You should read this section in conjunction with our combined financial information, including the notes thereto, as set out in "Appendix I – Accountant's Report" to this document. The combined financial information has been prepared in accordance with HKFRSs.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include those discussed in "Risk Factors".

OVERVIEW

We are a major participant in the women's health service market in Taiwan according to Frost & Sullivan, and we aspire to become a comprehensive women's health consumption platform across Asia. Since 2011, we have been operating under our flagship brand "Jing Chi" (君綺), adopting a brand-driven business-to-business-to-consumer (B-to-B-to-C) cooperation model through which we provide comprehensive non-medical operational support services to medical aesthetic Clinics operated by licensed Doctors. In 2024, we strategically expanded into the traditional Chinese medicine (TCM) sector, further broadening our footprint in the women's health consumer market. Leveraging our integrated capabilities in brand management and Member data management, combined with AI-driven data analytics, we effectively unlock and maximise Member value across multiple health and wellness dimensions, including but not limited to medical aesthetics, anti-aging, skin and body rejuvenation, and TCM. While our business is currently focused on Taiwan, we are actively exploring expansion opportunities into the Japanese market. According to Frost & Sullivan, we are one of the largest medical aesthetic services brands in Taiwan in terms of revenue for 2025, and one of the largest aesthetic service platforms in Taiwan in terms of revenue in 2025, accounting for approximately 12.8% of the total market share of the aesthetic service platform industry in Taiwan for that year.

Our business is built upon a brand-driven cooperation model under which we cooperate with licensed medical Doctors to establish and operate Clinics under our flagship brand "Jing Chi" (君綺), whereby we provide comprehensive non-medical operational support, including (i) clinic branding and operation service, comprising brand management and trademark licensing, on-site consumer services and administrative management; (ii) procurement of medical devices, consumables and pharmaceuticals; and (iii) clinic leasing. This integrated platform creates a "plug-and-play" environment, allowing the Doctors to focus exclusively on delivering medical services, while we leverage our brand power to handle all other aspects of operating the Clinics. This division of labour empowers us to ensure standardised, quality service delivery to consumers, and maintain control over supply chains and equipment of the Clinics. The Clinics offer a diversified portfolio of aesthetic solutions, ranging from non-surgical medical aesthetic services (such as laser, anti-aging lifting and sculpting, and injection services) and surgical medical aesthetic services (such as plastic surgeries for facial or body contouring) to TCM health management. As at 31 December 2025, 19 Clinics strategically located in major metropolitan areas across Taiwan, including Taipei, Taoyuan, Hsinchu, Taichung, and Kaohsiung, were operating under our flagship brand.

For FY2023, FY2024 and FY2025, our total revenue was HK$234.0 million, HK$387.1 million and HK$634.3 million, respectively, representing a CAGR of 64.6% over the three years. Our profit for the years amounted to HK$5.7 million, HK$71.7 million and HK$149.0 million for FY2023, FY2024 and FY2025, representing a CAGR of 411.5% over the three years.

BASIS OF PRESENTATION

During the period from 1 January 2023 to 31 March 2024, our business was carried out by Deesse Vivante. For the purpose of this historical financial information, a process has been completed to specifically identify assets, liabilities, revenue, expenses and cash flows of our business for the period from 1 January 2023 to 31 March 2024.

The historical financial information only includes transactions and balances that are attributable to our business. Transactions and balances from 1 January 2023 to 31 March 2024 were attributed to our business based on specific identification except for those set out below, for which they were accounted for using the most relevant bases in the views of the management of our Company:

- Other administrative expenses have been principally allocated based on headcount to the extent a separate group of personnel could be attributed to our business; and

- Income taxes and tax payment were determined based on the assumption that our business carried out by the division of the subsidiaries were separately taxable entities.

In preparation of the **[REDACTED]**, the companies comprising our Group underwent Reorganisation to incorporate the Company as the holding Company of the companies which now comprise our Group to conduct the Business as set out in Note 1 in the Accountants' Report contained in Appendix I to this document, and no adjustments have been made in preparing the financial information and the financial information has been prepared by our Directors based on accounting policies which conform with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been and will continue to be affected by a number of factors, including those set out below:

Economic, political and social conditions and government policies in the Taiwan

All of our revenue is derived from our businesses in Taiwan and all of our assets are located in Taiwan. We anticipate that Taiwan will remain our primary market in the foreseeable future. Accordingly, our financial condition, results of operations and prospects are, to a material extent, subject to economic, political and legal developments in Taiwan. Should there be any adverse change in the GDP and/or consumer spending growth in Taiwan, our results of operations, financial condition and growth prospects may be materially and adversely affected.

The Taiwan economy differs from the economies of developed countries in many respects, including, among other things, the degree of government involvement, control of investment, level of economic development, growth rate, foreign exchange controls and resource allocation. According to Frost & Sullivan, the average annual disposable household income in Taiwan remained stable at HK$288.8 thousand in 2023 to HK$301.6 thousand in 2025. We cannot predict whether changes in the political, economic and social conditions in Taiwan or changes in the laws, regulations and policies promulgated by the Taiwan government will have any adverse effect on our current or future business and financial conditions and results of operations. For example, our financial condition and results of operations may be adversely affected by government policies on the medical aesthetic service industry in Taiwan or changes in tax regulations applicable to us. If the business environment in Taiwan deteriorates, our business in Taiwan may also be materially and adversely affected.

Our brand recognition

Our business is built upon a brand-driven cooperation model under which we cooperate with licensed medical Doctors to establish and operate Clinics under our flagship brand Jing Chi (君綺), whereby we provide comprehensive non-medical operational support. We believe our brand is one of our most valuable competitive assets. In view of the fact that it is critical for us to maintain and enhance our brand-recognition, we invested and will continue to invest in marketing and advertising programmes in different medias such as television, magazines and newspapers. Historically and prior to the Spin-off, marketing and promotional activities were conducted directly by the Clinics. As the Jing Chi brand developed significant market recognition over time, we recognised the strategic importance of enforcing a unified marketing strategy across all Clinics operating under our brand to ensure message and brand consistency, and to exercise stringent control over all brand touchpoints in Taiwan, including clinic ambiance, service protocols, and visual marketing identity. Our total advertising expenditures amounted to nil, HK$24.8 million and HK$69.2 million for FY2023, FY2024 and FY2025, respectively. As our business expands, we expect the advertising expenditures will increase in the future.

Further, we believe that our reputation is heavily built on our quality of products and services. Our reputation and brand recognition may be weakened by, unfavourable media coverage, complaints about our services, misconduct or negligence by staff or third-party providers, injuries or accidents, litigation involving our Group, service failures by suppliers, poor employee service, and outages or failures of our information technology systems. As such, we value our quality control over our services and endeavour to ensure our quality control policies are updated with our customers' preference. Nevertheless, our quality control policies may not be able to eliminate all quality issues or safety risks. Any dissatisfaction with our offerings or publicity surrounding any real or alleged incidents may erode consumer confidence, suppress demand, leading to reduced sales and a material and adverse impact on our business and financial performance. See "Business – Our services" for quality control for our different types of services or products provided.

Performance of the Clinics and gross profit margins

During the Track Record Period, we generated revenue from providing (i) services to Doctors; (ii) services to Members; and (iii) leasing to a related company; whilst among the provision of services to Doctors, we also provided different types of services such as (a) clinic branding and operation services; (b) procurement of medical devices, consumables and pharmaceuticals; and (c) clinic leasing. Since the Spin-off, we introduced the clinic branding and operation services and provision of on-site consumer services, of which the revenue was calculated based on the tiered monthly fee with reference to the Clinic's monthly revenue. Thus, our result of operation is partly dependent on the changes in the performance of the Clinics since then.

Historically, each service renders different range of gross profit margin as they are affected by, including, but not limited to, pricing of each service, the costs used in deriving the respective services, the industry trend, etc. For instance, the gross profit margins of the newly introduced clinic branding and operation services and provision of on-site consumer services attained a relatively higher gross profit margin compared to that from services to members. Consequently, our gross profit margin recorded an increasing trend during the Track Record Period, at 8.4%, 25.7% and 28.3% in FY2023, FY2024 and FY2025, respectively.

For the discussions on changes in our revenue and gross profit generated from each type of service offerings during the Track Record Period, please see "Financial Information – Review of Historical Results of Operation – FY2024 compared to FY2023" and "Financial Information – Review of Historical Results of Operation – FY2025 compared to FY2024".

Major cost of operations

As an integrated medical aesthetic platform operator, our business involves the sales of medical aesthetics products and provision of services to Doctors. During the Track Record Period, majority of our cost of sales and services were (i) cost of inventories sold; (ii) employee benefit expenses; and (iii) depreciation of right-of-use assets and property and equipment, which collectively represented 89.7%, 82.3% and 77.2% of our cost of sales and services for FY2023, FY2024 and FY2025, respectively. The costs of these elements are a key driver of our pricing, as well as other factors such as customers' preference or popularity of our products and services. During the Track Record Period, our pricing for direct sales of medical aesthetic products and rental income from medical equipment and clinic leasing has consistently followed a cost-plus model with mark-ups whilst pricing for our services is generally calculated monthly based on a tiered structure applied to each Clinic's revenue for that month. See "Business – Our services" for pricing policies for our different types of services or products provided. If costs of sales and services increase and we are unable to pass on such increases to our customer through adjustment of the selling prices of our products in a timely manner, our business, financial condition and results of operations may be materially or adversely affected. If price inflation outpaces our ability to reprice, our business and financial results could be materially and adversely affected. On the other hand, an increase in pricing may render our offerings less competitive, which could dampen customer demand.

Sensitivity analysis

For illustration purpose, we set out below a sensitivity analysis of our profit or loss before taxation with reference to the fluctuation on (i) cost of inventories sold; (ii) employee benefit expenses; and (iii) depreciation of right-of-use assets and property and equipment of our total cost of sales and services during the Track Record Period. The following table hypothesizes the impact of increase or decrease in these costs of our cost of sales and services on our profit before income tax, while all other factors remain unchanged:

(i) Cost of inventories sold

	FY2023		**FY2024**		**FY2025**	
	HK$'000		*HK$'000*		*HK$'000*	
(Decrease)/increase in profit before income tax						
Hypothetical increase/(decrease) of 5%	(5,167)	5,167	(4,864)	4,864	(8,076)	8,076
Hypothetical increase/(decrease) of 10%	(10,333)	10,333	(9,728)	9,728	(16,152)	16,152
Hypothetical increase/(decrease) of 15%	(15,500)	15,500	(14,592)	14,592	(24,228)	24,228

(ii) Employee benefit expenses

	FY2023		FY2024		FY2025	
	HK$'000		*HK$'000*		*HK$'000*	
(Decrease)/increase in profit before income tax						
Hypothetical increase/(decrease) of 5%	(2,514)	2,514	(4,945)	4,945	(7,028)	7,028
Hypothetical increase/(decrease) of 10%	(5,028)	5,028	(9,891)	9,891	(14,055)	14,055
Hypothetical increase/(decrease) of 15%	(7,542)	7,542	(14,836)	14,836	(21,083)	21,083

(iii) Depreciation of right-of-use assets and property and equipment

	FY2023		FY2024		FY2025	
	HK$'000		*HK$'000*		*HK$'000*	
(Decrease)/increase in profit before income tax						
Hypothetical increase/ (decrease) of 5%	(1,933)	1,933	(2,034)	2,034	(2,470)	2,470
Hypothetical increase/ (decrease) of 10%	(3,865)	3,865	(4,067)	4,067	(4,939)	4,939
Hypothetical increase/(decrease) of 15%	(5,798)	5,798	(6,101)	6,101	(7,409)	7,409

Seasonality

Our business exhibits a moderate level of seasonality. While there is no pronounced cyclical or seasonal variation in the medical aesthetics industry overall, our operational and financial performance is influenced by peak consumption periods tied to holidays and promotional events. Specifically, from June 2024, revenue of the Clinics, which is directly co-related to our revenue performance, tends to increase significantly during the Mother's Day period in May and from October, up to the Lunar New Year due to the festive sentiment of the market. These periods represent consistent high-demand seasons for medical aesthetic consumption.

