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## **Miricor Enterprises Holdings Limited**

**卓珈控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1827)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024**

#### **HIGHLIGHTS**

- The Group's revenue amounted to approximately HK\$494.3 million for the year ended 31 March 2024, representing an increase of approximately HK\$31.2 million or 6.7% as compared to approximately HK\$463.1 million for the year ended 31 March 2023.
- Loss attributable to the owners of the Company was approximately HK\$12.6 million for the year ended 31 March 2024, representing a decrease in loss of approximately HK\$7.9 million or 38.5%, as compared with the year ended 31 March 2023.
- Basic loss per share for the year ended 31 March 2024 amounted to HK3.15 cents (2023: HK5.13 cents).
- The Board does not recommend or declare the payment of any dividend for the year ended 31 March 2024.

## ANNUAL RESULTS

The Board of Directors (the “Board”) of Miricor Enterprises Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2024 together with the comparative audited figures for the corresponding period of last year as follows:

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

*For the year ended 31 March 2024*

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	<b>2023</b> <i>HK\$'000</i>
<b>REVENUE</b>	4	<b>494,260</b>	463,117
Other income and gain, net	4	<b>5,762</b>	9,445
Cost of inventories and consumables		<b>(52,839)</b>	(47,430)
Staff costs		<b>(183,820)</b>	(177,460)
Property rentals and related expenses		<b>(67,925)</b>	(69,959)
Depreciation of property, plant and equipment		<b>(42,437)</b>	(44,449)
Other expenses, net		<b>(159,626)</b>	(153,471)
Finance costs		<b>(5,155)</b>	(3,660)
<b>LOSS BEFORE TAX</b>	5	<b>(11,780)</b>	(23,867)
Income tax credit/(expense)	6	<b>(836)</b>	3,366
<b>LOSS FOR THE YEAR</b>		<b>(12,616)</b>	(20,501)
<b>OTHER COMPREHENSIVE LOSS</b>			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		<b>(1,334)</b>	(56)
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(13,950)</b>	(20,557)
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
	8		
Basic and diluted		<b>HK(3.15) cents</b>	HK(5.13) cents

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>85,789</b>	101,075
Right-of-use assets		<b>83,107</b>	109,304
Deposits		<b>9,559</b>	15,460
Deferred tax assets		<b>18,426</b>	17,643
		<hr/>	<hr/>
Total non-current assets		<b>196,881</b>	243,482
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Inventories		<b>42,151</b>	38,194
Trade receivables	9	<b>13,402</b>	18,077
Prepayments, deposits, other receivables and other assets		<b>41,271</b>	34,013
Tax recoverable		<b>3,305</b>	3,720
Pledged time deposits		<b>62,604</b>	62,414
Cash and cash equivalents		<b>119,829</b>	116,911
		<hr/>	<hr/>
Total current assets		<b>282,562</b>	273,329
		<hr/>	<hr/>
<b>CURRENT LIABILITIES</b>			
Trade payables	10	<b>10,561</b>	10,544
Other payables and accruals		<b>29,944</b>	21,300
Contract liabilities and deferred revenue		<b>182,965</b>	182,048
Interest-bearing bank borrowings		<b>12,510</b>	19,170
Lease liabilities		<b>35,731</b>	44,467
Tax payable		<b>1,221</b>	5,417
Provision for reinstatement costs		<b>5,045</b>	3,619
		<hr/>	<hr/>
Total current liabilities		<b>277,977</b>	286,565
		<hr/>	<hr/>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>4,585</b>	(13,236)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>201,466</b>	230,246
		<hr/>	<hr/>

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	<b>51,508</b>	66,639
Provision for reinstatement costs	<b>8,800</b>	9,749
Deferred tax liabilities	<b>4,395</b>	3,145
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Total non-current liabilities	<b>64,703</b>	79,533
	<hr/>	<hr/>
Net assets	<b>136,763</b>	150,713
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<b>EQUITY</b>		
Issued capital	<b>4,000</b>	4,000
Reserves	<b>132,763</b>	146,713
	<hr/>	<hr/>
Total equity	<b>136,763</b>	150,713
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## NOTES:

### 1. CORPORATE INFORMATION

Miricor Enterprises Holdings Limited is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at 18/F, Nan Fung Tower, 88 Connaught Road Central, Central, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the provision of medical aesthetic services and the sale of skincare products.

