

2004

INTERIM REPORT
中期業績報告



BONJOUR

Bonjour Holdings Limited
卓悅控股有限公司

(Incorporated in the Cayman Islands with Limited Liability)
(於開曼群島註冊成立之有限公司)

目錄

| |
|-------------|
| 財務概要 |
| 公司資料 |
| 投資者資料 |
| 簡明綜合損益賬 |
| 簡明綜合資產負債表 |
| 簡明綜合現金流量表 |
| 簡明綜合股權變動表 |
| 賬目附註 |
| 管理層討論及分析 |
| 其他資料 |
| 零售專門店地址 |
| 纖體美容及保健中心地址 |

Contents

| | |
|---|-------|
| Financial Highlights | 2 |
| Corporate Information | 3 |
| Information for Investors | 4-6 |
| Condensed Consolidated Profit and Loss Account | 7 |
| Condensed Consolidated Balance Sheet | 8 |
| Condensed Consolidated Cash Flow Statement | 9 |
| Condensed Consolidated Statement of Changes in Equity | 10 |
| Notes to the Accounts | 11-17 |
| Management's Discussion and Analysis | 18-25 |
| Other Information | 25-30 |
| Retail Outlet's Address | 31 |
| Beauty & Health Salon's Address | 32 |

財務摘要
Financial Highlights

未經審核
Unaudited
 截至六月三十日止六個月
Six months ended 30 June
 二零零四年 二零零三年
 2004 2003

| | | | |
|--------------------|---|-----------|----|
| 零售專門店總數 | NUMBER OF RETAIL OUTLETS | 22 | 17 |
| 纖體美容及保健中心總數 | NUMBER OF BEAUTY AND HEALTH SALONS | 6 | 4 |

經營業績
OPERATING RESULTS

| | | | |
|--------------|--|---------------|--------|
| 營業額(百萬港元) | Turnover (HK\$ million) | 474.36 | 319.15 |
| 毛利(百萬港元) | Gross profit (HK\$ million) | 184.02 | 114.48 |
| 毛利率 | Gross margin | 38.79% | 35.87% |
| 經營溢利(百萬港元) | Operating Profit (HK\$ million) | 29.78 | 16.47 |
| 經營溢利率 | Operating margin | 6.28% | 5.16% |
| 股東應佔溢利(百萬港元) | Profit attributable to shareholders (HK\$ million) | 25.41 | 16.58 |
| 銷售回報 | Return on sales | 5.36% | 5.19% |

每股資料
PER SHARE DATA

| | | | |
|---------------|---------------------------------------|--------------|-------|
| 每股盈利 — 基本(港仙) | Earnings per share — Basic (HK cents) | 11.61 | 10.10 |
| 每股中期股息(港仙) | Interim dividend per share (HK cents) | 3.60 | 2.60 |

未經審核
Unaudited
 於二零零四年 於二零零三年
 六月三十日 六月三十日
At 30 June At 30 June
 2004 2003

財務比率
FINANCIAL RATIO

| | | | |
|-----------|------------------------------------|---------------|---------|
| 銷售存貨周期(日) | Inventory turnover on sales (days) | 53 | 59 |
| 負債資產比率 | Gearing ratio | 11% | 25% |
| 流動比率 | Current ratio | 141% | 109% |
| 負債權益比率 | Debt to equity ratio | 32.08% | 123.14% |
| 利息覆蓋(倍) | Interest coverage (times) | 47.09 | 21.58 |
| 資產總值回報 | Return on total assets | 9.18% | 9.52% |
| 股本回報 | Return on equity | 22.75% | 46.97% |

公司資料

Corporate Information

董事會

Board of Directors

執行董事

Executive Directors

葉俊亨先生 (主席)
鍾佩雲女士
葉國利先生
陳志秋先生

Mr. Ip Chun Heng, Wilson (*Chairman*)
Ms. Chung Pui Wan
Mr. Yip Kwok Li
Mr. Chan Chi Chau

獨立非執行董事

Independent Non-Executive Directors

黃弛維先生
周浩明醫生
勞恒晃先生

Mr. Wong Chi Wai
Dr. Chow Ho Ming
Mr. Lo Hang Fong

審核委員會

Audit Committee

黃弛維先生
周浩明醫生
勞恒晃先生

Mr. Wong Chi Wai
Dr. Chow Ho Ming
Mr. Lo Hang Fong

授權代表

Authorized Representatives

葉俊亨先生
陳志秋先生

Mr. Ip Chun Heng, Wilson
Mr. Chan Chi Chau

財務總監兼公司秘書

Financial Controller and Company Secretary

鄭永富先生

Mr. Jan Wing Fu, Barry

註冊辦事處

Registered Office

4th Floor, West Wind Building
70 Harbour Drive
P.O. Box 2075 GT
George Town
Grand Cayman
Cayman Islands
British West Indies

4th Floor, West Wind Building
70 Harbour Drive
P.O.Box 2075 GT
George Town
Grand Cayman
Cayman Islands
British West Indies

總辦事處及主要營業地點

Head Office and Principal Place of Business

香港
九龍土瓜灣
旭日街3號
卓悅集團中心十樓
電話：(+852) 2872-2872
傳真：(+852) 2338-8154

10/F., Bonjour Tower
3 Yuk Yat Street
Tokwawan, Kowloon
Hong Kong
Telephone: (+852) 2872-2872
Facsimile: (+852) 2338-8154

投資者資料

公司網址

www.bonjourhk.com

電郵地址

info@bonjourhk.com

股份過戶登記總處

Bank of Butterfield International
(Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705 GT
George Town
Grand Cayman
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712-1716室

投資者關係聯絡

陳志秋先生
執行董事
卓悅控股有限公司
香港
九龍土瓜灣
旭日街3號
卓悅集團中心十樓
電話：(+852)2872-2838
傳真：(+852)2872-2873
電郵：alan@bonjourhk.com

財務日誌

二零零四年度：二零零四年
週年股東大會 六月二日

中期業績公告：二零零四年
九月十七日

中期股息除：二零零四年
息日 十月五日

Information for Investors

Company's Website

www.bonjourhk.com

E-Mail Address

info@bonjourhk.com

Principal Share Registrars and Transfer Office

Bank of Butterfield International (Cayman) Limited
Butterfield House
68 Fort Street
P.O.Box 705 GT
George Town
Grand Cayman
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Room 1712-1716
17th Floor Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Investor Relations Contact

Mr. Chan Chi Chau
Executive Director
Bonjour Holdings Limited
10/F., Bonjour Tower
3 Yuk Yat Street
Tokwawan, Kowloon
Hong Kong
Telephone: (+852) 2872-2838
Facsimile: (+852) 2872-2873
E-mail: alan@bonjourhk.com

Financial Calendar

2004 annual general meeting : 2 June 2004

Announcement of interim results : 17 September 2004

Ex-dividend date for interim dividend : 5 October 2004

投資者資料 (續)

Information for Investors (continued)

財務日誌 (續)

Financial Calendar (continued)

中期股息截止：二零零四年十月
過戶日期 六日至八日

Book closing dates for interim dividend : 6 to 8 October 2004

中期股息派：二零零四年十月
息日 十五日或前後

Payment date for interim dividend : on or about 15 October 2004

財政年度完結：二零零四年
十二月
三十一日

Financial year end : 31 December 2004

股份代號

Stock code

香港聯交所 : 653
彭博 : 653HK
路透社 : 653.HK

Stock Exchange of Hong Kong : 653
Access to Bloomberg : 653HK
Access to Reuters : 653.HK

買賣單位 (每手) : 4,000股

Board lot : 4,000 shares

市值

Market Capitalisation

於二零零三年：196,920,000港元
七月十六日
上市日之市值
(已發行股本：
218,800,000股
股份，股份
發售價：每股
0.90港元)

Market Capitalisation as at : HK\$196.92 million
16 July 2003 — Date of listing
(Issued capital: 218,800,000 shares,
share offer price: HK\$0.90 per share)

於二零零四年：514,180,000港元
六月三十日
之市值
(已發行股本：
218,800,000
股股份，於
二零零四年
六月三十日
收市股價：每股
2.35港元)

Market Capitalisation as : HK\$514.18 million
at 30 June 2004
(Issued capital: 218,800,000
shares, closing market price as at
30 June 2004: HK\$2.35 per share)

股價過往數據

Stock Price History

| | | 每股價格 | |
|--------------|-------------|-----------------|---------------|
| | | Price Per Share | |
| | | 最高 (港元) | 最低 (港元) |
| | | Highest (HK\$) | Lowest (HK\$) |
| 二零零三年 | 2003 | | |
| 七月 | July | 1.460 | 0.850 |
| 八月 | August | 1.830 | 1.250 |
| 九月 | September | 2.200 | 1.750 |
| 十月 | October | 1.950 | 1.450 |
| 十一月 | November | 1.860 | 1.550 |
| 十二月 | December | 2.050 | 1.680 |
| 二零零四年 | 2004 | | |
| 一月 | January | 2.325 | 1.790 |
| 二月 | February | 2.500 | 1.940 |
| 三月 | March | 2.400 | 2.100 |
| 四月 | April | 2.450 | 2.225 |
| 五月 | May | 2.350 | 1.740 |
| 六月 | June | 2.350 | 1.920 |
| 七月 | July | 2.775 | 2.350 |
| 八月 | August | 2.750 | 2.475 |

卓悦控股有限公司股價

Share Price of Bonjour Holdings Limited



卓悅控股有限公司(「本公司」)董事會(「董事會」)欣然宣佈本公司及其附屬公司(「本集團」)截至二零零四年六月三十日止六個月(「本期間」)之未經審核簡明綜合中期財務報表，連同去年同期未經審核之比較數字及有關說明附註載列如下。該等中期業績已由本公司審核委員會審閱。

The Board of Directors (the “Board”) of Bonjour Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2004 (“the Period”), together with the unaudited comparative figures for the corresponding period last year and the relevant explanatory notes set out below. The interim results have been reviewed by the Company’s Audit Committee.

