

SaSa AI MUSEUM



Decoding the Secret of Beauty



2025/26
ANNUAL REPORT



SaSa

Sa Sa International Holdings Limited
STOCK CODE: 178



About Sa Sa



Established in 1978, Sa Sa is a leading beauty product retailing group in Asia.

Listed on the Main Board of The Stock Exchange of Hong Kong Limited in 1997 (Stock code: 178), our business covers Hong Kong and Macao, Chinese Mainland and Southeast Asia. We position ourselves as one-stop beauty product specialty store with a business focus on "Beauty". We provide diverse and quality products of more than 650 brands ranging from skincare, fragrance, make-up, hair care and body care, inner beauty and health products as well as home beauty equipment.

Our diversified e-commerce platforms offer round-the-clock online retail services along with latest product information to customers from different countries. In line with the new retail era, we are integrating our physical and online business presence, striving to provide a customer-centric omni-channel shopping experience.

The Company is included in the FTSE Index Series, MSCI Index and S&P Index Series.

Our Vision



Making Life Beautiful

Our Mission

Realising our "Making Life Beautiful" vision, we:

- Deliver reasonable returns to our shareholders
- Empower our employees to pursue personal and career prospects
- Develop strategic mutually beneficial partnerships with our suppliers and business partners
- Offer our customers quality and diversified product offerings with enjoyable shopping experiences
- Create positive social impact by actively participating in community service



LIVE

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FINANCIAL HIGHLIGHTS



For the year ended 31 March 2026 | Continuing Operations

Highlights (HK\$ Million)

2025/26
Financial Year

Year-on-year
change



Turnover

4,382.6

+14.2%

Gross profit



1,674.6

+10.5%



Gross profit margin (%)

38.2%

-1.3 ppt



Profit for the year*

200.5

+160.5%

Basic earnings per share (HK cents)



6.5

+4.0



Final dividend per share
(HK cents)

3.4

+1.7

Final special dividend
per share (HK cents)



1.9

+1.9



Dividend payout ratio

~100% of profit for the Year

* Include discontinued offline business in Chinese Mainland

Solid Financial Position

(as of 31 March 2026)

Total cash balance



HK\$504.8 million

+36.0%
YoY change



Total available funds

HK\$820.2 million

Current ratio (times)



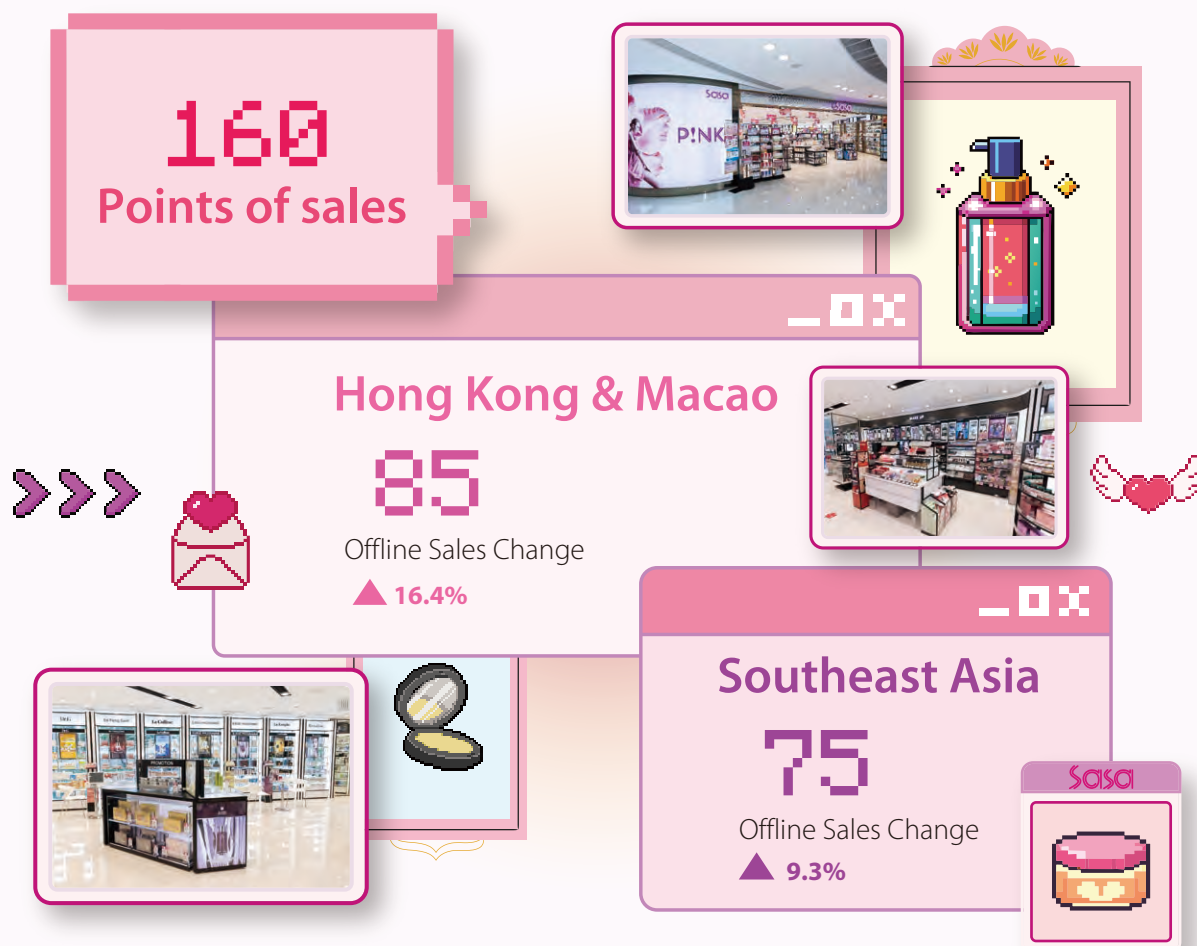
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Our Footprint in Asia