In the opinion of the directors, the immediate holding company and the ultimate holding company of the Company is Sunny Bright Group Holdings Limited, a company incorporated in the British Virgin Islands.

### 2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. The financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year’s financial statements.

HKFRS 17	<i>Insurance Contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform — Pillar Two Model Rules</i>

The nature and the impact of the new and revised HKFRSs that are applicable to the Group are described below:

- (a) Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.
- (b) Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.
- (c) Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. Upon the application of the amendments, the Group has determined the temporary differences arising from right-of-use assets and lease liabilities separately, which have been reflected in the reconciliation disclosed in the financial statements. However, they did not have any material impact on the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualified for offsetting under HKAS 12. Apart from the above, the amendments did not have any significant impact on the financial position or performance of the Group upon initial application.
- (d) Amendments to HKAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

### 3. OPERATING SEGMENT INFORMATION

The Group has one reportable operating segment, namely the non-surgical medical aesthetic services segment, and is principally engaged in the provision of medical aesthetic services and the sale of skincare products in Hong Kong and Chinese Mainland. Information reported to the Group's chief operating decision maker for the purpose of making decisions about resource allocation and performance assessment is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

#### Geographical information

(a) *Revenue from external customers*

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong	450,819	431,976
Chinese Mainland	43,441	31,141
Total	<u>494,260</u>	<u>463,117</u>

The revenue information above is based on the locations of the services provided or products delivered.

(b) *Non-current assets*

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong	164,445	210,051
Chinese Mainland	4,552	2,935
Total	<u>168,997</u>	<u>212,986</u>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

#### Information about major customers

Since no revenue derived from sales to a single customer of the Group has accounted for over 10% of the Group's total revenue during the years ended 31 March 2024 and 2023, no information about major customers is presented.

#### 4. REVENUE, OTHER INCOME AND GAIN, NET

An analysis of revenue is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Revenue from contracts with customers</b>		
Treatment services	374,538	333,213
Skincare products	119,641	129,573
Medical consultation services	9	9
Prescription and dispensing of medical products	72	322
	<hr/>	<hr/>
Total	<b>494,260</b>	463,117
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An analysis of other income and gain, net is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank interest income	5,323	2,354
Government subsidies*	–	6,678
Gain on disposal of items of property, plant and equipment, net	60	164
Others	379	249
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Total	<b>5,762</b>	9,445
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\* Government subsidies mainly represented subsidies granted by the Government of the Hong Kong Special Administrative Region under the anti-epidemic fund. There were no unfulfilled conditions or contingencies relating to these subsidies.

#### 5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Depreciation of property, plant and equipment	42,437	44,449
Depreciation of right-of-use assets	50,807	46,098
Impairment of property, plant and equipment	1,430	–
Impairment of right-of-use assets	1,170	–
Impairment of goodwill	–	4,305
Impairment/(reversal of impairment) of trade receivables, net	(477)	561
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## 6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2023: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%).

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current — Hong Kong		
Charge for the year	2,966	5,820
Under/(over)provision in prior years	(2,597)	81
Deferred	467	(9,267)
	<u>836</u>	<u>(3,366)</u>
Total tax charge/(credit) for the year	<u>836</u>	<u>(3,366)</u>

## 7. DIVIDEND

The board of directors of the Company does not recommend the payment of any dividend in respect of the year ended 31 March 2024 (2023: Nil).

## 8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$12,616,000 (2023: HK\$20,501,000), and the weighted average number of ordinary shares of 400,000,000 (2023: 400,000,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2024 and 2023.