簡明綜合損益賬

Condensed Consolidated Profit and Loss Account

| | | 未經審核 Unaudited 截至六月三十日止六個月 Six months ended 30 June | | |
|--------|-------------------------------------|--|-----------------|--------------|
| | | 二零零四年 2004 | 二零零三年 2003 | |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | |
| | 附註 Note | | | |
| 營業額 | Turnover | 2 | 474,363 | 319,154 |
| 銷售成本 | Cost of sales | | (290,346) | (204,674) |
| 毛利 | Gross profit | | 184,017 | 114,480 |
| 其他收益 | Other revenues | | 5,448 | 468 |
| 分銷費用 | Distribution costs | | (17,277) | (8,987) |
| 行政開支 | Administrative expenses | | (140,991) | (89,488) |
| 其他經營開支 | Other operating expenses | | (1,417) | (7) |
| 經營溢利 | Operating profit | 3 | 29,780 | 16,466 |
| 融資成本 | Finance costs | | (632) | (763) |
| 除稅前溢利 | Profit before taxation | | 29,148 | 15,703 |
| 稅項 | Taxation | 4 | (3,028) | 873 |
| 除稅後溢利 | Profit after taxation | | 26,120 | 16,576 |
| 少數股東權益 | Minority interests | | (714) | — |
| 股東應佔溢利 | Profit attributable to shareholders | | 25,406 | 16,576 |
| 中期股息 | Interim dividends | 5 | 7,877 | 5,689 |
| 每股基本盈利 | Basic earnings per share | 6 | 11.61仙 cents | 10.10仙 cents |
| 每股攤薄盈利 | Diluted earnings per share | 6 | 11.52仙 cents | 不適用 N/A |

| | | | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|-----------------------|--|------------|---|--|
| | | 附註 Note | | |
| 固定資產 | Fixed assets | 7 | 49,936 | 40,404 |
| 遞延稅項資產 | Deferred tax assets | 12 | 1,716 | 2,174 |
| | | | 51,652 | 42,578 |
| 流動資產 | Current assets | | | |
| 存貨 | Inventories | | 138,920 | 109,990 |
| 應收貿易賬款 | Trade receivables | 8 | 8,247 | 7,271 |
| 其他應收賬款、已付訂金 及預付款項 | Other receivables, deposits paid and prepayments | | 36,539 | 35,518 |
| 已抵押銀行存款 | Pledged bank deposits | | — | 5,584 |
| 銀行結餘及現金 | Bank balances and cash | | 41,460 | 55,799 |
| | | | 225,166 | 214,162 |
| 流動負債 | Current liabilities | | | |
| 應付貿易賬款 | Trade payables | 9 | 67,096 | 61,229 |
| 其他應付賬款、已收訂金 及應計開支 | Other payables, deposits received and accrued charges | | 19,628 | 18,430 |
| 遞延收益 | Deferred revenue | | 34,520 | 31,904 |
| 應付董事款項 | Amount due to directors | | 89 | 262 |
| 應付稅項 | Taxation payable | | 1,974 | 957 |
| 長期負債之即期部份 | Current portion of long term liabilities | 10 | 6,576 | 12,473 |
| 信託收據及其他 短期銀行貸款—有抵押 | Trust receipt and other short-term bank loans — secured | 15 | 24,340 | 25,842 |
| 銀行透支—有抵押 | Bank overdrafts — secured | 15 | 4,964 | 336 |
| | | | 159,187 | 151,433 |
| 流動資產淨額 | Net current assets | | 65,979 | 62,729 |
| 總資產減流動負債 | Total assets less current liabilities | | 117,631 | 105,307 |
| 來自： | Financed by | | | |
| 股本 | Share capital | 11 | 2,188 | 2,188 |
| 其他儲備 | Other reserves | | 38,597 | 38,597 |
| 保留盈利 | Retained earnings | | | |
| 建議股息 | Proposed dividends | 5 | 7,877 | 13,784 |
| 其他 | Others | | 63,034 | 45,505 |
| 股東資金 | Shareholders' funds | | 111,696 | 100,074 |
| 少數股東權益 | Minority interests | | 3,096 | 2,383 |
| 長期服務金負債 | Long services payment liabilities | | 1,192 | 992 |
| 長期負債 | Long-term liabilities | 10 | 947 | 1,090 |
| 遞延稅項負債 | Deferred tax liabilities | 12 | 700 | 768 |
| | | | 2,839 | 2,850 |
| | | | 117,631 | 105,307 |

| | | 未經審核 Unaudited | |
|----------------------|--|---|-----------------|
| | | 截至六月三十日止六個月 Six months ended 30 June | |
| | | 二零零四年 2004 | 二零零三年 2003 |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 營運所產生現金 流入／(流出)淨額 | Net cash inflow/(outflow) generated from operations | 15,719 | (6,915) |
| 經營業務現金流出淨額 | Net cash outflow from operating activities | (2,253) | (1,790) |
| 投資活動現金流出淨額 | Net cash outflow from investing activities | (16,691) | (7,149) |
| 融資活動現金(流出)／ 流入淨額 | Net cash (outflow)/inflow from financing activities | (15,742) | 6,816 |
| 現金及現金等值物減少 | Decrease in cash and cash equivalents | (18,967) | (9,038) |
| 於一月一日之現金及 現金等值物 | Cash and cash equivalents at 1 January | 55,463 | 9,225 |
| 於六月三十日之現金及 現金等值物 | Cash and cash equivalents at 30 June | 36,496 | 187 |
| 現金及現金等值物之分析： | Analysis of cash and cash equivalents: | | |
| 現金及銀行結餘 | Cash and bank balances | 41,460 | 4,827 |
| 銀行透支 | Bank overdrafts | (4,964) | (4,640) |
| | | 36,496 | 187 |

| | | 未經審核 Unaudited | | | | | |
|------------|----------------------------|-------------------|-------------------------------|---------------------|------------------|-------------------|----------|
| | | 股本 | 股份 發行開支 | 保留 溢利 | 股份溢價 | 合併 儲備 | 總計 |
| | | Share capital | Share issuance expenses | Retained profits | Share Premium | Merger reserve | Total |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 於二零零四年 | | | | | | | |
| 一月一日 | At 1 January 2004 | 2,188 | — | 59,289 | 38,182 | 415 | 100,074 |
| 期內溢利 | Profit for the Period | — | — | 25,406 | — | — | 25,406 |
| 股息 | Dividend | — | — | (13,784) | — | — | (13,784) |
| 於二零零四年 | | | | | | | |
| 六月三十日 | At 30 June 2004 | 2,188 | — | 70,911 | 38,182 | 415 | 111,696 |
| | | 未經審核 Unaudited | | | | | |
| | | 股本 | 股份 發行開支 | 保留 溢利 | 股份溢價 | 合併 儲備 | 總計 |
| | | Share capital | Share issuance expenses | Retained profits | Share Premium | Merger reserve | Total |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 於二零零三年 | | | | | | | |
| 一月一日 | At 1 January 2003 | 2 | (1,210) | 23,520 | — | 415 | 22,727 |
| 期內溢利 | Profit for the Period | — | — | 16,576 | — | — | 16,576 |
| 股份發行 開支 | Share issuance expenses | — | (4,015) | — | — | — | (4,015) |
| 於二零零三年 | | | | | | | |
| 六月三十日 | At 30 June 2003 | 2 | (5,225) | 40,096 | — | 415 | 35,288 |

賬目附註

Notes to the Accounts

1. 編製基準

該等未經審核簡明綜合中期賬目（「中期賬目」）已根據香港會計師公會頒佈之會計實務準則第25號「中期財務報告」（適用於簡明中期賬目）及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16編製。

該等中期賬目應與二零零三年之年度財務報表一併參閱。

編製該等中期賬目所採用之會計政策及計算方法與截至二零零三年十二月三十一日止年度之年度財務報表所採用者一致。

2. 分類資料

本集團於香港及澳門之主要業務分為三類，包括：(i)零售美容保健產品；(ii)經營纖體美容及保健中心及(iii)批發美容保健產品。

(a) 主要呈報方式－業務分類

1. Basis of preparation

These unaudited condensed consolidated interim accounts ("interim accounts") have been prepared in accordance with the Statement of Standard Accounting Practice No. 25 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants, (as applicable to condensed interim accounts) and Appendix 16 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These interim accounts should be read in conjunction with the 2003 annual financial statements.

The accounting policies and methods of computation used in the preparation of these interim accounts are consistent with those used in the annual financial statements for the year ended 31 December 2003.

2. Segment information

The Group's principal operation is organised into three business segments in Hong Kong and Macau, namely (i) retailing of beauty and health-care products, (ii) operation of beauty and health salons and (iii) wholesaling of beauty and health-care products.

