PERFECT MEDICAL

PERFECT MEDICAL HEALTH MANAGEMENT LIMITED
完美醫療健康管理有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1830)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

HIGHLIGHTS

- The Group's revenue for the year decreased by 19.1% to HK$1,127.9 million. Profit attributable to equity holders declined by 34.5% to HK$206.9 million.
- Amid economic weakness and subdued consumer sentiment, the Group's performance for the year was impacted by increased outbound spending by Hong Kong residents and intensified price competition in the Mainland China market.
- The Group has intensified its response measures by focusing on the launch of high value-for-money Korean medical beauty services and strengthening its membership loyalty program to stimulate consumption and boost sales. Despite the difficult market environment, the Group's business has demonstrated resilience and effectively maintained an ultra-high net profit margin of 18.3%.
- Proposed final dividend of HK5.3 cents per share with annual dividend of HK16.6 cents per share. The annual dividend payout ratio is 100.6%.
- The Group has remained steadfast in its commitment to delivering shareholder returns. Since our listing in 2012, the Group has distributed over HK$3.28 billion in cumulative dividends and has achieved a payout ratio above 100% for ten consecutive years.

FINAL RESULTS

The board of directors (the "Board") of Perfect Medical Health Management Limited (the "Company") announces the results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2025 (the "FY2025"), together with the comparative figures for the year ended 31 March 2024 (the "FY2024") as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Note	**2025**	2024
		HK$'000	*HK$'000*
Revenue	3	**1,127,863**	1,393,339
Other income		**4,196**	7,724
Other losses — net		**(393)**	(944)
Cost of inventories and consumables		**(17,826)**	(27,573)
Employee benefit expenses	4	**(408,885)**	(471,650)
Marketing expenses		**(140,305)**	(159,596)
Depreciation of property, plant and equipment		**(67,491)**	(78,899)
Depreciation of right-of-use assets	6	**(110,850)**	(123,063)
Expenses related to short-term leases of properties	6	**(7,591)**	(8,160)
Other operating expenses		**(127,082)**	(148,797)
Operating profit		**251,636**	382,381
Finance income	5	**11,991**	12,566
Finance costs	5	**(11,078)**	(11,224)
Finance income — net	5	**913**	1,342
Profit before income tax		**252,549**	383,723
Income tax expenses	7	**(46,179)**	(73,324)
Profit for the year		**206,370**	310,399
Attributable to:			
Equity holders of the Company		**206,895**	315,800
Non-controlling interests		**(525)**	(5,401)
Profit for the year		**206,370**	310,399

	Note	2025 HK$'000	2024 HK$'000
Other comprehensive income/(losses):			
Item that has been reclassified or may be reclassified subsequently to profit or loss:			
Currency translation differences		**(146)**	(22,212)
Item that will not be reclassified subsequently to profit or loss:			
Currency translation differences		**7**	—
Investments at fair value through other comprehensive income:			
Fair value gains/(losses) taken to reserves		**31,518**	(16,326)
Total other comprehensive income/(losses) for the year, net of tax		**31,379**	(38,538)
Total comprehensive income for the year		**237,749**	271,861
Attributable to:			
Equity holders of the Company		**238,267**	277,262
Non-controlling interests		**(518)**	(5,401)
		237,749	271,861
Earnings per share attributable to equity holders of the Company for the year			
— Basic	8	**HK16.5 cents**	HK25.1 cents
— Diluted	8	**HK16.5 cents**	HK25.1 cents

CONSOLIDATED BALANCE SHEET

As at 31 March 2025

	Note	**2025**	2024
		HK$'000	*HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**109,712**	146,979
Right-of-use assets	6	**205,771**	260,748
Deposits and prepayments		**38,288**	40,749
Financial assets at fair value through other comprehensive income		**95,513**	59,717
Deferred income tax assets		**15,016**	16,474
		464,300	524,667
Current assets			
Inventories		**13,962**	6,445
Trade receivables	10	**28,362**	62,784
Other receivables, deposits and prepayments		**34,729**	52,641
Term deposits with initial terms of over three months		**137,727**	—
Pledged bank deposits		**7,754**	7,874
Cash and cash equivalents		**249,074**	567,401
		471,608	697,145
Total assets		**935,908**	1,221,812

	Note	2025 HK$'000	2024 HK$'000
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		**125,619**	125,619
Reserves		**254,330**	371,892
		379,949	497,511
Non-controlling interests		**(1,221)**	(703)
Total equity		**378,728**	496,808
LIABILITIES			
Non-current liabilities			
Provision for reinstatement costs		**14,025**	12,703
Lease liabilities	6	**116,370**	171,662
Deferred revenue		**2,686**	—
Deferred income tax liabilities		**24,857**	23,819
		157,938	208,184
Current liabilities			
Provision for reinstatement costs		**1,938**	5,348
Trade payables	11	**861**	1,070
Accruals and other payables		**52,800**	75,295
Lease liabilities	6	**100,277**	97,064
Deferred revenue		**197,453**	260,807
Tax payables		**45,913**	77,236
		399,242	516,820
Total liabilities		**557,180**	725,004
Total equity and liabilities		**935,908**	1,221,812

1 GENERAL INFORMATION

Perfect Medical Health Management Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the provision of medical, aesthetic medical and beauty and wellness services in Hong Kong ("HK"), the People's Republic of China (the "PRC"), Macau, Australia and Singapore.