## 9. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	13,522	18,674
Impairment	<u>(120)</u>	<u>(597)</u>
Net carrying amount	<u><u>13,402</u></u>	<u><u>18,077</u></u>

The Group's trading terms with its individual customers are mainly on cash and/or credit card settlement while the trading terms with its corporate customers are on credit. The credit period is generally 2 to 30 days for credit card settlement from the respective financial institutions and up to 60 days for corporate customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 month	5,800	13,331
1 to 3 months	5,856	4,032
Over 3 months	<u>1,746</u>	<u>714</u>
Total	<u><u>13,402</u></u>	<u><u>18,077</u></u>

## 10. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 month	10,278	10,544
1 to 3 months	234	–
Over 3 months	<u>49</u>	<u>–</u>
Total	<u><u>10,561</u></u>	<u><u>10,544</u></u>

The trade payables are non-interest-bearing and generally have an average settlement term of 30 days.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW AND OUTLOOK**

The Group is principally engaged in the non-surgical medical aesthetic and wellness beauty industry in Hong Kong and the sale of skincare products in Chinese Mainland and Hong Kong.

During the year under review, the Group has pro-actively responded to the relatively challenging market environment. Due to intensified competition, we have spent more effort and resources in advertising and promotion and upgraded our customer relationship management system (“CRM”), aiming to enhance our core competitiveness in the medical aesthetic, wellness beauty and skincare industry. We also recognize the crucial importance of maintaining customer loyalty for the Group’s long term development. Moreover, in order to further enhance operation efficiency, we have implemented various measures, including optimization of the sales network and resources allocation, as well as streamlining operational structure and business process through process re-engineering.

For the year ended 31 March 2024 (“FY2024”), the Group reported a revenue amounted to HK\$494.3 million, representing a slight increase of 6.7% from revenue of HK\$463.1 million for the year ended 31 March 2023 (“FY2023”). The increase was primarily driven by the growth in revenue from our treatment services. However, the Group reported a net loss of approximately HK\$12.6 million (FY2023: net loss of HK\$20.5 million). The loss was mainly due to the increased marketing and other expenses in Chinese Mainland.

The Group’s three CosMax+ medical aesthetic centres are all located in prime locations in Hong Kong, which helps to attract and establish a diverse customer base. All devices and treatment services undergo clinical evaluation by doctors before adoption to ensure the provision of safe and high-quality customized treatment services.

The Group also operates three VITAE treatment centres in prime locations in Hong Kong. The VITAE brand, specializing in wellness beauty, embraces the service concept of “maintaining the perfect balance of beauty and health, radiating beauty from within”. Since its establishment, VITAE has met expectations in terms of customer base and revenue. With the market’s high recognition of VITAE’s services, we anticipate that VITAE will make a positive contribution to our Group’s operations and finances in the medium to long term.

In response to the growing demand for beauty treatments, both CosMax+ and VITAE has actively introduced diversified treatments to provide more comprehensive services and meet the needs of different customers, thereby enhancing brand awareness and customer loyalty.

Furthermore, both CosMax+ and VITAE have been awarded the “Quality Service Recognition”, fully demonstrating the Group’s outstanding achievements in the quality of medical aesthetic and wellness beauty services.

XOVĒ is a premium skincare product brand developed by a team of Swiss skincare experts. In FY2024, we have consolidated our Hong Kong sales network. We also promoted and sold our products through our eShop. Despite lower consumer confidence and changes in overall spending patterns compared to pre-pandemic times, our sales maintained stable thanks to the support of our loyal customers. We organized various customer workshops and campaigns to strengthen and consolidate our customer relationship.

XOVĒ leveraged on our distributors’ sales network to reach a wide customer coverage in the Chinese Mainland and also sold our products on various online platforms like Tmall and Douyin and the sales performance of all channels met the expectations. However, as the business in Chinese Mainland is in its early stages, we need to incur higher advertising and promotional expenses. Given the challenging environment in recent years, we anticipated that XOVĒ may require a longer than expected time to reach the harvest stage.

