating rentals. The beauty, slimming and spa business was unavoidably affected to some extent in the Year Under Review and recorded a 24.9% decrease in the overall revenue of this business segment as compared to last year.

The Group has a long history in the operation of beauty, slimming and spa centres in Hong Kong and the PRC. With extensive experience in the industry and committed efforts for innovations, the Group has continuously introduced sophisticated services and products of the highest quality for its customers, winning the long-term favour of its customers for its beauty and slimming products and services while successfully establishing brand advantages and customer loyalty. To further fortify its leading position in the industry, the Group has introduced a number of new beauty, slimming and anti-ageing treatments and machineries during the Year Under Review.

As the first listed beauty and slimming company in Hong Kong, the Group has consistently uphold the principles of quality products, professional services and honest operation. Backed by the strengths of the brand, the Group has won numerous awards over the years and enjoys sound reputation in Hong Kong, Macau and the PRC. It was strongly trusted by its customers. With increasingly intensive market competition, some industry players have resorted to all possible means including dishonest sales methods to secure their market shares. Coupled with various beauty and slimming incidents during recent years and seriously weak and outdated government supervision, customer confidence has been impaired. This, however, has at the same time encouraged the customer demand for quality beauty and slimming services. In view of this, the Group will continue to provide quality products and services. Maintaining the strategy of winning with quality, the Group will continue to leverage on its professional and outstanding beauty and slimming technologies, bring its brand visibility to the full play, and operate with honest and honour, in order to win over the consumers' trust, secure a wider business coverage in the high-end market and thereby realise sustainable growth and return.

Distribution Business in the PRC

Product distribution in the PRC is another core business of the Group and is carried out by the Group's subsidiary, Dong Fang. Dong Fang is one of the top three distributors of P&G in the greater China in terms of average sales in the PRC, and is the top distributor in the East China area. It is responsible for the overall distribution coverage in the Shanghai region and provides supply and sales services to its customers via various channels, including online platforms, electrical appliances merchants, department stores channel, local modernised retail malls, supermarkets, small-sized supermarkets, convenient stores, maternity stores and cosmetic stores headquartered or regionally headquartered

美容、纖體及水療中心

於本回顧年度，香港及中國經濟增長放緩美中貿易戰威脅均對消費者信心構成負面影響。此外，本集團面臨各種負面因素如銷售成本上升、工資高企及租金上漲等。美容、纖體及水療於本回顧年度難免受若干程度影響，並所錄得此業務分部之整體收益較去年減少24.9%。

本集團在香港及中國經營美容、纖體及水療中心已久。本集團透過結合豐富行業經驗，努力創新，不斷為客戶引入最先進、最優質之服務及產品，令旗下美容及纖體產品及服務深得客戶之長期愛戴，成功建立品牌形象優勢與客戶忠誠度。為進一步確立於業內之領導地位，本集團於本回顧年度內引進多項美容、纖體及抗衰老創新療程及儀器。

本集團作為香港首間美容及纖體上市公司，貫徹以優質產品、專業服務及誠信經營為方針。本集團以品牌實力作為後盾，多年來榮獲不少獎項，享譽港澳地區及中國，備受消費者信賴。隨著市場競爭加劇，部分業界人仕為爭奪市場佔有率而各出奇謀，不良銷售手法層出不窮。加上近年發生之各項美容及纖體事故，政府監管卻嚴重滯後，有損消費者信心。然而，這同時促進客戶對優質美容及纖體服務之需求。有鑒於此，本集團將不斷提供優質產品及服務。本集團將繼續以「優」取勝，一如以往憑藉專業卓越之美容及纖體技術，發揮穩健品牌知名度之優勢，以摯誠可信之經營手法贏取消費者信任，力爭佔據高檔次市場更廣闊業務覆蓋，實現可持續之增長及回報。

中國分銷業務

中國產品分銷為本集團之另一主要業務線，由本集團附屬公司——東紡進行。東紡是P&G大中華區按中國平均銷售額計算之三大經銷商之一，亦為華東部區域第一大經銷商，負責在上海地區之整體分銷覆蓋，並為客戶提供跨管道供銷服務，包括所有總部或區域總部設立在上海之網上平台、電商客戶、百貨商店管道、本地現代零售大賣場、超級市場、小型超市、便利店、母嬰店及化妝品店。涉及之產品包括OLAY護膚品、

in Shanghai. Products involved include OLAY skincare, Head & Shoulders, Vidal Sassoon, Pantene, Rejoice, Pampers, Crest, Safeguard, Whisper, Ariel, Oral-B and Gillette. Moreover, the Company is responsible for the SK-II business in East and West China areas, covering Shanghai city, Zhejiang Province, Jiangsu Province, Anhui Province, Henan Province, Shanxi Province, Sichuan Province and Chongqing city (8 provinces and cities in total). In the Year Under Review, Dong Fang performance was still satisfactory which resulted in stable source of growth in revenue contribution to the Group.