(a) Primary reporting format – business segments

| | | 截至二零零四年六月三十日止六個月 (未經審核) Six months ended 30 June 2004 (unaudited) | | | | | |
|------------|--|--|---|--|--------------------------------------|--------------------------------|--|
| | | 零售美容 保健產品 Retailing of beauty and health-care products 千港元 HK\$'000 | 經營纖體 美容及 保健中心 Operation of beauty and health salons 千港元 HK\$'000 | 批發美容 保健產品 Wholesaling of beauty and health-care products 千港元 HK\$'000 | 對銷 Elimination 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 | |
| 分類收益 | Segment revenues | | | | | | |
| 營業額 | Turnover | | | | | | |
| 對外收益 | External revenue | 419,403 | 38,081 | 16,879 | — | 474,363 | |
| 分類間 收益 | Inter-segment revenue | 1,696 | — | 26,024 | (27,720) | — | |
| | | 421,099 | 38,081 | 42,903 | (27,720) | 474,363 | |
| 分類業績 | Segment results | 20,818 | 985 | 2,529 | | 24,332 | |
| 其他收益 | Other revenues | | | | | 5,448 | |
| 經營溢利 | Operating profit | | | | | 29,780 | |
| 融資成本 | Finance costs | | | | | (632) | |
| 除稅前溢利 | Profit before taxation | | | | | 29,148 | |
| 稅項 | Taxation | | | | | (3,028) | |
| 除稅後溢利 | Profit after taxation | | | | | 26,120 | |
| 少數股東權益 | Minority interests | | | | | (714) | |
| 股東應佔 溢利 | Profit attributable to shareholders | | | | | 25,406 | |

2. 分類資料 (續)
(a) 主要呈報方式 – 業務分類 (續)

| | | 截至二零零三年六月三十日止六個月 (未經審核) | | | | |
|-----------|-------------------------------------|---|---|---|-----------------|-----------------|
| | | Six months ended 30 June 2003 (unaudited) | | | | |
| | | 零售美容 保健產品 | 經營纖體 美容及 保健中心 | 批發美容 保健產品 | 對銷 | 總計 |
| | | Retailing of beauty and health-care products | Operation of beauty and health salons | Wholesaling of beauty and health-care products | Elimination | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 分類收益 | Segment revenues | | | | | |
| 營業額 | Turnover | | | | | |
| 對外收益 | External revenue | 284,103 | 20,406 | 14,645 | — | 319,154 |
| 分類間 收益 | Inter-segment revenue | 2,406 | — | 21,138 | (23,544) | — |
| | | 286,509 | 20,406 | 35,783 | (23,544) | 319,154 |
| 分類業績 | Segment results | 15,413 | (1,635) | 2,250 | | 16,028 |
| 其他收益 | Other revenues | | | | | 438 |
| 經營溢利 | Operating profit | | | | | 16,466 |
| 融資成本 | Finance costs | | | | | (763) |
| 除稅前溢利 | Profit before taxation | | | | | 15,703 |
| 稅項 | Taxation | | | | | 873 |
| 股東應佔溢利 | Profit attributable to shareholders | | | | | 16,576 |

(b) 由於本集團絕大部份資產均位於香港，而其餘則位於澳門，故並無呈列按資產所在地劃分之分類資料。由於本集團多數於香港向客戶銷售商品及提供服務，故並無呈列按客戶所在地劃分之營業額分析。

2. Segment information (continued)
(a) Primary reporting format – business segments (continued)

| | | 截至二零零三年六月三十日止六個月 (未經審核) | | | | |
|-----------|-------------------------------------|---|---|---|-----------------|-----------------|
| | | Six months ended 30 June 2003 (unaudited) | | | | |
| | | 零售美容 保健產品 | 經營纖體 美容及 保健中心 | 批發美容 保健產品 | 對銷 | 總計 |
| | | Retailing of beauty and health-care products | Operation of beauty and health salons | Wholesaling of beauty and health-care products | Elimination | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 分類收益 | Segment revenues | | | | | |
| 營業額 | Turnover | | | | | |
| 對外收益 | External revenue | 284,103 | 20,406 | 14,645 | — | 319,154 |
| 分類間 收益 | Inter-segment revenue | 2,406 | — | 21,138 | (23,544) | — |
| | | 286,509 | 20,406 | 35,783 | (23,544) | 319,154 |
| 分類業績 | Segment results | 15,413 | (1,635) | 2,250 | | 16,028 |
| 其他收益 | Other revenues | | | | | 438 |
| 經營溢利 | Operating profit | | | | | 16,466 |
| 融資成本 | Finance costs | | | | | (763) |
| 除稅前溢利 | Profit before taxation | | | | | 15,703 |
| 稅項 | Taxation | | | | | 873 |
| 股東應佔溢利 | Profit attributable to shareholders | | | | | 16,576 |

(b) No segment information by location of assets is presented as substantially all the Group's assets are located in Hong Kong with the remaining located in Macau. No analysis of turnover by location of customers is presented as the Group sells substantially all merchandise and provides substantially all services to customers in Hong Kong.

3. 經營溢利

經營溢利已扣除下列各項：

3. Operating profit

Operating profit is stated after charging the following:

| | | 未經審核 | |
|----------|----------------------------------|--------------------------|----------|
| | | Unaudited | |
| | | 截至六月三十日止六個月 | |
| | | Six months ended 30 June | |
| | | 二零零四年 | 二零零三年 |
| | | 2004 | 2003 |
| | | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 |
| 折舊 | Depreciation | 5,603 | 3,603 |
| 出售固定資產虧損 | Loss on disposal of fixed assets | 1,387 | — |

4. 稅項

香港利得稅乃按本期間估計應課稅溢利以17.5%（二零零三年：17.5%）之稅率計算。海外稅項乃按各司法權區適用之稅率計算。

自簡明綜合損益賬扣除之稅項指：

4. Taxation

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 17.5%) on the estimated assessable profit for the Period. Overseas taxation is calculated at the rates applicable in the respective jurisdictions.

The amount of taxation charged to the condensed consolidated profit and loss account represents:

| | | 未經審核 Unaudited | |
|----------------------|--|---|-----------------|
| | | 截至六月三十日止六個月 Six months ended 30 June | |
| | | 二零零四年 2004 | 二零零三年 2003 |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 香港利得稅 | Hong Kong profits tax | | |
| — 本年度 | — Current year | 3,450 | 374 |
| — 過往年度超額撥備 | — Over provisions in prior years | (914) | — |
| | | 2,536 | 374 |
| 海外稅項 | Overseas taxation | 102 | — |
| 有關短暫時差產生及逆轉 之遞延稅項 | Deferred taxation relating to the origination and reversal of temporary differences | 390 | (1,247) |
| 稅項支出／(收入) | Taxation charge/(income) | 3,028 | (873) |

5. 股息

中期擬派每股普通股
0.036港元
(二零零三年：0.026港元)

於二零零四年九月十七日舉行之會議上，董事會宣佈派發中期股息每股普通股0.036港元。擬派股息並無於本簡明賬目內列作應付股息，惟將於截至二零零四年十二月三十一日止年度列作保留盈利分派。

5. Dividends

Interim, proposed, of
HK\$0.036 (2003: HK\$0.026) per
ordinary share

At a meeting held on 17 September 2004, the Board declared an interim dividend of HK\$0.036 per ordinary share. This proposed dividend is not reflected as a dividend payable in these condensed accounts, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2004.

| | | 未經審核 Unaudited | |
|-----------------|---------------------------------|---|-----------------|
| | | 截至六月三十日止六個月 Six months ended 30 June | |
| | | 二零零四年 2004 | 二零零三年 2003 |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 中期擬派每股普通股 | Interim, proposed, of | | |
| 0.036港元 | HK\$0.036 (2003: HK\$0.026) per | | |
| (二零零三年：0.026港元) | ordinary share | 7,877 | 5,689 |

6. 每股盈利

截至二零零四年六月三十日止六個月之每股基本及攤薄盈利乃根據本集團於本期間之未經審核股東應佔溢利約25,406,000港元(二零零三年：16,576,000港元)計算。

每股基本盈利乃根據截至二零零四年六月三十日止六個月內已發行股份218,800,000股(二零零三年：164,100,000股)計算。

截至二零零四年六月三十日止六個月之每股攤薄盈利乃根據220,631,278股普通股計算，即期內已發行218,800,000股普通股，加上假設所有未行使之購股權皆已行使而被視作無償發行1,831,278股普通股計算。

6. Earnings per share

The calculation of basic and diluted earnings per share for the six months ended 30 June 2004 is based on the Group's unaudited profit attributable to shareholders for the Period of approximately HK\$25,406,000 (2003: HK\$16,576,000).

The basic earnings per share is based on the number of 218,800,000 (2003: 164,100,000 shares) shares in issue during the six months ended 30 June 2004.

The diluted earnings per share for the six months ended 30 June 2004 is based on 220,631,278 ordinary shares which is the number of 218,800,000 ordinary shares in issue during the period plus the number of 1,831,278 ordinary shares deemed to be in issue at no consideration if all outstanding options had been exercised.

