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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8473)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2018

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

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

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

FINANCIAL HIGHLIGHTS

For the year ended 31 March 2018, audited operating results of the Group were as follows:

– the Group recorded a revenue of approximately HK$123.4 million for the year ended 31 March 2018 (2017: HK$103.4 million), representing an increase of approximately 19.3% as compared to the previous year.

– the Group recorded a gross profit of approximately HK$74.8 million for the year ended 31 March 2018 (2017: HK$63.2 million), representing an increase of approximately 18.4% as compared to the previous year.

– Profit attributable to the owners of the Company for the year ended 31 March 2018 amounted to approximately HK$6.0 million (2017: HK$9.6 million). Excluding the listing expenses and other non-recurring expense, the Group's profit attributable to owners of the Company for the year ended 31 March 2018 amounted to approximately HK$18.0 million (2017: HK$18.3 million).

– the Board resolved not to recommend the payment of any final dividend for the year ended 31 March 2018.

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2018

The board of Directors (the "**Board**") of the Company is pleased to announce the consolidated results of the Group for the year ended 31 March 2018 together with the comparative figures for the preceding financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2018

		2018	2017
	Notes	***HK$'000***	*HK$'000*
Revenue	*4*	**123,397**	103,424
Cost of sales		**(48,592)**	(40,222)
Gross profit		**74,805**	63,202
Other income		**63**	105
Selling and distribution expenses		**(30,783)**	(23,651)
Administrative and operating expenses		**(22,215)**	(17,705)
Interest expense on bank borrowings		**(163)**	(24)
Other expense		**(550)**	–
Listing expenses		**(11,424)**	(8,672)
Profit before tax	*6*	**9,733**	13,255
Income tax expense	*7*	**(3,698)**	(3,655)
Profit and total comprehensive income for the year		**6,035**	9,600
Basic earnings per share	*8*	**HK0.69 cent**	HK1.14 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2018

	Notes	2018 HK$'000	2017 HK$'000
Non-current assets			
Property, plant and equipment		**2,489**	3,473
Deferred tax assets		**456**	95
Other non-current assets		**2,225**	3,431
		5,170	6,999
Current assets			
Inventories		**9,161**	7,463
Trade receivables	*10*	**1,061**	293
Deposits, prepayments and other receivables		**4,370**	5,496
Pledged bank deposits		**3,215**	3,200
Bank balances and cash		**83,090**	13,620
		100,897	30,072
Current liabilities			
Trade payables	*11*	**1,606**	989
Accrued expenses and other payables		**4,864**	3,362
Bank borrowings		**–**	4,839
Tax payable		**1,198**	1,328
		7,668	10,518
Net current assets		**93,229**	19,554
Net assets		**98,399**	26,553
Capital and reserves			
Share capital	*12*	**11,200**	–
Reserves		**87,199**	26,553
		98,399	26,553

NOTES:

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 4 November 2016 and its shares have been listed on the GEM of the Stock Exchange. Its immediate and ultimate holding company is Prime Era Holdings Limited ("**Prime Era**"), a private limited company incorporated in the British Virgin Islands ("**BVI**"). The address of the registered office of the Company is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands and principal place of business of the Company in Hong Kong is Room 1622, 16/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong.

The Company is an investment holding company and the Group is principally engaged in the retail of multi-brand beauty and health products in Hong Kong.

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

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

Prior to the reorganisation, Inwell International Limited ("**Inwell**") and Rosy Horizon Global Limited ("**Rosy Horizon**"), the companies now comprising the Group, were controlled by Ms. Yuen Mi Ming Erica ("**Ms. Erica Yuen**").

In the preparation for the listing of the shares of the Company, the companies now comprising the Group underwent the reorganisation. On 23 January 2018, the reorganisation was executed to the extent that the Company had been interspersed between Ms. Erica Yuen, Inwell and Rosy Horizon (the "**Reorganisation**"). The Group, comprising the Company, Rosy Horizon and Inwell, resulting from the Reorganisation has always been under the common control of Ms. Erica Yuen throughout the year, regardless of the actual dates when Rosy Horizon and Inwell formally and legally became subsidiaries of the Company. Therefore, the Reorganisation is considered as a business combination under common control and accounted for under merger accounting as mentioned below.

The consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows which include the financial performance and cash flows of the companies now comprising the Group for the year have been prepared as if the Company had always been the holding company of the Group and the current group structure had been in existence throughout the years ended 31 March 2018 and 2017, or since the respective date of incorporation of the relevant entity where this is a shorter period.

The consolidated statement of financial position at 31 March 2017 have been prepared to present the assets and liabilities of the companies now comprising the Group as if the current group structure had been in existence at that date, taking into account the respective date of incorporation of the relevant entity, where appropriate.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

For the purpose of preparing and presenting the consolidated financial statements, the Group has consistently adopted the HKFRSs, Hong Kong Accounting Standards ("**HKASs**"), amendments and interpretations issued by the HKICPA which are effective for the accounting periods beginning on 1 April 2017 for both current and prior years.

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective for the current year.

4. REVENUE

	2018	2017
	HK$'000	*HK$'000*
Sales of goods		
Retail stores	**119,251**	96,870
Online shop	**2,617**	3,399
Consignment sales	**159**	320
Distributor	**642**	582
Subtotal	**122,669**	101,171
Consignment Commission		
Retail stores	**726**	2,202
Online shop	**2**	51
Subtotal	**728**	2,253
Total	**123,397**	103,424

5. SEGMENT INFORMATION

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

The following is an analysis of the Group's revenue and results by its operating segment – marketing, selling and distributing a wide range of beauty and health products.

	2018	2017
	HK$'000	*HK$'000*
Revenue – external sales	**123,397**	103,424
Segment results	**18,009**	18,272
Less:		
Other expense	**(550)**	–
Listing expenses	**(11,424)**	(8,672)
Profit for the year	**6,035**	9,600

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represents profit earned from each segment without allocation of other expense and listing expenses. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

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

Revenue from major products and service

The following is an analysis of the Group's revenue from its major products and service:

	2018	2017
	HK$'000	*HK$'000*
Skincare	**94,748**	72,186
Cosmetics	**11,456**	12,346
Food and health supplements	**8,970**	9,066
Other products	**7,495**	7,573
Consignment sales service	**728**	2,253
Total	**123,397**	103,424

Geographical information

The Group's operations are located in Hong Kong. All of the Group's non-current assets are located in Hong Kong and approximately 99% (2017: 99%) of the Group's revenue from external customers during the year ended 31 March 2018 are generated in Hong Kong.

Information about major customers

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

6. PROFIT BEFORE TAX

	2018	2017
	HK$'000	*HK$'000*
Profit before tax has been arrived at after charging (crediting):		
Director's remuneration	**4,024**	3,440
Other staff salaries and allowances	**19,569**	15,338
Retirement benefit scheme contributions, excluding those of directors	**838**	699
Total employee benefits expenses	**24,431**	19,477
Auditor's remuneration		
– Audit services		
– current year	**750**	400
– Non-audit services	**1,248**	1,438
Depreciation of property, plant and equipment	**2,801**	2,028
Loss on written off property, plant and equipment	**1**	–
Cost of inventories recognised as expenses (included in cost of sales)	**48,570**	40,180
Exchange gains (included in other income)	**(19)**	(17)
Interest income	**(21)**	–

7. INCOME TAX EXPENSE

	2018	2017
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
– Current year	**4,071**	3,823
– Overprovision in prior years	**(12)**	(7)
	4,059	3,816
Deferred taxation	**(361)**	(161)
	3,698	3,655

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

8. BASIC EARNINGS PER SHARE

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

	2018	2017
	HK$'000	*HK$'000*
Earnings		
Earnings attributable to the owners of the Company for the purpose of calculation of basic earnings per share	**6,035**	9,600

	2018	2017
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	**876,822**	840,000

The number of ordinary shares for the purpose of calculation of basic earnings per share for the years ended 31 March 2018 and 2017 has taken into account the shares issued pursuant to the Reorganisation as set out in note 2 and the capitalisation issue as set out in note 12(d).