MATERIAL ACCOUNTING POLICIES AND CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

We have identified certain accounting policies that are significant to the preparation of our Group's financial statements. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. In each case, the determination of these items requires management judgments based on information and financial data that may change in future periods. When reviewing our financial statements, you should consider (i) our selection of critical accounting policies; (ii) the judgments and other uncertainties affecting the application of such policies; and (iii) the sensitivity of reported results to changes in conditions and assumptions. Our material accounting policies, estimates and judgements, are set out in the notes 3 and 4 in "Appendix I-Accountants' Report".

RESULTS OF OPERATIONS

The following table summarises the combined statements of profit or loss and other comprehensive income from our Group's financial statements during the Track Record Period, details of which are set out in the Accountants' Reports in Appendix I to this document.

	FY2023		FY2024		FY2025	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Revenue	234,005	100.0	387,106	100.0	634,285	100.0
Cost of sales and services	(214,273)	(91.6)	(287,661)	(74.3)	(455,020)	(71.7)
Gross profit	19,732	8.4	99,445	25.7	179,265	28.3
Other income	31	0.0	74	0.0	166	0.0
Other gains and losses	538	0.2	995	0.3	1,867	0.3
Administrative expenses	(7,867)	(3.4)	(15,541)	(4.0)	(21,153)	(3.3)
Other operating expenses	(3,510)	(1.5)	(2,771)	(0.7)	(10,890)	(1.7)
Reversal of impairment loss under expected credit loss ("**ECL**") model	21	*	13	*	–	–
Share of results of an associate	–	–	(2,880)	(0.7)	(4,737)	(0.7)
Gain on deemed disposals or disposal of partial interest in an associate, net	–	–	10,600	2.7	10,045	1.6
Gain on distribution in specie of shares in an associate	–	–	–	–	28,304	4.5
Finance costs	(1,827)	(0.7)	(1,600)	(0.5)	(2,240)	(0.5)
Profit before income tax	7,118	3.0	88,335	22.8	180,627	28.5
Income tax expense	(1,421)	(0.6)	(16,607)	(4.3)	(31,587)	(5.0)
Profit for the year	**5,697**	**2.4**	**71,728**	**18.5**	**149,040**	**23.5**

* *refers to a figure that is less than 0.1.*

DESCRIPTION OF SELECTED ITEMS IN COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Revenue

During the Track Record Period, our revenue was mainly derived from the provision of (i) a variety of services to the Doctors; (ii) beauty services such as facials and spa treatments to our Members; and (iii) leasing and sub-leasing activities. The following table sets forth the breakdown of our revenue by service offerings for the periods indicated:

	FY2023		**FY2024**		**FY2025**	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Services to Doctors						
– Clinic branding and operation services						
• Provision of brand management services	–	–	63,491	16.4	134,692	21.2
• Trademark license fee	–	–	3,969	1.0	7,667	1.2
• Provision of on-site consumer services and administrative management services	14,836	6.3	118,460	30.6	199,907	31.5
	14,836	**6.3**	**185,920**	**48.0**	**342,266**	**53.9**
– Procurement of medical devices, consumables and pharmaceuticals						
• Sales of medical aesthetics products	151,010	64.5	129,974	33.6	213,651	33.7
• Fixed rental income from medical equipment	12,808	5.5	14,820	3.8	13,988	2.2
• Provision of equipment maintenance services	4,304	1.9	4,111	1.1	6,529	1.0
	168,122	**71.9**	**148,905**	**38.5**	**234,168**	**36.9**
– Clinic leasing	**20,320**	**8.7**	**24,232**	**6.3**	**26,543**	**4.2**
Subtotal for services to Doctors	**203,278**	**86.9**	**359,057**	**92.8**	**602,977**	**95.0**

	FY2023		FY2024		FY2025	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Services to Members						
– Provision of beauty treatment services to individuals	**30,727**	**13.1**	**14,675**	**3.8**	**2,355**	**0.4**
Others	**–**	**–**	**13,374**	**3.4**	**28,953**	**4.6**
	234,005	**100.0**	**387,106**	**100.0**	**634,285**	**100.0**

(A) Services to Doctors

During the Track record Period, we primarily provide services to Doctors under our medical aesthetic platform, including (i) clinic branding and operating services; (ii) procurement of medical devices, consumables and pharmaceuticals; and (iii) clinic leasing. For each year of the Track Record Period, revenue derived from services provided to Doctors amounted to HK$203.3 million, HK$359.1 million and HK$603.0 million respectively, representing 86.9%, 92.8% and 95.0% of our total revenue for the respective years.

(i) Clinic branding and operation services

Our clinic branding and operation services included (i) provision of brand management services; (ii) provision of on-site consumer services and administrative management services; and (iii) trademark licensing. For each year of the Track Record Period, revenue derived from such services amounted to HK$14.8 million, HK$185.9 million and HK$342.3 million respectively, representing 6.3%, 48.0% and 53.9% of our total revenue for the respective years.

– Provision of brand management services

Historically and prior to the Spin-off, marketing and promotional activities were conducted directly by the Doctors. From June 2024 onwards, our operational model transitioned to its current structure whereby Doctors formally delegate brand marketing and management activities to our Group pursuant to the Service Framework Agreements. We have managed all vendor engagements related to brand marketing for the Clinics since then. For each year of the Track Record Period, revenue derived from provision of brand management services amounted to nil, HK$63.5 million and HK$134.7 million respectively, representing nil, 16.4% and 21.2% of our total revenue for the respective years. Fees are calculated monthly based on a tiered structure applied to each Clinic's revenue for that month, as stipulated in the Service Framework Agreement. Therefore, our revenue derived from provision of brand management services is susceptible to the number of Clinics in operations each period, as well as the revenue generated by the Clinics. The increase from FY2024 to FY2025 was generally due to (i) the full year of revenue derived from such services in FY2025 compared to seven months of revenue derived from such services in FY2024 following the Spin-off; (ii) the increase in tiered income from Clinics resulting from the increase in revenue generated by the Clinics; and (iii) increase in the number of Clinics under operations.

– Provision of on-site consumer services and administrative management services

We provide comprehensive on-site consumer services and administrative management services to the Doctors. For each year of the Track Record Period, revenue derived from provision of such services amounted to HK$14.8 million, HK$118.5 million and HK$199.9 million respectively, representing 6.3%, 30.6% and 31.5% of our total revenue for the respective years. Our on-site consumer service fee is charged to Doctors on a monthly basis, and is calculated using a tiered pricing structure linked to each Clinic's monthly revenue. The applicable fee tiers are specified in a pricing table in our Service Framework Agreement with each Clinic. Our administrative management fee is charged to each Clinic on a monthly fixed-fee basis, as specified in the Service Framework Agreement. Therefore, our revenue derived from provision of onsite consumer services and administrative management services is susceptible to the number of Clinics in operations each period, as well as the revenue generated by the Clinics. The increase from FY2024 to FY2025 was generally due to (i) the full year of revenue derived from on-site consumer services in FY2025 compared to seven months of revenue derived from such services in FY2024 following the Spin-off; (ii) the increase in tiered income from Clinics resulting from the increase in revenue generated by the Clinics; and (iii) increase in the number of Clinics under operations.

– Trademark licence fee

Similar to the provision of brand management services, we commenced providing trademark licencing activities since the Spin-off. For each year of the Track Record Period, revenue derived from trademark licence fees amounted to nil, HK$4.0 million and HK$7.7 million respectively, representing nil, 1.0% and 1.2% of our total revenue for the respective years. A fixed monthly royalty is charged to Clinics for the right to operate under our licensed brands. Therefore, our revenue derived from trademark licence fees is susceptible to the number of Clinics in operations each period. The increase from FY2024 to FY2025 was generally due to (i) the full year of revenue derived from such services in FY2025 compared to seven months of revenue derived from such services in FY2024 following the Spin-off; and (ii) increase in the number of Clinics under operations.

(ii) Procurement of medical devices, consumables and pharmaceuticals

Our procurement of medical devices, consumables and pharmaceuticals included (i) sales of medical aesthetics products; (ii) fixed rental income from medical equipment; and (iii) provision of equipment maintenance services. For each year of the Track Record Period, revenue derived from such services amounted to HK$168.1 million, HK$148.9 million and HK$234.2 million respectively, representing 71.9%, 38.5% and 36.9% of our total revenue for the respective years.

– Sales of medical aesthetic products

During the Track Record Period, our sales of medical aesthetic products included medical consumables and pharmaceuticals. Our supplied consumables and pharmaceuticals mainly encompass (i) injectable products, such as dermal fillers, botulinum toxin, and other micro-introduction agents; and (ii) device-specific components, such as treatment tips and probes for ultrasound and radiofrequency devices. For each year of the Track Record Period, revenue derived from sales of medical aesthetic products amounted to HK$151.0 million, HK$130.0 million and HK$213.7 million respectively, representing 64.5%, 33.6% and 33.7% of our total revenue for the respective years.

During the Track Record Period, our pricing for direct sales of medical consumables and pharmaceuticals has consistently followed a cost-plus model, depending on the product category. During the Track Record Period, our selling prices of medical consumables and pharmaceuticals ranged from approximately HK$50 to HK$98,000 per unit.

– Fixed rental income from medical equipment

During the Track Record Period, we provide leasing solutions for medical equipment. The lease period for medical equipment is one year and renewal is subject to mutual approval from both the lessee and us. For each year of the Track Record Period, revenue derived from such services amounted to HK$12.8 million, HK$14.8 million and HK$14.0 million respectively, representing 5.5%, 3.8% and 2.2% of our total revenue for the respective years. The term of use of our medical equipment are generally three years, and we will charge a lower fee per month after the end of the designated term of use.