In response to the changing economic environment and to enhance our brand image and attract new customers, we have upgraded our CRM system and reformed our membership program to support new marketing strategies. The Group also organized various advertising and promotional activities during FY2024.

Social responsibilities are always one of our commitments, the Group has, for the consecutive third year, participated in the “Pink Revolution” campaign organized by the Cancer Fund.

## FINANCIAL REVIEW

### Revenue

Our revenue is mainly derived from the provision of medical aesthetic and wellness beauty services, which include treatment services, prescription and dispensing of medical products. In addition, we also sell skincare products to our clients.

Our Group's revenue amounted to approximately HK\$494.3 million for FY2024, representing an increase of approximately HK\$31.2 million or 6.7% as compared with HK\$463.1 million for FY2023. During FY2024, our Group operated 6 treatment centres and retail stores in the first-tier shopping malls for the sale of skincare products. The effective implementation of our sales and marketing activities increased the public awareness for our brands, thus total revenue increased as compared to last year.

	For the year ended 31 March			
	2024		2023	
	HK\$'000	%	HK\$'000	%
Treatment services	374,538	75.8	333,213	72.0
Skincare products	119,641	24.2	129,573	28.0
Medical consultation services	9	0.0	9	0.0
Prescription and dispensing of medical products	72	0.0	322	0.0
Total revenue	<u>494,260</u>	<u>100.0</u>	<u>463,117</u>	<u>100.0</u>

*(i) Revenue from treatment services*

Revenue from treatment services amounted to approximately HK\$374.5 million for FY2024 and approximately HK\$333.2 million for FY2023, representing 75.8% and 72.0% of our total revenue, respectively. The increase of approximately HK\$41.3 million or 12.4% was primarily due to (1) introduction of new treatment services; (2) steady growth of our customer base and; (3) the implementation of effective sales and marketing activities which increased the awareness of the brands.

*(ii) Revenue from sale of skincare products*

Skincare products represents series of products include cleanser, toner, serum, moisturiser, eye care products, ultraviolet (UV) protection products and masks, etc., which backed up by a team of Swiss skincare experts.

Revenue from sale of skincare products amounted to approximately HK\$119.6 million for FY2024 and approximately HK\$129.6 million for FY2023, representing 24.2% and 28.0% of our total revenue, respectively. The decrease of approximately HK\$10.0 million, or 7.7%, was primarily due to the tightening of the retail market for FY2024.

*(iii) Revenue from prescription and dispensing of medical products*

Based on clients' skin conditions, their specific needs and requirements, our doctors may prescribe medication and/or recommend skincare products which are sold at our medical aesthetic centres.

Revenue from prescription and dispensing of medical products amounted to approximately HK\$0.1 million for FY2024 and approximately HK\$0.3 million for FY2023.

**Other income and gain, net**

Other income and gain, net amounted to approximately HK\$5.8 million for FY2024 and HK\$9.4 million for FY2023. The decrease of approximately HK\$3.6 million or 38.3% was primarily due to the exclusion of the non-recurring government subsidies received in relation to Employment Support Scheme and other subsidy scheme under the anti-epidemic fund of approximately HK\$6.7 million in FY2023.

**Cost of inventories and consumables**

Cost of inventories and consumables amounted to approximately HK\$52.8 million for FY2024 and HK\$47.4 million for FY2023. The increase of approximately HK\$5.4 million or 11.4% was primarily due to increase in revenue during FY2024.

## Staff costs

Staff costs increased by approximately HK\$6.3 million, or 3.5%, from approximately HK\$177.5 million for FY2023 to approximately HK\$183.8 million for FY2024. The increase in staff costs during FY2024 was mainly attributable to the increase in number of staff and commission paid to front-line staff whose incentive scheme tied to various key performance indicators such as number of treatment conducted and number of package sold.