Health, Beauty and Related Products

The Group spares no efforts in keeping itself abreast of time and marching at the forefront of the market. Through heavily investing in the development and introduction of products embedding advanced technologies and safe ingredients to enrich its portfolio of health and beauty products, the Group targets to bring to its customers a wider array of sophisticated product choices. This will in turn further enhance the attraction of the brand name Sau San Tong and ensure the Group's leading market position.

Going forward, the Group will continue to launch different safe and effective products that meet the different needs of its customers, helping them to achieve beauty in a healthy way. We believe that the segment of distribution of health and beauty products will continue to make a stable contribution to the Group's results in the time ahead.

Franchise Co-operation Business in the PRC

Building on its successful business in Hong Kong and a strong brand visibility, the Group started venturing into the enormous market in the PRC back in early 2004 and effectively laid a solid foundation in the beauty and slimming industry in China ahead of its counterparts, reaping a sizeable market share. Envy of the outstanding achievement of "Sau San Tong", competitors, imitators and even fakers began to spring up like mushroom on the PRC market where the entry barrier to the industry was relatively low. To tackle the situation, apart from establishing high-end flagship centres in China to help clearly identify ourselves, the Group specially combined the name of our founder, Dr. Cheung Yuk Shan, Shirley with its brand name to form the new brand of "張玉珊修身堂" to establish the uniqueness of the brand, using it to fully explore the PRC market while letting the market and consumer more easily distinguish the genuine "Sau San Tong" brand and its inherent quality and professional products and services, protecting the consumers' rights. Since the efforts to developing the franchise cooperation business in full sail since December 2010, we have entered into more than 100 franchise co-operation contracts as at 31 March 2019. The existing number of franchise co-operation shops also put "張玉珊修身堂" on the top position in the beauty and slimming industry in China.

海飛絲、沙宣、潘婷、飄柔、幫寶適、佳潔士、舒膚佳、護舒寶、碧浪、歐樂B及吉列等系列產品。此外，本公司亦負責中國東部及西部地區之SK-II業務，當中覆蓋上海市、浙江省、江蘇省、安徽省、河南省、山西省、四川省及重慶市(共8個省市)。於本回顧年度，東紡表現仍然理想，為本集團收益進賬產生穩定增長來源。

保健、美容及相關產品

本集團素來力求與時並進，走在市場最尖端。本集團積極投資於開發及引進各種結合不同先進科技與安全成分之產品，致力豐富其保健及美容產品組合，為顧客帶來更多更先進之產品選擇，從而進一步提升「修身堂」品牌之吸引力，確保本集團穩站於市場之領導地位。

邁進未來，本集團將繼續推出能滿足客戶各種需求、並且安全、高效之產品，共同攜手以健康形式成就美麗。我們相信，保健及美容產品分銷分部將於未來繼續為本集團業績作出穩定貢獻。

中國加盟合作業務

本集團挾著香港業務之成功及品牌之強勁知名度，早於二零零四年初進軍中國之龐大市場，領先同業在中國之美容及纖體行業中穩建基礎，搶佔較大市場佔有率。由於「修身堂」之超卓成就，加上行業門檻較低，在中國市場上之競爭對手、模仿者甚至山寨品牌有如雨後春筍。有見及此，本集團除透過於中國開設多間尊貴旗艦店以助樹立鮮明品牌形象外，特別將創辦人張玉珊博士之芳名與集團品牌結合，從而確立品牌之唯一專屬性，藉「張玉珊修身堂」之全新品牌全面開拓中國市場，讓市場及消費者更容易識辨真正「修身堂」品牌及其一貫優質及專業之產品及服務，保障消費者權益。本集團自二零一零年十二月起全面開拓加盟合作業務，截至二零一九年三月三十一日，我們已訂立超過100份加盟合作合約。現時加盟合作店數目亦令「張玉珊修身堂」躋身為中國美容及纖體行業之翹楚。