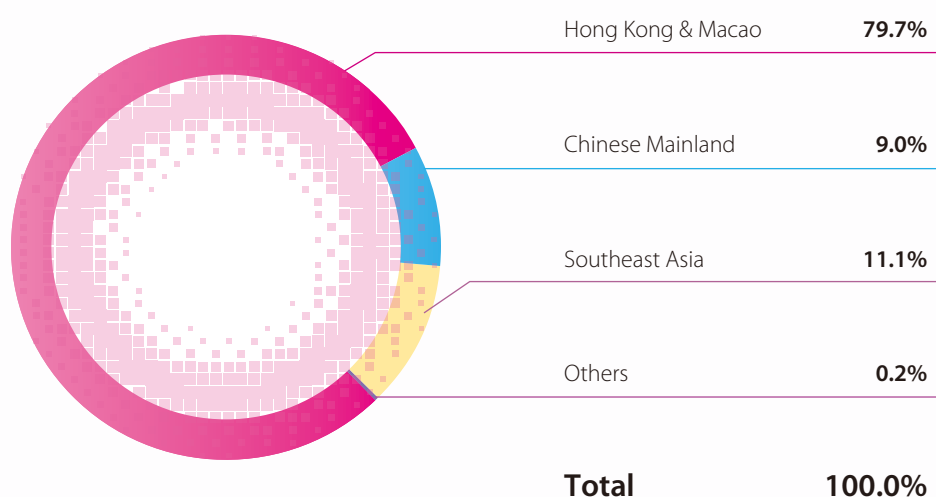
As of 31 March 2026



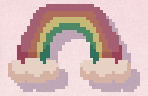
Group Geographical Sales Mix



For the year ended 31 March 2026



Beauty First Choice



Prime Beauty

Sa Sa is dedicated to providing customers with comprehensive and professional beauty advice for inside-out wellness. We provide a diverse selection of quality brands and authentic products in the globe, back by a 30-day purchase guarantee on assured product and service quality.



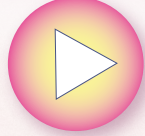


Diagram illustrating the product categories represented by the folders:

- Skin Care
- Cosmetics
- Fragrance
- Hair & Body
- Inner Beauty & Health Food
- Accessory



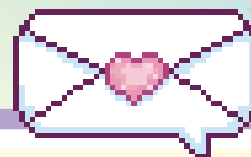
Trendy Beauty Products



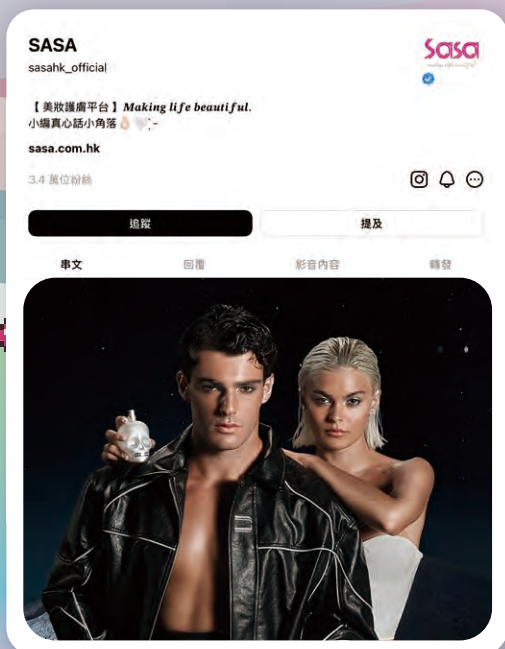
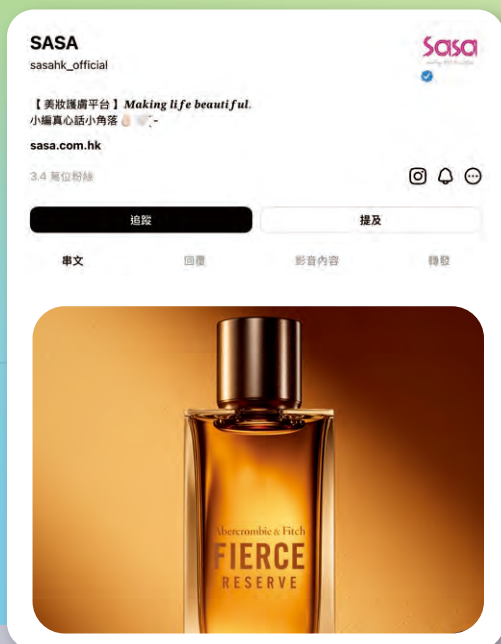
Health Food

Accessory

Hair Care



YOUR SHARING

https://www.threads.com/@sasahk_official

Beauty Experiences



Enjoy Shopping

Adhering to customer-centric approach, Sa Sa leverages digitalisation to understand customer preferences and market trends effectively. Equipping with our team of professional beauty consultants allows us to deliver thoughtful experiential shopping journey via our integrated OMO sales network.



