MODERN HEALTHCARE TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

The Board of Directors ("the Board") of MODERN HEALTHCARE TECHNOLOGY 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 2026 ("FY2026" or "the year under review"), with comparative figures for the year ended 31 March 2025 ("FY2025") as follows. The consolidated results for the year ended 31 March 2026 have been reviewed by the audit committee of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2026

	Note	**2026** **HK$'000**	2025 HK$'000
Revenue	*5*	**442,813**	453,274
Other income	*6*	**9,026**	13,157
Cost of inventories sold		**(12,556)**	(16,421)
Advertising costs		**(2,602)**	(2,583)
Building management fees		**(10,618)**	(11,573)
Bank charges		**(23,600)**	(24,857)
Employee benefit expenses	*7(a)*	**(263,435)**	(283,802)
Depreciation and amortisation		**(74,934)**	(75,682)
Other operating expenses		**(45,432)**	(49,404)

	Note	2026 HK$'000	2025 HK$'000
Profit from operations		**18,662**	2,109
Finance costs	*7(c)*	**(2,809)**	(4,469)
Interest income		**3,456**	4,820
Impairment loss on property, plant and equipment		**(17,272)**	–
Fair value change on investment properties		**(1,060)**	(5,500)
Net loss on disposal of subsidiaries		**(602)**	–
Profit/(loss) before taxation	*7*	**375**	(3,040)
Income tax expense	*8*	**(897)**	(1,731)
Loss for the year		**(522)**	(4,771)
Attributable to:			
Equity shareholders of the Company		**(1,762)**	(5,066)
Non-controlling interests		**1,240**	295
Loss for the year		**(522)**	(4,771)
Loss per share (HK cents)	*9*		
Basic		**(0.19)**	(0.56)
Diluted		**(0.19)**	(0.56)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	2026	2025
	HK$'000	*HK$'000*
Loss for the year	**(522)**	(4,771)
Other comprehensive income for the year (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation of foreign operations	**2,245**	77
	2,245	77
Items that will not be reclassified to profit or loss:		
– Changes in long service payment liabilities, net of tax expense of HK$68,000 (2025: HK$298,000)	**344**	1,506
Other comprehensive income for the year	**2,589**	1,583
Total comprehensive income for the year	**2,067**	(3,188)
Attributable to:		
Equity shareholders of the Company	**827**	(3,483)
Non-controlling interests	**1,240**	295
Total comprehensive income for the year	**2,067**	(3,188)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

		2026	2025
	Note	***HK$'000***	*HK$'000*
Non-current assets			
Property, plant and equipment		**107,013**	160,175
Investment properties		**32,540**	33,600
Rental deposits	*10*	**6,889**	4,317
Deferred tax assets		**316**	301
		146,758	198,393
Current assets			
Inventories		**10,202**	12,741
Trade and other receivables, deposits and prepayments	*10*	**58,025**	63,113
Tax recoverable		**759**	633
Pledged bank deposits		**51,924**	52,906
Bank deposits with original maturity over three months		**6,253**	14,333
Cash and bank balances		**247,454**	222,340
		374,617	366,066
Current liabilities			
Trade and other payables, deposits received and accrued expenses	*11*	**35,888**	48,278
Deferred revenue	*12*	**241,233**	252,909
Lease liabilities		**23,701**	50,353
Bank loan		**–**	355
Tax payable		**773**	395
		301,595	352,290
Net current assets		**73,022**	13,776

	Note	2026 HK$'000	2025 HK$'000
Total assets less current liabilities		**219,780**	212,169
Non-current liabilities			
Lease liabilities		**19,801**	17,941
Long service payment liabilities		**1,272**	1,516
Reinstatement provision	*11*	**5,080**	1,202
Deferred tax liabilities		**595**	311
		26,748	20,970
NET ASSETS		**193,032**	191,199
CAPITAL AND RESERVES			
Share capital		**90,448**	90,448
Reserves		**96,228**	95,401
Total equity attributable to equity shareholders of the Company		**186,676**	185,849
Non-controlling interests		**6,356**	5,350
TOTAL EQUITY		**193,032**	191,199

NOTES TO THE ANNOUNCEMENT

(Expressed in Hong Kong dollars unless otherwise indicated)

1 GENERAL INFORMATION

Modern Healthcare Technology Holdings Limited ("the Company") was incorporated in the Cayman Islands with limited liability. The address of its registered office is PO Box 309 GT, Ugland House, Grand Cayman, KY1−1104, Cayman Islands. The address of its principal place of business is Work Shop Nos. 66−68, 6th Floor, Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("the Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are provision of beauty and wellness services and the sales of skincare and wellness products. In the opinion of the directors of the Company, Dr. Tsang Yue, Joyce ("Dr. Tsang"), who is a director of the Company, is the ultimate controlling party of the Company.