Securities Investments Business

As a move to expand its diversified business, the Group has commenced the new segment of securities investments business in March 2015 to put the idle funds of the Company into long- and short-term investments in listed securities in Hong Kong and other recognised securities markets in the overseas as well as wealth management products purchased from banks and other financial institutions, with a view to generate additional income outside its retail business, to widen its revenue base and minimise the risks of the Group on the overall, in order to enhance the capital use of the Company as well as the overall interests of the Company and its shareholders. This new segment of securities investments has good contribution to the revenue and profit of the Group in last few years. In the Year Under Review, the stock market is very sluggish and the securities investment business does not performed satisfactory. During the Year Under Review, the Group has recorded a loss of approximately HK\$40,320,000 from its investments in the Hong Kong stock market and unlisted equity fund outside Hong Kong. The investment portfolio included investments in a variety of industries including construction, real estates, retailing, food and beverage, finance, industry and education, with the objective of minimising the risks while maximising the return. As at 31 March 2019, financial assets at fair value through profit or loss amounted to approximately HK\$113,758,000.

Money Lending Business

In addition, the Group has the business of money leading in order to better utilise the idle funds to generate additional returns to the Company. The Group provided both secured and unsecured loans with terms ranging from several months to 2 years. The Group has recorded a revenue of approximately HK\$12,232,000 for the year. As at 31 March 2019, the loans and interest receivables from money lending business amounted to approximately HK\$90,189,000.

Acquisition of Properties

Subsequent to 31 March 2019, the Group intended to acquire a residential property in Hong Kong through acquisition of a subsidiary at a consideration of approximately HK\$20,000,000 and the consideration will be satisfied by issuance of new shares. The acquisition has not yet completed as at the date of this announcement.

證券投資業務

為拓展多元化業務，本集團於二零一五年三月開展證券投資業務之新分部，利用本公司之間置資金作出長期及短期投資，透過於香港及海外其他認可證券市場之上市證券，以及向銀行及其他金融機構購買之財富管理產品，開拓零售業務以外之其他收入，擴大收益基礎，同時減低本集團之整體風險，促進本公司之資本運用，並提升本公司及其股東之整體利益。此新證券投資分部過往幾年為本集團收益及溢利帶來可觀進賬。於本回顧年度，股市非常淡靜，證券投資業務未如理想。於本回顧年度，本集團投資於本港股票市場及香港境外未上市股本基金合共錄得之虧損約40,320,000港元。投資組合包括各行各業之投資，包括建築、地產、零售、飲食、金融、工業、教育等行業，務求把風險降至最低，充分提高回報。於二零一九年三月三十一日，按公平值計入損益之金融資產約值113,758,000港元。

放債業務

此外，本集團擁有放債新業務，從而多加利用閒置資金，為本公司帶來額外回報。本集團提供年期介乎數個月至兩年之有抵押及無抵押貸款。本集團年內錄得收益約12,232,000港元。於二零一九年三月三十一日，來自放債業務之應收貸款及利息約為90,189,000港元。

物業收購

二零一九年三月三十一日後，本集團計劃透過收購一間附屬公司以代價約20,000,000港元購入一項香港住宅物業，而代價將以發行新股方式償付。該收購事項尚未於本公佈日期完成。

Outlook

Despite of the unsatisfactory performance in the Year Under Review, the Group will continue to consistently maintain a positive attitude to explore, research and develop more sophisticated and effective health and beauty products and professional treatments, in order to meet the pursuit and demand for beauty and health by the ladies in Hong Kong and China and in turn achieve stable growth and enhance the performance of the Group's core business. Meanwhile, the Group is also devoted to the training of its people, and has specifically devised training courses targeted at the employees of the franchise co-operation shops on the mainland market, with the aim to ensure the consistence in the quality of operation and services of the beauty, slimming and spa centres across different places.

In addition, parallel to its focus on the beauty and slimming business, the Group will also utilise the abundant funds on hand to identify new investment opportunities, including appropriate and timely investments in securities, money lending and properties, with the objectives of generating additional return, broadening its revenue base, enhance the efficiency of capital use and further promote the performance of the Group in different areas. The Group will meticulously select sound investments with high return potentials. Moving forward, the Group will concentrate on bringing its strengths, customer base, reputation and other advantages into full play in order to actualise stable growth of its core business. This will be complemented with careful investments in the effort to bring along more rewarding returns to our investors.