The Company was incorporated in the Cayman Islands on 11 March 2011 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10 February 2012.

These consolidated financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated, and have been approved for issue by the Board of Directors on 27 June 2025.

2 BASIS OF PREPARATION AND SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with HKFRS Accounting Standards, which is a collective term referred to all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income, which are carried at fair value.

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

(a) Amended standards and interpretation adopted by the Group

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The adoption of the amended standards and interpretation listed above did not have material impact on the Group's accounting policies and consolidated financial statements.

(b) New and amended standards and interpretation that have been issued but are not effective

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability[1]
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments[2]
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

(1) Effective for the Group for annual periods beginning on or after 1 January 2025
(2) Effective for the Group for annual periods beginning on or after 1 January 2026
(3) Effective for the Group for annual periods beginning on or after 1 January 2027
(4) Effective for the Group for annual periods beginning on or after a date to be determined

The Group has not early adopted the above new and amended standards and interpretation and is in the process of assessing the impact of these new and amended standards and interpretation on the Group's accounting policies and consolidated financial statements.

3 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. As the Group is principally engaged in the provision of medical, aesthetic medical and beauty and wellness services, which are subject to similar business risk, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole rather than any specific component, the Group's chief operating decision-maker considers that the performance assessment of the Group should be based on profit before income tax of the Group as a whole. Therefore, management considers there to be only one operating segment under the requirements of HKFRS 8.

The Group primarily operates in Hong Kong as well as regions outside Hong Kong which include the PRC, Macau, Australia and Singapore (the "Regions outside Hong Kong"). Its revenue was derived from the following regions:

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**893,804**	1,081,377
Regions outside Hong Kong	**234,059**	311,962
	1,127,863	1,393,339

The consolidated profits before income tax of the Group, prior to certain intra-group recharges, was attributable to the profits of the following regions:

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**179,188**	256,664
Regions outside Hong Kong	**73,361**	127,059
	252,549	383,723

The Group's total non-current assets other than deferred income tax assets and financial assets at fair value through other comprehensive income were located in the following regions:

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**274,354**	397,502
Regions outside Hong Kong	**79,417**	50,974
	353,771	448,476

The Group's capital expenditures were incurred in the following regions based on where the assets were located:

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**20,872**	42,052
Regions outside Hong Kong	**12,666**	8,021
	33,538	50,073

4 EMPLOYEE BENEFIT EXPENSES

	2025	2024
	HK$'000	*HK$'000*
Wages and salaries	**373,338**	434,124
Pension costs — defined contribution plans *(Note a)*	**14,622**	15,951
Share-based payment expenses	**3,444**	1,304
Other staff welfares	**17,481**	20,271
Total employee benefit expenses (including directors' remunerations)	**408,885**	471,650

(a) Pension costs — defined contribution plans

Hong Kong

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), which is a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Hong Kong subsidiaries of the Group and its Hong Kong employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The respective monthly contributions made by the Group and the employee are subject to a cap of HK$1,500 with contributions beyond these amounts being voluntary.

The PRC

As stipulated under the relevant rules and regulations in the PRC, the subsidiaries operating in the PRC contribute to state-sponsored retirement plans for its employees. Depending on the provinces of their registered residences and their current regions of work, the employees contribute based on their basic salaries, while the subsidiaries contribute also based on the basic salaries of its employees and have no further obligations for the actual payment of pensions or post-retirement benefits beyond the contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to the retired employees.

Australia and Singapore

The Group is required to contribute a certain percentage of the salaries of the employees in Australia by joining the superannuation funds and in Singapore under Central Provident Fund, and has no further obligations for the actual payment of pensions or post-retirement benefits beyond the contributions.