GREAT

Eyes

Brows

Lips

Skin

Contour

Live Analysis: Base & Contour



Live Analysis: Base & Contour

Overall Balance: 95
Precision: 90
Glow: High
Glow: Low

Recommended Colors
Rosy Pink
Best Match
Buy This Color

Eyeshadow Palette Selector



Eyebrow Shape Options



Foundation Shade Matcher



Blush Intensity Slider



Contour Guide

Overall Balance: 95
Precision: 90
Glow: High
Confidence Score: 93/100



Eyeshadow Colors Applied



Different Eyebrow Shapes Overlaid



Lip Color Simulation



+ HAVE A GOOD DAY +

~~~~~ ☺ ~~~~~



01:28





# OUR AWARDS AND RECOGNITIONS

## Corporate Governance and Management

Sa Sa received the “Best ESG (E)” award at the 11<sup>th</sup> Investor Relations Awards organised by the Hong Kong Investor Relations Association.



❖ Sa Sa received a Special Mention of Corporate Governance Awards in the Main Categories at the “Best Corporate Governance and ESG Awards 2025” by the Hong Kong Institute of Certified Public Accountants.



❖ Sa Sa has clinched three awards in total for second consecutive years at the “Good MPF Employer Award 2024-25” by Mandatory Provident Fund Schemes Authority.

- Good MPF Employer
- e-Contribution Award
- MPF Support Award

## Service Excellence



Sa Sa has garnered nine accolades in the categories of “Service Talent Award” and “Hong Kong Shopping Festival Courtesy Store” 2025 from the Hong Kong Retail Management Association (“HKRMA”):

### 2025 Service Talent Award

- Individual Silver Award – Supervisory Level (Beauty & Healthcare Products)
- Individual Silver Award – Junior Frontline Level (Beauty & Healthcare Products)
- Individual Award – Top 10 Live Streaming Award (Expert)
- Excellent Service Star
- Team Award – The Most Creative Team (Beauty & Healthcare Products)
- My Favourite Outstanding Service Retail Brand (Top 10)
- Outstanding Flagship Service Store (Top 10) – D’Aguilar Street branch in Central
- Most Participating Brand

### 2025 Hong Kong Shopping Festival Courtesy Store

- Courtesy Store (Beauty & Vitality)



The Group received several prestigious awards in Beauty, Personal Care & Health category at “2025 Outstanding QTS Merchant & Service Staff Awards” by the Hong Kong Tourism Board:

### Sa Sa Cosmetic

- Outstanding QTS Merchant Award (Gold)

### Outstanding QTS Merchant Service Staff Award

- Supervisory (Silver & Bronze)
- Frontline Staff (Gold)



## Brand Recognition

Sa Sa Malaysia was recognised as the “Best One-stop Cosmetics Store” in the ViralGlow Award 2025 by GirlStyle Malaysia.



## E-commerce & Innovation

Sa Sa dot Com has received a total of two accolades from HKRMA in the “O2O Retail Brand Award” and “Quality Trusted E-Shop Award” 2025.



O2O Retail Brand Award 2025  
• Top 10 O2O Retail Brand

Quality Trusted E-Shop Award 2025  
• Top 10 Quality Trusted E-Shops



Sa Sa WeChat Mini-Programme was awarded the “Grand Member Refined Operation – Brand Excellent Growth Award” in Tencent’s 2025 Omni-channel Business Operation – New Engine Growth Programme.



Sa Sa dot Com and 91APP HK were awarded the “Best eCommerce Solution 2026” by MARKETING-INTERACTIVE Asia eCommerce Awards.



Sa Sa dot Com was awarded the “Lazada Excellent Brand of the Year” in “2025 Seller Awards” jointly organised by Lazada, Daraz and Miravia.



### Shopee:

#### Malaysia

- Top performers under category “Pharmacies & Chain stores” on Double 8

#### Singapore

- Top performers under category “Supermarkets & Pharmacies” on Double 3
- Top performers under category “Supermarkets & Pharmacies” on Double 11



### Tmall Global

2025 Tmall category ranking:

- Long-Lasting Foundation Repurchase – TOP 3 Cyber Colors Cushion Foundation
- Color Eyeliner Repurchase – TOP 4 Cyber Colors Long-Lasting Eyeliner
- Natural Brow Pencil Repurchase – TOP 7 Cyber Colors Twist-Up Brow Pencil
- Repair Mask Bestseller – TOP 8 sasatinnie Advanced Water Glow Mask



### JD Global

2025 JD.com best-selling list:

- European & American Niche Foundation – TOP 9 (Cyber Colors Cushion Foundation)





## Award & Recognition Presented to Sa Sa's Exclusive Products

### Suisse Programme Caviar Premier Lifting Essence Water



#### Hong Kong

Cosmo Cert

Cosmopolitan Best of the Best  
Beauty Awards 2025  
-The Best Lotion and  
Treatment Essence

VOGUE Hong Kong Beauty  
Awards 2026  
-Best Facial Treatment Essence



### Suisse Programme UV Protective Veil SPF50 PA++++



#### Hong Kong

ELLE Hong Kong Beauty  
Awards 2026  
-The Best Sunscreen Protection

JESSICA My Star-Rated Beauty  
Award 2025  
-The Best All-Around  
Sunscreen



### Suisse Programme The Rich Serum



#### Southeast Asia

PIN Prestige 2025 Future  
Beaute Awards  
-PIN's Pick – Top Choice  
of Best Serum



### Eleanor Herb Garden Face Serum



#### Hong Kong

Cosmo Cert

Cosmopolitan Best of the  
Best Beauty Awards 2025  
-The Best Face Serum



### Eleanor Ultra Light Aqua Sun Essence SPF50+ PA++++



#### Hong Kong

JESSICA My Star-Rated  
Beauty Award 2025  
-The Best Skincare-infused  
Sun Essence



### Haruhada UV Cut Gel EX SPF50+ PA++++



#### Hong Kong

2025 @ cosme Hong Kong  
Monthly Beauty Ranking  
Sunscreen NO.1



### Cyber Colors SPF50+ PA++++ Real Nude Soft Glow Cushion Foundation



#### Hong Kong

GirlStyle NextGen Glowing  
Awards 2025  
-Best Sunscreen Cushion  
Foundation Award



### Soo Beauté Calamine Spot Off Essence



#### Hong Kong

GirlStyle NextGen Glowing  
Awards 2025  
-Best Acne Soothing Product  
Award



# OUR STRATEGY



As the leading beauty and personal care retailer in Asia, Sa Sa is committed to a customer-centric approach. We leverage the power of digitalisation to capitalise on opportunities in the evolving retail landscape, enabling us to better understand customer preferences and market trends. Adding to the exceptional selection of global trend products, we collaborated with brands and suppliers for a strong portfolio of exclusive brands to deliver personalised service and a diverse range of product choices with our skilled and professional beauty consultants through our integrated online-merge-offline (OMO) sales network, realising our vision of **"Making Life Beautiful"**.

A key theme in our culture is "as one". We ensure our operations, customer service, brand partnerships, and staff development are managed cohesively. To promote sustainable development, we incorporate environmental, social and governance (ESG) factors and objectives into our business management practices to achieve sustainable business development and maintain optimal profitability. For more information, please refer to our 15<sup>th</sup> Environmental, Social, and Governance Report.

## Three Key Development Pillars to "Making Life Beautiful"



### Customer-Centric Approach

By harnessing digital technology, the Group gains deeper insights into the changing market and consumer preferences. This enables the Group to create precise combinations of the most suitable "brands" and "channels." Together with its professional team of beauty consultants, the Group aims to provide an outstanding shopping experience for its customers.