– Provision of equipment maintenance services

During the Track Record Period, we also provide maintenance services to the medical equipment. For each year of the Track Record Period, revenue derived from such services amounted to HK$4.3 million, HK$4.1 million and HK$6.5 million respectively, representing 1.9%, 1.1% and 1.0% of our total revenue for the respective years.

(iii) Clinic leasing

During the Track Record Period, we provide clinic leasing to the Doctors. We charge each Clinic a monthly rental fee for the leased premises throughout the lease term, at a rate stipulated in our Service Framework Agreement with each Doctor. Thus, our revenue from clinic leasing are generally susceptible to the number of Clinics under leasing arrangement with us each year as well as the rental expenses with landlord. For each year of the Track Record Period, revenue derived from such services amounted to HK$20.3 million, HK$24.2 million and HK$26.5 million respectively, representing 8.7%, 6.3% and 4.2% of our total revenue for the respective years. The total number of Clinics under clinic leasing arrangement were 13, 13 and 16 as at 31 December 2023, 2024 and 2025, respectively.

(B) Services to Members

During the Track record Period, we had also provided beauty services such as facials and spa treatments to our Members, and charged these Members directly for such services. For each year of the Track Record Period, revenue derived from services provided to Members amounted to HK$30.7 million, HK$14.7 million and HK$2.4 million respectively, representing 13.1%, 3.8% and 0.4% of our total revenue for the respective years. As we strategically streamlined our business model to focus primarily on our core platform services to Clinics, we had gradually decreased such direct services to Members and ceased to provide such services since October 2025.

(C) Others

During the Track record Period, we had sub-lease designated retail spaces to Deesse Vivante for sales of its skincare and health supplement products to Members, and sub-lease office space to Deesse Vivante for office use. The variable portion of the rental income of retail space was charged based on a certain percentage of the monthly revenue derived from the sales of products, whilst the fixed portion of rental income of office space was charged at cost. For each year of the Track Record Period, we generated variable or fixed rental income from premises leased to a related company, which amounted to nil, HK$13.4 million and HK$29.0 million respectively, representing nil, 3.5% and 4.6% of our total revenue for the respective years.

Cost of sales and services

During the Track Record Period, our cost of sales and services mainly represented (i) costs of inventories sold which represented the cost of medical aesthetics products; (ii) employee benefits expenses, including salaries, allowances and other benefits and retirement benefit expenses; (iii) advertising expenses; (iv) depreciation, mainly for leasehold equipment and medical equipment, and right-of-use assets for Clinics; (v) others. The following table sets forth the breakdown of our cost of sales and services for the periods indicated:

	FY2023		**FY2024**		**FY2025**	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Costs of inventories sold	103,332	48.2	97,281	33.8	161,520	35.5
Employee benefit expenses	50,282	23.5	98,906	34.4	140,553	30.9
Advertising expenses	–	–	24,838	8.6	69,234	15.2
Depreciation of right-of-use assets and property and equipment	38,650	18.0	40,671	14.1	49,394	10.9
Others*(Note)*	22,009	10.3	25,965	9.1	34,319	7.5
Total	**214,273**	**100.0**	**287,661**	**100.0**	**455,020**	**100.0**

Note: Others mainly included costs of maintenance and utility expenses.

Our cost of sales and services amounted to HK$214.3 million, HK$287.7 million and HK$455.0 million for FY2023, FY2024 and FY2025, respectively.

Gross profit and gross profit margin

Our gross profit represented revenue less cost of sales and services during the Track Record Period. Our gross profit amounted to HK$19.7 million, HK$99.4 million and HK$179.3 million for FY2023, FY2024 and FY2025, respectively, while the gross profit margin was 8.4%, 25.7% and 28.3% in the respective year. The following table sets forth the breakdown of our gross profit and gross profit margin by products for the year indicated:

	FY2023		**FY2024**		**FY2025**	
	Gross profit	**Gross profit margin**	**Gross profit**	**Gross profit margin**	**Gross profit**	**Gross profit margin**
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Services to Doctors						
– Clinic branding and operation services						
• Provision of brand management services	–	–	24,890	39.2	41,850	31.1
• Trademark license fee	–	–	3,969	100.0	7,667	100.0
• Provision of on-site consumer services and administrative management services	4,363	29.4	36,081	30.5	51,517	25.8
	4,363	**29.4**	**64,940**	**34.9**	**101,034**	**29.5**
– Procurement of medical devices, consumables and pharmaceuticals						
• Sales of medical aesthetics products	47,679	31.6	32,695	25.2	52,122	24.4
• Fixed rental income from medical equipment	4,081	31.9	6,387	43.1	3,502	25.0
• Provision of equipment maintenance services	717	16.7	324	7.9	1,083	16.6
	52,477	**31.2**	**39,406**	**26.5**	**56,707**	**24.2**
– Clinic leasing	**5,882**	**28.9**	**6,520**	**26.9**	**2,232**	**8.4**
Subtotal for services to Doctors	**62,722**	**30.9**	**110,866**	**30.9**	**159,973**	**26.5**

	FY2023		FY2024		FY2025	
	Gross profit (loss)	**Gross profit (loss) margin**	**Gross profit (loss)**	**Gross profit (loss) margin**	**Gross profit**	**Gross profit (loss) margin**
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Services to Members						
– Provision of beauty treatment services to individuals	**(42,990)**	**(139.9)**	**(24,454)**	**(166.6)**	**(8,072)**	**(342.8)**
Others	**–**	**–**	**13,033**	**97.5**	**27,364**	**94.5**
	19,732	**8.4**	**99,445**	**25.7**	**179,265**	**28.3**

Our gross profit margin increased from FY2023 to FY2024, primarily due to the increase in services to Doctors which attained relatively higher gross profit margins. Despite the decrease in gross profit margin attained from services to Doctors in FY2025, our gross profit margin increased from FY2024 to FY2025 mainly due to (i) increase in gross profit contribution from services to Doctors, which attained a relatively higher gross profit margin compared to that of services to Members; and (ii) decrease in services to members which attained gross loss during the Track Record Period.

Other income

Other income mainly represented bank interest income arising from bank balances. The following sets forth the breakdown of our other income for the period indicated:

	FY2023	**FY2024**	**FY2025**
	HK$'000	*HK$'000*	*HK$'000*
Bank interest income	31	74	166

Our other income amounted to HK$31 thousand, HK$74 thousand and HK$166 thousand for FY2023, FY2024 and FY2025, respectively.

Other gains and losses

Other gains and losses mainly represented (i) gain on disposal of property, plant and equipment; (ii) gain from changes in fair value of financial assets at fair value through profit or loss ("**FVTPL**"); (iii) gain on lease modification; (iv) loss on early termination of a lease; and (v) net foreign exchange losses. We had other gains of HK$0.5 million, HK$1.0 million and HK$1.9 million for FY2023, FY2024 and FY2025, respectively. The following sets forth the breakdown of our other gains and losses for the period indicated:

	FY2023	**FY2024**	**FY2025**
	HK$'000	*HK$'000*	*HK$'000*
Gain on disposal of property, plant and equipment	13	67	1,491
Gain from changes in fair value of financial assets as at FVTPL	–	9	300
Gain on lease modification	710	683	–
Loss on early termination of a lease	(271)	–	–
Net foreign exchange losses	–	(1)	(31)
Others	86	237	107
	538	**995**	**1,867**

Administrative expenses

Our administrative expenses primarily comprised (i) depreciation for our office and warehouse; (ii) employee benefit expenses to our administrative and support staff as well as Directors' and key management personnel's remuneration; (iii) office expenses such as stationery, communication, utilities and repair and maintenance costs; (iv) professional service fees mainly for business advisory service; (v) travelling and entertainment expenses; (vi) rental expenses for short-term leases; and (vii) others.

The following table sets forth a breakdown of our administrative expenses for the periods indicated:

	FY2023		**FY2024**		**FY2025**	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Depreciation of right-of-use assets and property and equipment	2,215	28.2	2,559	16.5	8,400	39.7
Employee benefit expenses	2,806	35.7	3,962	25.5	4,896	23.2
Office expenses	681	8.7	1,428	9.2	1,947	9.2
Professional service fees	1,325	16.8	919	5.9	1,881	8.9
Travelling and entertainment expenses	554	7.0	557	3.6	1,463	6.9
Rental expenses	59	0.7	4,600	29.6	78	0.4
Others	227	2.9	1,516	9.7	2,488	11.7
Total	**7,867**	**100.0**	**15,541**	**100.0**	**21,153**	**100.0**

Our administrative expenses amounted to HK$7.9 million, HK$15.5 million and HK$21.2 million for FY2023, FY2024 and FY2025, respectively, representing 3.4%, 4.0% and 3.3% of our total revenue during the respective year.

Other operating expenses

Our other operating expenses primarily comprised (i) share-based payment; (ii) depreciation for customer service centre and premise of marketing department; (iii) office expenses, mainly including management fee, utilities expenses and communication expenses; (iv) travelling and entertainment expenses; (v) professional service fees mainly for marketing research; (vi) employee benefit expenses for marketing function; and (vii) others.

The following table sets forth a breakdown of our other operating expenses for the periods indicated:

	FY2023		**FY2024**		**FY2025**	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Share-based payment	–	–	–	–	4,432	40.7
Depreciation of right-of-use assets	1,170	33.3	956	34.5	2,747	25.2
[REDACTED] expenses	–	–	–	–	1,256	11.5
Office expenses	360	10.3	908	32.8	1,227	11.3
Travelling and entertainment expenses	456	13.0	323	11.7	558	5.1
Professional service fees	1,065	30.3	297	10.7	134	1.2
Employee benefit expenses	237	6.8	98	3.5	51	0.5
Others	222	6.3	189	6.8	485	4.5
Total	**3,510**	**100.0**	**2,771**	**100.0**	**10,890**	**100.0**

Our other operating expenses amounted to HK$3.5 million, HK$2.8 million and HK$10.9 million for FY2023, FY2024 and FY2025, respectively, representing 1.5%, 0.7% and 1.7% of our total revenue during the respective year.

Share of results of an associate

On 1 April 2024, JC Taiwan acquired 18.39% of unlisted equity interest of UnicoCell from Deesse Vivante without any cash consideration. The fair value of 18.39% of equity interest of UnicoCell was approximately NT$642,395,000 (equivalent to approximately HK$156,111,000), which was based on the valuation derived by an independent valuer as at 1 April 2024. Upon the completion of the transaction, JC Taiwan is able to exercise significant influence over UnicoCell as JC Taiwan has appointed one director in the board of director of UnicoCell, it is therefore accounted for as an associate of our Group as at 31 December 2024. For details, see note 17 of the Accountants' Report contained as Appendix I to this document.

We did not share any results of an associate in FY2023. We shared loss of an associate of HK$2.9 million and HK$4.7 million in FY2024 and FY2025, respectively.