5 FINANCE INCOME — NET

	2025	2024
	HK$'000	*HK$'000*
Interest income on bank deposits	**11,991**	12,566
Interest expenses on lease liabilities	**(11,078)**	(11,224)
Finance income — net	**913**	1,342

6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) The Group's leasing activities and how these are accounted for

The Group leases various stores and offices. Rental contracts are typically made for fixed periods of 2 to 6 years (2024: 2 to 6 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

(b) Movement of right-of-use assets

	2025	2024
	HK$'000	*HK$'000*
At 1 April	**260,748**	231,573
Acquisition of leases	**56,482**	154,250
Depreciation of right-of-use assets	**(110,850)**	(123,063)
Exchange differences	**(609)**	(2,012)
At 31 March	**205,771**	260,748

(c) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

	2025	2024
	HK$'000	*HK$'000*
Right-of-use assets		
Properties	**205,771**	260,748
Lease liabilities		
Non-current	**116,370**	171,662
Current	**100,277**	97,064
	216,647	268,726

(d) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

	2025	2024
	HK$'000	*HK$'000*
Depreciation of right-of-use assets		
— Properties	**110,850**	123,063
Interest expenses on leases liabilities *(Note 5)*	**11,078**	11,224
Expenses related to short-term leases of properties	**7,591**	8,160

(e) During the years ended 31 March 2025 and 2024, the total cash outflows for leases were analysed as below:

	2025	2024
	HK$'000	*HK$'000*
Cash flows from operating activities *(Note)*		
Payments for short-term leases in respect of properties	**7,591**	8,160
Cash flows from financing activities		
Payment of interest element of lease liabilities	**11,078**	11,224
Payment of principal element of lease liabilities	**107,600**	121,116
	118,678	132,340

Note:

Payments for short-term leases were not shown separately, but included in the line of "profit before income tax" in respect of the net cash generated from operations using the indirect method.

7 INCOME TAX EXPENSES

The Group is not subject to taxation in the Cayman Islands and the British Virgin Islands. Hong Kong profits tax has been provided for at the rate of 16.5% (2024: 16.5%) for the year on the estimated assessable profits arising in or derived from Hong Kong. Companies established and operating in the PRC are subject to PRC corporate income tax at the rate of 25% (2024: 25%). Companies incorporated and operating in Macau are subject to Macau complementary tax, under which taxable income of up to MOP600,000 is exempted from taxation with amounts beyond this amount to be taxed at a fixed rate of 12% for the years ended 31 March 2025 and 2024. Companies incorporated in Australia are subject to Australian income tax at the rate of 30% (2024: 30%). Companies incorporated in Singapore are subject to Singapore income tax at the rate of 17% (2024: 17%).

	2025	2024
	HK$'000	*HK$'000*
Current income taxation		
— Hong Kong profits tax	**31,242**	50,888
— PRC and Macau income tax	**15,475**	23,146
	46,717	74,034
Over-provision in prior years	**(6,530)**	(1,896)
Total current income taxation	**40,187**	72,138
Deferred taxation	**5,992**	1,186
	46,179	73,324

8 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
Profit attributable to equity holders of the Company *(HK$'000)*	**206,895**	315,800
Weighted average number of ordinary shares for the purposes of basic earnings per share *(thousands of shares)*	**1,256,197**	1,256,305
Basic earnings per share *(HK cents)*	**16.5**	25.1

Diluted

During the years ended 31 March 2025 and 2024, the exercise of the outstanding share options would be anti-dilutive and diluted earnings per share is of the same amount as the basic earnings per share.

9 DIVIDENDS

	2025	2024
	HK$'000	*HK$'000*
Interim, paid, of HK11.2 cents (2024: HK13.2 cents) per ordinary share *(Notes i and iii)*	**140,694**	165,810
Special, paid, of HK0.1 cent (2024: HK1.0 cent) per ordinary share *(Notes i and iii)*	**1,256**	12,513
Final, proposed, of HK5.3 cents (2024: HK11.9 cents) per ordinary share *(Notes ii and iv)*	**66,578**	149,488
Special, not proposed (2024: HK5.4 cents per ordinary share) *(Note ii)*	**—**	67,835
	208,528	395,646

Notes:

(i) At a board meeting held on 24 November 2023, the director declared an interim and special dividend for the year ended 31 March 2024 of HK13.2 cents and HK1.0 cent per ordinary share, totaling approximately HK$165,810,000 and approximately HK$12,513,000 respectively, which was paid on 29 December 2023 and was reflected as an appropriation of retained earnings and share premium for the year ended 31 March 2024.

(ii) At a board meeting held on 28 June 2024, the directors recommended the payment of a final and special dividend of HK11.9 cents and HK5.4 cents per ordinary share, totalling approximately HK$149,488,000 and approximately HK$67,835,000 respectively, which were paid on 6 September 2024 and were reflected as an appropriation of retained earnings and share premium for the year ended 31 March 2025.

(iii) At a board meeting held on 29 November 2024, the directors declared an interim and special dividend for the year ended 31 March 2025 of HK11.2 cents and HK0.1 cent per ordinary share, totalling approximately HK$140,694,000 and approximately HK$1,256,000 respectively, which were paid on 31 December 2024 and were reflected as an appropriation of retained earnings and share premium for the year ended 31 March 2025.

(iv) At a board meeting held on 27 June 2025, the directors recommended the payment of a final dividend of HK5.3 cents per ordinary share, totalling HK$66,578,000. The dividend was not reflected as dividends payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings and share premium for the year ending 31 March 2026 respectively after receiving the shareholders' approval at the forthcoming annual general meeting.