Sasa



Sasa



## Making Life Beautiful and Sustainable

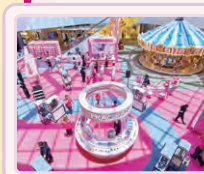
### Sourcing Premium Global Trend Products

The Group prioritises the identification and cultivation of promising brands, working closely with influential brand owners and suppliers to create an appealing range of flagship products.



### Seamless Omni-channel Shopping Experience

To cater to the diverse consumer habits across different regions, the Group establishes an economical sales network. By promoting engaging and varied interactions, the Group seeks to boost customer and member engagement, thereby increasing repeat purchase rates.





Digitalised Management to Enhance Decision-Making and Operational Efficiency

**Next-gen customer relationship management (CRM) for Personalised Service:** Integrating Sa Sa's CRM system across Hong Kong & Macao, Chinese Mainland, and Southeast Asia and optimising member recruitment and registration processes can improve customer's shopping experience. The Group aims to enhance customer engagement through various interactive features, such as customer reviews, as well as promotional activities across different channels. By offering personalised value-added services – such as skin testing and tailored recommendations for makeup or skincare – Sa Sa enables customers to gain a more comprehensive understanding of the effectiveness of its products. The Group also plans to introduce new technology to understand consumer preferences and habits with an aim to enhance the shopping experience of our customers.

We are enhancing our technological capabilities and reinforcing partnerships with various third-party platforms, payment systems, and delivery service providers to offer a wider array of shopping and pickup options.

**Centralised Operational Data Management for Improved Decision-Making Accuracy and Agility:** Centralising the management of operational data (both financial and non-financial) at the Group level is able to implement a more comprehensive, data-driven management model. This approach allows for more effective monitoring of business performance and also enabling quicker and more precise decision-making in daily operations. It improves collaboration between departments and establishes clearer business objectives.

**Focusing on Talent Development and Establishing Two-Way Interaction Between the Company and Employees:** We aim to cultivate a warm and joyful family atmosphere for our employees, fostering two-way interaction to gain insight into consumer trends and changes from multiple perspectives. The Group is also continuously optimising its training programmes with AI technology to add value to our employees, and keeping them up with sustained exploration as well as skill development to full potentials, thereby truly embodying the spirit of "Joy at Sa Sa".

Premier Destination for Authentic Trendy Beauty Products

Sa Sa provides a diverse selection of quality brands and authentic products in the globe to cater to diverse beauty needs. Our 30-day purchase guarantee for both online and offline customers have solidified Sa Sa's strong creditability and brand reputation over nearly half a century. The Group continually optimises its brand assortment and inventory management by leveraging an experienced procurement team and data analysis systems. We create synergies through the collaboration of brands and suppliers to adapt to evolving consumer preferences. This strategy aims to build an appealing lineup of brands – particularly exclusive ones – to attract new customers and enhance member repurchase rates.



Participated in HKSARG Intellectual Property Department's "No Fakes Pledge" Scheme for 20+ consecutive years



Recognised under "The Quality Tourism Services Scheme" by Hong Kong Tourism Board



Recognised under the "Hong Kong Q-Mark Service Scheme" by Hong Kong Q-Mark Service Council



All Sa Sa customers, purchased on online site or from offline stores, enjoy 30-day purchase guarantee

Our extensive product portfolio covers a wide range of price points to meet the diverse needs of our customers. As of 31 March 2026, the Group offers:





### The Group's Best-Selling Exclusive Brands



Make up brand  
"Cyber Colors"



Make up brand  
"dasique"



Skin care brand  
"Suisse Programme"



Fragrance brand  
"TOUS"



Fragrance brand  
"CR7"

### Experiential Shopping Journey



We capitalise the opportunities brought by new retail with Sa Sa's strengths to increase investment in and manage the Group's online and offline stores as well as sales networks across various regions. The Group will continue to leverage popular social media platforms, such as live streaming, and make use of "endless aisles" in our online stores as well as 24/7 operating models to mitigate the limitations of offline operations and address diverse customer needs. Furthermore, we will closely monitor consumer trend patterns and continue to explore, develop, and evaluate the feasibility and efficacy of different online operational models, thereby creating the optimal shopping experience that cater to the needs of both customers and markets.

The Group believes retail is not merely about "buying and selling" but about delivering a thoughtful, engaging experience that delights customers. To appeal to younger consumers, the Group has introduced playful IP-driven beauty products—including blind-box series—and partners with multiple brands to host roadshows and sponsor concerts by renowned artists. Through initiatives such as spend-to-enter ticket draws and curated experiential activities, we offer customers unique experiences that go well beyond product value, effectively converting both online and offline traffic into turnover.

### The Group's Latest Roadshows



Bus stop promotion of Sa Sa one-stop mask expert



Sa Sa Beauty Bash 2025 Roadshows in Malaysia

### Engaging beauty experiences via omni-channel promotions to attract customer traffic to physical stores and positive feedback



Suisse Programme 30<sup>th</sup> Anniversary Tram Promotion



K-beauty pop-up store in Leighton Centre store



K-beauty make-up class

### Social Media Platform

We stay connected with our customers via multiple social networking platforms, and share our latest company, brand, product, shop, and channel information.





The Group's Best-Selling Exclusive Brands



Skincare



Fragrance



Make up



Personal Care



Inner Beauty



Beauty Equipment (non-exclusive)



# TEN-YEAR FINANCIAL SUMMARY

For the year ended 31 Mar