7. 固定資產

7. Fixed assets

| | | 千港元 HK\$'000 |
|-------------|-------------------|-----------------|
| 於二零零四年一月一日 | At 1 January 2004 | 40,404 |
| 添置 | Additions | 16,522 |
| 出售(淨額) | Disposals (net) | (1,387) |
| 折舊 | Depreciation | (5,603) |
| <hr/> | | |
| 於二零零四年六月三十日 | At 30 June 2004 | 49,936 |

8. 應收貿易賬款

本集團之公司客戶銷售按介乎60至90日之除賬期進行。於各結算日，應收貿易賬款之賬齡分析如下：

8. Trade receivables

The Group's sales to corporate customers are entered into on credit terms ranging from 60 to 90 days. The aging analysis of trade receivables at the respective balance sheet dates is as follows:

| | | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|-----------|---------------|---|--|
| 0 — 30日 | 0 — 30 days | 4,886 | 3,165 |
| 31 — 60日 | 31 — 60 days | 207 | 706 |
| 61 — 90日 | 61 — 90 days | 1,482 | 253 |
| 91 — 120日 | 91 — 120 days | 1,672 | 3,147 |
| <hr/> | | | |
| | | 8,247 | 7,271 |

9. 應付貿易賬款

於各結算日，應付貿易賬款之賬齡分析如下：

9. Trade payables

The aging analysis of trade payables at the respective balance sheet dates is as follows:

| | | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|-----------|---------------|---|--|
| 0 — 30日 | 0 — 30 days | 35,125 | 27,591 |
| 31 — 60日 | 31 — 60 days | 19,844 | 21,025 |
| 61 — 90日 | 61 — 90 days | 8,732 | 10,308 |
| 91 — 120日 | 91 — 120 days | 3,395 | 2,305 |
| | | 67,096 | 61,229 |

10. 長期負債

銀行貸款，有抵押
融資租賃承擔

10. Long-term liabilities

| | | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|-------------|--|---|--|
| 銀行貸款，有抵押 | Bank loans, secured | 7,219 | 13,101 |
| 融資租賃承擔 | Obligations under finance leases | 304 | 462 |
| | | 7,523 | 13,563 |
| 減：長期負債之即期部份 | Less: Current portion of long-term liabilities | | |
| 銀行貸款，有抵押 | Bank loans, secured | 6,302 | 12,106 |
| 融資租賃承擔 | Obligations under finance leases | 274 | 367 |
| | | 6,576 | 12,473 |
| 長期負債之非即期部份 | Non-current portion of long-term liabilities | 947 | 1,090 |
| 上述之分析如下： | The analysis of the above is as follows: | | |
| 須於五年內悉數償還 | Wholly repayable within five years | 6,449 | 12,411 |
| 毋須於五年內悉數償還 | Not wholly repayable within five years | 1,074 | 1,152 |
| | | 7,523 | 13,563 |

長期銀行貸款乃按現行市場息率計息。銀行信貸之抵押詳情載於下文附註15。

The long-term bank loans bear interest at prevailing market rates. Detail of the security for banking facilities are set out in note 15 below.

11. 股本
11. Share capital

| | | 每股0.01港元之法定普通股 Authorised ordinary shares of HK\$0.01 each | |
|--------------------------------------|--|--|-----------------|
| | | 股份數目 No. of shares | 千港元 HK\$'000 |
| 於二零零四年六月三十日及 二零零三年十二月三十一日 | | 2,000,000,000 | 20,000 |
| At 30 June 2004 and 31 December 2003 | | | |

| | | 每股0.01港元之 已發行及繳足普通股 Issued and fully paid ordinary shares of HK\$0.01 each | |
|--------------------------------------|--|---|-----------------|
| | | 股份數目 No. of shares | 千港元 HK\$'000 |
| 於二零零四年六月三十日及 二零零三年十二月三十一日 | | 218,800,000 | 2,188 |
| At 30 June 2004 and 31 December 2003 | | | |

12. 遞延稅項
12. Deferred taxation

遞延稅項乃就使用負債法所得之全部短暫時差按17.5%(二零零三年: 17.5%)之主要稅率計算。

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2003: 17.5%).

期內本集團之遞延稅項(資產)/負債之變動如下:

The movement in the Group's deferred tax (assets)/liabilities during the Period is as follows:

| | | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|----------------------|--|---|--|
| 期/年初 | At the beginning of the period/year | (1,406) | 243 |
| 扣除自/(計入)損益賬之 遞延稅項 | Deferred taxation charged/(credited) to profit and loss account | 390 | (1,649) |
| 期/年終 | At the end of the period/year | (1,016) | (1,406) |

列示於簡明綜合資產負債表之數額已計入:

The amounts shown in the condensed consolidated balance sheet include:

| | | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|--------|--------------------------|---|--|
| 遞延稅項資產 | Deferred tax assets | 1,716 | 2,174 |
| 遞延稅項負債 | Deferred tax liabilities | (700) | (768) |
| | | 1,016 | 1,406 |

13. 承擔
(a) 資本開支承擔

本集團就裝修兩間零售專門店及購買固定資產之資本承擔如下：

| | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|---------|---|--|
| 已訂約但未撥備 | 3,000 | — |

(b) 經營租賃承擔

於二零零四年六月三十日，根據不可撤回之土地及樓宇經營租賃，本集團未來之最低應付租金總額如下：

| | 未經審核 Unaudited 於二零零四年 六月三十日 At 30 June 2004 千港元 HK\$'000 | 經審核 Audited 於二零零三年 十二月三十一日 At 31 December 2003 千港元 HK\$'000 |
|---------|---|--|
| 一年內 | 94,516 | 71,938 |
| 第二至第五年內 | 111,415 | 67,837 |
| | 205,931 | 139,775 |

13. Commitments
(a) Capital expenditure commitments

The Group had capital commitments in respect of decoration of two retail outlets and acquisition of fixed assets as follows:

(b) Commitments under operating leases

At 30 June 2004, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

14. 或然負債

於二零零四年六月三十日，本集團之或然負債合共為1,300,000港元（二零零三年：無），為銀行給予業主租金之保證。

15. 銀行信貸

於二零零四年六月三十日，本集團之銀行信貸合共約76,000,000港元，以本公司之公司擔保作擔保。

14. Contingent liabilities

As at 30 June 2004, the Group's had contingent liabilities totalling HK\$1.3 million (2003: NIL) which represent guarantee given by bank for rental payment to landlord.

15. Banking facilities

As at 30 June 2004, the Group's banking facilities totalling approximately HK\$76 million were secured by corporate guarantee of the Company.

管理層討論及分析

業務回顧

本集團回顧

自一九九六年以來，本集團以高速增長連續接近十年，本年度亦不例外。

本集團於本年度首六個月之營業額達474,360,000港元(二零零三年：319,150,000港元)，較去年同期上升48.63%。

零售及批發部錄得營業額增長46.04%至436,280,000港元(二零零三年：298,750,000港元)。增長率較正常為高之主要因素有二。第一，本集團於二零零三年財政年度內透過開設多九間零售專門店加速其零售網絡之擴展，然而當時市場仍對香港零售業可否復甦仍存有疑慮。第二，內地個人遊旅客數目增加之影響於二零零三年下半年開始全面浮現。

美容服務部之營業額上升86.58%至38,080,000港元(二零零三年：20,410,000港元)。因此，美容服務部佔營業額之比例由去年同期之6.39%增加至8.03%。

本集團於二零零四年上半年之毛利率為38.79%(二零零三年：35.87%)。增加之明顯原因為去年沙士期間所出售之低毛利率產品不再是本期銷售組合之主要部份。另一主要原因為高毛利率業務例如美容服務部佔整體業務組合之比例日益增加及改善。

總而言之，本集團在大有改善之市場環境下表現理想。最重要的是，本集團之表現符合原定計劃。管理層須於發展市場過程中具備獨到眼光，方可達致此表現。

Management's Discussion and Analysis

Operation Review

Group Review

The Group has been consecutively growing at a fast rate for almost a decade since 1996. This year has no exception.

The Group's turnover amounted to HK\$474.36 million (2003: HK\$319.15 million) for the first six months of the year, representing an increase of 48.63% compared to the same period in last year.

The retail & wholesale division recorded a turnover growth of 46.04% to HK\$436.28 million (2003: HK\$298.75 million). There are two major factors contributed to this higher than normal growth rate. First, the Group has accelerated its retail network expansion by opening nine more retail outlets in the fiscal year of 2003, during which the market was still skeptical about the recovery of retail market in Hong Kong. Second, the effect of increasing number of mainland individual travelers started to emerge in the second half of 2003.

The beauty service division's turnover increased by 86.58% to HK\$38.08 million (2003: HK\$20.41 million). As a result, the proportion of turnover of beauty service division increased from 6.39% to 8.03% compared to the corresponding period last year.

The Group's gross margin was 38.79% (2003: 35.87%) in the first half of 2004. An obvious reason for the increase is that the lower margin products sold during the SARS period last year is no longer a major component of the sale mix this Period. Another major reason is that the proportion of higher gross margin business, such as the beauty service division, is getting bigger and better in the overall business mix.

In summary, the Group performed satisfactorily under a much improved market environment. More fundamentally, the Group performed according to what it originally planned. This can only be achieved when the management has a clear vision in the course of market development.

管理層討論及分析 (續)

業務回顧 (續)

零售及批發部回顧

零售及批發部營業額436,280,000港元中，零售部佔419,400,000港元(二零零三年：284,100,000港元)，上升47.62%；而批發部則佔16,880,000港元(二零零三年：14,640,000港元)，較去年上升15.30%。

零售部營業額上升主要由於二零零四年首六個月之可比較專門店營業額(即相同專門店銷售)上升9.03%及自二零零三年六月三十日起所開設之六間新零售專門店所引致。

中國內地個人遊旅客數目增加為營業額增長之主要動力。當然本地消費者回復信心亦同樣重要，有助於二零零三年下半年開始之業績改善得以持續。

批發部方面，營業額為16,880,000港元(二零零三年：14,640,000港元)，較去年同期上升15.30%。儘管受到沙士之後遺影響，批發業務已回復正常，並與零售業務部同步增長。

於二零零四年六月三十日，本集團之銷售存貨週期為53日，與二零零三年十二月三十一日者幾乎相同。由於本集團一直密切注視存貨水平，故存貨週期水平多年來均維持於此正常水平(沙士期間除外)。

合營企業

繼去年首兩個月錄得輕微營運虧損後，合營企業之業務已如本集團預期般於本年度首六個月內轉虧為盈。儘管所帶來之溢利仍未佔本集團溢利總額之明顯部份，但該業務之增長強勁，預計未來數年仍有擴展空間。

Management's Discussion and Analysis (continued)

Operations Review (continued)

Retail & Wholesale Division Review

Among the retail & wholesale division turnover of HK\$436.28 million, retail section accounted for HK\$419.40 million which represents an increase of 47.62% (2003: HK\$284.10 million); and wholesale section accounted for HK\$16.88 million which is 15.30% higher than that of last year (2003: HK\$14.64 million).