10 TRADE RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Trade receivables	**28,362**	62,784

The Group's trade receivables were denominated in the following currencies:

	2025	2024
	HK$'000	*HK$'000*
HK$	**26,814**	59,291
RMB	**998**	2,683
MOP	**339**	721
AUD	**121**	32
SGD	**90**	57
	28,362	62,784

There is no concentration of credit risk with respect to trade receivables as there is a dispersed number of financial institutions with high individual credit ratings through which the credit card and instalment sales arrangements are entered into.

The credit terms of the Group's trade receivables generally range from 3 days to 180 days (2024: 3 days to 180 days). The ageing analysis of trade receivables by the dates on which the relevant invoices are issued is as follows:

	2025	2024
	HK$'000	*HK$'000*
Less than 60 days	**22,571**	52,543
60 days to 90 days	**3,036**	4,867
91 days to 120 days	**2,755**	5,010
121 days to 180 days	**—**	364
	28,362	62,784

As at 31 March 2025, trade receivables of approximately HK$385,000 (2024: HK$468,000) were past due but not impaired because they were mainly debtors of high credit ratings with no recent history of default. The ageing analysis of these trade receivables by the days of overdue repayment is as follows:

	2025	2024
	HK$'000	*HK$'000*
Less than 60 days	**385**	468

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

As at 31 March 2025 and 2024, no collateral was received from these counterparties.

As at 31 March 2025 and 2024 and during the years then ended, no trade receivables were impaired.

11 TRADE PAYABLES

Payment terms with majority of the suppliers are on open account. Certain suppliers grant credit period ranging from 30 days to 180 days (2024: 30 days to 180 days).

At 31 March 2025 and 2024, the ageing analysis of trade payables based on invoice date is as follows:

	2025	2024
	HK$'000	*HK$'000*
Less than 60 days	**803**	940
60 days to 120 days	**—**	130
Over 120 days	**58**	—
	861	1,070

The Group's trade payables were denominated in the following currencies:

	2025	2024
	HK$'000	*HK$'000*
HK$	**433**	740
RMB	**283**	163
MOP	**21**	37
AUD	**124**	130
	861	1,070

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Perfect Medical Health Management Limited (the "Company"), together with its subsidiaries (collectively, the "Group"), is pleased to announce its annual results for the year ended 31 March 2025.

In recent years, escalating trade tensions, shifting policies and persistent inflationary pressures have rendered the global economy increasingly unpredictable. The latest round of tariff hikes has introduced greater uncertainty, dampening future economic prosperity and heavily impacting industries that primarily rely on consumer spending. Despite government stimulus efforts, consumer sentiment remains cautious due to pessimistic economic outlooks. These factors have suppressed consumption-driven sectors globally, leaving businesses facing substantial challenges amid economic instability marked by rising costs and fluctuating demand.

Hong Kong's economic landscape remains challenging. Although the Hong Kong government has introduced various initiatives to stimulate local consumption and attract inbound tourism, the pace of economic recovery remains uncertain. These measures have provided some support to retail and service industries, but overall recovery remains sluggish. The shifting landscape of global trade and ongoing protectionist policies pose long-term risks, requiring businesses and policymakers to navigate an increasingly complex environment. Businesses continue to struggle with evolving post-pandemic consumer behaviors and subdued spending, with many consumers opting to shop in lower-cost regions such as Shenzhen — intensifying the challenges for the local service industry. As a result, total retail sales in 2024 declined by 7.3% year-on-year, with minimal improvement seen into early 2025.

In Mainland China, although a 5% GDP growth target is expected to be maintained, structural issues such as weakened domestic demand, demographic pressure and ongoing real estate challenges continue to constrain sustainable growth. While the government has implemented policies to stimulate retail spending, consumer confidence remains fragile amid complex geopolitical and trade uncertainties.

As one of the largest aesthetic medical companies in Hong Kong, the Group has adopted a prudent approach to navigate the volatile market. Amidst adversity, the Group actively implemented significant cost optimization initiatives in the second half of FY2025. Compared with the FY2024 baseline, total headcount was reduced by 302. The Group also capitalized on lease expirations to renegotiate store sizes and rental terms, while consolidating operations to unlock underutilized facility resources. These initiatives reduced operating costs, and enhanced operational synergies, thereby clearly demonstrating the Group's disciplined execution of its efficiency roadmap while preserving capacity for future growth.

The Group has maintained a dividend payout ratio of 100% or above for ten consecutive years. Since its listing in 2012, cumulative dividends have reached HK$3.28 billion, showcasing the Group's robust cash flow management and setting a benchmark for dividend policies in the industry.

AWARDS AND RECOGNITION

Thanks to our outstanding performance in business development and strong support from the investment community, the Group received the "Best Investor Relations Officer (Small Cap)" award from the Hong Kong Investor Relations Association in July 2024. In December 2024, we were also recognized by IR Magazine with the awards for "Best Overall Investor Relations (Small Cap)" and "Best Investor Relations Officer (Small Cap)," reflecting our excellence and significant contributions to the economy.