## Consolidated Income Statement



|                                   | <Note 1><br>2026<br>HK\$'000 | < Note 1 & 2><br>2025<br>HK\$'000<br>Restated | <Note 1 & 2><br>2024<br>HK\$'000<br>Restated | <Note 1 & 2><br>2023<br>HK\$'000<br>Restated | <Note 1 & 2><br>2022<br>HK\$'000<br>Restated | <Note 1 & 2><br>2021<br>HK\$'000<br>Restated | <Note 1 & 2><br>2020<br>HK\$'000<br>Restated | <Note 2><br>2019<br>HK\$'000<br>Restated | <Note 2><br>2018<br>HK\$'000<br>Restated | <Note 2><br>2017<br>HK\$'000<br>Restated |
|-----------------------------------|------------------------------|-----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| <b>Turnover</b>                   |                              |                                               |                                              |                                              |                                              |                                              |                                              |                                          |                                          |                                          |
| – Continuing operations           | 4,382,600                    | 3,839,055                                     | 4,201,310                                    | 3,275,255                                    | 3,100,713                                    | 2,753,176                                    | 5,474,270                                    | 7,868,835                                | 7,507,439                                | 7,073,852                                |
| – Discontinued operations         | 17,482                       | 102,649                                       | 166,186                                      | 225,270                                      | 312,014                                      | 289,853                                      | 496,235                                      | 520,324                                  | 723,335                                  | 672,300                                  |
|                                   | 4,400,082                    | 3,941,704                                     | 4,367,496                                    | 3,500,525                                    | 3,412,727                                    | 3,043,029                                    | 5,970,505                                    | 8,389,159                                | 8,230,774                                | 7,746,152                                |
| <b>Gross profit</b>               |                              |                                               |                                              |                                              |                                              |                                              |                                              |                                          |                                          |                                          |
| – Continuing operations           | 1,674,617                    | 1,516,000                                     | 1,692,329                                    | 1,294,231                                    | 1,118,685                                    | 906,608                                      | 1,964,121                                    | 3,162,308                                | 3,116,042                                | 2,899,816                                |
| – Discontinued operations         | 13,710                       | 54,682                                        | 91,026                                       | 107,129                                      | 141,861                                      | 145,223                                      | 240,003                                      | 258,761                                  | 352,300                                  | 329,002                                  |
|                                   | 1,688,327                    | 1,570,682                                     | 1,783,355                                    | 1,401,360                                    | 1,260,546                                    | 1,051,831                                    | 2,204,124                                    | 3,421,069                                | 3,468,342                                | 3,228,818                                |
| <b>Gross profit margin</b>        |                              |                                               |                                              |                                              |                                              |                                              |                                              |                                          |                                          |                                          |
| – Continuing operations           | 38.2%                        | 39.5%                                         | 40.3%                                        | 39.5%                                        | 36.1%                                        | 32.9%                                        | 35.9%                                        | 40.2%                                    | 41.5%                                    | 41.0%                                    |
| – Discontinued operations         | 78.4%                        | 53.3%                                         | 54.8%                                        | 47.6%                                        | 45.5%                                        | 50.1%                                        | 48.4%                                        | 49.7%                                    | 48.7%                                    | 48.9%                                    |
|                                   | 38.4%                        | 39.8%                                         | 40.8%                                        | 40.0%                                        | 36.9%                                        | 34.6%                                        | 36.9%                                        | 40.8%                                    | 42.1%                                    | 41.7%                                    |
| <b>Operating profit/(loss)</b>    |                              |                                               |                                              |                                              |                                              |                                              |                                              |                                          |                                          |                                          |