The increase of turnover in retail section is mainly attributable to the increase of comparable stores' turnover (i.e.: Same Store Sales) of 9.03% on the first six months of 2004 and the opening of six new retail outlets since 30 June 2003.

The increasing number of individual travelers from mainland China was the key momentum in turnover growth. It is also equally important that the recovery of local consumer sentiment has helped to sustain the performance improvement started in the second half of 2003.

For the wholesale section, the turnover was HK\$16.88 million (2003: HK\$14.64 million), an increase of 15.30% compared to the corresponding period last year. With the effect of SARS left behind, the wholesale business was back to normal, and grew in line with the retail business division.

The Group's inventory turnover on sales was 53 days as at 30 June 2004, which was almost the same as at 31 December 2003. As we closely monitored the stock level all the time, the inventory turnover level was kept at this normal level for many years (except during SARS period).

Joint Venture

After suffering a small operating loss in the first two months last year, the joint venture business has turned to be profitable in the first six months this year as we expected. Though the profit generated has not yet accounted for a significant portion of the Group's total profit, the business is going strong and there is still room for expansion in the coming years.

美容服務部回顧

最新一間纖體美容及保健中心在澳門開設後，於二零零四年六月三十日，本集團共有六間纖體美容及保健中心。一如澳門之零售專門店，消費者對新中心欣然受落。初期之經營業績反映此新中心以錄得穩健回報遠早於本集團原定預期之時間內。

美容服務市場較以往之競爭更為激烈。然而，美容服務部繼續錄得理想增長。已售服務計劃或現金流入上升35.17%至40,700,000港元（二零零三年：30,110,000港元）。錄得此成績主要由於本集團以建立了一群高度欣賞本集團致力提供最高專業水準及一站式服務之忠心客戶群所致。

由於美容服務部自二零零三年下半年起已轉虧為盈，故於本期間內繼續維持正面財務業績。已贖回之服務額上升86.58%至38,080,000港元（二零零三年：20,410,000港元），導致本期間分類收益為980,000港元（二零零三年：分類虧損1,640,000港元）。贖回率增加乃由於愈來愈多過往以購買服務計劃之客戶重返使用服務所致。

由於美容服務部正處於高增長階段，已售計劃金額仍遠多於同期內贖回之服務額。因此，於二零零四年六月三十日，遞延收入總數上升至34,520,000港元（二零零三年六月三十日：28,820,000港元）。

本期間內美容服務部之廣告及宣傳成本繼續維持於低於已售計劃價值之20%。該等成本乃用作提高品牌意識、鞏固品牌形象及促進服務計劃之銷售。鑑於市場環境變化迅速，本集團採取顯著措施確保吸納主要顧客之廣告策略更靈活及有效，以及避免本集團之廣告成本超支。

Beauty Services Division Review

With the opening of a new beauty and health salon in Macau, the Group now has six beauty and health salons in total as at 30 June 2004. Like the retail outlet in Macau, the new salon was well received by the consumers. The operating result in the early stage showed that this new salon can achieve a healthy returns much earlier than we originally expected.

The beauty service market is getting more and more competitive than ever. Still, the beauty service division continues to grow satisfactorily. The service package sold or cash inflow increased by 35.17% to HK\$40.70 million (2003: HK\$30.11 million). This result was achieved mainly because we have already built a loyal clientele, who highly appreciate our commitment in providing one-stop service with the highest professional standard.

As the beauty service division has turned to be profitable since the second half of 2003, a positive financial result was maintained during the Period. The amount of service redeemed increased for 86.58% to HK\$38.08 million (2003: HK\$20.41 million), resulted in a segment gain of HK\$0.98 million during the Period (2003: segment loss of HK\$1.64 million). The rate of redemption increased because there were more and more clients who bought the service packages previously coming back to use the services.

Since the beauty service division is at the fast growing stage, the amount of package sold is still much larger than the amount of service redeemed within the same period. As a consequence, the total deferred income has increased to HK\$34.52 million as at 30 June 2004 (30 June 2003: HK\$28.82 million).

The advertising and promotion costs for beauty services division were maintained below 20% of the value of the package sold during the Period. The costs were spent for increasing brand awareness, consolidating brand image, and inducing the sales of service packages. Given the rapid changes in market environment, we took great measures to ensure more dynamic and effective advertising strategy for targeting prime customers, and refrained ourselves from over spending in advertising.

管理層討論及分析 (續)

Management's Discussion and Analysis (continued)

財務回顧

Financial Review

流動資金、財務資源及資本架構

Liquidity, Financial Resources and Capital Structure

於二零零四年六月三十日，本集團之資產總值為276,820,000港元(二零零三年十二月三十一日：256,740,000港元)，由流動負債159,190,000港元(二零零三年十二月三十一日：151,430,000港元)、長期負債2,840,000港元(二零零三年十二月三十一日：2,850,000港元)及股東資金111,700,000港元(二零零三年十二月三十一日：100,070,000港元)撥付。流動比率約為1.41(二零零三年十二月三十一日：1.41)。本集團於二零零四年六月三十日之負債資產比率為11.18%(二零零三年十二月三十一日：13.89%)，該比率乃根據本集團之銀行借貸及股東資金111,700,000港元(二零零三年十二月三十一日：100,070,000港元)計算。董事會對維持該等比率於此理想水平具有信心。

As at 30 June 2004, the Group had total assets of HK\$276.82 million (31 December 2003: HK\$256.74 million) which were financed by current liabilities of HK\$159.19 million (31 December 2003: HK\$151.43 million), long term liabilities of HK\$2.84 million (31 December 2003: HK\$2.85 million) and shareholders' equity of HK\$111.70 million (31 December 2003: HK\$100.07 million). The current ratio was approximately 1.41 (31 December 2003: 1.41). The Group's gearing ratio at 30 June 2004 was 11.18% (31 December 2003: 13.89%), and was calculated based on the Group's bank borrowings and shareholders' fund of HK\$111.70 million (31 December 2003: HK\$100.07 million). The Board is confident to maintain these ratios at this satisfactory level.

於二零零四年六月三十日，本集團之銀行借貸為7,520,000港元(二零零三年十二月三十一日：13,560,000港元)，當中6,580,000港元(二零零三年十二月三十一日：12,470,000港元)須於12個月內償還。本集團主要透過其營運所得現金清償債務，而董事會相信，本集團已維持足夠營運資金以應付其營運及日後擴展所需。

The Group's bank borrowings as at 30 June 2004 were HK\$7.52 million (31 December 2003: HK\$13.56 million), out of which, HK\$6.58 million (31 December 2003: HK\$12.47 million) were repayable within 12 months. The Group services its debt primarily through the cash earned from its operation and the Board believes that the Group has maintained sufficient working capital for its operation and future expansion.

外匯波動風險

Exposure to Fluctuation in Foreign Exchange

由於本集團大部份資產、收款及付款主要以港元、人民幣及美元進行，故外匯波動風險輕微。於二零零四年六月三十日，本集團並無任何外幣銀行借貸。本集團之銀行借貸按銀行最優惠利率或銀行同業之間之短期資金借貸利率以浮動息率計息。本集團將繼續注視其外匯狀況，如有需要，將透過遠期外匯合約對沖其外匯風險。

The Group has little exposure to foreign fluctuations as most of its assets, receipts and payments are principally denominated in Hong Kong dollar, Chinese Renminbi and US dollar. As at 30 June 2004, none of the Group's bank borrowings was in foreign currency. The Group's bank borrowings were on floating rate basis at either bank prime rate or short-term inter-bank offer rates. The Group will continue to monitor its foreign exchange position and, if necessary, will hedge its foreign exchange exposure by forward foreign exchange contracts.

管理層討論及分析 (續)

財務回顧 (續)

集團資產抵押

於二零零四年六月三十日，本集團概無抵押任何資產予任何財務機構。

現金流量

本期間，營運所產生現金流入淨額為15,720,000港元，而二零零三年同期則為流出6,920,000港元。該轉變主要由於除稅前溢利增加29,150,000港元所致。

經營業務現金流出淨額為2,250,000港元（二零零三年：1,790,000港元）。輕微增加460,000港元主要由於本期間內所支付利得稅增加引致。

投資活動現金流出淨額由7,150,000港元上升至二零零四年上半年之16,690,000港元，主要由於購入固定資產較二零零三年同期增加所致。

融資活動現金流出淨額為15,740,000港元，而二零零三年同期則為流入6,820,000港元。於本年度上半年，股息13,780,000港元已派付予股東，而銀行借貸6,040,000港元已償還。

前景及展望

零售及批發部

由於放寬個人遊政策已擴展至愈來愈多國內省市，故中國旅客必會於未來數年佔香港零售市場更大部份。儘管訪港遊客數目每月增加，本集團仍對於二零零五年年底迪士尼樂園開幕後訪港遊客數目將大幅上升深感樂觀。此外，鑑於中國及東南亞人口龐大，本集團預期上述影響將會繼續維持一段極長時間。本集團深信，只要本集團繼續維持對顧客之吸引力，其零售部將可以輕易享有多年穩健增長。

Management's Discussion and Analysis (continued)

Financial Review (continued)

Charge on Group Assets

As at 30 June 2004, no Group asset was under charge to any financial institution.