No diluted earnings per share was presented for the years ended 31 March 2018 and 2017 as there was no potential dilutive ordinary share in issue during both years.

9. DIVIDENDS

No dividend was declared or paid by the Company for the year ended 31 March 2018.

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 March 2018.

10. TRADE RECEIVABLES

The following is an aged analysis of trade receivables presented based on the revenue recognition date at the end of the reporting period.

	2018	2017
	HK$'000	*HK$'000*
Within 30 days	**1,056**	293
31 – 60 days	**5**	–
	1,061	293

The following is an aged analysis of trade receivables based on revenue recognition date which are past due but not impaired at the end of the reporting period.

	2018	2017
	HK$'000	*HK$'000*
Within 30 days	**4**	4

The Group's revenue is generated mainly from cash, credit card sales and consignment sales. The average credit period on credit cards sales and consignment sales is 2 days and 30 days, respectively. The balance of trade receivables within due dates mainly represents trade receivables arising from credit card sales. No default of settlement is expected by reference to past experiences. There are no significant overdue debtors at the end of the reporting period.

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

11. TRADE PAYABLES

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

	2018	2017
	HK$'000	*HK$'000*
Within 30 days	**1,451**	987
31 – 60 days	**155**	–
Over 60 days	**–**	2
	1,606	989

12. SHARE CAPITAL

	Notes	Number of shares	HK$'000
Ordinary shares of HK$0.01 each			
Authorised:			
At 4 November 2016 (date of incorporation) and 31 March 2017	(a)	38,000,000	380
Increase in authorised share capital of HK$0.01 each	(c)	1,962,000,000	19,620
At 31 March 2018		2,000,000,000	20,000
Issued and fully paid:			
At 4 November 2016 (date of incorporation) and 31 March 2017	(a)	1	–
Issue of shares at par for the Reorganisation	(b)	1	–
Capitalisation issue	(d)	839,999,998	8,400
Issue of shares upon listing	(e)	280,000,000	2,800
At 31 March 2018		1,120,000,000	11,200

Notes:

(a) On 4 November 2016, the Company was incorporated in the Cayman Islands with an authorised share capital of HK$380,000 divided into 38,000,000 shares of a par value of HK$0.01 each. One share of HK$0.01 was issued and allotted to the initial subscriber, which was subsequently transferred to Prime Era.

(b) On 23 January 2018, one share of the Company was issued to Prime Era at par value for the Reorganisation.

(c) On 23 January 2018, the sole shareholder of the Company passed a written resolution pursuant to which the authorised share capital of the Company was increased from HK$380,000 to HK$20,000,000 divided into 2,000,000,000 ordinary shares with a par value of HK$0.01 each.

(d) On 23 January 2018, the directors of the Company were authorised to capitalise an amount of approximately HK$8,400,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 839,999,998 shares.

(e) On 12 February 2018, the shares of the Company were listed on the Stock Exchange. 280,000,000 ordinary shares at an offer price of HK$0.27 were issued through share offer.

(f) The new shares issued during the year rank pari passu in all respects.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

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

The Group's philosophy is "Setting off for harmless living" ("從無害生活出發"). To uphold this philosophy, the Group strives to select and offer quality products which do not contain any ingredients that, in our view, would affect or impair the health of our customers. The Group targets to serve and offer our products to customers who are ingredient conscious and aspire to the betterment of their health.

The Group mainly sells products at our retail stores, with a portion through our online shop at www.mimingmart.com, consignment sales and a distributor in Taiwan. The Group also acts as the consignee for some suppliers on a consignment basis whereby the Group is entitled to the consignment commission based on the amount of sales of the consignor's products and the predetermined percentage as agreed by the consignor and the Group.