Corporate Social Responsibility

As a leader in the beauty and slimming industry, the Group is dedicated to leading the way in enhancing the safety level of the sector. We have always attached great importance to the safety of our services and products and exercises stringent quality control on its products. The machines and materials used in our treatment services have passed vigorous safety tests and attained international safety standards. Beauty and slimming consultants and technicians of both the direct operations and franchise co-operation businesses of the Group all received professional training to ensure the provision of safe services of high quality. Moreover, the Group is the first slimming company in Hong Kong to set up a free health services hotline to provide consultation services on weight management. This move is targeted to take care of different walks of society through suggesting to those looking to improve their body the correct ways for a balanced diet, free of charge.

前景展望

雖本回顧年度表現未如理想，但本集團定將繼續堅持一貫之積極態度，致力發掘及研發更多先進、高效之保健及美容產品及專業療程，迎合中港兩地女士們對美麗健康之追求與需求，實現穩定增長，提升本集團核心業務之表現。同時，本集團亦積極培訓人材，更特別為內地市場設計針對加盟合作店僱員之培訓課程，確保不同所在點之美容、纖體及水療中心之經營素質及服務品質均能貫徹如一。

此外，本集團在專注於美容及纖體業務之同時，亦會利用手上之充裕資金，物色各種新投資機遇，包括適度及適時投資證券、放債及物業，以期產生額外回報、拓闊收益基礎，令資本運用更具效益，進一步促進本集團各方面之表現。本集團將抱持審慎態度，挑選具高回報潛力之穩健投資。邁步向前，本集團將專注發揮其實力、客戶基礎及聲譽等各方面優勢，達致核心業務之穩健增長，同時配合審慎投資，力求為投資者帶來更豐碩回報。

企業社會責任

作為美容及纖體業之領導者，本集團致力於引領業界提升安全水平。我們一直以來極為關注服務及產品之安全性，嚴格管理產品質量。本集團之療程服務所使用之機器及材料均通過嚴格安全測試，符合國際安全標準。本集團旗下直營業務及加盟合作業務之美容及纖體顧問及技師均經過專業培訓，確保能提供安全、優質之服務。此外，本集團為全港第一間纖體公司設有免費健康服務專線，提供體重管理諮詢服務，為社會各界有需要改善身體人士，免費提供學習正確均衡健康飲食之道，全面照顧社會每一階層。

Awards

Widely recognised and highly praised for its outstanding products and services, the Group was proud to receive “The Most Outstanding Achievement Asian Beauty and Health Brand Award” from the International Beauty and Health Brand Festival, Asia during the Year Under Review and is honoured to be the “Caring Company” for ten consecutive years.

Charity

Since its establishment, the Group has been actively partaking in charity affairs and has set up the “Sau San Tong Volunteer Team” in an effort to support different charity initiatives. During the Year Under Review, the Group continued to make regular charity donations in the pursuit for inner beauty, alongside with its yearning for physical perfection.

Capital Structure, Liquidity and Financial Resources

Cash and bank balances as at 31 March 2019 were approximately HK\$391,743,000 compared to approximately HK\$496,482,000 as at 31 March 2018. Gearing ratio of the Group was 0% (2018: 10.1%), based on total of bank loans of approximately HK\$Nil (2018: approximately HK\$99,976,000) and the net assets of approximately HK\$875,754,000 (2018: approximately HK\$991,024,000). As at 31 March 2019, liability of the Group amounted to approximately HK\$200,761,000 (2018: approximately HK\$335,666,000), including trade and other payables of approximately HK\$164,237,000 (2018: approximately HK\$185,685,000) arising mainly from the daily operations of our subsidiary, Dong Fang, contract liabilities/deferred income of approximately HK\$20,090,000 (2018: approximately HK\$16,175,000), and bank loans of approximately HK\$Nil (2018: approximately HK\$99,976,000) arising mainly from the trading activities of Dong Fang. The liability is intended to be financed by internal resources of the Group. The liquidity ratio of the Group represented by a ratio of current assets over current liabilities was 4.67:1 (2018: 3.48:1), reflecting the adequacy of financial resources.

Treasury Policy

The Group adopts a prudent approach towards its treasury policies. The Group evaluates the financial condition of its customers regularly to mitigate the credit risk. The average outstanding days of the Group’s accounts receivable was maintained at below 90 days. To manage the liquidity risk, the Group closely monitors its liquidity position to ensure the liquidity structure of the Group’s assets, liabilities and commitments and to ensure the fulfillment of its funding requirements. The Group has no investments in derivatives, bonds or structured financial products.