Cash Flow

Net cash inflow generated from operations for the Period was HK\$15.72 million as compared to an outflow of HK\$6.92 million for the same period of 2003. The turnaround was mainly explained by the increase in profit before tax for HK\$29.15 million.

Net cash outflow from operating activities was HK\$2.25 million (2003: HK\$1.79 million). The slight increase of HK\$0.46 million was mainly due to the increase in payment of profits tax during the Period.

Net cash outflow from investing activities increased from HK\$7.15 million to HK\$16.69 million in the first half of 2004. It was mainly due to the increase in purchase of fixed assets as compared to the same period in 2003.

Net cash outflow from financing activities was HK\$15.74 million as compared to an inflow of HK\$6.82 million for the same period of 2003. In the first half of this year, HK\$13.78 million of dividends were paid to shareholders and HK\$6.04 million bank borrowing was repaid.

Outlooks and Prospects

Retail & Wholesale Division

As the relaxation of independent travelers' policy was extended to more and more provinces and cities in China, the PRC tourists surely will account for a bigger portion of the Hong Kong retail market in the coming years. While the number of inbound tourists is increasing every month, we are very optimistic that there will be a big jump when the Disneyland opens in late 2005. Even more, we foresee that the impact will be last for a very long period given that the huge population in China and South East Asia. We strongly believe that as long as we can maintain our attractiveness to customers, our retail section will enjoy a healthy growth comfortably for many years.

管理層討論及分析 (續)

前景及展望 (續)

零售及批發部 (續)

於二零零四年上半年，本集團在遊客區將開設多一間新專門店，進一步加強其零售網絡，吸納內地旅客。本集團將於二零零四年下半年在遊客區再開設多最少兩間專門店，目前仍在物色有利地點，惟本集團與業主訂立新租賃協議時將會極為審慎，確保租金成本佔本集團營業額維持於合理之比例。

除擴展零售網絡外，本集團正準備在短期內推出網上業務。儘管本集團並不預期初時將對現有之分銷渠道構成重大變動，本集團認為若干消費者(特別是海外消費者)有該服務之需求。由於本集團對投資此項新業務極為審慎，故風險極低。反之，該業務必會為日後業務增長提供一個全新具潛力之範疇。

憑藉零售網絡之優勢以及本集團強大之市場推廣能力，本集團致力透過有效品牌管理計劃為其獨家品牌及獨家經銷產品建立鞏固之品牌形象。本集團不僅要引起哄動，最重要是本集團已於市場上成功建立鞏固之品牌形象，並為本集團帶來實質營業額增長。隨著此趨勢繼續發展，預期本集團之毛利率將於未來數年逐步上升。

本集團現正在不斷改善之市場環境下經營，惟本集團不應過份自滿。本集團須一直注視市場之最新變動，裝備妥當，為未來作好準備。本集團對日後之市場發展具有十足信心。因此，本集團正在考慮不同多元化商機，令本集團業務規模邁向另一層次。然而，作為負責任之管理隊伍，本集團在大膽擴展其網絡前，會先進行嚴格成本效益評估程序。

Management's Discussion and Analysis (continued)

Outlooks and Prospects (continued)

Retail & Wholesale Division (continued)

A new outlet located in tourist area was opened in the first half of 2004 to further strengthen our retail network targeting on mainland tourists. We shall open at least two more outlets in the tourist areas in the second half of 2004. The search for good locations is going on, but we are very cautious in entering new leasing agreements with the landlords in order to keep the rental cost at a reasonable proportion of the Group's turnover.

Apart from retail network expansion, we are preparing to launch online business very soon. Though we do not expect that there will be significant changes in the current distribution channels at the beginning, we do recognize the fact that some consumers, especially those located overseas, have such a demand of services. Since we are very cautious with the investment in this new line of business, the risk exposed will be very minimal. Instead, it certainly will provide a completely new potential area for our future business growth.

Leveraging on the strength of retail network as well as our strong marketing capabilities, we are committed to developing strong brand image for our private-label and exclusively distributed products through effective brand management programs. Not only the noise we created, it is more important that we have successfully established strong brand images in the market and translated into solid turnover growth for the Group. As this trend goes on, the Group's margin is expected to rise gradually in the next couple of years.

We are operating within an improving market environment, but we shall not be too complacent. We shall always alert to the latest changes in the market, equip ourselves and prepare for the future. We have strong confidence in the future market development. That is why we are considering different business opportunities for diversification and bringing the Group's business scale to the next level. Yet, as a responsible management team, we will not boldly expand our network without going through strict cost-benefit evaluation process.

管理層討論及分析 (續)

前景及展望 (續)

合營企業

合營企業之營業額穩步上升，與內地旅客數目增加一致。由於目前合營企業之運作日益順暢及有效率，故合營企業可帶來之每名訪客更高銷售額，有助合營企業購物中心吸引更多來自不同旅行社之旅行團，從而最終於短期內建立擴展之基礎。

美容服務部

經過多年之持續投資及不屈不撓之努力，本集團在競爭激烈之市場上建立穩固基礎之目標已達成。作為本集團網絡正常擴展過程之一部份，本年度下半年將於香港開設多一間新纖體美容及保健中心。

再者，由於本集團在制訂其擴展計劃上採取審慎財務策略，本集團每年只會開設兩至三間纖體美容及保健中心。此外，本集團致力向其客戶提供最優質之服務。為貫徹此承諾，本集團於每開設一間新纖體美容及保健中心前須利用若干時間招攬及培訓新員工。本集團明白，上述方式將不能令本集團迅速滲透市場，惟本集團相信，「服務標準」是服務業務取得長遠成功之關鍵。本集團不可為求速度而犧牲質素。因此，緩慢但較安全之擴展方式實屬合理。

有效市場推廣計劃亦為此項業務之關鍵元素。儘管不少競爭者於市場上利用多種廣告及噱頭，本集團仍維持其長期超值形象，作為與其他競爭者之主要不同之處。本集團將在預定之廣告預算內運用有效及集中之廣告策略，吸納主要客戶。

目前，美容服務市場之競爭可能經已過份激烈或甚至不健康；然而，倘本集團運用正確策略，並有效率及具效益地進行經營，本集團將會持續穩定地取得市場份額。

Management's Discussion and Analysis (continued)

Outlooks and Prospects (continued)

Joint Venture

In line with the increasing number of mainland tourists, the turnover of the joint venture steadily increased. Since the operation of the joint venture is getting much smoother and efficient now, the joint venture is capable of generating a higher sale per visitor. This will help the joint venture shopping centre to attract more tours from different travel agencies, and eventually, form the basis of expansion in the near term.

Beauty Services Division

After several years of persistent investment and relentless effort, our aim to establish a firm foothold in this highly competitive market has been achieved. As part of a normal process to expand our network, we plan to open a new beauty and health salon in Hong Kong in the second half of this year.

Again, since we take prudent financial strategy in the formulation of our expansion plan, we will open only two to three beauty and health salons every year. In addition, we are committed to providing the best quality services to our clients. To meet this commitment, it will take some time to recruit and train new staff before the opening of a new beauty and health salon. We understand that such an approach will not allow us to penetrate the market quickly, but we believe that "service standard" is the core of success for servicing business in the long term. We cannot sacrifice quality for speed. Thus, slow but more secure approach to expand is definitely justified.

Effective marketing programs are also the crucial elements for this line of business. Despite the fact that there are so many competitors putting so many advertisements and gimmicks in the market, we will firmly keep our long-term value image as the main differentiation from others. A focused and efficient advertising strategy will be employed in targeting prime customers at pre-determined advertising budget.

The competition in the beauty service market currently may be too severe or even unhealthy; however, if we use the right strategies and operate efficiently and effectively, we will gain market share steadily and continuously.

管理層討論及分析 (續)

人力資源

於二零零四年六月三十日，本集團之香港僱員總數為693名，而澳門僱員總數則為52名。回顧期間之員工成本為65,640,000港元。本集團十分重視其人力資源，並認為吸引及挽留合資格員工對其持續成功十分重要。薪酬待遇一般參考市場條款及個人資歷而釐定。此外，本集團亦根據合資格僱員個人表現向其發出購股權及酌情花紅。本集團亦為員工提供強制性公積金計劃、醫療保險計劃、員工購物折扣及培訓計劃。

其他資料

中期股息

董事會議決向於二零零四年十月八日名列本公司股東名冊之股東宣派截至二零零四年六月三十日止六個月之中期股息每股本公司普通股3.6港仙(二零零三年：2.6港仙)。

中期股息將於二零零四年十月十五日或前後派付。

暫停辦理股份過戶登記手續

本公司將於二零零四年十月六日星期三至二零零四年十月八日星期五(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會登記任何股份轉讓。為符合資格獲派中期股息，所有過戶文件連同有關股票必須於二零零四年十月五日下午四時正前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17樓1712-1716室。

Management's Discussion and Analysis (continued)

Human Resources

As at 30 June 2004, total numbers of employees of the Group were 693 in Hong Kong, and 52 in Macau. Staff costs for the Period under review were HK\$65.64 million. The Group values its human resources and recognizes the importance of attracting and retaining qualified staff for its continuing success. Remuneration packages are generally structured by reference to market terms and individual qualifications. In addition, share options and discretionary bonuses are also granted to eligible employees based on individuals' performances. The Group also provides mandatory provident fund schemes, medical insurance schemes, staff purchases discounts and training programs for our employees.