| – Continuing operations           | 251,863                      | 159,175                                       | 303,875                                      | 44,817                                       | (185,611)                                    | (379,377)                                    | (515,763)                                    | 578,034                                  | 574,030                                  | 450,688                                  |
| – Discontinued operations         | (1,105)                      | (52,843)                                      | (18,741)                                     | (43,331)                                     | (142,485)                                    | (4,182)                                      | (77,698)                                     | (36,591)                                 | (49,018)                                 | (55,395)                                 |
|                                   | 250,758                      | 106,332                                       | 285,134                                      | 1,486                                        | (328,096)                                    | (383,559)                                    | (593,461)                                    | 541,443                                  | 525,012                                  | 395,293                                  |
| <b>Profit/(loss) for the year</b> |                              |                                               |                                              |                                              |                                              |                                              |                                              |                                          |                                          |                                          |
| – Continuing operations           | 202,669                      | 130,936                                       | 237,840                                      | 102,706                                      | (199,463)                                    | (346,599)                                    | (437,095)                                    | 507,003                                  | 489,993                                  | 381,558                                  |
| – Discontinued operations         | (2,179)                      | (53,963)                                      | (18,957)                                     | (44,459)                                     | (144,269)                                    | (4,769)                                      | (78,841)                                     | (36,251)                                 | (49,873)                                 | (54,853)                                 |
|                                   | 200,490                      | 76,973                                        | 218,883                                      | 58,247                                       | (343,732)                                    | (351,368)                                    | (515,936)                                    | 470,752                                  | 440,120                                  | 326,705                                  |
| <b>Profit margin</b>              |                              |                                               |                                              |                                              |                                              |                                              |                                              |                                          |                                          |                                          |
| – Continuing operations           | 4.6%                         | 3.4%                                          | 5.7%                                         | 3.1%                                         | –6.4%                                        | –12.6%                                       | –8.0%                                        | 6.4%                                     | 6.5%                                     | 5.4%                                     |
| – Discontinued operations         | –12.5%                       | –52.6%                                        | –11.4%                                       | –19.7%                                       | –46.2%                                       | –1.6%                                        | –15.9%                                       | –7.0%                                    | –6.9%                                    | –8.2%                                    |
|                                   | 4.6%                         | 2.0%                                          | 5.0%                                         | 1.7%                                         | –10.1%                                       | –11.5%                                       | –8.6%                                        | 5.6%                                     | 5.3%                                     | 4.2%                                     |

## Consolidated Statement of Financial Position



|                            |             |             |             |             |             |             |             |           |             |           |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-----------|
| Total assets               | 2,406,755   | 2,326,127   | 2,504,118   | 2,213,327   | 2,086,823   | 2,510,882   | 3,267,187   | 3,406,480 | 3,577,048   | 2,929,077 |
| Total liabilities          | (1,124,296) | (1,168,384) | (1,252,029) | (1,172,146) | (1,103,915) | (1,180,739) | (1,602,875) | (919,872) | (1,094,208) | (709,911) |
| Net assets                 | 1,282,459   | 1,157,743   | 1,252,089   | 1,041,181   | 982,908     | 1,330,143   | 1,664,312   | 2,486,608 | 2,482,840   | 2,219,166 |
| <b>Shareholders' funds</b> |             |             |             |             |             |             |             |           |             |           |
| Share capital              | 310,319     | 310,319     | 310,319     | 310,319     | 310,319     | 310,319     | 310,319     | 309,560   | 303,885     | 299,444   |
| Reserves                   | 972,140     | 847,424     | 941,770     | 730,862     | 672,589     | 1,019,824   | 1,353,993   | 2,177,048 | 2,178,955   | 1,919,722 |
| Total equity               | 1,282,459   | 1,157,743   | 1,252,089   | 1,041,181   | 982,908     | 1,330,143   | 1,664,312   | 2,486,608 | 2,482,840   | 2,219,166 |

## TEN-YEAR FINANCIAL SUMMARY

For the year ended 31 Mar

### Continuing operations

#### Turnover



(HK\$ million)

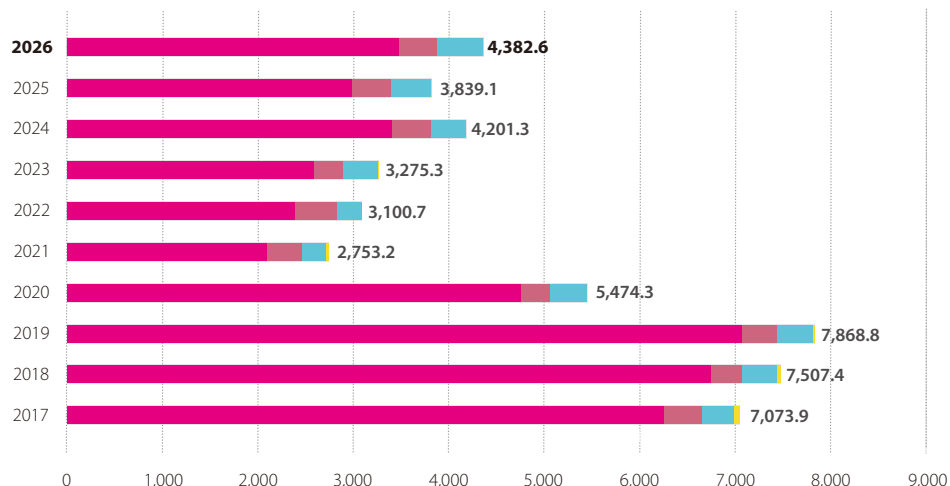
**FY2023 – FY2026**

**CAGR<sup>◇</sup>:**

**10.2%**

- Hong Kong & Macao
- Chinese Mainland
- Southeast Asia
- Others