FINANCIAL REVIEW

Revenue

Revenue of the Group increased by approximately HK$20.0 million or approximately 19.3% from approximately HK$103.4 million for the year ended 31 March 2017 to approximately HK$123.4 million for the year ended 31 March 2018. We believe that the increase in revenue was primarily due to (i) the business generated from the Group's three new retail stores in Quarry Bay, Tuen Mun and Tseung Kwan O, which had not commenced business in the previous year; (ii) the business generated from the Group's retail store in Mongkok, which did not operate for a full year in the previous year; (iii) the increase in sales volume as well as average selling price of our skincare products during the year ended 31 March 2018.

For the year ended 31 March 2018, the revenue generated from the sale of our products accounted for approximately 99.4% of our total revenue, whilst consignment commission accounted for approximately 0.6% of our total revenue.

Cost of sales

The Group's cost of sales primarily consists of cost of inventories sold, commission expenses, and incoming shipping, freight and delivery charges. The cost of sales increased to approximately HK$48.6 million for the year ended 31 March 2018 from approximately HK$40.2 million for the year ended 31 March 2017, representing an increase of approximately 20.8% primarily as a result of the increase in sales during the year.

Gross profit and gross profit margin

Gross profit of the Group increased by approximately 18.4% from approximately HK$63.2 million for the year ended 31 March 2017 to approximately HK$74.8 million for the year ended 31 March 2018. The increase was mainly due to the increase in revenue during the year. The gross profit margin remained relatively stable at approximately 61.1% and 60.6% for the years ended 31 March 2017 and 2018, respectively.

Other Income

Other income of the Group remained stable at approximately HK$0.1 million for the years ended 31 March 2017 and 2018, respectively.

Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately 30.2% from approximately HK$23.7 million for the year ended 31 March 2017 to approximately HK$30.8 million for the year ended 31 March 2018. The increase was mainly due to (i) the increase in rent and rental related expenses of approximately HK$3.9 million primarily attributable to the opening of new retail stores as mentioned above; and (ii) increase in salaries, allowances and commission of approximately HK$1.9 million as a result of the employment of more sales staff during the year ended 31 March 2018 as compared to the previous year.

Administrative and operating expenses

Administrative and operating expenses of the Group increased by approximately 25.5% from approximately HK$17.7 million for the year ended 31 March 2017 to approximately HK$22.2 million for the year ended 31 March 2018. The increase was mainly due to (i) increased staff costs of approximately HK$2.4 million relating to increased office headcount to support the Group's business expansion; (ii) the increase in Directors' emoluments of approximately HK$0.6 million due to a pay raise to one of the Directors in September 2016; and (iii) increased rental expenses of approximately HK$0.3 million for the Group's new offices since December 2016 and relocation of the Group's warehouse in June 2016.

Interest expense on bank borrowings

Interest expenses on bank borrowings increased by approximately 579.2% from approximately HK$24,000 for the year ended 31 March 2017 to approximately HK$163,000 for the year ended 31 March 2018. The increase was primarily attributed to the increased level of bank borrowing during the year ended 31 March 2018.

Other expense

The Group incurred other expense of approximately HK$0.6 million for the year ended 31 March 2018 as payment for settlement of the legal proceedings (2017: Nil).

Listing expenses

The Group's listing expenses amounted to approximately HK$11.4 million for the year ended 31 March 2018 and approximately HK$8.7 million for the year ended 31 March 2017.

Income tax expense

Income tax expense for the Group remained stable at approximately HK$3.7 million for the years ended 31 March 2017 and 2018, respectively.

Profit and total comprehensive income for the year attributable to owners of the Company

Profit and total comprehensive income for the year attributable to owners of the Company decreased by approximately HK$3.6 million or 37.1% from approximately HK$9.6 million for the year ended 31 March 2017 to approximately HK$6.0 million for the year ended 31 March 2018. Such decrease was primarily attributable to the increase of listing expenses incurred by the Group during the year ended 31 March 2018 as compared to the previous year. Excluding the listing expenses and other non-recurring expense, the Group's profit and total comprehensive income attributable to owners of the Company would be approximately HK$18.3 million and HK$18.0 million for the years ended 31 March 2017 and 2018, respectively.