Gain on deemed disposals or disposal of partial interest in an associate

We had gain on deemed disposals or disposal of partial interest in an associate of nil, HK$10.6 million and HK$10.0 million in FY2023, FY2024 and FY2025, respectively.

In FY2024, JC Taiwan's equity interest in UnicoCell decreased from 18.39% to 16.95% because UnicoCell issued additional ordinary shares for cash proceed. Thus, gain on deemed disposals or disposal of partial interest in UnicoCell of HK$10.6 million has been recognised in profit or loss.

In FY2025, JC Taiwan's equity interest in UnicoCell further decreased from 16.95% to 15.56% because UnicoCell issued additional ordinary shares for cash proceed. Thus, gain of deemed disposals or disposal of partial interest in UnicoCell of HK$10.0 million has been recognised in profit or loss.

Gain on distribution in specie of shares in an associate

As part of the Reorganisation, JC Taiwan distributed in specie of its entire equity interest in UnicoCell to its shareholders through Chi Teng in November 2025. The fair value of 15.56% of the equity interest of UnicoCell is based on the quoted market price available on Taiwan Stock Exchange as at 30 November 2025 (i.e. date of Disposal) is recognised as distribution to shareholders of JC Taiwan and debited to the capital reserves. The difference to its carrying amount at the date of Disposal amounting to HK$28.3 million is recognised in the profit or loss as gain on distribution in specie of shares in an associate from the disposal.

Finance costs

Our finance costs represented interest on (i) lease liabilities; and (ii) provision for reinstatement costs. The following sets forth the breakdown of our finance costs for the period indicated:

	FY2023	**FY2024**	**FY2025**
	HK$'000	*HK$'000*	*HK$'000*
Interest on lease liabilities	1,730	1,508	2,119
Interest on provision for reinstatement costs	97	92	121
	1,827	1,600	2,240

Our finance costs amounted to HK$1.8 million, HK$1.6 million and HK$2.2 million for FY2023, FY2024 and FY2025, respectively.

Income tax expense

Our Group is not subject to any income tax in the Cayman Islands pursuant to the rules and regulations in the jurisdiction.

Taiwan CIT is calculated at 20% on the estimated assessable profit for the Track Record Period.

Our income tax expense amounted to HK$1.4 million, HK$16.6 million and HK$31.6 million for FY2023, FY2024 and FY2025, respectively; while our effective tax rate was 20.0%, 18.8% and 17.5% for the respective year.

During the Track Record Period and up to the Latest Practicable Date, we had fulfilled all our income tax obligations and have not had any unresolved income tax issues or disputes with the relevant tax authorities.

REVIEW OF HISTORICAL RESULTS OF OPERATION

FY2024 compared to FY2023

Revenue

Our revenue increased by HK$153.1 million or 65.4% from HK$234.0 million for FY2023 to HK$387.1 million for FY2024. The increase was primarily due to the increase in revenue driven by the increase in revenue from (i) services from Doctors of HK$155.8 million; and (ii) others of HK$13.4 million, partially offset by the decrease in revenue from services to Members of HK$16.1 million.

Services to Doctors

Our revenue from services to Doctors increased by HK$155.8 million or 76.6% from HK$203.3 million in FY2023 to HK$359.1 million in FY2024, primarily due to the increase in (i) clinic branding and operation services of HK$171.1 million; and (ii) clinic leasing of HK$3.9 million; partially offset by the decrease in procurement of medical devices, consumables and pharmaceuticals of HK$19.3 million.

(i) Clinic branding and operation services

Our revenue from clinic branding and operation services increased by HK$171.1 million or 1,153.2% from HK$14.8 million in FY2023 to HK$185.9 million in FY2024, primarily due to the increase in revenue from (i) provision of on-site consumer services and administrative management services of HK$103.6 million; (ii) provision of brand management services of HK$63.5 million; and (iii) trademark licence fee of HK$4.0 million in FY2024, after the Spin-off. See "Business – Our services – (A) Services to Doctors" for details.

(ii) Procurement of medical devices, consumables and pharmaceuticals

Our revenue from procurement of medical devices, consumables and pharmaceuticals decreased by HK$19.2 million or 11.4% from HK$168.1 million in FY2023 to HK$148.9 million in FY2024, primarily due to the decrease in sales of medical aesthetics products of HK$21.0 million resulting from the decrease in (i) sales volume of medical consumables which we believe was driven by the decrease in demand from Clinics after the strategic stock replenishment for the Clinics in FY2023; and (ii) selling price of our medical consumables and pharmaceuticals after price adjustment following the market trend. The decrease in revenue from procurement of medical consumables and pharmaceuticals was partially offset by the increase in fixed rental income from medical equipment of HK$2.0 million resulting from the increase in number of equipment leased to the Clinics.

(iii) Clinic leasing

Our revenue from clinic leasing increased by HK$3.9 million or 19.3% from HK$20.3 million in FY2023 to HK$24.2 million in FY2024, primarily due to the increase in the number of months of clinic leasing for certain existing clinics Clinics from FY2023 to FY2024 as well as the increase in monthly rental from certain clinics since late 2023.

Services to Members

Our revenue from services to Member decreased by HK$16.1 million or 52.2% from HK$30.7 million in FY2023 to HK$14.7 million in FY2024, because we strategically streamlined our business model to focus primarily on our core platform services to Clinics since June 2024.

Others

Our revenue from others increased by HK$13.4 million from nil in FY2023 to HK$13.4 million in FY2024, primarily due to the rental of premises to Deesse Vivante, a related company since the Spin-off in FY2024.

Cost of sales and services

Our cost of sales and services increased by HK$73.4 million or 34.2% from HK$214.3 million for FY2023 to HK$287.7 million for FY2024, primarily due to the increase in (i) employee benefit expenses of HK$48.6 million mainly attributable to the increase in headcounts following our expansion of business with the increase in types of services offered to Doctors; and (ii) advertising expenses of HK$24.8 million because historically and prior to the Spin-off, marketing and promotional activities were conducted directly by the Doctors and we incurred advertising expenses since June 2024.

Gross profit and gross profit margin

Our gross profit increased by HK$79.7 million or 404.0% from HK$19.7 million for FY2023 to HK$99.4 million for FY2024. Such increase in gross profit was mainly contributed by the increase in revenue. Our gross profit margin increased from 8.4% in FY2023 to 25.7% in FY2024, primarily due to increase in types of services to Doctors, which attained relatively higher gross profit margin in FY2024.

(A) Services to Doctors

Our gross profit from services to Doctors increased by HK$48.1 million or 76.8% from HK$62.7 million in FY2023 to HK$110.9 million in FY2024, primarily due to the increase in revenue from clinic branding and operation services. Our gross profit margin remained relative stable at 30.9% in both FY2023 and FY2024.

(i) Clinic branding and operation services

Our gross profit from clinic branding and operation services increased by HK$60.6 million or 1,388.4% from HK$4.4 million in FY2023 to HK$64.9 million in FY2024, primarily due to the (i) provision of brand management services which we commenced offering in FY2024; and (ii) increase in gross profit from provision of on-site consumer services and administrative management services, resulting from the increase in such services in FY2024 after the Spin-off.

Our gross profit margin increased from 29.4% in FY2023 to 34.9% in FY2024, primarily due to the contribution from (i) the provision of brand management services, which attained gross profit margin of 39.2% in FY2024; and (ii) trademark licence fee which attained gross profit margin of 100% as there is no directly attributable costs to it.

(ii) Procurement of medical devices, consumables and pharmaceuticals

Our gross profit from procurement of medical devices, consumables and pharmaceuticals decreased by HK$13.1 million or 24.9% from HK$52.5 million in FY2023 to HK$39.4 million in FY2024, primarily due to the decrease in revenue from the sales of medical aesthetic products. Our gross profit margin from procurement of medical devices, consumables and pharmaceuticals decreased from 31.2% in FY2023 to 26.5% in FY2024 primarily due to the decrease in gross profit margin from sales of medical aesthetics products mainly attributable to the decrease in selling price following the market trend.

(B) Services to Members

We had gross loss generated from services to Members. Our gross loss decreased from HK$43.0 million in FY2023 to HK$24.5 million in FY2024, primarily due to the decrease in revenue as abovementioned. We had gross loss margin of 139.9% and 166.6% in FY2023 and FY2024, respectively.

(C) Others

We did not have rental income from Deesse Vivante in FY2023. In FY2024, our gross profit of rental income from premises to a related party amounted to HK$13.0 million and attained a gross profit margin of 97.5%.

Other income

Our other income increased by HK$43 thousand or 138.7% from HK$31 thousand for FY2023 to HK$74 thousand for FY2024, primarily due to the increase in bank interest income of HK$43 thousand resulting from increase in bank balances during the year.

Other gains and losses

Our other gains increased by approximately HK$0.5 million or 84.9% from approximately HK$0.5 million for FY2023 to HK$1.0 million for FY2024. The increase was mainly attributable to the decrease in loss on early termination of a lease of HK$0.3 million because no early termination was incurred in FY2024.

Administrative expenses

Our administrative expenses increased by HK$7.7 million and 97.5% from HK$7.9 million for FY2023 to HK$15.5 million for FY2024. The increase in administrative expenses was primarily attributable to the increase in (i) rental expenses of HK$4.5 million because we had a short-term lease arrangement with ANKH Beauty Co., Ltd. of an office premise from May to November 2024. Such arrangement was ceased in November 2024 as JC Taiwan entered into the lease arrangement with ANKH Beauty Co., Ltd., and the landlord for leasing of such office; and (ii) employee benefit expenses of HK$1.2 million resulting from the increase in scale of operations after the Spin-off.

Other operating expenses

Our other operating expenses decreased by HK$0.7 million or 21.1% from HK$3.5 million for FY2023 to HK$2.8 million for FY2024. The decrease was attributable to the decrease in professional service fees of HK$0.8 million because we conducted an one-off marketing research in FY2023.

Finance costs

Our finance costs decreased by HK$0.2 million or 12.4% from HK$1.8 million for FY2023 and HK$1.6 million for FY2024. The decrease was mainly attributable to the decrease in interest on lease liabilities of HK$0.2 million.

Income tax expense

Our income tax expense increased by HK$15.2 million or 1,068.7% from HK$1.4 million for FY2023 to HK$16.6 million for FY2024 mainly resulting from the increase in profit before tax.

Profit for the year

As a result of the foregoing, our profit for the year increased by HK$66.0 million or 1,159.0% from HK$5.7 million for FY2023 to HK$71.7 million for FY2024 mainly resulting from the increase in our revenue. Our net profit margin increased from 2.4% for FY2023 to 18.5% for FY2024, mainly resulting from the increase in gross profit margin mentioned previously.

FY2025 compared to FY2024

Revenue

Our revenue increased by HK$247.2 million or 63.9% from HK$387.1 million for FY2024 to HK$634.3 million for FY2025. The increase was primarily due to the increase in revenue driven by the increase in revenue from (i) services from Doctors of HK$243.9 million; and (ii) others of HK$15.6 million, partially offset by the decrease in revenue from services to Members of HK$12.3 million.