## Property rentals and related expenses

Property rentals and related expenses and depreciation of right-of-use assets decreased by approximately HK\$2.1 million, or 3.0%, from approximately HK\$70.0 million for FY2023 to HK\$67.9 million for FY2024. The decrease was primarily due to the optimization of our Hong Kong sales network.

## Depreciation of property, plant and equipment

Depreciation in relation to property, plant and equipment decreased by approximately HK\$2.0 million, or 4.5%, from approximately HK\$44.4 million for FY2023 to approximately HK\$42.4 million for FY2024.

## Other expenses, net

Set forth below is a breakdown of our other expenses, net during the FY2024 and FY2023:

	<b>2024</b>	2023	
	<b>HK\$'000</b>	HK\$'000	% change
Credit card commission	<b>14,431</b>	15,722	(8.2%)
Advertising and promotion expenses	<b>65,346</b>	62,229	5.0%
Repair and maintenance fees	<b>4,795</b>	4,740	1.2%
Professional fees	<b>9,069</b>	7,947	14.1%
Charitable donations	<b>433</b>	129	235.7%
Consultancy fees	<b>16,533</b>	18,723	(11.7%)
Impairment of property, plant and equipment	<b>1,430</b>	–	N/A
Impairment of right-of-use assets	<b>1,170</b>	–	N/A
Others	<b>46,419</b>	43,981	5.5%
	<b><u>159,626</u></b>	<u>153,471</u>	4.0%

Other expenses, net increased by approximately HK\$6.1 million from approximately HK\$153.5 million for FY2023 to approximately HK\$159.6 million for FY2024. The increase was primarily attributable to the increase in expenses in Chinese Mainland for FY2024, especially advertising and promotion expenses for brand building and raising the awareness of the brands. Besides, the Group recognized impairment loss of property, plant and equipment and right-of-use assets of approximately HK\$1.4 million and 1.2 million respectively for FY2024.

### **Finance costs**

Finance costs increased by approximately HK\$1.5 million from approximately HK\$3.7 million for FY2023 to approximately HK\$5.2 million for FY2024.

### **Income tax**

Income tax credit amounted to approximately HK\$3.4 million for FY2023 and income tax expense amounted to approximately HK\$0.8 million for FY2024.

### **Loss for the year**

Loss attributable to the owners of the Company was approximately HK\$12.6 million for FY2024 (FY2023: HK\$20.5 million).

### **DIVIDEND**

The Board does not recommend or declare the payment of any dividend for FY2024 (FY2023: Nil).

## **LIQUIDITY AND FINANCIAL RESOURCES AND INDEBTEDNESS**

### **Financial Resources**

We continue to maintain a stable financial position with cash and cash equivalents amounted to HK\$119.8 million as at 31 March 2024 (2023: HK\$116.9 million). Our working capital, excluding those lease liabilities relating to properties leased for own use, was HK\$40.3 million as at 31 March 2024 (2023: HK\$31.2 million). With our steady cash inflow from operations, coupled with cash and bank balances, we have adequate liquidity and financial resources to meet the working requirements in the next financial year.

As at 31 March 2024, most of our cash and bank balances were denominated in Hong Kong Dollar, United State Dollar and Renminbi.



## **Interest-bearing Bank Borrowings**

As at 31 March 2024, our Group had approximately HK\$12.5 million outstanding interest-bearing bank borrowings (2023: HK\$19.2 million).

## **Contingent Liabilities and Guarantees**

As at 31 March 2024, our Group had no significant contingent liabilities and guarantees (2023: Nil).

## **PROSPECTS**

Looking forward, economic growth is expected to maintain a sluggish upward trajectory, with interest rates remaining high caused by the sticky inflation. Consumer confidence and spending may remain relatively subdued. To respond to the slow and prolonged recovery period, the Group will focus on optimizing operational strategies to achieve long-term sustainability. Resources will be prioritized to our core business with competitive advantages to strengthen our competitiveness.