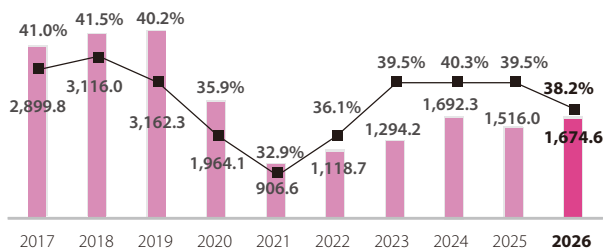
◇ Compound annual growth rate for the last three years



#### Gross Profit and Gross Profit Margin



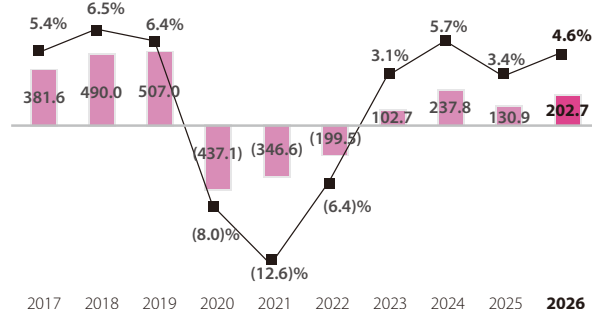
- Gross Profit (HK\$ million)
- Gross Profit Margin (%)



#### Profit/(Loss) and Profit Margin

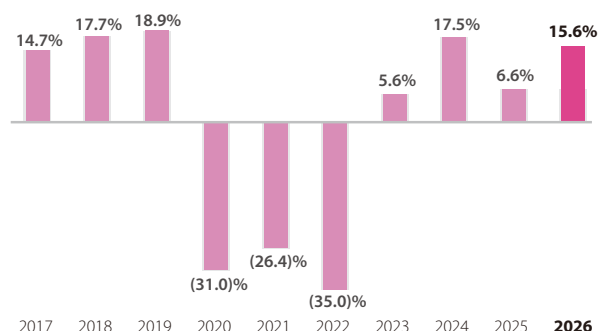


- Profit/(Loss) (HK\$ million)
- Profit Margin (%)



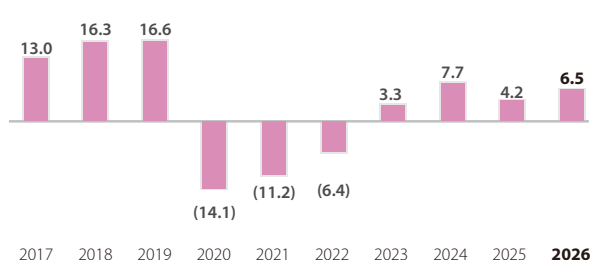
#### Return on Equity

(Including discontinued operations)



#### Basic Earnings/(Loss) Per Share

(HK cents)







## Consolidated Statement of Cash Flows



|                                                                                                                                           | <Note 1><br>2026<br>HK\$'000 | < Note 1 & 2><br>2025<br>HK\$'000<br>Restated | <Note 1 & 2><br>2024<br>HK\$'000<br>Restated | <Note 1 & 2><br>2023<br>HK\$'000<br>Restated | <Note 1 & 2><br>2022<br>HK\$'000<br>Restated | <Note 1 & 2><br>2021<br>HK\$'000<br>Restated | <Note 1 & 2><br>2020<br>HK\$'000<br>Restated | <Note 2><br>2019<br>HK\$'000<br>Restated | <Note 2><br>2018<br>HK\$'000<br>Restated | <Note 2><br>2017<br>HK\$'000<br>Restated |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| <b>Net cash generated from/<br/>(used in) operating activities<br/>(including payment of lease<br/>liabilities and interest) (Note 3)</b> | <b>267,317</b>               | 137,412                                       | 253,589                                      | 144,593                                      | (274,718)                                    | (79,776)                                     | (125,905)                                    | 346,233                                  | 748,214                                  | 356,723                                  |

## Per Share Data and Key Ratios



|                                                                                         |              |       |       |       |        |        |        |       |       |       |
|-----------------------------------------------------------------------------------------|--------------|-------|-------|-------|--------|--------|--------|-------|-------|-------|
| <b>Basic earnings/(loss) per share<br/>(HK cents)</b>                                   |              |       |       |       |        |        |        |       |       |       |
| – Continuing operations                                                                 | 6.5          | 4.2   | 7.7   | 3.3   | (6.4)  | (11.2) | (14.1) | 16.6  | 16.3  | 13.0  |
| – Discontinued operations                                                               | (0.0)        | (1.7) | (0.6) | (1.4) | (4.7)  | (0.1)  | (2.6)  | (1.2) | (1.7) | (1.8) |
|                                                                                         | 6.5          | 2.5   | 7.1   | 1.9   | (11.1) | (11.3) | (16.7) | 15.4  | 14.6  | 11.2  |
| <b>Diluted earnings/(loss) per share<br/>(HK cents)</b>                                 |              |       |       |       |        |        |        |       |       |       |
| – Continuing operations                                                                 | 6.5          | 4.2   | 7.7   | 3.3   | (6.4)  | (11.2) | (14.1) | 16.6  | 16.3  | 13.0  |
| – Discontinued operations                                                               | (0.0)        | (1.7) | (0.6) | (1.4) | (4.7)  | (0.1)  | (2.6)  | (1.2) | (1.7) | (1.8) |
|                                                                                         | 6.5          | 2.5   | 7.1   | 1.9   | (11.1) | (11.3) | (16.7) | 15.4  | 14.6  | 11.2  |
| <b>Return on equity</b>                                                                 | <b>15.6%</b> | 6.6%  | 17.5% | 5.6%  | –35.0% | –26.4% | –31.0% | 18.9% | 17.7% | 14.7% |
| <b>Dividend per share (HK cents)</b>                                                    |              |       |       |       |        |        |        |       |       |       |
| Basic                                                                                   | 4.55         | 2.45  | 5.0   | –     | –      | –      | –      | 16.0  | 14.5  | 13.0  |
| Special                                                                                 | 1.90         | –     | –     | –     | –      | –      | –      | –     | 3.0   | 4.0   |
| Total                                                                                   | 6.45         | 2.45  | 5.0   | –     | –      | –      | –      | 16.0  | 17.5  | 17.0  |
| <b>Dividend payout ratio (Note 5)</b>                                                   | <b>100%</b>  | 70%   | 71%   | –     | –      | –      | –      | 105%  | 121%  | 155%  |
| <b>Dividend yield as at 31 Mar</b>                                                      | <b>8.6%</b>  | 3.9%  | 6.0%  | –     | –      | –      | –      | 6.0%  | 4.3%  | 5.6%  |
| <b>Closing share price as at<br/>31 Mar (HK\$)</b>                                      | <b>0.75</b>  | 0.62  | 0.83  | 1.84  | 1.39   | 1.78   | 1.16   | 2.68  | 4.06  | 3.06  |
| <b>Price/Earnings (times)</b>                                                           | <b>11.5</b>  | 25.0  | 11.8  | 98.0  | N/A    | N/A    | N/A    | 17.4  | 27.8  | 27.4  |
| <b>Net assets value per share (HK\$)</b>                                                | <b>0.4</b>   | 0.4   | 0.4   | 0.3   | 0.3    | 0.4    | 0.5    | 0.8   | 0.8   | 0.7   |
| <b>Current ratio (times)</b>                                                            | <b>1.8</b>   | 1.6   | 1.7   | 1.5   | 1.5    | 1.9    | 1.9    | 3.3   | 3.0   | 3.8   |
| <b>Gearing ratio (defined as the<br/>ratio of total borrowings to<br/>total equity)</b> | <b>–</b>     | –     | –     | 2.9%  | 10.4%  | –      | –      | –     | –     | –     |

## TEN-YEAR FINANCIAL SUMMARY

For the year ended 31 Mar

### Operational Data



|                                                                                                        | <Note 1><br>2026<br>HK\$'000 | < Note 1 & 2><br>2025<br>HK\$'000<br>Restated | <Note 1 & 2><br>2024<br>HK\$'000<br>Restated | <Note 1 & 2><br>2023<br>HK\$'000<br>Restated | <Note 1 & 2><br>2022<br>HK\$'000<br>Restated | <Note 1 & 2><br>2021<br>HK\$'000<br>Restated | <Note 1 & 2><br>2020<br>HK\$'000<br>Restated | <Note 2><br>2019<br>HK\$'000<br>Restated | <Note 2><br>2018<br>HK\$'000<br>Restated | <Note 2><br>2017<br>HK\$'000<br>Restated |
|--------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| Number of retail outlets for the continuing operations                                                 | 160                          | 156                                           | 151                                          | 149                                          | 157                                          | 175                                          | 191                                          | 199                                      | 190                                      | 187                                      |