2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The consolidated results set out in the announcement do not constitute the Group's consolidated financial statements for the year ended 31 March 2026 but are extracted from those financial statements.

The financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), 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. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The HKICPA has issued certain new or amended to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

The consolidated financial statements for the year ended 31 March 2026 comprise the Company and its subsidiaries ("the Group").

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in the consolidated financial statements.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to the financial statements for the current accounting period. The amendments do not have a material impact on the financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 SEGMENT INFORMATION

The Group has two reportable segments as follows:

Beauty and wellness services – Provision of beauty and wellness services

Skincare and wellness products – Sales of skincare and wellness products

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. Segment profits do not include other income, interest income, fair value change on investment properties, net loss on disposal of subsidiaries and unallocated costs, which comprise corporate administrative expenses, and income tax expense. Segment assets do not include investment properties, deferred tax assets and tax recoverable. Segment liabilities do not include tax payable, deferred tax liabilities and amounts due to related companies and the ultimate controlling party.

(a) Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2026 and 2025 is set out below.

	Beauty and wellness services *HK$'000*	**Skincare and wellness products** *HK$'000*	**Total** *HK$'000*
Year ended 31 March 2026			
Revenue from external customers	404,705	38,108	442,813
Reportable segment (loss)/profit	(2,924)	17,518	14,594
Other segment information:			
Additions to property, plant and equipment	38,058	3,056	41,114
Depreciation and amortisation	70,303	4,631	74,934
Impairment loss on property, plant and equipment	15,800	–	15,800
As at 31 March 2026			
Reportable segment assets	476,014	11,746	487,760
Reportable segment liabilities	312,801	14,134	326,935

	Beauty and wellness services *HK$'000*	Skincare and wellness products *HK$'000*	Total *HK$'000*
Year ended 31 March 2025			
Revenue from external customers	416,136	37,138	453,274
Reportable segment (loss)/profit	(7,210)	17,529	10,319
Other segment information:			
Additions to property, plant and equipment	38,065	1,895	39,960
Depreciation and amortisation	70,787	4,895	75,682
As at 31 March 2025			
Reportable segment assets	518,625	11,300	529,925
Reportable segment liabilities	350,410	22,104	372,514

(b) Reconciliations of reportable segment profit/(loss), assets and liabilities

	2026	2025
	HK$'000	*HK$'000*
Profit/(loss)		
Reportable segment profit	**14,594**	10,319
Other income	**9,026**	13,157
Interest income	**3,456**	4,820
Fair value change on investment properties	**(1,060)**	(5,500)
Net loss on disposal of subsidiaries	**(602)**	–
Unallocated costs	**(25,039)**	(25,836)
Income tax expense	**(897)**	(1,731)
Consolidated loss for the year	**(522)**	(4,771)
Assets		
Reportable segment assets	**487,760**	529,925
Investment properties	**32,540**	33,600
Deferred tax assets	**316**	301
Tax recoverable	**759**	633
Consolidated total assets	**521,375**	564,459
Liabilities		
Reportable segment liabilities	**326,935**	372,514
Tax payable	**773**	395
Deferred tax liabilities	**595**	311
Amounts due to related companies	**38**	38
Amount due to the ultimate controlling party	**2**	2
Consolidated total liabilities	**328,343**	373,260

(c) **Geographic information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current asset is based on the physical location of the asset, in the case of property, plant and equipment. Specified non-current assets do not include investment properties, intangible assets, rental deposits, and deferred tax assets.

	Revenue from external customers		**Specified non-current assets**	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (place of domicile)	**395,243**	404,999	**75,744**	125,192
Singapore	**45,807**	47,463	**30,025**	33,854
Australia	**1,763**	812	**1,244**	1,129
	442,813	453,274	**107,013**	160,175

5 REVENUE

The principal activities of the Group are the provision of beauty and wellness services and sales of skincare and wellness products.

The amount of each significant category of revenue is as follows:

	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Revenue recognised from provision of beauty and wellness services and expiry of prepaid beauty packages	**404,705**	416,136
Sales of skincare and wellness products	**38,108**	37,138
	442,813	453,274

Since all the revenue comprises revenue recognised from provision of beauty and wellness services and expiry of prepaid beauty packages and sales of skincare and wellness products transferred to customers at a point in time, no revenue is derived from services transferred over time.