FINANCIAL POSITION

Financial Performance

For the fiscal year ended 31 March 2025, the Group operated under a challenging environment marked by significant economic downturn and cautious consumer spending. Revenue decreased by 19.1% year-on-year to HK$1,127.9 million (FY2024: HK$1,393.3 million), primarily due to weakened consumer demand in Hong Kong and Mainland China, compounded by a surge in outbound tourism.

Aesthetic medical services remained the Group's core revenue driver. Excluding the promotional package sale, average customer spending was HK$47,000 (FY2024: HK$54,000). Persistently weak consumer confidence and a subdued retail environment have driven more customers to seek higher-value alternatives in other regions, particularly during weekends and holidays. This market trend presents a dual challenge for the Group: maintaining stable revenue despite declining average customer spending, while also retaining existing clients and attracting new ones amid tightened budgets. To adapt to changing consumer preferences, the Group adjusted its service strategy by offering value-for-money services and diversified treatment packages to enhance competitiveness and broaden its customer base.

Revenue by Region

	For the Year ended 31 March			
	2025		2024	
	HK$'Million	**%**	*HK$'Million*	%
Hong Kong	**893.8**	**79.2**	1,081.4	77.6
Outside Hong Kong	**234.1**	**20.8**	311.9	22.4
	1,127.9	**100.0**	1,393.3	100.0

In light of declining revenue, the Group conducted a comprehensive review of its cost structure during the year to reduce resource waste and eliminate operational redundancies, while progressively implementing indirect cost control measures. Although current cost optimization efforts have yet to fully offset short-term performance volatility, they have laid a solid foundation for medium to long-term profit resilience. Among these initiatives, employee benefit expenses declined by 13.3% year-on-year to HK$408.9 million, driven by improved organizational efficiency. Marketing expenses were reduced by 12.1% to HK$140.3 million, supported by a more targeted advertising strategy. The Group continues to optimize its service centers network. As of the fiscal year-end, total service area reached 279,000 square feet, with 169,000 square feet in Hong Kong and 110,000 sq ft in regions outside Hong Kong. Rental related expenses fell by 10.4% to HK$147.9 million as a result of lease renegotiations and optimized store space utilization. These efforts collectively represent the Group's strategic progress in building sustainable cost advantages in a dynamic market environment.

Key Cost Components:

	For the Year ended 31 March		
	2025	2024	% Change
	HK$'000	*HK$'000*	
Cost of inventories and consumables	**17,826**	27,573	(35.3%)
Employee benefits expenses	**408,885**	471,650	(13.3%)
Marketing expenses	**140,305**	159,596	(12.1%)
Depreciation of property, plant and equipment	**67,491**	78,899	(14.5%)
Rental lease related expenses *note 1*	**147,891**	165,072	(10.4%)
Other operating expenses	**108,710**	126,172	(13.8%)
	891,108	1,028,962	(13.4%)

Note 1: The rental lease related expenses included "depreciation of right-of-use assets", "expenses related to short-term leases of properties", "interest expenses on lease liabilities" and "building management fees".

The earnings before interest, tax and depreciation of property, plant and equipment ("EBITDA") decreased by 30.8% to HK$319.1 million (FY2024: HK$461.3 million), with an EBITDA margin of 28.3% (FY2024: 33.1%). Operating profit dropped by 34.2% to HK$251.6 million (FY2024: HK$382.4 million), translating to an operating margin of 22.3% (FY2024: 27.4%). Profit attributable to equity holders declined by 34.5% to HK$206.9 million (FY2024: 315.8 million), with a net profit margin of 18.3% (FY2024: 22.7%). Basic earnings per share were HK16.5 cents (FY2024: HK25.1 cents).

Dividends

The Board has proposed a final dividend of HK5.3 cents per share, to shareholders on record as of 22 August 2025. Together with interim and special dividends of HK11.2 cents and HK0.1 cent per share respectively, the total annual dividend is expected to be HK16.6 cents per share, with a total payout ratio of 100.6%.

BUSINESS OVERVIEW

Hong Kong Operations

The economic environment in Hong Kong remained challenging throughout the fiscal year, driven by intensified market competition, aggressive promotional tactics, and shifting consumer preferences. In year 2024 and the first quarter of year 2025, total retail sales dropped by 7.3% and 6.5%, respectively, reflecting a trend of consumption downgrade and increased outbound travel by Hong Kong residents. Furthermore, mainland tourists' growing preference for experiential travel has continued to reshape the local retail landscape. In response to market changes, the Group actively reinforced its core products and services, enhanced operational efficiency, and optimized its product mix to address evolving consumption patterns.