LIQUIDITY AND FINANCIAL RESOURCES AND TREASURY POLICY

	As at 31 March	
	2018	2017
Current ratio *(Note 1)*	**13.2**	2.9
Gearing ratio *(Note 2)*	**–**	18.2%

Notes:

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

2. Calculated based on total debts at the end of the year divided by total equity at the end of the respective years and multiplied by 100%. Total debts are defined to include obligation under bank borrowing.

The current ratio of the Group as at 31 March 2018 was 13.2 times as compared to that of 2.9 times as at 31 March 2017. The increase in current ratio was mainly due to increase in bank balances and cash as a result of the receipts of listing proceeds of approximately HK$75.6 million. The gearing ratio of the Group as at 31 March 2018 was nil as compared to that of 18.2% as at 31 March 2017. Such decrease was primarily due to decrease in bank borrowing as a result of the Group repaid all the import loans as at 31 March 2018.

The Group's management closely monitors the Group's cash flow position to ensure the Group has sufficient working capital available to meet the operational needs. The management takes into account the trade receivables, trade payables, cash on hand, repayment of bank borrowing, administrative and capital expenditures to prepare the cash flow forecast to forecast the Group's future financial liquidity.

The Group generally financed its operations through a combination of cash generated from operations and banking borrowing. After the listing, the Group expects to finance the capital expenditure and operational requirements through cash generated from operations, net proceeds from the share offer of the Company's shares in listing and bank borrowing.

FOREIGN EXCHANGE EXPOSURE

As at 31 March 2018, the Group had certain bank balances and payables denominated in foreign currencies, mainly Australian dollar and United States dollar, which exposed the Group to foreign currency risk. Our Directors consider that our policy to maintain sufficient Australian dollar for payment of purchases for about six months and keeping of about two months' inventory, with reference to our historical sales, will provide us with a sufficient buffer to minimise our exposure to the fluctuation in Australian dollar.

SIGNIFICANT INVESTMENTS

As at 31 March 2018, there was no significant investment held by the Group (2017: nil).

CAPITAL STRUCTURE

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

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

CAPITAL COMMITMENT

As at 31 March 2018, the Group did not have any significant capital commitments (2017: nil).

CONTINGENT LIABILITIES

As at 31 March 2018, the Group did not have any material contingent liabilities (2017: nil).

DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2018 (2017: nil).

EMPLOYEES AND REMUNERATION POLICIES

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

The remuneration policy of our Group to reward our employees and executives is based on their performance, qualifications, competence displayed and market comparable. Remuneration package typically comprises salary, sales commission, contribution to pension schemes and discretionary bonuses relating to the profit of the relevant company. The remuneration package of our executive Directors and the senior management is, in addition to the above factors, linked to the return to the shareholders. The remuneration committee will review annually the remuneration of all our executive Directors and senior management to ensure that it is attractive enough to attract and retain a competent team of executive members.

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

As at 31 March 2018, the Group employed a total of 72 (2017: 67) full-time employees and 12 (2017: 8) part-time employees. The staff cost, including Directors' emoluments, of the Group for the year ended 31 March 2018 was approximately HK$24.4 million (2017: HK$19.5 million). The Company maintains the share option scheme for the purpose of providing incentives and rewards to the participants for their contributions to the Group. As at the date of this announcement, no option has been granted under the share option scheme.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the year ended 31 March 2018, the Group did not have any material acquisitions nor disposals of subsidiaries and affiliated companies save for those in relation to the reorganization in preparation of the listing as set out in section headed "History, Reorganisation and Corporate Structure – Reorganisation" of the prospectus of the Company dated 30 January 2018 (the "**Prospectus**").

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2018, the Group did not have other plans for material investments and capital assets.