Services to Doctors

Our revenue from services to Doctors increased by HK$243.9 million or 67.9% from HK$359.1 million in FY2024 to HK$603.0 million in FY2025, primarily due to the increase in (i) clinic branding and operation services of HK$156.3 million; (ii) procurement of medical device, consumables and pharmaceuticals of HK$85.3 million; and (iii) clinic leasing of HK$2.3 million.

(i) Clinic branding and operation services

Our revenue from clinic branding and operation services increased by HK$156.3 million or 84.1% from HK$185.9 million in FY2024 to HK$342.3 million in FY2025, primarily due to the increase in revenue from (i) provision of on-site consumer services and administrative management services of HK$81.4 million; (ii) provision of brand management services of HK$71.2 million; and (iii) trademark licence fee of HK$3.7 million in FY2025, because we generated full year of revenue from such services in FY2025, compared to seven months of revenue generated in FY2024 after the Spin-off which we commenced the provision of such services. The increase in revenue from clinic branding and operation services was also attributable to the increase in number of Clinics in FY2025 compared to that in FY2024.

(ii) Procurement of medical devices, consumables and pharmaceuticals

Our revenue from procurement of medical devices, consumables and pharmaceuticals increased by HK$85.3 million from HK$148.9 million in FY2024 to HK$234.2 million in FY2025, primarily due to the increase in sales of medical aesthetics products of HK$83.7 million resulting from the increase in sales volume of medical consumables and pharmaceuticals as we introduced new products such as botulinum toxin in FY2025.

(iii) Clinic leasing

Our revenue from clinic leasing increased by HK$2.3 million from HK$24.2 million in FY2024 to HK$26.5 million in FY2025, primarily due to the increase in the number of Clinics under clinic leasing arrangement from FY2024 to FY2025.

Services to Members

Our revenue from services to Member decreased by HK$12.3 million or 84.0% from HK$14.7 million in FY2024 to HK$2.4 million in FY2025, because streamlined our business model to focus primarily on our core platform services to Clinics since June 2024 and ceased to provide such services since October 2025.

Others

Our revenue from others increased by HK$15.6 million or 116.5% from HK$13.4 million in FY2024 to HK$29.0 million in FY2025, primarily due to the full year of rental income generated from a related company in FY2025, compared to nine months of rental income generated from it since the Spin-off in FY2024.

Cost of sales and services

Our cost of sales and services increased by HK$167.4 million or 58.2% from HK$287.7 million for FY2024 to HK$455.0 million for FY2025, primarily due to the increase in (i) costs of inventories sold of HK$64.2 million because of the increase in sales volume; (ii) total advertising expenses of HK$44.4 million in the full year of FY2025, comparing to seven months of FY2024; and (iii) employee benefit expenses of HK$41.6 million mainly attributable to the increase in headcounts following our expansion of business because of the increase in the number of Clinics we provide services to.

Gross profit and gross profit margin

Our gross profit increased by HK$79.8 million or 80.3% from HK$99.4 million for FY2024 to HK$179.3 million for FY2025. Such increase in gross profit was mainly contributed by the increase in revenue. Our gross profit margin increased from 25.7% in FY2024 to 28.3% in FY2025, primarily due to the (i) increase in gross profit contribution from services to Doctors, which attained a relatively higher gross profit margin compared to that of services to Members; and (ii) decrease in services to members which attained gross loss during the Track Record Period.

(A) Services to Doctors

Our gross profit from services to Doctors increased by HK$49.1 million or 44.3% from HK$110.9 million in FY2024 to HK$160.0 million in FY2025, primarily due to the increase in revenue from clinic branding and operation services. Our gross profit margin decreased from 30.9% in FY2024 to 26.5% in FY2025, primarily due to the decrease in gross profit margin from provision of clinic branding and operation services and procurement of medical devices, consumables and pharmaceuticals.

(i) Clinic branding and operation services

Our gross profit from clinic branding and operation services increased from HK$64.9 million in FY2024 to HK$101.0 million in FY2025, primarily due to the increase in gross profit from provision of brand management services as well as the provision of on-site consumer services and administrative management services because we recorded revenue for the full year in FY2025 from these services compared to seven months of revenue derived from these services in FY2024 following the Spin-off. Our gross profit margin decreased from 34.9% in FY2024 to 29.5% in FY2025, primarily due to the contribution from the decrease in gross profit margin attained from the provision of brand management services from 39.2% in FY2024 to 31.1% in FY2025. Such decrease in gross profit margin was mainly attributable to an one-off branding campaign in FY2025, which attained relatively lower gross profit margin at 18.2% resulting from relatively higher advertising expenses as abovementioned.

(ii) Procurement of medical devices, consumables and pharmaceuticals

Our gross profit from procurement of medical devices, consumables and pharmaceuticals increased from HK$39.4 million in FY2024 to HK$56.7 million in FY2025, primarily due to the increase in revenue from sales of medical aesthetic products. Our gross profit margin from procurement of medical devices, consumables and pharmaceuticals remained relatively stable at 26.5% in FY2024 and 24.2% in FY2025.

(B) Services to Members

We had gross loss generated from services to Members. Our gross loss decreased from HK$24.5 million in FY2024 to HK$8.1 million in FY2025, primarily due to the decrease in revenue from it because we ceased to provide such services since October 2025.

(C) Others

Our gross profit from others increased from HK$13.0 million in FY2024 to HK$27.4 million in FY2025, primarily due to the increase in revenue. Our gross profit margin remained relatively stable at 97.5% and 94.5% in FY2024 and FY2025, respectively.

Other income

Our other income increased by HK$92 thousand or 124.3% from HK$74 thousand for FY2024 to HK$166 thousand for FY2025, primarily due to the increase in bank interest income of HK$92 thousand resulting from increase in average bank balances.

Other gains and losses

Our other gains increased by HK$0.9 million or 87.6% from HK$1.0 million for FY2024 to HK$1.9 million for FY2025. The increase was mainly attributable to the gain on disposal of property, plant and equipment of HK$1.4 million.

Administrative expenses

Our administrative expenses increased by HK$5.6 million and 36.1% from HK$15.5 million for FY2024 to HK$21.2 million for FY2025. The increase in administrative expenses was primarily attributable to the increase in depreciation of HK$5.8 million in relation to right-of-use assets of an office premise, partially offset by the decrease in rental expenses of HK$4.5 million because the short-term lease arrangement of an office premise was ceased in November 2024 as JC Taiwan entered into the lease arrangement with ANKH Beauty Co., Ltd., and the landlord for leasing of such office and such lease was recognised as our right-of-use assets and incurred depreciation instead of rental expenses since December 2024.

Other operating expenses

Our other operating expenses increased by HK$8.1 million or 293.0% from HK$2.8 million for FY2024 to HK$10.9 million for FY2025. The increase was attributable to the (i) share-based payments of HK$4.4 million incurred in FY2025 following the adoption of pre-**[REDACTED]** share option scheme in December 2025; (ii) increase in depreciation of HK$1.8 million in relation to the increase in right-of-use assets for office premise for our marketing function; and (iii) **[REDACTED]** expenses of HK$1.3 million incurred in FY2025.

Finance costs

Our finance costs increased by HK$0.6 million or 40.0% from HK$1.6 million for FY2024 and HK$2.2 million for FY2025. The increase was mainly attributable to the increase in interest expenses on lease liabilities of HK$0.6 million.

Income tax expense

Our income tax expense increased by HK$15.0 million or 90.2% from HK$16.6 million for FY2024 to HK$31.6 million for FY2025 mainly resulting from the increase in profit before tax.

Profit for the year

As a result of the foregoing, our profit for the year increased by HK$77.3 million or 107.8% from HK$71.7 million for FY2024 to HK$149.0 million for FY2025 mainly resulting from the increase in our revenue. Our net profit margin increased from 18.5% for FY2024 to 23.5% for FY2025, mainly resulting from the gain on distribution in specie of shares in an associate and increase in gross profit margin mentioned previously.

NET CURRENT LIABILITIES/ASSETS

We recorded net current liabilities of HK$6.0 million, HK$0.5 million, net current assets of HK$17.1 million and HK$36.8 million as at 31 December 2023, 2024 and 2025 and 28 February 2026 respectively. The table below sets out selected information for our current assets and current liabilities as at the dates indicated, respectively:

	As at 31 December			As at 28 February
	2023	2024	2025	2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Current Assets				
Inventories	7,582	21,329	15,918	17,218
Trade and other receivables	54,259	72,578	114,528	145,979
Rental deposits	1,104	1,051	47	47
Amounts due from related companies	55	1,592	2,993	–
Amount due from a shareholder	–	–	–*	–
Financial assets at FVTPL	–	23,689	–	–
Cash and cash equivalents	–	60,920	50,535	51,649
	63,000	181,159	184,021	214,893
Current Liabilities				
Trade and other payables	35,190	97,275	98,823	102,912
Amount due to a related company	–	1,226	–	84
Advance payments from customers	14,430	42,784	15,542	15,505
Lease liabilities	19,157	23,786	25,749	31,231
Income tax payable	–	16,082	26,814	28,398
Provision for reinstatement costs	251	470	–	–
	69,028	181,623	166,928	178,130
Net Current (Liabilities)/Assets	(6,028)	(464)	17,093	36,763

* Amount less than HK$1,000

Our net current liabilities decreased from HK$6.0 million as at 31 December 2023 to HK$0.5 million as at 31 December 2024 primarily due to the increase in profit for the year resulting from our business expansion, such as extending our services to provision of brand management services. The decrease in net current liabilities was partially offset by the net cash distributed to shareholders as well as the dividends paid in FY2024.

Our net current liabilities then turned around to net current assets of HK$17.1 million as at 31 December 2025, primarily due to the increase in profit for the year resulting from our further expansion of business. The change from net current liabilities to net current assets was partially offset by the dividends paid in FY2025.

Our net current assets then increased to HK$36.8 million as at 28 February 2026. The increase in net current assets was primarily due to the profit for the period generated.

Working Capital Sufficiency

Our Directors confirm that, taking into consideration the financial resources presently available to us, including our operating cash flow, available facilities, other internal resources, and the estimated **[REDACTED]** from the **[REDACTED]**, we have sufficient working capital for our present requirements and for at least the next 12 months commencing from the date of this document.

Save as disclosed in this document, our Directors are not aware of any other factors that would have a material impact on our liquidity.

DESCRIPTION OF CERTAIN ITEMS OF COMBINED STATEMENTS OF FINANCIAL POSITION

Property, plant and equipment

During the Track Record Period, our property, plant and equipment mainly consisted of freehold land, buildings, medical equipment, office equipment, leasehold improvements and construction in progress. Our property, plant and equipment amounted to HK$106.0 million, HK$109.0 million and HK$107.2 million, respectively, as at 31 December 2023, 2024 and 2025.