Other Information

Interim Dividend

The Board has resolved to declare an interim dividend of 3.6 HK cents (2003: 2.6 HK cents) per ordinary share of the Company for the six months ended 30 June 2004 to be payable to shareholders whose names appear on the registers of members of the Company on 8 October 2004.

The interim dividend will be paid on or about 15 October 2004.

Closure of Register of Members

The registers of members of the Company will be closed from Wednesday, 6 October 2004 to Friday, 8 October 2004, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:00 p.m. on 5 October 2004.

董事及行政總裁之權益

於二零零四年六月三十日，根據香港聯合交易所有限公司證券上市規則（「上市規則」）所披露，本公司董事及行政總裁於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）股份中擁有之權益如下：

Directors' and Chief Executive's Interests

As at 30 June 2004, the interests of the Directors and the chief executive of the Company in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") disclosed in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were as follows:

於本公司股份之權益
Interest in the shares of the Company

| 董事姓名 Name of Directors | 身份及性質 Capacity and nature | 股份數目 ⁽³⁾ Number of Shares ⁽³⁾ | 佔已發行 股本百分比 | |
|-----------------------------------|---|---|---------------|------------------------------|
| | | | 總計 Total | % of issued share capital |
| 葉俊亨先生 Mr. Ip Chun Heng, Wilson | 個人權益 ⁽¹⁾ Personal interests ⁽¹⁾ | 7,288,000 | 153,160,000 | 70 |
| | 全權信託基金創辦人 ⁽²⁾ Founder of discretionary trust ⁽²⁾ | 145,872,000 | | |
| 鍾佩雲女士 Ms. Chung Pui Wan | 個人權益 ⁽¹⁾ Personal interests ⁽¹⁾ | 7,288,000 | 153,160,000 | 70 |
| | 全權信託基金創辦人 ⁽²⁾ Founder of discretionary trust ⁽²⁾ | 145,872,000 | | |

附註：

Notes:

- | | |
|--|--|
| <p>1. 該等股份由葉俊亨先生及鍾佩雲女士共同持有。</p> <p>2. 該等股份由 Promised Return Limited 所持有。Promised Return Limited 乃專為全權信託基金為受益人而持有股份之專門機構，葉俊亨先生及鍾佩雲女士乃其創辦人。</p> <p>3. 上文所述之股份權益乃指好倉。</p> | <p>1. The shares are held jointly by Mr. Ip Chun Heng, Wilson and Ms. Chung Pui Wan.</p> <p>2. The shares are held by Promised Return Limited, a special vehicle used solely for the purpose of holding the shares for the benefit of a discretionary trust in which Mr. Ip Chun Heng, Wilson and Ms. Chung Pui Wan are the founders.</p> <p>3. Interests in shares stated above represent long positions.</p> |
|--|--|

其他資料 (續)

Other Information (continued)

董事及行政總裁之權益 (續)

Directors' and Chief Executive's Interests (continued)

於本公司附屬公司之權益

Interest in the subsidiary of the Company

| 董事姓名 Name of Directors | 附屬公司名稱 Name of the subsidiary | 身份及性質 Capacity and nature | 無投票權遞延股份 (附註2) Non-voting deferred shares (Note 2) | |
|-----------------------------------|--|------------------------------|---|-------------------|
| | | | 數目 Number | 百分比 Percentage |
| 葉俊亨先生 Mr. Ip Chun Heng, Wilson | 卓悦化粧品批發中心有限公司(附註1) Bonjour Cosmetic Wholesale Center Limited (Note 1) | 個人權益 Personal interests | 153,000 | 51% |
| 鍾佩雲女士 Ms. Chung Pui Wan | 卓悦化粧品批發中心有限公司(附註1) Bonjour Cosmetic Wholesale Center Limited (Note 1) | 個人權益 Personal interests | 147,000 | 49% |

附註：

Notes:

- | | |
|--|---|
| <p>1. 卓悦化粧品批發中心有限公司乃本公司之全資附屬公司。</p> <p>2. 該等無投票權遞延股份已繳足股款，每股面值為1.00港元。</p> | <p>1. Bonjour Cosmetic Wholesale Center Limited is a wholly-owned subsidiary of the Company.</p> <p>2. The non-voting deferred shares are fully-paid and have par value of HK\$1.00 each.</p> |
|--|---|

除上文所披露者外，於二零零四年六月三十日，本公司董事或行政總裁概無於本公司或任何相聯法團(定義見證券及期貨條例第XV部)股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及第8分部，或根據證券及期貨條例有關條文被當作或視為擁有之任何權益或淡倉，或根據證券及期貨條例第352條須登記於本公司備存之登記冊之任何權益，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之任何權益。

Save as disclosed above, as at 30 June 2004, none of the Directors or the chief executive of the Company had, pursuant to Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, was interested in or had any short position.

主要股東

於二零零四年六月三十日，以下人士(本公司董事及行政總裁除外)於本公司已發行股本中擁有根據證券及期貨條例第XV部第2及第3分部已向本公司披露之權益及淡倉，已登記於本公司根據證券及期貨條例第336條而備存之登記冊內：

| 名稱 Name | 股份權益總數 ⁽¹⁾ Total interests in shares ⁽¹⁾ | 佔權益概約百分比 Approximate percentage of interests |
|--|--|---|
| Promised Return Limited ⁽²⁾ | 145,872,000 | 66.67% |
| Deco City Limited ⁽²⁾ | 145,872,000 | 66.67% |
| DBS Trustee H.K. (Jersey) Limited ⁽²⁾ | 145,872,000 | 66.67% |

附註：

- 上文所述之股份權益乃指好倉。
- Promised Return Limited乃由Deco City Limited全資擁有，而Deco City Limited則為一間由全權信託基金DBS Trustee H.K. (Jersey) Limited間接全資擁有之公司。該全權信託基金之受益人包括葉俊亨先生(「葉先生」)及鍾佩雲女士(「葉太」)之家族成員。Promised Return Limited乃專為以上述全權信託基金為受益人而持有股份之專門機構。於其註冊成立日期，Promised Return Limited之股權分別由葉先生及葉太持有51%及49%。於二零零三年六月十七日，葉先生及葉太將Promised Return Limited之全部已發行股本轉讓予Deco City Limited。

除上文所披露者外，於二零零四年六月三十日，概無任何人士於本公司已發行股本中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或任何淡倉。

Other Information (continued)
Substantial Shareholders

As at 30 June 2004, the interests and short positions of the following persons, other than Directors and chief executive of the Company, in the issued share capital of the Company which have been disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO have been recorded in the register kept by the Company pursuant to section 336 of the SFO:

| 名稱 Name | 股份權益總數 ⁽¹⁾ Total interests in shares ⁽¹⁾ | 佔權益概約百分比 Approximate percentage of interests |
|--|--|---|
| Promised Return Limited ⁽²⁾ | 145,872,000 | 66.67% |
| Deco City Limited ⁽²⁾ | 145,872,000 | 66.67% |
| DBS Trustee H.K. (Jersey) Limited ⁽²⁾ | 145,872,000 | 66.67% |

Notes:

- Interests in shares stated above represent long positions.
- Promised Return Limited is wholly owned by Deco City Limited which in turn is a company indirectly wholly owned by a discretionary trust, DBS Trustee H.K. (Jersey) Limited, which beneficiaries comprise family members of Mr. Ip Chun Heng, Wilson ("Mr. Ip") and Ms. Chung Pui Wan ("Mrs. Ip"). Promised Return Limited is a special vehicle used solely for the purpose of holding the shares for the benefit of the discretionary trust referred to above. As at the date of its incorporation, Promised Return Limited was held as to 51% and 49% by Mr. Ip and Mrs. Ip respectively. On 17 June 2003, Mr. Ip and Mrs. Ip transferred the entire issued share capital of Promised Return Limited to Deco City Limited.

Save as disclosed above, no person was interested in or had any short position in the issued share capital of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as at 30 June 2004.

其他資料 (續)

Other Information (continued)

購股權

Share Option

本公司之購股權計劃(「購股權計劃」)乃於二零零三年六月十七日採納，據此，本公司董事獲授權可酌情決定邀請本集團僱員(包括於本集團之本公司董事)接納購股權以認購本公司股份。購股權計劃之目的乃為參與者提供認購本集團權益之機會，及鼓勵參與者為本公司及其股東之整體利益作出貢獻，提升本公司及其股份之價值。

The Company's share option scheme (the "Share Option Scheme") was adopted on 17 June 2003 whereby the Directors of the Company are authorized, at their discretion, to invite employees of the Group, including Directors of the Company in the Group, to take up options to subscribe for shares of the Company. The purpose of the Share Option Scheme is to provide participates with the opportunity to acquire interests in the Company and to encourage participates to work towards enhancing the value of the Company and its share for the benefit of the Company and its shareholders as a whole.