The Group will continue to identify, develop and introduce new products and services to enrich customer experience. Ongoing training will be provided to our staff not only to promote professionalism and safety, but also to ensure a high service standard. These measures would benefit the Group in attracting new customers and further strengthening the loyalty of our existing customers.

In the long term, we remain optimistic about medical aesthetic and wellness beauty industry. However, we will employ cautious and prudent steps in setting the Group's mid-term objectives and strategies. We will closely monitor market and economic conditions and make necessary adjustments to maintain competitiveness. Besides, the Group maintained a healthy financial position with strong cashflow and low gearing. We are confident that the Group's strong foundation and customer-oriented professionalism would create value and return to our shareholders.

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

During the year ended 31 March 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares.

## **ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS**

The date of annual general meeting and closure of register of members will be announced later.

## **CORPORATE GOVERNANCE CODE**

The Group recognises the importance of achieving the highest standard of corporate governance consistent with the needs and requirements of its businesses and the best interest of all of its stakeholders, and the Board is fully committed to doing so. The Board believes that high standards of corporate governance provide a framework and solid foundation for the Group to manage business risks, enhance transparency, achieve high standard of accountability and protect stakeholders' interests.

The Company has adopted the principles and the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 of Listing Rules. During the year ended 31 March 2024, the Company had complied with all the applicable code provisions of the CG Code, except the deviation stipulated below.

According to the code provision C.2.1 of the CG Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Under the current management structure of the Company, Ms. LAI Ka Yee Gigi is the chairlady of the Board (the "Chairlady") and chief executive officer of the Company (the "Chief Executive Officer"). As Ms. LAI Ka Yee Gigi has been leading the Group as the Group's Chief Executive Officer and a director of each of major subsidiaries since the establishment of the relevant major subsidiaries, the Board believes that it is in the best interest of the Group to continue to have Ms. LAI Ka Yee Gigi acting as the Chairlady and Chief Executive Officer for more effective management and planning of the Group. Therefore, the Board considers that the deviation from provision C.2.1 of the CG Code is acceptable and appropriate in the circumstances and currently does not propose to separate the functions of chairman and the chief executive officer.

## **COMPLIANCE OF CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions Directors of Listed Issuers contained in Appendix C3 of the Listing Rules of the Stock Exchange. Having made specific enquiries to all the Directors, all the Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during FY2024.

## **EVENTS AFTER THE REPORTING PERIOD**

There was no significant event occurred after the reporting period.

## **REVIEW OF FINANCIAL STATEMENTS**

An audit committee of the Company (the “Audit Committee”) has been established by the Board with specific written terms of reference following the Rules 3.21 to 3.23 of the Listing Rules and the CG Code. The Audit Committee comprises three independent non-executive directors, namely Mr. CHENG Fu Kwok David, Mr. CHENG Yuk Wo and Mr. LI Wai Kwan and Mr. CHENG Yuk Wo is the chairman of the Audit Committee. The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 March 2024, including the accounting principles and practices adopted by the Group, in conjunction with the Company’s external auditor.

## **SCOPE OF WORK OF THE COMPANY’S AUDITOR**

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 2024 as set out in the preliminary announcement have been agreed by the Company’s auditor to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by the Company’s auditor 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 HKICPA and consequently no assurance has been expressed by the Company’s auditor on the preliminary announcement.

By Order of the Board  
**Miricor Enterprises Holdings Limited**  
**LAI Ka Yee Gigi**  
*Chairlady and Chief Executive Officer*

Hong Kong, 25 June 2024

*As at the date of this announcement, the Board comprises three executive directors, namely, Ms. LAI Ka Yee Gigi, Mr. HO Tsz Leung Lincoln and Dr. LAM Ping Yan and three independent non-executive directors, namely, Mr. CHENG Fu Kwok David, Mr. CHENG Yuk Wo and Mr. LI Wai Kwan.*