In the second half of FY2025, revenue declined compared to the first half, driven by cautious consumer spending on cross-border aesthetic medical services and a growing trend of customers seeking more cost-effective beauty treatments in cities such as Shenzhen and South Korea. Revenue from Hong Kong declined by 17.3% year-on-year and the Group remained committed to prudent operations. In response, the Group adopted a multi-faceted strategy (included the strategic consolidation of its service network and the reallocation of resources to high-demand locations) in order to uphold service quality while maintaining disciplined cost management and strategic integration. By tailoring services for budget-conscious customers, improving store accessibility, and strictly controlling costs, the Group has established a resilient operating structure. To further these goals, the Group expanded its residential store network in Tseung Kwan O and Kowloon Bay to better serve loyal customers. As of March 2025, the Group's total service area in Hong Kong was approximately 169,000 square feet. Through streamlined operations, renegotiated lease terms with landlords, and enhanced in-store personnel management, the Group continues to optimize its operational structure, laying a solid foundation for future recovery and growth.

Aesthetic Medical Services in Hong Kong

The Group's aesthetic medical business is uniquely positioned, primarily serving the mid-to-high-end segment in Hong Kong. Focused on non-invasive treatments and a diversified service portfolio, the Group strives to meet the evolving needs of loyal customers. By integrating advanced equipment and cutting-edge technology, the Group is able to enhance its service offerings and deliver exceptional value. In response to rising price sensitivity and growing demand for "value-for-money" services, the Group has been adjusting its operational strategies across store formats to build a more cost-effective model. Moreover, the Group continues to strengthen its customer management and cross-border service capabilities. With flagship centers in Causeway Bay and Tsim Sha Tsui, the Group successfully captures high-end and cross-border clientele, reinforcing its position as a premium aesthetic medical service provider in the Greater Bay Area.

Non-Aesthetic Medical Services in Hong Kong

In terms of non-aesthetic medical services, the Group continues to offer a variety of complementary health treatments, including hair growth therapy, pain management, and sleep therapy. This segment has enhanced the depth and diversity of the overall service portfolio and emerged as an important driver of new revenue streams. Notably, "Goku Spa", a sleep therapy service launched in collaboration with a renowned Japanese brand, has been well received since its debut. Despite weak consumer sentiment, the operating loss of "Goku Spa" narrowed significantly during the year, showcasing its improving business model. The Group believes this collaborative platform represents a critical milestone for future expansion into the non-medical segment.

Among these, "Goku Spa" a sleep therapy service launched in collaboration with a renowned Japanese brand, has gained widespread market recognition since its introduction, with its member base and service coverage continuously expanding. Facing a period of structural adjustment in the overall consumer market, we are focusing on deepening operational efficiency and technological upgrades to accelerate the refinement of scalable pathways for our business model. This collaborative platform has already demonstrated its differentiated competitive advantages and will serve as a strategic pivot for the Group to capture the high-end health services market in the future, laying a solid foundation for the mid-to-long-term value realization.

Operations Outside Hong Kong

Outside Hong Kong, the Group operates in Mainland China, Macau, Singapore, and Australia. Though these regions contribute a relatively smaller portion of total Group revenue, they play a strategic role and offer growth potential. During the review year, each market faced distinct macroeconomic challenges, but the Group demonstrated operational flexibility and adaptability across the board.

In Mainland China, economic recovery progressed slower than expected, and regional consumer confidence remains in need of rebuilding. Overall performance remained cautious. Nevertheless, the Group continued to optimize resource allocation and cautiously expanded its presence in strategically valuable cities, gradually strengthening its foothold in the Greater Bay Area and East China. Of note, the Group's sleep therapy brand "Goku Spa", in partnership with a Japanese brand, officially entered southern and eastern China markets in the second half of the year. This expansion marked a new chapter in the collaborative model and is expected to further enhance the Group's brand visibility and market penetration in the health management and non-aesthetic medical sectors in China.

Despite ongoing efforts to restructure operations in Australia and Singapore, performance in these regions continued to be hampered by sluggish recovery, high inflation, and weak consumer spending. The Group will continue optimizing its operations in Australia and Singapore, further improving operational efficiency and agility as it forges ahead prudently. We remain committed to maintaining operational stability and long-term presence.

As of March 31, 2025, the Group operated a broad network across Mainland China, Macau, Sydney, Melbourne, and Singapore, with a total service area of approximately 110,000 square feet.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group maintained a strong financial position as of 31 March 2025, with bank balances and cash amounting to HK$394.6 million (31 March 2024: HK$575.3 million), and no external bank borrowings. Total equity stood at HK$378.7 million (31 March 2024: HK$496.8 million). The Group primarily funds its operations through internally generated cash flows. Based on its short and long-term interest-bearing borrowings and shareholders' equity, the Group's gearing ratio as at 31 March 2025 was Nil (31 March 2024: Nil). Net current assets amounted to approximately HK$72.4 million (31 March 2024: HK$180.3 million).