The following table sets forth our breakdown on property, plant and equipment as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Freehold land	26,518	24,678	25,834
Buildings	7,752	7,069	7,248
Medical equipment	13,007	15,049	20,871
Office equipment	7,002	6,135	5,614
Leasehold improvement	51,387	54,186	45,236
Construction in progress	376	1,859	2,421
Total	**106,042**	**108,976**	**107,224**

Our property, plant and equipment increased from HK$106.0 million as at 31 December 2023 to HK$109.0 million as at 31 December 2024 mainly resulting from additions of HK$35.6 million during FY2024, primarily attributable to the additions of medical equipment of HK$11.6 million during FY2024 for our operations and construction in progress of HK$15.6 million for our leasehold improvements mainly for renovation of our office and clinics. The increase was partially offset by the depreciation charged in FY2024 of HK$25.1 million and exchange realignment of HK$7.6 million. Our property, plant and equipment then decreased to HK$107.2 million as at 31 December 2025 mainly due to the depreciation charged in FY2025 of HK$32.9 million. The decrease was partially offset by the additions of HK$26.2 million during FY2025, primarily attributable to the additions of medical equipment of HK$15.6 million during FY2025 for our operations and construction in progress of HK$4.0 million mainly for the leasehold improvements for renovation of clinics.

During the Track Record Period, we leased certain of our medical equipment and leasehold improvements to Clinics. All of the properties and certain medical equipment and leasehold improvement held by our Group for rental purposes have committed lessees for the next one year, two years, two years for FY2023 ,FY2024 and FY2025, respectively.

Right-of-use assets

During the Track Record Period, our right-of-use assets mainly represented the operating lease arrangement for office premises, clinics premises and warehouse for our operations. Lease contracts are entered into for fixed term of 1.3 to 10 years, without any extension nor termination options, respectively. The following table sets forth our breakdown on right-of-use assets as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Office premises	376	31,877	24,402
Clinic premises	96,792	77,128	75,209
Warehouse	582	292	44
	97,750	109,297	99,655

Our right-of-use assets increased from HK$97.8 million as at 31 December 2023 to HK$109.3 million as at 31 December 2024 primarily attributable to the increase in office premises because we entered into the rental agreement of our office with the landlord and such leasing of office was recognised as our right-of-use assets as at 31 December 2024; partially offset by the depreciation of HK$18.7 million charged in FY2024. Our right-of-use assets then decreased to HK$99.7 million as at 31 December 2025 primarily due to the depreciation of HK$25.4 million charged in FY2025.

Investment in an associate

We had investment in an associate of HK$155.0 million as at 31 December 2024. The investment represented the investment in UnicoCell in FY2024, of which its principal activity is research and development of stem cells and its shares are listed on the Taiwan Stock Exchange. The following table sets forth the movement of our interest in associate as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Cost of an investment in associate listed in Taiwan	N/A	161,933	N/A
Share of post-acquisition losses	N/A	(2,880)	N/A
Exchange realignment	N/A	(4,031)	N/A
	N/A	155,022	N/A
Fair value of listed associate	N/A	160,138	N/A

On 1 April 2024, JC Taiwan acquired 18.39% of unlisted equity interest of UnicoCell from Deesse Vivante without any cash consideration. The fair value of 18.39% of equity interest of UnicoCell was approximately NT$642,395,000 (equivalent to approximately HK$156,111,000), which was based on the valuation derived by an independent valuer as at 1 April 2024. Upon the completion of the transaction, JC Taiwan is able to exercise significant influence over UnicoCell as JC Taiwan has appointed one director in the board of director of UnicoCell, it is therefore accounted for as an associate of our Group as at 31 December 2024.

On 21 May 2024, the shares of UnicoCell has been listed on Taiwan Innovation Board of Taiwan Stock Exchange. On 17 May 2024, JC Taiwan disposed 0.61% of equity interest of UnicoCell to the independent third parties at approximately NT$19,661,000 (equivalent to approximately HK$4,778,000), loss on disposal of partial interest in UnicoCell of approximately HK$406,000 has been recognised in profit or loss.

During the year ended 31 December 2024, as UnicoCell issued additional ordinary shares for cash proceed, JC Taiwan's equity interest in UnicoCell decreased from 17.78% to 16.95% and gain on deemed disposal of partial interest in UnicoCell of approximately HK$11,006,000 has been recognised in profit or loss.

As at 31 December 2024, there was no impairment indicator on interest in UnicoCell and no impairment assessment was carried out.

During the year ended 31 December 2025, UnicoCell issued additional ordinary shares for cash proceed, JC Taiwan's equity interest in UnicoCell further decreased from 16.95% to 15.56% and gain of deemed disposal of partial interest in UnicoCell of approximately HK$10,045,000 has been recognised in profit or loss. As part of the Reorganisation, JC Taiwan distributed in specie of its entire equity interest in UnicoCell to its shareholders through Chi Teng in November 2025. The fair value of 15.56% of the equity interest of UnicoCell is based on the quoted market price available on Taiwan Stock Exchange as at 30 November 2025 (i.e. date of Disposal) is recognised as distribution to shareholders of JC Taiwan and debited to the capital reserve. The difference to its carrying amount at the date of disposal amounting to HK$28,304,000 is recognised in the profit or loss as gain on distribution in specie of shares in an associate from the disposal. Our investment in an associate decreased to nil as at 31 December 2025.

Inventories

Our inventories represented medical aesthetics products during the Track Record Period. The following sets forth the aging analysis of our inventories as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Within 1 year	7,582	21,329	15,918

Our inventories increased from HK$7.6 million as at 31 December 2023 to HK$21.3 million as at 31 December 2024, primarily due to the increase in bulk purchases to enjoy more favourable terms from our suppliers. In FY2025, after negotiation with our suppliers, we were able to enjoy more favourable terms without making bulk purchases from them. Our inventories decreased to HK$15.9 million as at 31 December 2025.

Our inventories are all aged within 1 year as at 31 December 2023, 2024 and 2025.

The table below sets forth a summary of average turnover days of inventories for the Track Record Period:

	FY2023	**FY2024**	**FY2025**
Average turnover days of inventories(Note)	38	53	42

Note: Average turnover days of inventories for the years ended 31 December 2023, 2024 and 2025 is derived by dividing the arithmetic mean of the opening and closing balances of inventories for the relevant period by cost of inventories sold and multiplying by 365 days.

Our average turnover days of inventories increased from 38 days in FY2023 to 53 days in FY2024, and decreased to 42 days in FY2025, primarily fluctuated with the balances as at each year end.

As at 31 March 2026, HK$12.6 million or 79.0% of our inventories outstanding as at 31 December 2025 were subsequently used or sold.

Trade receivables

The following table sets forth the breakdown of our trade receivables as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Trade receivables from contracts with customers	40,805	52,503	92,585
Trade receivables from leasing activities	9,237	10,601	11,269
Less: Allowance for impairment	(183)	(157)	(164)
	49,859	62,947	103,690

Our trade receivables primarily arise from (i) contracts with customers, mainly Doctors for the sales of medical aesthetics products and provision of on-site consumer services and administrative services and brand management services; and (ii) leasing activities from Doctors and a related company. Our trade receivables increased from HK$49.9 million as at 31 December 2023 to HK$62.9 million as at 31 December 2024, primarily attributable to the increase in trade receivables from sales of products, provision of administrative services and rental receivables which we generally grant credit periods of 90 days to our customers. Our trade receivables then further increased to HK$103.7 million as at 31 December 2025, primarily due to the increase in revenue.

The following table sets forth the ageing analysis of the trade receivables based on the invoice dates, net of allowance for impairment losses, as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Within 60 days	49,851	43,566	87,162
61 days to 90 days	8	19,381	16,528
	49,859	62,947	103,690

As at 31 December 2023, 2024 and 2025, all our trade receivables are aged within 90 days. We generally grant credit period of 30 to 90 days to Doctors from the date of invoice.

During the Track Record Period, we provide expected credit losses ("**ECL**") of trade receivables as prescribed by HKFRS 9. As at 31 December 2023, 2024 and 2025, included in our trade receivables balance are debtors with aggregate carrying amount of approximately HK$8,000, nil and nil, respectively, which are past due as at the reporting date. Out of the past due balances, no balance has been past due 90 days or more. We did not hold any collateral over these balances.

The table below sets forth a summary of average turnover days of trade receivables for the Track Record Period:

	FY2023	FY2024	FY2025
Average turnover days of trade receivables*(Note)*	77	53	48

Note: Average turnover days of trade receivables for the years ended 31 December 2023, 2024 and 2025 is derived by dividing the arithmetic mean of the opening and closing balances of trade receivables for the relevant period by revenue and multiplying by 365 days. For illustrative purposes only, the turnover days are rounded up.

Despite the increase in our trade receivables balances from 31 December 2023 to 31 December 2025, our average turnover days of trade receivables decreased from 77 days in FY2023 to 53 days in FY2024 and further to 48 days in FY2025. Such decrease was primarily due to the increase in trade receivables in relation to branding management services and on-site consumer services introduced in FY2024, which we generally granted credit period of 30 days.

As at 31 March 2026, all of our trade receivables outstanding as at 31 December 2025 were settled.

Other receivables

Our other receivables mainly represented (i) prepayments to suppliers for procurement of medical aesthetics products, **[REDACTED]** expenses, rental expenses and other operating expenses; (ii) deposits paid, mainly for rental deposits and utilities deposits for our offices and the Clinics; and (iii) deposits for acquisition of equipment for leasing activities. The following table sets forth the breakdown of our other receivables as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Deposits for acquisition of equipment	986	1,292	587
Rental deposits	4,206	5,732	7,241
Other receivables	2	676	1,250
Prepayments	4,398	8,955	9,588
	9,592	16,655	18,666

Our other receivables increased from HK$9.6 million as at 31 December 2023 to HK$16.7 million as at 31 December 2024, primarily due to the increase in (i) prepayments of HK$4.6 million primarily to suppliers due to the increase in procurement of medical aesthetics products following the expansion of our business; and (ii) rental deposits of HK$1.5 million resulting from addition of office and clinics in FY2024. Our other receivables then increased to HK$18.7 million as at 31 December 2025 primarily due to further increase in rental deposits of HK$1.5 million mainly for new leases we entered into.

Amounts due from related companies/a shareholder

We had amounts due from related companies of HK$55,000, HK$1.6 million and HK$3.0 million as at 31 December 2023, 2024 and 2025, respectively. The following table sets forth the breakdown of our amounts due from related companies as at the date indicated:

		As at 31 December		
Name of related companies	**Nature**	**2023**	**2024**	**2025**
		HK$'000	*HK$'000*	*HK$'000*
ANKH Beauty Co., Ltd.	Other receivables	55	–	54
Deesse Vivante	Trade receivables	–	1,592	2,939
		55	1,592	2,993

The amount due from ANKH Beauty Co., Ltd. represented rental deposits and is unsecured, interest-free and recoverable on demand as at 31 December 2023 and 2025, respectively, whilst the amount due from Deesse Vivante was trade in nature.