Disaggregation of revenue from contracts with customers by geographical segment is disclosed in note 4(c).

6 OTHER INCOME

	2026	2025
	HK$'000	*HK$'000*
Income from provision of domestic helper agency services	**2,787**	2,775
Event admission fee	**–**	819
Income from cafe operations	**3,096**	3,517
Rental income	**1,553**	1,553
Net gain on disposal of property, plant and equipment	**–**	92
Insurance claim	**95**	1,776
Net gain on early lease termination	**225**	–
Others	**1,270**	2,625
	9,026	13,157

7 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/(crediting):

(a) Employee benefit expenses (including directors' remuneration)

	2026	2025
	HK$'000	*HK$'000*
Salaries, wages and other benefits	**251,669**	271,380
Contributions to defined contribution retirement plans	**11,598**	12,210
Long service payments	**168**	212
	263,435	283,802

(b) Other items

	2026	2025
	HK$'000	*HK$'000*
Auditor's remuneration	**4,519**	4,209
Net loss on disposal of property, plant and equipment	**231**	–
Net foreign exchange (gain)/loss	**(186)**	81

(c) Finance costs

	2026	2025
	HK$'000	*HK$'000*
Interest on lease liabilities	**2,806**	4,454
Interest on bank loan	**3**	15
	2,809	4,469

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Taxation in the consolidated statement of profit or loss represents:

	2026	2025
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax		
Provision for the year	**510**	604
Over-provision in respect of prior years	**(108)**	(92)
	402	512
Current tax – Overseas		
Provision for the year	**279**	643
Under-provision in respect of prior years	**–**	808
	279	1,451
Deferred tax		
Originated and reversal of temporary differences	**216**	(232)
Tax expense	**897**	1,731

The provision for Hong Kong Profits Tax for 2026 is calculated at 16.5% (2025: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

9 LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of HK$1,762,000 (2025: HK$5,066,000) and the weighted average number of 904,483,942 ordinary shares (2025: weighted average number of 904,483,942 ordinary shares) in issue during the year. Diluted loss per share is the same as basic loss per share as there were no dilutive potential shares in issue throughout the years ended 31 March 2026 and 2025.

10 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026	2025
	HK$'000	*HK$'000*
Non-current assets		
Rental deposits	**6,889**	4,317
Current assets		
Trade receivables, net of allowance for expected credit loss	**12,128**	11,649
Trade deposits retained by bank/credit card companies *(Note)*	**20,130**	19,661
Rental and other deposits, prepayments and other receivables	**25,762**	31,798
Amounts due from related companies	**5**	5
	58,025	63,113
	64,914	67,430

Note: Trade deposits represent trade receivables that were retained by the banks/credit card companies in reserve accounts to secure the Group's performance of services to customers who paid for the services by credit cards, in accordance with the merchant agreements entered into between the Group and the banks/credit card companies.

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of allowance for expected credit loss, is as follows:

	2026	2025
	HK$'000	*HK$'000*
0–30 days	**7,163**	6,543
31–60 days	**1,251**	1,651
61–90 days	**484**	740
91–180 days	**3,230**	2,715
	12,128	11,649

Trade receivables are due within 7–180 days (2025: 7–180 days) from the date of billing.

The ageing analysis of the trade receivables based on the payment due date and net of allowance for expected credit loss is as follows:

	2026	2025
	HK$'000	*HK$'000*
Current (not past due)	**11,803**	11,635
Less than 30 days past due	**244**	–
31–60 days past due	**59**	–
91–180 days past due	**22**	14
	12,128	11,649

(b) Impairment of trade receivables

No expected credit loss allowance was provided in respect of trade receivables during the years ended 31 March 2026 and 2025.

11 TRADE AND OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED EXPENSES

	2026	2025
	HK$'000	*HK$'000*
Non-current liabilities		
Reinstatement provision	**5,080**	1,202
Current liabilities		
Trade payables	**1,349**	1,056
Other payables, deposits received and accrued expenses	**34,499**	47,182
Amount due to the ultimate controlling party	**2**	2
Amounts due to related companies	**38**	38
	35,888	48,278
	40,968	49,480

All of the trade and other payables, deposit received and accrued expenses are expected to be settled or recognised as income within one year or are repayable on demand.