COMPARISON OF BUSINESS PLAN WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group's business plan as set out in the Prospectus with actual business progress up to 31 March 2018.

Business plan up to 31 March 2018 as set out in Prospectus	Actual progress up to 31 March 2018
Expand our retail network by opening more retail stores and refurbishing our existing retail stores	
– Open one retail store in Kowloon Bay	The Group principally accepted the tenancy offer from the landlord of a suitable premises, however, it was subsequently unable to enter into a tenancy agreement because the landlord revoked their offer. We are in the process of identifying an alternative premises according to our expansion plan.
– Recruitment of 5 new staff members	Owing to the postponed shop expansion plan as mentioned above, the Group did not recruit additional staff members. The Group will use the funds as intended when there is a new shop.
– Recruitment of a shop expansion manager and payment of his/her salaries	During the period under review, the Group was recruiting a shop expansion manager and subsequently hired a suitable candidate in April 2018.
– Refurbishing two existing retail stores	During the period under review, the Group engaged a contractor for the refurbishing work for one of our retail stores. Such refurbishing work has been completed in April 2018.

Business plan up to 31 March 2018 as set out in Prospectus	**Actual progress up to 31 March 2018**
	The Group postponed the refurbishing work of another retail store subject to the completion of its tenancy renewal. The renewed tenancy agreement was signed in March 2018 and the Group will use the fund as intended to refurbish such retail store in the financial year 2019.
Acquire a warehouse	
– Partial payment for acquiring the warehouse	The Group had identified a premises, however, we were not able to negotiate successfully with the landlord. The Group is in the process of identifying a suitable premises according to our expected size and budget.
Expand our product portfolio and explore new suppliers	
– Recruitment of a product expansion managers and payment of his/her salaries	During the period under review, the Group was recruiting a product expansion manager and subsequently hired a suitable candidate in April 2018.
– Attending trade fairs, exhibitions and conducting feasibility studies and research on new products and markets	The Group was unable to identify suitable trade fairs or exhibitions during the period under review, nevertheless, the Group has identified several suitable trade fairs in the financial year 2019. The representatives of our Group subsequently attended a trade fair in Korea in May 2018 and will attend a trade fair in the United States in August 2018.
Enhance our marketing strategies by expanding and exploring more effective online marketing strategies, transforming our website as a lifestyle information portal, revamping our online shop and deploying more mainstream media	

Business plan up to 31 March 2018 as set out in Prospectus	Actual progress up to 31 March 2018
– Deploying mainstream advertising through traditional media such as television, outdoor advertising, newspapers, magazines, advertising in mass transit railway stations and mobile phone applications	The Group has deployed its advertisement through traditional media and online channels.
– Hiring third parties to transform our website into an information portal and revamping our online shop	The Group will use the funds as intended to transform our website into an information portal and for revamping our online shop in the financial year 2019.
Conduct system improvement and integration	
– Purchase of new integrated system	The Group has paid a deposit for acquiring a new integrated system. The implementation of the new system is expected to be completed in late 2018.
– System maintenance and point-of-sale system hosting	During the period under review, the Group has deployed funds for system maintenance and point of sale system hosting.

USE OF PROCEEDS

An analysis of the planned usage of net proceeds up to 31 March 2018 and the actual utilisation are set out below:

	Planned use of net proceeds up to 31 March 2018 (adjusted on a pro rata basis on the actual net proceeds) *HK$'000*	**Actual usage of net proceeds up to 31 March 2018** *HK$'000*
Expand our retail network by opening more retail stores and refurbishing our existing retail stores	1,732	137
Acquire a warehouse	13,181	–
Expand our product portfolio and explore new suppliers	138	8
Enhance our marketing strategies by expanding and exploring more effective online marketing strategies, transforming our website as a lifestyle information portal, revamping our online shop and deploying more mainstream media	959	541
Conduct system improvement and integration	1,045	120
General working capital	198	198

The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business and the industry.