獎項

本集團之卓越產品及服務一直以來廣受各界認同及稱譽，於本回顧年度，本集團於亞洲國際美容健康品牌節上榮獲「亞洲美容健康最具成就品牌大獎」，以及連續十年成為「商界展關懷」之機構。

慈善

本集團自成立以來一直積極投入慈善公益事務，成立「修身堂義工隊」努力支持不同慈善活動。本集團在本回顧年度一如以往作出定期慈善捐款，在全情投入成就外在美態同時，亦致力追求內心美麗。

資本架構、流動資金及財務資源

於二零一九年三月三十一日之現金及銀行結餘約為391,743,000港元，而於二零一八年三月三十一日則約為496,482,000港元。本集團之資產負債比率為0%（二零一八年：10.1%），乃按銀行貸款總額約零港元（二零一八年：約99,976,000港元）及資產淨值約875,754,000港元（二零一八年：約991,024,000港元）計算。於二零一九年三月三十一日，本集團之負債約為200,761,000港元（二零一八年：約335,666,000港元），包括應付貿易款項及其他應付款項約164,237,000港元（二零一八年：約185,685,000港元）（主要來自本集團附屬公司——東紡之日常業務）、合約負債／遞延收入約20,090,000港元（二零一八年：約16,175,000港元）及銀行貸款約零港元（二零一八年：約99,976,000港元）（主要來自東紡之買賣活動）。有關負債擬利用本集團之內部資源撥付。本集團之流動資金比率（即流動資產與流動負債之比率）為4.67：1（二零一八年：3.48：1），反映財務資源充足。

庫務政策

本集團採取審慎之庫務政策。本集團定期檢討其客戶之財務狀況以減低信貸風險。本集團應收賬款之平均收款期維持低於90日。為管理流動資金風險，本集團密切監管其流動資金狀況，以確保本集團之資產、負債及承擔之流動資金結構，以及確保本集團可應付其資金所需。本集團並無投資衍生工具、債券或結構性金融產品。

Foreign Exchange Exposure

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

Use of Proceeds

The Group completed the Rights Issue on 3 March 2017 resulting in net proceeds of approximately HK\$352,000,000. Details of the use of proceeds is as follows:

- approximately HK\$40,000,000 was used for the development of the Group's money lending business;
- approximately HK\$20,000,000 was used for repayment of the outstanding amount due to Dr. Cheung Yuk Shan, Shirley under the Convertible Note;
- approximately HK\$30,000,000 was used for the development of securities trading business;
- approximately HK\$16,000,000 was used for acquisition of a residential property in Hong Kong through acquisition of a subsidiary; and
- approximately HK\$7,000,000 was used for renovation of office and shops.

The remaining proceeds of approximately HK\$239,000,000 was unutilised at the date of this announcement.

Net Assets

As at 31 March 2019, the Group's net assets amounted to approximately HK\$875,754,000 compared to approximately HK\$991,024,000 as at 31 March 2018. Except for bank deposits and certain trade receivables of approximately HK\$7,003,000 and HK\$38,304,000 respectively (2018: certain trade receivables of HK\$222,396,000) pledged for certain banking facilities of the Group, there are no other charges on the Group's assets as at 31 March 2019 and 2018.

Contingent Liabilities

As at 31 March 2019 and 2018, the Group had no material contingent liabilities.

外匯風險

由於本集團之資產、負債、收益及付款主要以港元及人民幣計值，故本集團認為並無承受重大外匯波動風險。

所得款項用途

本集團於二零一七年三月三日完成供股，產生所得款項淨額約352,000,000港元。所得款項用途之詳情如下：

- 約40,000,000港元已用於發展本集團之放債業務；
- 約20,000,000港元已用於償還可換股票據項下應付張玉珊博士之未償還款項；
- 約30,000,000港元已用於發展證券買賣業務；
- 約16,000,000港元已用於透過收購一間附屬公司收購一項香港住宅物業；及
- 約7,000,000港元已用於翻新辦公室及店舖。

於本公佈日期，餘下所得款項約239,000,000港元尚未動用。

資產淨值

於二零一九年三月三十一日，本集團之資產淨值約為875,754,000港元，而於二零一八年三月三十一日則約為991,024,000港元。除銀行存款及若干應收貿易賬款分別約7,003,000港元及38,304,000港元(二零一八年：若干應收貿易賬款222,396,000港元)已就若干本集團之銀行融通作抵押外，於二零一九年及二零一八年三月三十一日，本集團並無其他資產抵押。

或然負債

於二零一九年及二零一八年三月三十一日，本集團並無重大或然負債。

Employee Information

As at 31 March 2019, the Group had 352 (2018: 413) employees. During the year, the Group's total staff costs amounted to approximately HK\$93,664,000 (2018: approximately HK\$103,548,000).