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

	2026	2025
	HK$'000	*HK$'000*
Within 90 days	**909**	706
Over 90 days	**440**	350
	1,349	1,056

12 DEFERRED REVENUE

(a) An ageing analysis of deferred revenue, based on invoice date, is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 1 year	**241,233**	252,909

(b) Movement of deferred revenue:

	2026	2025
	HK$'000	*HK$'000*
At the beginning of the year	**252,909**	251,383
Gross receipts from sales of prepaid beauty packages	**392,071**	417,425
Revenue recognised for provision of beauty and wellness services and expiry of prepaid beauty packages	**(404,705)**	(416,136)
Exchange differences	**958**	237
At the end of the year	**241,233**	252,909

The amount of revenue recognised for the year ended 31 March 2026 that was included in deferred revenue as at 1 April 2025 was HK$252,909,000 (2025: HK$251,383,000).

13 DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 March 2026 (2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

During the financial year ended 31 March 2026 ("FY2026" or "the year under review"), revenue of the Group amounted to approximately HK$442.8 million, representing a decrease of 2.3% compared with approximately HK$453.3 million for the year ended 31 March 2025 ("FY2025" or the "same period last year"). The receipts from sales of prepaid beauty packages during the year under review was HK$392.1 million, a decrease of 6.1% over the same period last year. The employee benefit expenses and depreciation charge of other properties leased for own use decreased by 7.2% to HK$263.4 million and decreased by 6.3% to HK$58.0 million respectively as compared with the same period last year. The Group recorded an operating profit of HK$18.7 million during the year under review (FY2025: HK$2.1million).

Below is the key statistics:

	For the year ended 31 March		
	2026	2025	**Change**
Revenue *(HK$ million)*	**442.8**	453.3	**−2.3%**
Operating profit margin *(%)*	**+4.1**	+0.5	**+3.6 percentage points**
Net loss margin *(%)*	**−0.1**	−1.1	**+1.0 percentage points**
Number of shops	**46**	47	**−1**
Employee benefit expenses *(HK$ million)*	**263.4**	283.8	**−7.2%**
Depreciation charge of other properties leased for own use *(HK$ million)*	**58.0**	61.9	**−6.3%**
Total dividend per ordinary share *(HK cents)*	**Nil**	Nil	–
Annual dividend pay-out ratio *(%)*	**N/A**	N/A	–
Gearing ratio *(%)*	**Nil**	0.2	**−0.2%**

Note: Gearing ratio represents bank loan over total equity.

Hong Kong

According to the Census and Statistics Department, Hong Kong's total retail sales value in 2025 reached approximately HK$380 billion, a modest rise from around HK$377 billion the previous year. This uptick reversed the 7.3% contraction recorded in 2024, supported by robust year-end consumer activity, improving local economic sentiment, a rebound in tourist arrivals, and a series of large-scale mega-events that boosted footfall and spending.

At the same time, the sustained rise in northbound spending–as Hong Kong residents increasingly travel to mainland cities for shopping, dining, and entertainment–has introduced fresh competitive pressures on local retailers and hospitality operators. In response, many businesses are being compelled to upgrade service standards, rethink pricing strategies, and craft more distinctive in-store and experiential offerings to keep local consumers at home. While this poses short-term challenges, such adaptation ultimately bodes well for Hong Kong's long-term competitiveness, fostering a more dynamic, customer-centric, and resilient commercial environment.

Revenue in Hong Kong during FY2026 decreased by 2.3%. Revenue from services rendered and receipts from prepaid beauty packages during FY2026 were HK$366.4 million and HK$356.7 million respectively (FY2025: HK$375.6 million and HK$378.2 million), representing an edged decrease of 2.5% and decrease of 5.7% respectively. Revenue from sales of skincare and wellness products was HK$28.8 million in FY2026 (FY2025: HK$29.4 million). Our customers in Hong Kong amounted up to a total of approximately 443,900 during the year under review, representing an edged increase of 0.8% as compared to approximately 440,400 in the same period last year.

Our Group has managed to reshuffle the portfolio of shops in Hong Kong and retain our staff as much as we can, and strive to enhance the operational efficiency to achieve long term healthy development for the Group. We will continue to ensure the safety and quality of the services and products offered in our beauty and wellness centres.

In terms of the sales of skincare and wellness products, as of 31 March 2026, the Group had a total of 8 stores under the names of "be Beauty Shop", located across Hong Kong, Kowloon and New Territories. More than 100 varieties of products are available for sale under different series of skincare service, including "Y.U.E", "Advanced Natural", "be", "Care Plus", "Cellnoc", "Malu Wilz", "Dr Plus", "Castille", "Eclat du teint", "p.e.n", "FERRECARE", "Byotea", "Mu-lan Spa", "Natural Care", "Veribel" which can fulfil the needs of customers with different skin types.