Net cash generated from operating activities during the year was HK$332.9 million (FY2024: HK$497.1 million). Supported by substantial cash and bank balances, the Group maintained strong liquidity and had sufficient financial resources to fund future expansion and acquisition plans while meeting ongoing working capital requirements.

Capital Expenditure

During the year ended 31 March 2025, the Group incurred total capital expenditure of HK$33.5 million, mainly for leasehold improvements and equipment related to service network expansion.

Capital Commitments

	2025	2024
	HK$'000	*HK$'000*
Capital expenditure contracted for but not yet incurred in respect of acquisition of property, plant and equipment	**2,482**	2,312

Contingent Liabilities

As at 31 March 2025, the Group had no material contingent liabilities.

Foreign Exchange Risk

The Group primarily operates in Hong Kong, Mainland China, Macau, Australia and Singapore. Subsidiaries in these regions conduct most of their transactions in Renminbi (RMB), Macau Pataca (MOP), Australian Dollar (AUD), and Singapore Dollar (SGD). Since such transactions are generally denominated in the respective functional currencies of each Group entity, the Group did not encounter significant foreign exchange risk during the reporting period. No hedging contracts were entered into.

Treasury Policy

The Group adopts a prudent approach in treasury and investment activities. Surplus funds are primarily placed in time deposits and savings accounts with reputable banks and in listed equity securities as long-term investments. The Board continues to review the Group's investment portfolio, enforcing strict risk controls to minimize the impact of market fluctuations, and regularly monitors investment performance to mitigate financial risks and maximize shareholder value.

Charges on the Group's Assets

As of 31 March 2025, some of the Group's banking facilities in respect of credit card and instalment sale arrangement was secured by pledged bank deposits.

Employees and Remuneration Policy

The Group firmly believes that its employees are among its most valuable assets. Human resources are highly valued, as attracting and retaining talented staff is essential to long-term success. As of 31 March 2025, the Group employed a total of 971 staff (31 March 2024: 1,273). The remuneration policy is aligned with prevailing market practices and is based on individual performance and experience. The Group regularly reviews employee compensation to maintain competitiveness within the industry.

Major Acquisitions and Disposals

Save as disclosed in this announcement, the Group did not engage in any major acquisitions or disposals of its subsidiaries, associates and joint ventures during the year.

Subsequent Event

Save as disclosed herein, there was no significant subsequent event occurred since the end of the year and up to the date of this announcement which requires disclosure.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, the Group has no other plans for material investments or capital assets.

OUTLOOK

Looking ahead to the FY2026, the Group anticipates continued volatility in the overall economic environment. Geopolitical risks, uncertainties in monetary policy and fundamental shifts in consumer behavior will continue to pose challenges for the retail and service sectors. The Group must remain vigilant and prepared to respond to market fluctuations.

Hong Kong remains the Group's core market. Despite a rise in outbound travel and change of spending patterns among local residents, demand for premium services remains resilient. The Group will continue to optimize high value-for-money beauty service, tailoring service bundles to the preferences of different consumer segments, thereby further enhancing customer experience and resource allocation efficiency.

In Mainland China, although consumer confidence has yet to fully recover, the Group will pursue a cautious expansion strategy focused on high-potential economic zones, particularly the Greater Bay Area and East China. Leveraging its accumulated regional insights and localization experience, the Group aims to gradually improve brand penetration and operational efficiency.

Internationally, the Group is reviewing its performance in Australia and Singapore. In the face of high inflation and sluggish consumption, the Group will take measures to optimize store-level efficiency. The Group will adhere to a strategic position of "sustainable operations, agile response, and focused business", concentrating resources on markets with high returns.

Technology and Innovation

In term of technology, the Group is actively advancing its digital transformation by implementing artificial intelligence and data-driven management tools to enhance customer experience and operational efficiency. At the core of this strategy is the precise use of its extensive customer database. Through advanced data analytics, the Group gains deep insights into consumer behavior and evolving patterns. This enables the Group to provide personalized services to satisfy everchanging demand, supports data-driven marketing strategies, reduces promotional expenses, and enhances customer satisfaction and loyalty and ultimately creating a competitive edge.

International Partnerships

Following the initial success of its collaboration with "Goku Spa", the Group entered into an exclusive cooperation agreement in the first quarter of the FY2026 with the Korean medical beauty chain brand "Oracle" for the Hong Kong market. This partnership introduces highly popular Korean medical beauty technologies renowned for their safety, high customer retention, and technological leadership. Leveraging the Group's extensive membership base and robust operational platform, the collaboration is expected to generate immediate synergies. This represents a significant strategic breakthrough in brand development and is anticipated to accelerate sales growth and further enhance profitability. In parallel, the Group is actively identifying high-potential medical beauty clinics in Shenzhen as part of a strategic M&A initiative. Given Shenzhen's position as the preferred cross-border consumption destination for Hong Kong residents, medical beauty demand in the city is undergoing structural growth. These acquisitions are expected to rapidly scale revenue and capture enormous business opportunities arising from the cross-border consumption trend. As both the Korean brand collaboration and the strategic M&A pipeline take shape, this dual-track strategy is expected to lay a solid foundation for profit growth over the next five years and drive shareholder value in mid to long-term.