The Group's remuneration policies are formulated on the basis of the performance and experience of individual employee and are in line with practices of local markets in which the Group operates. In addition to salary, the Group also offers to its employees other fringe benefits including share option, provident fund and medical benefits.

Share Option Scheme

The Group has a share option scheme whereby qualified participants may be granted options to acquire shares of the Company, under the terms and conditions stipulated therein, as incentives or rewards for their contributions to the Group. As at 31 March 2019 there is an aggregate of 40,975,339 outstanding options to subscribe for 40,975,339 shares of the Company pursuant to the share option scheme adopted on 24 February 2016.

Future Plans

It is in the view of the Group that with the changing of beauty and slimming services and products into necessities, coupled with the continued growth of the middle class in China, the demand for quality products and services will remain on the upward momentum in both Hong Kong and the PRC. As such, the Group will continue to spare no efforts in the development and introduction of different sophisticated and innovative treatment, products and machines of supreme quality to nurture our portfolio of services and products into one that is diversified, accommodated to market demands and attractive to new customers. We will however adopt a more careful approach under the uncertainties in the macroeconomy and operating environment at present.

Seeing the increasing influence of the social media in Hong Kong, the Group plans to increase its promotional efforts on different social media platforms in order to increase the awareness of the younger generation for our brands name Sau San Tong and IPRO, and thereby broaden the Group's customer base. In terms of the PRC market, the Group will continue to improve brand visibility of our brands name.

The Group will also increase the investment of the abundant funds on hand into securities, money lending, properties and other opportunities. Apart from the generation of additional investment return, it can also open up new revenue bases and promote the efficiency of capital use, and thereby procure more rewarding return to our shareholders.

僱員資料

於二零一九年三月三十一日，本集團聘有352名(二零一八年：413名)僱員。年內，本集團之員工成本總額約為93,664,000港元(二零一八年：約103,548,000港元)。

本集團之薪酬政策依據個別僱員之表現及經驗制定，並符合本集團經營所在地之當地市場慣例。除薪金外，本集團亦向其僱員提供其他額外福利，包括購股權、公積金及醫療福利。

購股權計劃

本集團設有一項購股權計劃，據此，合資格參與者可根據當中訂明之條款及條件獲授可收購本公司股份之購股權，作為彼等對本集團作出貢獻之獎勵或回報。於二零一九年三月三十一日，合共有40,975,339份尚未行使之購股權可根據於二零一六年二月二十四日採納之購股權計劃認購40,975,339股本公司股份。

未來計劃

本集團認為，隨著美容及纖體服務及產品之「必需品化」，加上中國中產階層繼續增長，中港兩地對優質產品及服務之需求仍將維持增長趨勢。本集團因此會繼續致力開發及引進各種先進、創新之優質療程、產品及儀器，以令我們之服務及產品組合更多元化、緊貼市場需求及吸引新顧客。然而，鑑於目前之宏觀經濟及營商環境不明朗，我們將採取較審慎之態度。

隨著香港社交媒體之影響力日益增強，以及中國電子零售市場迅速擴大，本集團認為電子商務將為達致成功之必然路向。本集團計劃多加利用不同社交媒體平台進行宣傳推廣，藉此增加年輕一代對「修身堂」及「星悅」品牌名稱之認知，從而擴大本集團之客戶基礎。中國市場方面，本集團將繼續提升集團品牌知名度。

同時，本集團將多加利用手上之充裕資金，投資於證券、放債及物業等商機。在產生額外投資回報之時，亦可開拓新收益基礎，令資本運用更具效益，為股東實現更豐碩回報。

COMPETING INTERESTS

None of the Directors or substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) has any interest in a business which compete or might compete with the business of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this announcement, the Company has maintained a sufficient public float of more than 25% of the Company's issued share as required under the GEM listing rules throughout the Year Under Review and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Company has established a formal and transparent procedure to protect the interests of the shareholders of the Company. The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 of the GEM Listing Rules throughout the year, except that:

Code provision A2 and A.2.7

Code provision A2 stipulates the role of the Chairman of the Board. The Company does not have the Chairman of the Board and hence does not comply with code provision. The Company has two executive directors who have performed part of the function of the Chairman of the Board.