As at 31 December 2025, we had amount due from a shareholder of HK$3. The amount is unsecured, interest free and recoverable on demand as at 31 December 2025.

All the non-trade portion of amount due from a shareholder will be settled before/upon the **[REDACTED]**.

Financial assets at FVTPL

The following table sets forth our balances on financial assets at FVTPL as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Unlisted unit trust funds	–	23,689	–

Our financial assets at FVTPL as at 31 December 2024 represented unlisted unit trust funds which invest primarily in Asian bonds, United States treasury bonds and other debt securities. Such unlisted unit trust funds were ranked level 2 under the fair value hierarchy. The valuation was mainly based on the net asset values of the funds, determined with reference to the observable (quoted) prices of underlying investment portfolio. As at the Latest Practicable Date, we no longer invested in such product.

Trade and other payables

The following table sets forth our breakdown on trade and other payables as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Trade payables	14,612	27,489	42,829
Other payables	9,686	11,095	13,503
Salaries payables	6,682	21,496	26,456
Advertising expense payables	–	8,990	5,430
Equipment consideration payables	3,655	4,275	2,931
Accruals	555	1,711	2,811
Dividend payables	–	18,757	1,488
Other tax payables	–	3,462	3,375
	20,578	69,786	55,994
	35,190	97,275	98,823

Trade payables

Our trade payables are primarily derived from payables relating to payment to our suppliers in relation to procurement of inventories. The normal credit period for trade payables generally ranges from 30 to 90 days.

Trade payables increased from HK$14.6 million as at 31 December 2023 to HK$27.5 million as at 31 December 2024 which was mainly due to the increase in procurement of medical aesthetics products resulting from addition of Clinics in FY2024 following our business expansion. The trade payables increased to HK$42.8 million as at 31 December 2025 mainly due to the further addition of Clinic in FY2025.

The table below sets forth the ageing analysis of our trade payables as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Within 60 days	14,239	24,234	38,065
61 days to 90 days	313	1,304	2,753
Over 90 days	60	1,951	2,011
	14,612	27,489	42,829

As at 31 December 2023, 2024 and 2025, majority of our trade payables were aged within three months, accounting for 99.6%, 93.8% and 95.3%, respectively, of our total trade payables as at the same date.

The following table sets out the average trade payables turnover days for the Track Record Period:

	FY2023	**FY2024**	**FY2025**
Average turnover days of trade payables*(Note)*	65	77	78

Note: Average turnover days of trade payables for the years ended 31 December 2023, 2024 and 2025 is derived by dividing the arithmetic mean of the opening and closing balances of trade payables for the relevant period by cost of inventories sold and multiplying by 365 days.

Our average turnover days of trade payables increased from 65 days in FY2023 to 77 days in FY2024, which was in line with the increase in our trade payables balances and within the credit period granted by our suppliers. Our average turnover days of trade payables then remained relatively stable at 78 days in FY2025.

As at 31 March 2026, HK$42.8 million or 99.9% of our trade payables outstanding as at 31 December 2025 were settled.

Other payables

Our other payables mainly consisted (i) salaries payables; (ii) other tax payables; (iii) equipment consideration payables; (iv) accruals for operating expenses; (v) dividend payables; and (vi) advertising expense payables.

Our other payables and accruals increased from HK$20.6 million as at 31 December 2023 to HK$69.8 million as at 31 December 2024, primarily due to the increase in (i) dividend payables of HK$18.8 million; (ii) salaries payables of HK$14.8 million resulting from increase in number of staff for our Clinics and offices; and (iii) advertising expense payables of HK$9.0 million for our brand promotion. Our other payables then decreased to HK$56.0 million as at 31 December 2025 mainly due to the decrease in (i) dividend payables of HK$17.3 million resulting from partial payment; and (ii) advertising expense payables of HK$3.6 million resulting from settlement in FY2025. The decrease was partially offset by the increase in salaries payables of HK$5.0 million resulting from increase in number of staff for Clinics and our office.

Amount due to a related company

The following table sets forth the details of our amount due to a related company as of the dates indicated:

		As at 31 December		
Name of a related company	**Nature**	**2023**	**2024**	**2025**
		HK$'000	*HK$'000*	*HK$'000*
ANKH Beauty Co., Ltd.	Trade payables	–	1,226	–

We had amount due to a related company of nil, HK$1.2 million and nil as at 31 December 2023, 2024 and 2025, respectively. The amount was trade in nature. The amount due to a related company had been settled in FY2025.

Advance payments from customers

Our advance payments from customers generally represented the receipt in advance for the provision of beauty treatment services to individuals, provision of brand management services and leasing activities. The following table sets forth the breakdown of our advance payments from customers as at the date indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Provision of beauty treatment services	14,428	13,424	7,985
Provision of brand management services	–	25,196	7,557
Leasing activities	2	4,164	–
	14,430	42,784	15,542

The fluctuation of our advance payments from customers was generally affected by the timing of receipt in advance received from our customers and the timing of the services provided. The advance payments from customers were expected to be settled within the normal operating cycle, and are classified as current based on the earliest obligation to provide services to the customers. Our advance payments from customers increased from HK$14.4 million as at 31 December 2023 to HK$42.8 million as at 31 December 2024, mainly due to the increase in provision of brand management services of HK$25.2 million in relation to brand management services to be provided in FY2025. Our advance payments from customers then decreased to HK$15.5 million as at 31 December 2025, primarily due to recognition of revenue from advance payments from customers in relation to brand management services in FY2025. During FY2025, we terminated the provision of beauty treatment services to individuals, refund has been made to individual customers.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash have been, and are expected to continue to be, procurement of medical aesthetic products, funding our operating costs and other general corporate needs. Historically, we financed our operation and other capital requirements primarily using cash generated from our operations.

Upon completion of the **[REDACTED]**, we currently expect that there will not be any material change in the sources and uses of cash of our Group in the future, except that we would have additional funds from **[REDACTED]** of the **[REDACTED]** for implementing our future plans as detailed under the section headed "Future Plans and Use of **[REDACTED]**" in this document. Any significant decrease in demand for, or pricing of, our products, or a significant decrease in the availability of bank loans or other financing may adversely impact our liquidity.

We currently expect that there will not be any material change in the sources and uses of cash of our Group, except that we would have additional cash outflow for payment of **[REDACTED]** expenses, and additional funds from **[REDACTED]** of the **[REDACTED]** for implementing our future plans as detailed in "Use of **[REDACTED]**" in this document.

Cash Flow

Prior to 31 March 2024, our business was operated under Deesse Vivante and no separate bank accounts were maintained by our business from 1 January 2023 to 31 March 2024. The treasury functions of our business were centrally administrated under Deesse Vivante from 1 January 2023 to 31 March 2024. The net cash flows generated by our business were kept in the bank accounts of Deesse Vivante, which is reflected "Net cash contributed from (distributed to) shareholders" under cash flow. Accordingly, the funds provided for or withdrawn from our business were presented as movements in the equity while there are no cash and cash equivalents balance for our business.

For the purpose of presenting a completed set of historical financial information of our Group, the following comprises the information of cash inflow/outflow of our business received/paid by Deesse Vivante prior to 31 March 2024.

As at 31 December 2023, 2024 and 2025, we had cash and cash equivalents of nil, HK$60.9 million and HK$50.5 million, respectively. The following table summarises, for the periods indicated, our combined statements of cash flows:

	FY2023	**FY2024**	**FY2025**
	HK$'000	*HK$'000*	*HK$'000*
Net cash generated from operating activities	52,326	164,084	139,734
Net cash used in investing activities	(70,922)	(56,668)	(704)
Net cash used in financing activities	(21,260)	(30,368)	(149,415)
Net increase(decrease) in cash and cash equivalents	(39,856)	77,048	(10,385)
Net cash contributed from (distributed to) shareholders	39,856	(16,128)	–
Cash and cash equivalents at beginning of year	–	–	60,920
Cash and cash equivalents at end of year	–	60,920	50,535

Operating activities

During our Track Record Period, our cash inflow from operating activities was principally from the receipt of proceeds from our sales of products and services. Our cash outflow used in operating activities was principally was principally for procurement of medical aesthetic products and other operating costs.

For FY2023, we had net cash generated from operating activities of HK$52.3 million, resulting from profit before income tax of HK$7.1 million as adjusted for non-cash and non-operating items, which primarily include (i) depreciation of right-of-use assets of HK$21.1 million; and (ii) depreciation of property, plant and equipment of HK$20.5 million. The amount was further adjusted by movements in working capital and tax paid of HK$1.6 million. The movements in working capital primarily included the (i) decrease in trade and other receivables of HK$6.5 million; (ii) decrease in inventories of HK$6.1 million; (iii) decrease in advance payments from customers of HK$5.6 million; and (iv) decrease in trade and other payables of HK$3.0 million.

For FY2024, we had net cash generated from operating activities of HK$164.1 million, resulting from profit before income tax of HK$88.3 million as adjusted for non-cash and non-operating items, which primarily include (i) depreciation of property, plant and equipment of HK$25.1 million; (ii) depreciation of right-of-use assets of HK$18.7 million; and (iii) gain on deemed disposal of partial interest in an associate of HK$10.6 million. The amount was further adjusted by movements in working capital and tax paid of HK$0.3 million. The movements in working capital primarily included the (i) increase in trade and other payables of HK$46.8 million; (ii) increase in advance payments from customers of HK$30.1 million; (iii) increase in trade and other receivables of HK$22.6 million; and (iv) increase in inventories of HK$14.4 million.

For FY2025, we had net cash generated from operating activities of HK$139.7 million, resulting from profit before income tax of HK$180.6 million as adjusted for non-cash and non-operating items, which primarily include (i) depreciation of property, plant and equipment of HK$32.9 million; (ii) fair value gain for associate of HK$28.3 million; (iii) depreciation of right-of-use assets of HK$25.4 million; and (iv) gain on deemed disposal of partial interest in an associate of HK$10.0 million. The amount was further adjusted by movements in working capital and tax paid of HK$21.1 million. The movements in working capital primarily included the (i) increase in trade and other receivables of HK$39.1 million; (ii) decrease in advance payments from customers of HK$29.5 million; and (iii) increase in trade and other payables of HK$15.6 million.

Investing activities

During the Track Record Period, our cash inflow from investing activities was principally proceeds from disposal of financial assets designated at FVTPL. Our cash outflow used in investing activities was principally for purchase of property, plant and equipment and financial assets designated as at FVTPL.

For FY2023, we had net cash used in investing activities of HK$70.9 million primarily attributable to purchase of property, plant and equipment of HK$72.0 million.

For FY2024, we had net cash used in investing activities of HK$56.7 million primarily attributable to (i) purchase of property, plant and equipment of HK$31.6 million; (ii) purchase of financial assets at FVTPL of HK$24.3 million; and (iii) payments for rental deposits of HK$10.2 million.