Singapore

During FY2026, the Group operated a total of 8 beauty and wellness service centres in Singapore (FY2025: 8). During FY2026, the revenue from operations in Singapore was HK$45.8 million, as compared with HK$47.5 million for the same period last year. Revenue recognised for provision of beauty and wellness services and receipts from sales of prepaid beauty packages in Singapore amounted to HK$38.3 million and HK$35.4 million respectively, as compared with HK$40.5 million and HK$39.3 million for the same period last year.

The Group will proceed with its Singapore business development in a prudent and steady manner. With relentless dedication to customer satisfaction, we will continue to focus on providing quality services that serve our customers well and enhance our brand awareness.

Financial Review

Revenue

Set out below is a breakdown on the revenue of the Group by service lines and product sales during FY2026 (with comparative figures for FY2025):

	For the year ended 31 March				
	2026		2025		
Sales mix	***HK$'000***	***Percentage of revenue***	*HK$'000*	*Percentage of revenue*	*Change*
Beauty & facial	**303,659**	**68.6%**	310,727	68.6%	−2.3%
Slimming	**82,248**	**18.6%**	89,341	19.7%	−7.9%
Spa and massage	**18,798**	**4.2%**	16,068	3.5%	+17.0%
Beauty and wellness services	**404,705**	**91.4%**	416,136	91.8%	−2.7%
Sales of skincare and wellness products	**38,108**	**8.6%**	37,138	8.2%	+2.6%
Total	**442,813**	**100%**	453,274	100%	−2.3%

Revenue of the Group was mainly contributed by the beauty, facial and slimming services. The Group's revenue from beauty and wellness services decreased by about 2.7% from approximately HK$416.1 million in FY2025 to approximately HK$404.7 million in FY2026.

The Group reported that gross receipts from the sales of new prepaid beauty packages of the Group amounted to HK$392.1 million during FY2026, representing a decrease of 6.1% compared with HK$417.4 million for FY2025, while cash and cash equivalents at year end maintained at a healthy level.

Set out below is an analysis on the deferred revenue:

	For the year ended 31 March					
	2026			2025		
Movement of deferred revenue	**Hong Kong** ***HK$'000***	**Singapore** ***HK$'000***	**Total** ***HK$'000***	Hong Kong *HK$'000*	Singapore *HK$'000*	Total *HK$'000*
At beginning of the year	**232,108**	**20,801**	**252,909**	229,603	21,780	251,383
Exchange differences	**–**	**958**	**958**	–	237	237
Gross receipts from sales of prepaid beauty packages	**356,705**	**35,366**	**392,071**	378,152	39,273	417,425
Revenue recognised for provision of beauty and wellness services and expiry of prepaid beauty package	**(366,447)**	**(38,258)**	**(404,705)**	(375,647)	(40,489)	(416,136)
At the end of the year	**222,366**	**18,867**	**241,233**	232,108	20,801	252,909

Employee benefit expenses

Employee benefit expenses (including staff's salaries and bonuses as well as directors' remunerations) represented the largest component of the Group's operating costs. During the year under review, employee benefit expenses decreased by about 7.2% from HK$283.8 million in FY2025 to approximately HK$263.4 million. Employee benefit expenses accounted for 59.5% of our revenue in FY2026, as compared to 62.6% for FY2025. The total headcount of the Group as at 31 March 2026 decreased by 1.3% to 783, as compared to a headcount of 793 for FY2025. The Group's remuneration policies are in line with the prevailing market practices and are determined based on the individual performance and experience. For the purpose of motivating and rewarding our staff, discretionary bonus and share options may be granted to eligible employees based on individual performance and the Group's results. The Group introduced the elite system, whereby excellent staff with outstanding performance may receive discretionary bonus in recognition of their contribution.

Depreciation charge of other properties leased for own use

During the year under review, the Group's depreciation of other properties leases for own use were approximately HK$58.0 million (2025: HK$61.9 million), accounting for approximately 13.1% of our revenue (2025: 13.7%). As of 31 March 2026, the Group operated a total of 46 shops in Hong Kong and Singapore with a total weighted average gross floor area of 181,950 square feet, representing a decrease of 4.9% as compared to 191,400 square feet in FY2025.