Amid changes and challenges, the Group remains confident. With a highly professional team, deep market presence, and a commitment to innovation, the Group is poised to move forward steadily seeking opportunities in change, standing out amidst competition, and advancing toward its next growth phase. The Group will continue to adhere to sound financial management, leveraging its zero-debt advantage to ensure a stable capital structure while maintaining an attractive and consistent shareholder return policy. It will also continue to fulfill its corporate social responsibility and enhance sustainability efforts to create long-term value for employees, customers, and society at large.

Looking ahead, the Group will remain committed to its three core values — high quality, safety, and efficacy in every service it offers. It will actively pursue new growth pathways and innovative approaches to expand market share and consolidate its leadership position in both aesthetic and non-aesthetic medical services. With a strategy focused on balanced development, operational efficiency, and customer centricity, the Group is confident in its ability to grow stronger while navigating economic uncertainties.

DIVIDENDS

The Directors recommended a payment of a final dividend of HK5.3 cents per share for the year ended 31 March 2025 subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company to be held on Friday, 8 August 2025 (the "AGM") to the Shareholders whose names appear on the register of members of the Company on Friday, 22 August 2025. After taking into account an interim dividend of HK11.2 cents and special dividend of HK0.1 cent per share, a total annual dividend for the year ended 31 March 2025 will amount to HK16.6 cents per share.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 5 August 2025 to Friday, 8 August 2025 (both dates inclusive) during which period no transfer of shares will be registered. In order to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Monday, 4 August 2025.

The proposed final dividend is subject to the approval of the shareholders at the AGM. The record date for the proposed final dividend is at the close of business on Friday, 22 August 2025. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 19 August 2025 to Friday, 22 August 2025 (both dates inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all relevant transfer document(s) and share certificate(s) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Monday, 18 August 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

During year ended 31 March 2025, the Company has complied with the Corporate Governance Code (the "CG Code") contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), except the deviations mentioned in the following paragraphs:

According to the code provision C.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separated and should not be performed by the same individual. During the year ended 31 March 2025, Dr. Au-Yeung Kong is both the chairman of the Board (the "Chairman") and the chief executive officer of the Company (the "CEO"); therefore, the Group does not at present separate the roles of the Chairman and the CEO.

The Board considered that Dr. Au-Yeung Kong has in-depth knowledge and experience in the medical and aesthetic medical industry and is the appropriate person to manage the Group. Therefore, the roles of the Chairman and the CEO performed by the same individual, Dr. Au-Yeung Kong, is beneficial to the business prospects and management of the Group. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same individual can provide the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. Notwithstanding the above, the Board will review the current structure from time to time. If any candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may consider to make necessary arrangements.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"). Specific enquiry has been made to each of the Directors and all Directors have confirmed that they have complied with the Model Code during the year ended 31 March 2025.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 5 December 2011 with written terms of reference which was revised on 20 March 2012, 15 January 2016 and 28 December 2018 in compliance with the CG Code and is available on the websites of the Stock Exchange and the Company. The primary duties of the Audit Committee are to review the financial information of the Group, oversee the financial reporting process and risk management and internal control procedures of the Group, and oversee the relationship with the Company's external auditor.

The Audit Committee comprises four independent non-executive directors, namely, Ms. Hsu Wai Man, Helen, Mr. Chi Chi Hung, Kenneth, Ms. Cho Yi Ping and Mr. Chuk Sai Cheong Simon. Ms. Hsu Wai Man, Helen is the chairman of the Audit Committee.

The Audit Committee has reviewed the accounting standards and practices adopted by the Group and discussed with the management about the risk management, internal control and financial reporting matters, including reviewing the financial statements and annual results for the year ended 31 March 2025.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 March 2025 as set out in this preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the Company's website (https://www.perfectmedical.com/) and the Stock Exchange's website (http://www.hkex.com.hk). The 2025 annual report for the year ended 31 March 2025 containing all the information required by the Listing Rules will be despatched to the shareholders and available on the same websites in due course.

By order of the Board
Perfect Medical Health Management Limited
Dr. Au-Yeung Kong
Chairman

Hong Kong, 27 June 2025

As at the date of this announcement, the Board comprises Dr. Au-Yeung Kong, Ms. Au-Yeung Wai, Ms. Au-Yeung Hung and Mr. So Hin Lung as executive Directors and Ms. Hsu Wai Man, Helen, Ms. Cho Yi Ping, Mr. Chi Chi Hung, Kenneth and Mr. Chuk Sai Cheong Simon as independent non-executive Directors.