OUTLOOK AND PROSPECTS

The Company's shares were listed on GEM on 12 February 2018. The net proceeds from the Listing have laid a solid foundation for the future development of the Group.

The Directors believe that the Group's success is attributable to the brand image of "mi ming mart" ("袁彌明生活百貨" or "彌明生活百貨"), which emphasises the offer of quality beauty and health products selected by our senior management team, reinforcing the customers' confidence in the Group's products and building up the customers' loyalty to the Group's brand. The Group believes our marketing strategy, established network of retail stores and the quality products offered by the Group will continue to strengthen our brand image and customer base.

Going forward, the Group aims to maintain our leading position in the small and medium segment of the skincare and cosmetics multi-brand specialty retailers market in Hong Kong and expand our sales network and product portfolio in order to enhance our competitiveness. With our comprehensive knowledge in both the skincare and cosmetics market and the health supplement market in Hong Kong, we plan to open five new retail stores in Hong Kong by the end of March 2020.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE PRACTICES

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

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

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 15 of the GEM Listing Rules.

As the shares of the Company were listed on the GEM of the Stock Exchange on the Listing Date, the Company has since then adopted and complied with, where applicable, the CG Code from the Listing Date up to the date of this announcement (the "**Relevant Period**"), except for code provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Ms. Erica Yuen is the chairlady of the Board and the chief executive officer of our Company. As Ms. Erica Yuen has been operating and managing our Group since 2009 and is a prominent social media icon on one of the most popular social media platforms, our Board believes that it is in the best interest of our Group to have Ms. Erica Yuen taking up both roles for effective management and business development. Therefore, our Directors consider that the deviation from CG Code provision A.2.1 is appropriate in such circumstances.

Further information on the Company's corporate governance practices will be set out in the corporate governance report contained in the Company's annual report for the year ended 31 March 2018, which will be dispatched to the shareholders in due course.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

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

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

DIVIDENDS

No final dividend has been paid or proposed by the Company during the year ended 31 March 2018, nor has any dividend been proposed since the end of the reporting period (2017: nil).

EVENTS AFTER THE REPORTING DATE

As from 31 March 2018 to the date of this announcement, no significant events have occurred.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued shares were held by the public as required under the GEM Listing Rules since the Listing Date and up to the date of this announcement.

ANNUAL GENERAL MEETING (THE "AGM")

The forthcoming AGM of the Company will be held on Friday, 10 August 2018. A notice convening the AGM will be published and despatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 7 August 2018 to Friday, 10 August 2018, both days inclusive, during which period no transfer of shares will be registered. For determining the entitlement of members of the Company to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 6 August 2018.

AUDIT COMMITTEE

The Company established an audit committee ("**Audit Committee**") with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Ms. Tsang Wing Yee, Ms. Chan Sze Lai Celine and Ms. Shum Wai Sze. Ms. Tsang Wing Yee possesses the appropriate professional accounting qualifications and related financial management expertise as required in Rule 5.05(2) of the GEM Listing Rules, and she serves as the chairlady of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board in providing an independent review of the effectiveness of the Group's internal audit function, financial reporting process, internal control and risk management systems, and to oversee the audit process. The Audit Committee had reviewed the audited final results of the Company for the year ended 31 March 2018.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2018 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

By order of the Board
Mi Ming Mart Holdings Limited
Yuen Mi Ming Erica
Chairlady, chief executive officer and executive Director

Hong Kong, 22 June 2018

As at the date of this announcement, the executive Directors are Ms. Yuen Mi Ming Erica and Ms. Yuen Mimi Mi Wahng; the non-executive Directors are Mr. Cheung Siu Hon Ronald and Mr. Lam Yue Yeung Anthony; and the independent non-executive Directors are Ms. Chan Sze Lai Celine, Ms. Shum Wai Sze and Ms. Tsang Wing Yee.

This announcement will remain on the "Latest Company Announcements" page of the website of GEM (www.hkgem.com) for at least seven days from its date of publication. This announcement will also be published on the website of the Company at www.mimingmart.com.