Bank charges, advertising costs and building management fees

Bank charges recorded changes in line with gross receipts from sales of new prepaid beauty packages, which decreased by 5.1% to HK$23.6 million. Advertising costs was approximately HK$2.6 million and it accounts for 0.6% of our revenue in both FY2026 and FY2025. This reflected the Group's ability to enjoy cost advantage in advertising costs as it could spread such costs across an enlarged service centre network that covers Hong Kong and Singapore. Advertising cost is allocated in an effective way to raise brand awareness and capture a greater market share. Building management fees decreased by about 8.3% from HK$11.6 million in FY2025 to approximately HK$10.6 million during the year under review. It accounts for 2.4% of our revenue in FY2026, as compared to 2.6% for FY2025.

Other operating expenses

Set out below is a breakdown of the other operating expenses of the Group during FY2026 (with comparative figures for FY2025):

	For the year ended 31 March	
	2026	2025
	HK$'000	*HK$'000*
Audit Fee	**4,519**	4,209
Administrative expenses *(Note)*	**6,741**	7,441
Cleaning, sanitary and laundry	**6,206**	6,374
Consultancy fee	**1,831**	2,199
Government rent and rates	**3,657**	3,915
Insurance	**2,841**	2,860
Legal and professional fee	**2,259**	1,450
Repair and maintenance expenses	**5,538**	5,427
Utilities	**6,759**	7,231
Other expenses *(Note)*	**5,081**	8,298
	45,432	49,404

Note: The administrative expenses for each of the years ended 31 March 2025 and 2026 included motor vehicles expenses, postage and courier expenses, printing and stationary, telephone and fax and transportation expenses. The other expenses for each of the years ended 31 March 2025 and 2026 mainly included recruitment, training and internet expenses.

Net loss

The net loss attributable to equity shareholders of the Company was approximately HK$1.8 million in FY2026, as compared to the net loss attributable to equity shareholders of the Company of HK$5.1 million in FY2025. The Group will continue to expand its business when opportunities arise in order to achieve the long-term value-added objective of maximising shareholders' returns.

Dividend per share

The Board did not recommend any final dividend to the shareholders of the Company for the year under review (FY2025: Nil). As no interim dividend had been approved by the Board for the six months ended 30 September 2025, the total dividend for the year ended 31 March 2026 will be nil (FY2025: Nil).

Liquidity, financial resources and capital structure

The Group generally finances its liquidity requirements through the gross receipts from sales of prepaid beauty packages and settlement of credit card prepayment transactions with banks. During the year under review, the Group maintained a healthy financial position with cash and bank balances of approximately HK$253.7 million (FY2025: HK$236.7 million) with no bank borrowings (FY2025: HK$0.4 million). The Group's cash is primarily used as working capital and to finance our normal operating expenses, as well as to pay for the purchase of skincare and wellness products, materials and consumable used in the provision of beauty and wellness services. During the year under review, except for cash at bank held for daily operation, the majority of the Group's cash was held under fixed and savings deposits as in line with the Group's prudent treasury policies.

Capital expenditure

The total capital expenditure of the Group (excluding additions to right-of-use assets for leases of properties for own use) during the year under review was approximately HK$3.1 million, as compared to HK$16.1 million for the same period last year. The amount was mainly used leasehold improvements and equipment and machinery in connection with the expansion and integration of its service network in Hong Kong and Singapore.

Contingent liabilities and capital commitment

The Board considered that there were no material contingent liabilities as at 31 March 2026. The Group had capital commitment of HK$nil as at 31 March 2026 (31 March 2025: HK$1.5 million), mainly for the acquisition of plant and equipment.

Charges on assets

As of 31 March 2026, the Group had pledged bank deposits of HK$51.9 million (31 March 2025: HK$52.9 million) in favour of certain banks to secure banking facilities granted to certain subsidiaries in the Group.

At 31 March 2026, ownership interests in leasehold land and buildings held for own use with carrying values of HK$30.4 million (2025: HK$48.4 million) were pledged as securities for banking facilities.

Foreign exchange risk exposures

The Group's transactions were mainly denominated in Hong Kong Dollars. However, the fluctuation in exchange rates of Hong Kong Dollars against and Singapore Dollars also affected the operating costs as the Group expanded its business to Southeast Asian regions and Australia. Management will closely monitor the risk exposures faced by the Group, and will take necessary actions to minimize potential risks and strike a balance between our exposure and return so as to properly hedge such exposures.