For FY2025, we had net cash used in investing activities of HK$0.7 million primarily attributable to purchase of property, plant and equipment of HK$25.2 million, payments for rental deposits of HK$1.6 million and deposits paid for acquisition of equipment of HK$1.6 million, partially offset by the proceeds from disposal of financial assets at FVTPL of HK$25.3 million.

Financing activities

During the Track Record Period, our cash inflow from financing activities was principally deemed cash contribution. Our cash outflow used in financing activities was principally for dividend paid, repayment of lease liabilities, repayment of bank borrowings and deemed cash distribution.

For FY2023, we had net cash used in financing activities of HK$21.3 million primarily attributable to the repayment of lease liabilities of HK$19.6 million.

For FY2024, we had net cash used in financing activities of HK$30.4 million primarily attributable to the repayment of lease liabilities of HK$19.4 million.

For FY2025, we had net cash used in financing activities of HK$149.4 million primarily attributable to the (i) dividend paid of HK$124.0 million; and (ii) repayment of lease liabilities of HK$23.3 million.

INDEBTEDNESS

During the Track Record Period, our indebtedness was mainly represented by lease liabilities. The following table sets forth the breakdown of our total indebtedness as at the dates indicated:

	As at 31 December			As at 28 February
	2023	**2024**	**2025**	**2026**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)
Lease liabilities	99,521	110,496	102,661	138,078

During the Track Record Period and as at 31 December 2023, 2024, 2025 and 28 February 2026, being the latest practicable date for the purpose of the indebtedness statements, we did not have any debt services issued and outstanding or authorised or otherwise created but unissued, term loans, bank overdrafts, or other similar indebtedness liabilities under acceptance, acceptance credits mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities. As at 28 February 2026, we have available banking facilities of HK$12.5 million, which do not contain any material covenants. Since 2 April 2026 and up to the Latest Practicable Date, we have raised bank borrowings of HK$12.5 million.

Lease liabilities

Our lease liabilities increased from HK$99.5 million as at 31 December 2023 to HK$110.5 million as at 31 December 2024, primarily due to the addition of leases for our Clinics. Our lease liabilities then decreased to HK$102.7 million as at 31 December 2025, due to the repayment of lease liabilities during the respective year. Our lease liabilities then increased to HK$138.1 million as at 28 February 2026 primarily due to addition of leases during the period.

TRANSACTIONS WITH RELATED PARTIES

With respect to the related party transactions set forth in the Accountants' Report in Appendix I to this document, our Directors confirm that these transactions were conducted on normal commercial terms or such terms that were no less favourable to our Group than those available to Independent Third Parties and were fair and reasonable and in the interest of our Shareholders as a whole.

CAPITAL EXPENDITURES

Our Group's capital expenditures have principally consisted of expenditures on additions of property, plant and equipment and right-of-use assets (which includes the right-of-use assets resulting from new leases entered and recognition of provision for reinstatement costs). During the Track Record Period, our Group's additions of property, plant and equipment and right-of-use assets amounted to HK$81.8 million, HK$85.3 million and HK$37.0 million, respectively. Between 1 January 2026 and the Latest Practicable Date, we did not make any material capital expenditures.

Our Group's projected capital expenditures are subject to revision based upon any future changes in our business plan, market conditions, and economic and regulatory environment. Please refer to the section headed "Future Plans and Use of **[REDACTED]**" in this document for further information.

We expect to fund our contractual commitments and capital expenditures principally though the cash generated from our operating activities and proceeds from borrowings. We believe that these sources of funding will be sufficient to finance our contractual commitments and capital expenditure needs for the next 12 months.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as at each of the dates indicated:

	For the year ended/as at 31 December		
	2023	**2024**	**2025**
Gross profit margin (%)(1)	8.4	25.7	28.3
Net profit margin (%)(2)	2.4	18.5	23.5
Return on equity (%)(3)	4.8	32.1	127.6
Return on total assets (%)(4)	2.1	12.8	37.3
Interest coverage (times)(5)	4.9	56.2	81.6
Current ratio (times)(6)	0.9	1.0	1.1
Quick ratio (times)(7)	0.8	0.9	1.0
Gearing ratio(8)	84.0	38.2	68.0

Notes:

(1) Gross profit margin for FY2023, 2024 and 2025 was calculated on gross profit divided by revenue for the respective year/period. See the paragraph headed "Review of Historical Results of Operation" in this section for more details on our gross profit margins.

(2) Net profit margin for the year ended FY2023, 2024 and 2025 was calculated on profit for the year divided by revenue for the respective year/period. See the paragraph headed "Review of Historical Results of Operation" in this section for more details on our net profit margins.

(3) Return on equity for FY2023, 2024 and 2025 was calculated based on the profit for the year attributable to the owners of the Company for the respective year divided by the equity attributable to the owners of the Company as at the respective year and multiplied by 100%.

(4) Return on total assets for FY2023, 2024 and 2025 was calculated based on the net profit for the respective years divided by the total assets of the respective years and multiplied by 100%.

(5) Interest coverage is calculated based on the profit before interest and tax for the year divided by interest expenses for the year.

(6) Current ratios as at 31 December 2023, 2024 and 2025 were calculated based on the total current assets as at the respective dates divided by the total current liabilities as at the respective dates.

(7) Quick ratios as at 31 December 2023, 2024 and 2025 were calculated based on the total current assets less inventories as at the respective dates divided by the total current liabilities as at the respective dates.

(8) Gearing ratios was calculated by total lease liabilities, divided by total equity as at the end of the year multiplied by 100%.

Return on equity

Our return on equity increased from 4.8% for FY2023 to 32.1% for FY2024, primarily due to the increase in profit attributable to the owners of the Company during FY2024. Our return on equity further increased to 127.6% for FY2025, primarily due to the increase in profit attributable to the owners of the Company during FY2025.

Return on total assets

Our return on total assets increased from 2.1% for FY2023 to 12.8% for FY2024, primarily due to the increase in profit for the year during FY2024. Our return on total assets increased to 37.3% for FY2025, primarily due to the increase in profit for the year during FY2025.

Interest coverage

Our interest coverage increased from 4.9 times for FY2023 to 56.2 times for FY2024, primarily due to the increase in profit for the year during FY2024. Our interest coverage further increased to 81.6 times for FY2025 resulting from the increase in profit for the year during FY2025.

Current ratio

Our current ratio increased from 0.9 times as at 31 December 2023 to 1.0 times as at 31 December 2024, and further to 1.1 times as at 31 December 2025, resulting from our improvement of net current assets level.

Gearing ratio

Our gearing ratio decreased from 84.0% as at 31 December 2023 to 38.2% as at 31 December 2024, primarily due to the increase in total equity mainly resulting from accumulation of retained profits partially offset by the increase in lease liabilities of HK$11.0 million. Our gearing ratio increased to 68.0% as at 31 December 2025, primarily due to the decrease in total equity resulting from distribution of dividend partially offset by the increase in profit for the year.

CONTRACTUAL AND CAPITAL COMMITMENTS

We had the following capital commitments at the dates indicated:

	As at 31 December		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Contracted, but not provided for:			
Capital expenditure in respect of the acquisition of property and equipment contracted for but not provided in the historical financial information	1,105	833	4,807

Contingent liabilities

As at the Latest Practicable Date, we did not have any material contingent liabilities, guarantees or any litigation or claims of material importance, pending or threatened against us. Our Directors have confirmed that there has not been any material change in our contingent liabilities since the Latest Practicable Date and up to the date of this document.

OFF-BALANCE SHEET ARRANGEMENT

As at the Latest Practicable Date, we had not entered into any off-balance sheet transaction.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

We are exposed to a variety of financial risk, such as market risk, including currency risk, interest rate risk, credit risk and liquidity risk.

Details of the risk to which we are exposed are set out in note 29 to the Accountants' Reports, the text of which is set out in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that as at the Latest Practicable Date, there were no circumstances that would give rise to the disclosure requirements under Rules 13.13 to 13.19 of the Hong Kong Listing Rules.

[REDACTED] EXPENSES

Assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the indicative **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per Share, the total estimated **[REDACTED]** expenses in connection with the **[REDACTED]** (including **[REDACTED]** commission) was HK$**[REDACTED]** million (including (i) **[REDACTED]**-related expenses (including but not limited to commissions and fees) of HK$**[REDACTED]** million; and (ii) non-**[REDACTED]** related expenses of HK$**[REDACTED]** million, which consists of (a) fees and expenses paid to legal advisors and the Reporting Accountants of HK$**[REDACTED]** million; and (b) other fees and expenses of HK$**[REDACTED]** million)), representing **[REDACTED]**% of the **[REDACTED]** from the **[REDACTED]**.

During the Track Record Period, we incurred **[REDACTED]** expenses of HK$**[REDACTED]** million, which were charged to our combined statements of profit or loss and other comprehensive income. We expect to incur **[REDACTED]** expenses of approximately HK$**[REDACTED]** million, of which HK$**[REDACTED]** million is expected to be recognised in the consolidated statements of profit or loss and other comprehensive income and approximately HK$**[REDACTED]** million is expected to be recognised as a deduction in equity directly upon the **[REDACTED]**.

The **[REDACTED]** expenses above is the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

DIVIDEND POLICY

During the Track Record Period, no dividend has been paid or declared by the Company since its date of incorporation, while JC Taiwan had dividends declared for its equity shareholders recognised as distribution of nil, HK$21.3 million and HK$106.7 million in FY2023, FY2024 and FY2025, respectively. The declaration of dividends is subject to the discretion of our Board and the approval of our Shareholders. Our Directors may recommend a payment of dividends in the future after taking into account our operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, capital expenditure and future development requirements, shareholders' interests and other factors which they may deem relevant at such time. Any declaration and payment as well as the amount of the dividends will be subject to our constitutional documents and the Cayman Islands Companies Law, including the approval of our Shareholders. Any future declarations of dividends may or may not reflect our historical declarations of dividends and will be at the absolute discretion of our Directors.

Any dividends declared will be in Hong Kong dollars with respect to our Shares on a per share basis, and our Company will pay such dividends in Hong Kong dollars.

Any distributable profits that are not distributed in any given year will be retained and available for distribution in subsequent years. To the extent profits are distributed as dividends, such portion of profits will not be available to be reinvested in our operations.

DISTRIBUTABLE RESERVES

As at 31 December 2025, our Company had no distributable reserves. Please see "Statement of Financial Position of the Company" of the Accountants' Report contained in Appendix I of this document.

EVENT AFTER THE REPORTING PERIOD

Please see note 35 of the Accountants' Report contained in Appendix I of this document.

UNAUDITED [REDACTED] ADJUSTED COMBINED NET TANGIBLE ASSETS

Please see the section "Unaudited **[REDACTED]** Financial Information" in Appendix II for our unaudited **[REDACTED]** adjusted net tangible assets.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Please see the section headed "Summary – Recent Developments" of this document for details.