Code provision A.2.7 stipulates that the Chairman of the Board of directors should at least annually hold meetings with the Non-Executive directors (including Independent Non-Executive Directors) without the Executive Directors' presence. The Company does not have the Chairman of the Board of Directors. The management of the Company considered that it was unnecessary as it would be more transparent and efficient to let the Independent Non-executive Directors express their views to all Executive Directors in the meetings of the Board. Besides, the management of the Company always welcomes all Independent Non-executive Directors to communicate with them directly via email or phone to discuss any matters of the Company from time to time.

競爭性權益

本公司董事、主要股東或其各自之聯繫人士(定義見GEM上市規則)並無在與本集團業務構成競爭或可能構成競爭之業務中擁有任何權益。

充足公眾持股量

據本公司公開可得之資料及董事於刊發本公佈前之最後實際可行日期所知，本公司已按GEM上市規則之規定於本回顧年度期間及直至本公佈日期維持超過本公司已發行股份25%之充足公眾持股量。

企業管治常規

本公司已設立正式而具透明度之程序保障本公司股東之權益。本公司於本年度整個期間均應用GEM上市規則附錄十五所載之企業管治常規守則(「守則」)之原則並遵守所有守則條文，惟以下除外：

守則條文A2及A.2.7

守則條文A2訂明董事會主席角色。本公司並無董事會主席，故不遵循守則條文。本公司有兩名執行董事已執行部分董事會主席職能。

守則條文A.2.7訂明，董事會主席須至少每年與非執行董事(包括獨立非執行董事)舉行會議，執行董事不可與會。本公司並無董事會主席。本公司管理層認為，於董事會會議上，獨立非執行董事可更直接及有效地向所有執行董事表明彼等之觀點，所以不必遵守此守則條文。此外，本公司管理層一直歡迎所有獨立非執行董事通過電郵或電話不時與之直接交流討論有關本公司之任何事宜。

Code provision A.4.1

Code provision A.4.1 stipulates all the non-executive directors should be appointed for a specific term, subject to re-election. The term of office for non-executive directors is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. As such, the Company considers that such provisions are sufficient to meet the underlying objective of this code provision.

Code provision A.6.7

Code provision A.6.7 stipulates that independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings of the Company and develop a balanced understanding of the views of shareholders. Mr. Takashi Togo, Mr. Hong Po Kui, Martin, Ms. Chiu Kam Hing, Kathy, Mr. Lau Wai Leung, Alfred and Mr. Roberts, Daniel William being the Non-Executive Director and the Independent Non-executive Directors, respectively, due to other unexpected important engagements, were unable to attend the annual general meeting of the Company held on 24 September 2018.

Code provision C.1.2

Code provision C.1.2 stipulates that the management shall provide all members of the board with monthly updates. Management considers that quarterly updates and periodic instant updates when developments arising out of the ordinary business instead of monthly updates are sufficient for the Board to discharge its duties. Besides, during the Year Under Review, the Executive Directors have provided, and will continue to provide, to all Independent Non-executive Directors updates on any material changes to the position and prospects of the Company, which are considered to be sufficient to provide general updates of the Company's performance, position and prospects to the Board and allow them to give a balanced and understandable assessment of the same to serve the purpose required by the code provision C.1.2.

CORPORATE GOVERNANCE ENHANCEMENT

Enhancing corporate governance is not simply a matter of applying and complying with the Corporate Governance Code of the Stock Exchange but also about promoting and developing an ethical and healthy corporate culture. We will continue to review and, where appropriate, improve our current practices on the basis of our experience, regulatory changes and developments. Any views and suggestions from our Shareholders to promote and improve our transparency are also welcome.

守則條文 A.4.1

守則條文 A.4.1 訂明，所有非執行董事之委任應有指定任期，並須接受重選。非執行董事之任期須根據本公司之公司細則條文輪值告退及合資格膺選連任。於各股東週年大會上，當時三分之一之董事（或倘人數並非三之倍數，則最接近但不少於三分之一之人數）須輪值告退。因此，本公司認為該等條文足以達致此守則條文之相關目標。

守則條文 A.6.7

守則條文 A.6.7 訂明，獨立非執行董事及其他非執行董事作為擁有同等地位之董事會成員，應出席本公司之股東大會並對股東之意見有公正了解。分別擔任非執行董事及獨立非執行董事之東鄉孝士先生、康寶駒先生、趙金卿女士、劉偉樑先生及 Roberts, Daniel William 先生因有其他突發要務處理，所以未能出席本公司於二零一八年九月二十四日舉行之股東週年大會。