Human resources and training

The Group had a workforce of 783 staff as of 31 March 2026 (31 March 2025: 793 staff), including 647 front-line service centre staff in Hong Kong and 61 in Singapore. Back office staff totalled 56 in Hong Kong, 16 in Singapore and 3 in Australia. The Group reviews its remuneration policies on a regular basis with reference to the legal framework, market conditions and performance of the Group and individual staff. The Remuneration Committee also reviews the remuneration policies and packages of executive directors and senior management.

Pursuant to the remuneration policies of the Group, employees' remunerations comply with the legal requirements of all jurisdictions in which we operate and are in line with the market rates. During the year under review, total employee benefit expenses, including directors' emoluments, amounted to HK$263.4 million, representing a decrease of 7.2% as compared to HK$283.8 million in FY2025. To enhance the service quality and core skills of our staff, the Group regularly organises training programs designed by the Group's senior management for its staff. In addition, the seminars also facilitate the interaction and communication between the Group's management and the general staff.

Outlook

As an established enterprise with multiple beauty product and service centers across Hong Kong, we are well-positioned to capitalize on declining commercial rents. Our extensive physical footprint and long market tenure give us significant negotiating leverage with landlords. In the current climate, property owners increasingly favor creditworthy, stable long-term tenants–making our scale and financial strength a clear competitive advantage. We are actively using this leverage to renegotiate existing leases and secure favorable terms for new locations. This proactive approach is expected to substantially reduce occupancy costs–one of our largest operating expenses–directly improving net profitability and strengthening long-term financial resilience.

Looking forward, we remain steadfast in executing a dual-pronged strategy centered on operational excellence and technological advancement. Beyond optimizing rental expenditures, we are initiating a strategic program to integrate artificial intelligence across our organizational functions. In our back-office operations, AI will be deployed to automate routine administrative processes and inventory management tasks, thereby enhancing accuracy and reallocating human capital toward higher-value strategic activities. On the client-services front, AI-enabled solutions–including intelligent chatbots and personalized recommendation engines–will be leveraged to elevate the customer experience through instantaneous support and tailored product guidance. This digital transformation is expected to streamline workflows, minimize operational friction, and ultimately drive superior operational efficiency and enhanced client satisfaction.

In sum, by harnessing our market strength to curtail fixed costs while simultaneously deploying AI to optimize both internal and client-facing processes, we are establishing a resilient framework for sustainable growth, fortified competitiveness, and sustained shareholder value creation within the dynamic beauty services sector.

Environmental Policies and Performance

The Group understands that its business has an impact on the environment and recognises the importance of sound environmental management practices and sustainable business operations. It is committed to comply with the relevant environmental standards and policies related to its business operations as set by the relevant governments. The Group has implemented a number of environment-friendly measures in its operations and workplaces including but not limited to retail shops, warehouses and offices. In its day-to-day operations, the Group advocates "paperless office" and actively promotes electronic management information system. It also sets up required equipment in order to arrange different kinds of meeting by using teleconference and video conference, resulting in savings in time and resources. For retail shops, the Group has implemented energy saving practices by using some LED lighting fixtures.

Compliance with Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements and risks of non-compliance with such requirements. The Group has conducted on-going review of the newly enacted laws and regulations affecting the operations of the Group and provides relevant trainings and guidance to the staff. The Group has complied with the relevant laws and regulations of its places of operation that have significant impact on the operations of the Group for the year ended 31 March 2026.

Key Relationships

(a) Employees

The Group believes that employees are a key element to the success of its business, so it strives to maintain a high staff retention rate by providing competitive remuneration package and developing harmonious workplace. To enhance capabilities and effectiveness of its employees in operation, the Group provides them with a comprehensive training program which includes quality service skills, product knowledge and language and interpersonal skills. In addition, the Group would organise regular retail staff gatherings to promote team spirits and award retail staff who had outstanding sales performance.

(b) Consumers

The Group provides direct service to consumers in its retail and salon shops. To ensure continuous improvement of the quality of products and services, the Group regularly conducts internal and external market surveys to interact with consumers to gain market insights and feedback.

(c) Suppliers

The Group has established long standing cooperation relationship with certain suppliers. It selects its suppliers prudently. The relevant suppliers need to fulfill certain assessment criteria of the Group, including, among others, financial capability, reputation and history of meeting our standards for raw materials or finished products.

(d) Shareholders and Investors

The Board believes effective communication and accurate and timely information disclosure builds the Shareholders' and investors' confidence, and also facilitates the flow of constructive feedback and ideas that are beneficial for investor relations and future corporate development.