於二零零四年六月三十日，根據計劃已授出但尚未行使之購股權詳情如下：

Details of the share options outstanding as at 30 June 2004 which have been granted under the scheme are as follows:

| | 於二零零四年 一月一日持有 Held at 1 January 2004 | 期內已行使 Exercised during the Period | 於二零零四年 | | 行使價 港元 Exercise price HK\$ | 授出日期 Grant date | 由以下 日期行使 Exercise from | 行使至 Exercisable until |
|---|--|---|---|------|--|-----------------------------|---------------------------------|-----------------------------|
| | | | 六月三十日 持有 Held at 30 June 2004 | | | | | |
| 董事： Director: | | | | | | | | |
| 葉俊亨 Ip Chun Heng, Wilson | 1,000,000 | — | 1,000,000 | 1.65 | 二零零三年 十一月二十九日 29 Nov 2003 | 二零零五年 一月一日 1 Jan 2005 | 二零一四年 十二月三十一日 31 Dec 2014 | |
| 鍾佩雲 Chung Pui Wan | 1,000,000 | — | 1,000,000 | 1.65 | 二零零三年 十一月二十九日 29 Nov 2003 | 二零零五年 一月一日 1 Jan 2005 | 二零一四年 十二月三十一日 31 Dec 2014 | |
| 葉國利 Yip Kwok Li | 500,000 | — | 500,000 | 1.65 | 二零零三年 十一月二十九日 29 Nov 2003 | 二零零五年 一月一日 1 Jan 2005 | 二零一四年 十二月三十一日 31 Dec 2014 | |
| 陳志秋 Chan Chi Chau | 500,000 | — | 500,000 | 1.65 | 二零零三年 十一月二十九日 29 Nov 2003 | 二零零五年 一月一日 1 Jan 2005 | 二零一四年 十二月三十一日 31 Dec 2014 | |
| 其他僱員： Other Employees: | 4,756,000 | — | 4,756,000 | 1.65 | 二零零三年 十一月二十九日 29 Nov 2003 | 二零零五年 一月一日 1 Jan 2005 | 二零一四年 十二月三十一日 31 Dec 2014 | |
| 總數： Total: | 7,756,000 | — | 7,756,000 | | | | | |

其他資料 (續)

購買、出售或贖回本公司上市證券

於截至二零零四年六月三十日止六個月，本公司或其任何附屬公司並無購買、出售或贖回任何本公司之上市證券。

委任獨立非執行董事

於結算日後，於二零零四年九月二十四日，勞恒晃先生獲委任為本公司之獨立非執行董事，以遵守上市規則第3.10(1)條之規定。

最佳應用守則

就董事所知，並無任何資料合理顯示本公司於截至二零零四年六月三十日止六個月內任何時間曾不遵守上市規則附錄14所載之最佳應用守則。

審核委員會

本公司審核委員會由本公司獨立非執行董事黃翹維先生及周浩明醫生組成。審核委員會與董事會已審閱本集團所採納之會計政策及慣例，並討論有關內部監控及財務申報事宜，其中包括審閱截至二零零四年六月三十日止六個月之中期賬目。

勞恒晃先生其後於二零零四年九月二十四日成為審核委員會成員。

承董事會命
主席
葉俊亨

香港，二零零四年九月三十日

Other Information (continued)

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2004, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Appointment of Independent Non-executive Director

Subsequent to the balance sheet date, on 24 September 2004, Mr. Lo Hang Fong was appointed an independent non-executive Director of the Company, in order to comply with Rule 3.10(1) of the Listing Rules.

Code of Best Practice

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 June 2004, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

Audit Committee

The Audit Committee of the Company is comprised of Mr. Wong Chi Wai and Dr. Chow Ho Ming, both of whom are independent non-executive Directors of the Company. The Audit Committee has reviewed with the Board the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters including the review of the interim accounts for the six months ended 30 June 2004.

Mr. Lo Hang Fong has subsequently become a member of the Audit Committee on 24 September 2004.

By Order of the Board
Ip Chun Heng, Wilson
Chairman

Hong Kong, 30 September 2004

零售專門店地址
RETAIL OUTLET'S ADDRESS
電話 / TEL
港島
HONG KONG ISLAND

| | | |
|--------------------------------|--|-----------------|
| 香港銅鑼灣羅素街56號地下 | G/F, 56 Russell Street, Causeway Bay, Hong Kong. | (852) 2591-0822 |
| 香港灣仔太原街8號海源中心地下D及E舖 | Shop D & E, G/F., Yanville, 8 Tai Yuen Street, Wan Chai, Hong Kong. | (852) 2838-9668 |
| 香港柴灣小西灣道28號藍灣廣場 UG 47-48號舖 | Shop 47-48, UG Island Resort Mall, 28 Siu Sai Wan Road, Siu Sai Wan, Hong Kong. | (852) 3407-4188 |
| 香港銅鑼灣駱克道531及533號地下 | G/F, 531 & 533 Lockhart Road, Causeway Bay, Hong Kong. | (852) 2972-2088 |
| 香港中環德輔道中22-22A號地下 1號、2號及6號舖 | Portion 1,2 & 6, G/F, Wing On Life Building, 22-22A Des Voeux Road Central, Hong Kong. | (852) 2147-2668 |

九龍
KOWLOON PENINSULA

| | | |
|--------------------------------|--|-----------------|
| 九龍旺角弼街69-71號地下 | G/F, 69-71 Bute Street, Mongkok, Kowloon. | (852) 2381-2855 |
| 九龍旺角弼街69-71號地下 (西藥部) | G/F, 69-71 Bute Street, Mongkok, Kowloon. (Pharmacy Division) | (852) 2393-2323 |
| 九龍旺角西洋菜街南13-19號 好望角大廈17號舖 | Shop 17, Good Hope Bldg, 13-19 Sai Yeung Choi Street South, Mongkok, Kowloon. | (852) 2381-8838 |
| 九龍旺角西洋菜街南160-162號地下 | G/F, 160-162 Sai Yeung Choi Street South, Mongkok, Kowloon. | (852) 2739-8888 |
| 九龍彌敦道545號地下及1樓 | G/F & 1/F, 545 Nathan Road, Kowloon. | (852) 2782-2282 |
| 九龍佐敦道23號新寶廣場地下3號舖 | Shop 3, G/F, Sino Cheer Plaza, 23 Jordan Road, Kowloon. | (852) 2332-0868 |
| 九龍尖沙咀加連威老道30A號地下 | G/F, 30A Granville Road, Tsim Sha Tsui, Kowloon. | (852) 2721-0338 |
| 九龍尖沙咀加拿芬道53號地下 | G/F, 53 Carnarvon Road, Tsim Sha Tsui, Kowloon. | (852) 2311-2338 |
| 九龍尖沙咀海防道38-40號中達大廈地下 | G/F, Rear Yard, Zhongda Building, 38-40 Haiphong Road, Tsim Sha Tsui, Kowloon. | (852) 2375-1382 |
| 九龍紅磡火車站G7舖 | Shop G7, Hung Hom KCR Station, Kowloon. | (852) 2765-7388 |
| 九龍紅磡民裕街47-53號凱旋工商中心 第2期地下G舖 | Unit G, G/F, Kaiser Estate, Phase II, 47-53 Man Yue St., Hung Hom, Kowloon | (852) 2303-1328 |
| 九龍尖東港晶中心地庫9-49號舖 | Shop 9-49, LG/F, Harbour Crystal Centre, TST East, Kowloon. | (852) 2368-6188 |

新界
NEW TERRITORIES

| | | |
|--------------------------------|--|-----------------|
| 新界屯門市廣場第一期 一樓1118及1128號舖 | Shop 1118 & 1128, 1/F, Tuen Mun Town Plaza, Phase I, New Territories. | (852) 2613-1138 |
| 新界元朗青山公路159號地下A1-A4 | A1-A4, G/F, 159 Castle Peak Road, Yuen Long, New Territories. | (852) 2473-9288 |
| 新界葵涌葵富路7-11號 葵涌廣場地下A23號舖 | Shop A23, G/F, Level 2, Kwai Chung Plaza, 7-11 Kwai Foo Road, Kwai Chung, New Territories. | (852) 2481-8088 |
| 新界荃灣大河道10-20號登發大廈 地下2及3A號舖 | Shop 2 & 3A, G/F, Dung Fat Mansion, 10-20 Tai Ho Road, Tsuen Wan, New Territories. | (852) 2437-9898 |
| 新界將軍澳新都城商場第二期 一樓1072-1074號舖 | Shop 1072-74, Level 1, Metro City, Phase II, Tseung Kwan O, New Territories. | (852) 2246-3028 |
| 新界沙田火車站閣外大堂7-8號舖 | Shop 7 & 8, Unpaid Concourse, Shatin KCR Station, New Territories. | (852) 2695 0288 |

澳門
MACAU

| | | |
|---------------|-------------------------------------|---------------|
| 澳門板樟堂街5B-7號地下 | G/F, 5B-7 Rua De S. Domingos, Macau | (853) 330-088 |
|---------------|-------------------------------------|---------------|

纖體美容及保健中心地址

BEAUTY & HEALTH SALON'S ADDRESS

電話 / TEL

港島

HONG KONG ISLAND

香港銅鑼灣告士打道280號世貿中心6樓

6/F, World Trade Centre, 280 Gloucester Road,
Causeway Bay, Hong Kong.

(852) 2808-1168

九龍

KOWLOON PENINSULA

九龍旺角旺角道24號
九龍旺角西洋菜街南160-162號
九龍旺角亞皆老街24-26號
九龍尖沙咀加拿芬道45-47號

24 Mongkok Road, Mongkok, Kowloon.
160-162 Sai Yeung Choi Street South, Mongkok, Kowloon.
24-26 Argyle Street, Mongkok, Kowloon.
45-47 Carnarvon Road, Tsim Sha Tsui, Kowloon.

(852) 2398-8668

(852) 2399-0288

(852) 2399-0388

(852) 2732-2822

澳門

MACAU

澳門板樟堂街5B-7號1樓及2樓

1/F & 2/F, 5B-7 Rua De S. Domingos, Macau

(853) 330-778