守則條文 C.1.2

守則條文 C.1.2 訂明，管理層須每月向董事會全體成員提供最新資訊。管理層認為提供季度最新資料及日常業務事態發展之定期即時最新資料，而非每月最新資料，足以讓董事會履行職務。此外，於本回顧年度內，執行董事亦已經及將會繼續向全體獨立非執行董事提供有關本公司狀況及前景任何重大變動之最新資訊，該等資訊被視為足以向董事會提供有關本公司表現、狀況及前景之一般最新情況，使彼等能夠對有關情況作出公平及清晰評估，以達致守則條文 C.1.2 所規定之目的。

提升企業管治水平

提升企業管治水平並非只為應用並遵守聯交所之企業管治守則，亦為推動及建立道德與健全之企業文化。我們將按經驗、監管變動及發展，持續檢討並於適當時改善現行常規。本公司亦歡迎股東提供任何意見及建議以提高及改善本公司之透明度。

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. Details of the role and work performed by the committee are set out in “Corporate Governance Report” in the annual report for the year ended 31 March 2019. The audit committee has reviewed the consolidated financial statements of the Group for the year ended 31 March 2019.

REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules. Details of the role and work performed by the Committee are set out in “Corporate Governance Report” in the annual report for the year ended 31 March 2019.

NOMINATION COMMITTEE

The Company has established a nomination committee with written terms of reference in compliance with the Code. Details of the role and work performed by the Committee are set out in “Corporate Governance Report” in the annual report for the year ended 31 March 2019.

CHANGE IN DIRECTORS' INFORMATION

As disclosed in the announcement of the Company dated 10 July 2018, Dr. Cheung Yuk Shan, Shirley resigned as Non-Executive Director and Honorary Chairman of the Company and Mr. Roberts, Daniel William was appointed as an Independent Non-Executive Director of the Company with effect from 10 July 2018.

In additions, Mr. Hong Po Kui, Martin retired as Independent Non-Executive Director of the Company in the annual general meeting well on 24 September 2018.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Director on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

審核委員會

本公司已遵照GEM上市規則第5.28至5.33條之規定成立審核委員會，並釐定其書面職權範圍。委員會之角色及履行之工作詳情載於截至二零一九年三月三十一日止年度之年報之「企業管治報告」。審核委員會已審閱本集團截至二零一九年三月三十一日止年度之綜合財務報表。

薪酬委員會

本公司已遵照GEM上市規則第5.34至5.36條之規定守則成立薪酬委員會，並釐定其書面職權範圍。委員會之角色及履行之工作詳情載於截至二零一九年三月三十一日止年度之年報之「企業管治報告」。

提名委員會

本公司已遵照守則成立提名委員會，並釐定其書面職權範圍。委員會之角色及履行之工作詳情載於截至二零一九年三月三十一日止年度之年報之「企業管治報告」。

董事資料變動

誠如本公司日期為二零一八年七月十日之公佈所披露，張玉珊博士辭任本公司非執行董事及榮譽主席，而Roberts, Daniel William先生已獲委任為本公司獨立非執行董事，自二零一八年七月十日起生效。

此外，康寶駒先生已於二零一八年九月二十四日所舉行之股東週年大會上退任本公司獨立非執行董事。

有關董事進行證券交易之行為守則

本公司已就董事進行證券交易採納一套條款與載於GEM上市規則第5.48至5.67條之交易必守標準同樣嚴格之行為守則。在向所有董事作出特別查詢後，本公司確定所有董事均已遵守GEM上市規則第5.48至5.67條所載之交易必守標準。

**PURCHASE, SALE OR REDEMPTION OF LISTED
SECURITIES OF THE COMPANY**

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

On behalf of the Board
Sau San Tong Holdings Limited
Mui Wai Sum
Executive Director

Hong Kong, 25 June 2019

As at the date of this announcement, the Board comprises executive Directors namely Mr. Mui Wai Sum and Mr. Chan Ka Kin; non-executive Director namely Mr. Takashi Togo; independent non-executive Directors namely Ms. Chiu Kam Hing, Kathy, Mr. Lau Wai Leung, Alfred and Mr. Roberts, Daniel William.

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司概無於年內購買、贖回或出售本公司任何上市證券。

代表董事會
修身堂控股有限公司
執行董事
梅偉琛

香港，二零一九年六月二十五日

於本公佈日期，董事會成員包括執行董事梅偉琛先生及陳家健先生；非執行董事東鄉孝士先生；獨立非執行董事趙金卿女士、劉偉樑先生及 Roberts, Daniel William 先生。