Principal risks and uncertainties

1. Macroeconomic changes − The Group's business is sensitive to the general economic conditions and other factors like consumer credit.

2. Regulatory & political risk of business − This includes legal regulation update in Hong Kong, especially the Trade Description Ordinance Chapter 362, Law of Hong Kong, since the Group's business mainly operates in Hong Kong. In addition, the Group would develop markets in Chinese Mainland further, which also bring more risk in relation to regulatory and political changes.

3. Market competition − The Group is under intense pressure to compete on both price and service as large and small, regional or niche competitors attempt to increase market share.

4. Foreign currency risk associated with the Group's investment − The Group may be exposed to transaction and translation (exchange rate) risks, particularly Singapore Dollars and Australian Dollars, and associated financial cost risks.

5. Rising costs of Hong Kong business − This mainly refers to increasing operational cost resulting from uncertain economic environment.

6. Reputation and performance risk of skincare and wellness products business of the Group − The Group's business is dependent on its reputation and quality of service and the Group may lose potential business if the quality of its products and service are called into question.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year under review, the Company did not redeem, and neither the Company nor any of its subsidiaries purchased or sold, any of the Company's listed securities.

CLOSURE OF REGISTER OF MEMBERS

The Annual General Meeting ("AGM") is scheduled to be held on Friday, 28 August 2026. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 25 August 2026 to Friday, 28 August 2026, both days inclusive, during which period no transfer of Share will be effected. In order to be eligible to attend and vote at the AGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, for registration not later than 4:30 p.m. on Monday, 24 August 2026.

CORPORATE GOVERNANCE PRACTICE

The Company is committed to principles of good corporate governance consistent with prudent management and enhancement of shareholder value, which emphasise transparency, accountability and independence.

The Company has adopted the code provisions ("Code Provisions") set out in the Corporate Governance Code (taking effect from 1 April 2012) (the "Code") as set out in Appendix 14 to the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

During the year under review, the Company met the Code Provisions in the Code, except for the deviation from Code provision C.2.1 and Code provision F.2.2 as set out below.

CHAIRPERSON AND CHIEF EXECUTIVE OFFICER ("CEO")

During the year under review, Dr. Tsang Yue, Joyce ("Dr. Tsang") was both the Chairperson and CEO of the Company. Code provision C.2.1 of the Code stipulates that the role of chairperson and chief executive should be separate and should not be performed by the same individual. After reviewing the management structure, the Board is of the opinion that Board decisions are collective decisions of all Directors made by way of voting and not decisions of the Chairperson of the Board alone. Further, there is a clear division of responsibilities between the management of the Board and the day-to-day management of the business of the Company, which relies on the support of the senior management. As such, the power of management of the Company is not concentrated in any one individual. The Board considers that the present structure will not impair the balance of power and authority between the Board and the senior management of the Group.

CODE PROVISION F.2.2

Code Provision F.2.2 provides that the chairman of the board should attend the annual general meeting.

Dr. Tsang Yue, Joyce, the Chairperson of the Board, was absent from the Annual General Meeting of the Company held on 28 August 2025 due to personal reason.

SCOPE OF WORK OF KPMG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, *Certified Public Accountants*, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

AUDIT COMMITTEE

The composition of the Audit Committee is as follows:

Independent Non-executive Director

Ms. Liu Mei Ling, Rhoda *(Chairperson)*

Dr. Wong Man Hin, Raymond

Mr. Hong Po Kui, Martin

The Audit Committee has reviewed and approved the Group's annual results for the year ended 31 March 2026 prior to their approval by the Board.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Hong Kong Exchanges and Clearing Limited at www.hkex.com.hk under "Latest Listed Company Information" and on the website of the Company at www.modernhealthcaretech.com under "Investor Relations – Statutory Announcements". The Annual Report and the Notice of Annual General Meeting will be despatched to the shareholders on or about 25 July 2026 and will be available at the Stock Exchange's and the Company's websites at the same time.

On behalf of the Board,
DR. TSANG YUE, JOYCE
Chairperson & Chief Executive Officer

Hong Kong, 30 June 2026

As at the date of this announcement, the Board consists of three executive Directors, Dr. Tsang Yue, Joyce, Mr. Yip Kai Wing and Ms. Yeung See Man and four independent non-executive Directors, Ms. Liu Mei Ling, Rhoda, Dr. Wong Man Hin, Raymond, Mr. Hong Po Kui, Martin and Mr. Lam Tak Leung, MH, JP.