| Total gross retail area for the continuing operations (rounded to the nearest thousand sq ft) (Note 4) | 302,000                      | 308,000                                       | 299,000                                      | 312,000                                      | 336,000                                      | 376,000                                      | 413,000                                      | 443,000                                  | 444,000                                  | 450,000                                  |
| Stock turnover days                                                                                    | 103                          | 103                                           | 100                                          | 116                                          | 127                                          | 140                                          | 101                                          | 104                                      | 102                                      | 99                                       |
| Number of employees (rounded to the nearest hundred)                                                   | 2,200                        | 2,400                                         | 2,700                                        | 2,600                                        | 3,100                                        | 3,200                                        | 3,700                                        | 4,700                                    | 4,800                                    | 4,900                                    |

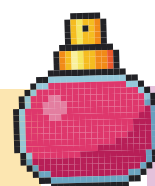
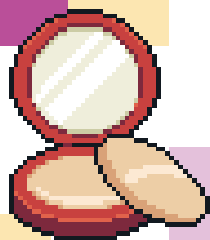
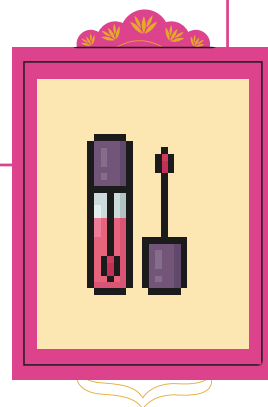
Notes:

- 1) The Group has adopted HKFRS 16 retrospectively from 1 April 2019, as permitted under the special transition provisions in the standard. Comparative information has not been restated, and thus comparative figures may not be comparable as comparative information were prepared under HKAS 17 "Leases".
- 2) Due to the offline business of retailing of cosmetic products in Chinese Mainland was discontinued during the Year, the result of Chinese Mainland retail operation was classified as discontinued operation and comparative information in 2017 to 2025 has been restated.
- 3) The Group has adopted HKFRS 16 "Leases" from 1 April 2019, the payment of lease liabilities (including interest) are classified as financing activities rather than as operating activities in previous years.
- 4) The information on retail space provided is intended to allow the readers to appreciate the growth in retail network and the size of retail space only. As there are significant variation in sales per square foot between stores of different store sizes, as well as stores in different countries and location, the retail space information provided should not be used to analyse the trend on sales per square foot.
- 5) Excluding the one-off provision for closure costs of retail stores in Chinese Mainland of HK\$30.0 million, recurring profit in 2025 was HK\$107.0 million and used to calculate dividend payout ratio.

# CHAIRMAN'S STATEMENT



We maintain a keen market awareness to deliver quality trendy products to our customers, while accelerating our digital transformation to effectively respond to macroeconomic challenges.



**Dr KWOK Siu Ming Simon, SBS, JP**  
Chairman and Chief Executive Officer



## CHAIRMAN'S STATEMENT

The 2025/26 financial year (the “**Financial Year**” or the “**Year**”) marked a period in which Sa Sa capitalised on opportunities and delivered growth.

The Group recorded solid overall performance with healthy growth. The Group recorded turnover of approximately HK\$4,383 million during the Year, representing a year-on-year increase of 14.2%. Profit for the Year (include the discontinued offline business in Chinese Mainland) was approximately HK\$200 million with a significant year-on-year growth of 160.5%. Both of our offline and online businesses progressed steadily, and overall results were in line with the Group's expectations.

As a homegrown Hong Kong brand deeply rooted in the Asian beauty market for nearly half a century, Sa Sa remains committed to its founding purpose of “Making Life Beautiful”. We continue to leverage our advantage as a “first-hand beauty information platform”, curating a diverse portfolio of bestselling cosmetics and distinctive trending products with unique styling. By tailoring our operational strategies to suit the consumption characteristics of each regional market, we continue to drive the Group's sustained progress and development.

The Group's offline operations span the Hong Kong and Macao SARs, as well as Southeast Asia. During the Year, offline sales amounted to approximately HK\$3,600 million with an increase of 15.7% year-on-year.

In the **Hong Kong and Macao SARs**, the Governments' measures stimulating the retail and tourism gradually took effect, therefore, consumer sentiment continued to improve. The Group recorded significant year-on-year growth in online and offline sales, number of transactions, average sales per transaction and number of items per transaction. Stores located in tourist districts performed particularly well. The Group will further continue the expansion of its store network in Hong Kong and Macao, thereby solidifying Sa Sa's market leadership.

In **Southeast Asia**, offline operations faced a relatively weaker performance due to external headwinds. Nevertheless, during the second half of the Financial Year, the Group intensified its resource allocations and focus to optimise operational efficiency in the region. The Group successfully achieved remarkable year-on-year growth in both same-store sales and offline sales across Southeast Asian region compared with the first half of the Financial Year.

During the Year, online sales reached HK\$770 million, representing year-on-year growth of approximately 8%. While B2B wholesale orders declined year-on-year, B2C online sales recorded approximately 22% growth as compared to that of last year, continuing to contribute to profitability.

**Chinese Mainland** remains the Group's largest online market. The Group closed all its physical stores in Chinese Mainland at the end of June 2025, thereby concentrating resources on expanding its online channels. This strategic shift enabled the Group to turn around the losses previously incurred in the Chinese Mainland business. Meanwhile, operations in Hong Kong and Macao, Southeast Asia and other markets continued to develop steadily with overall profitability on an upward trajectory.

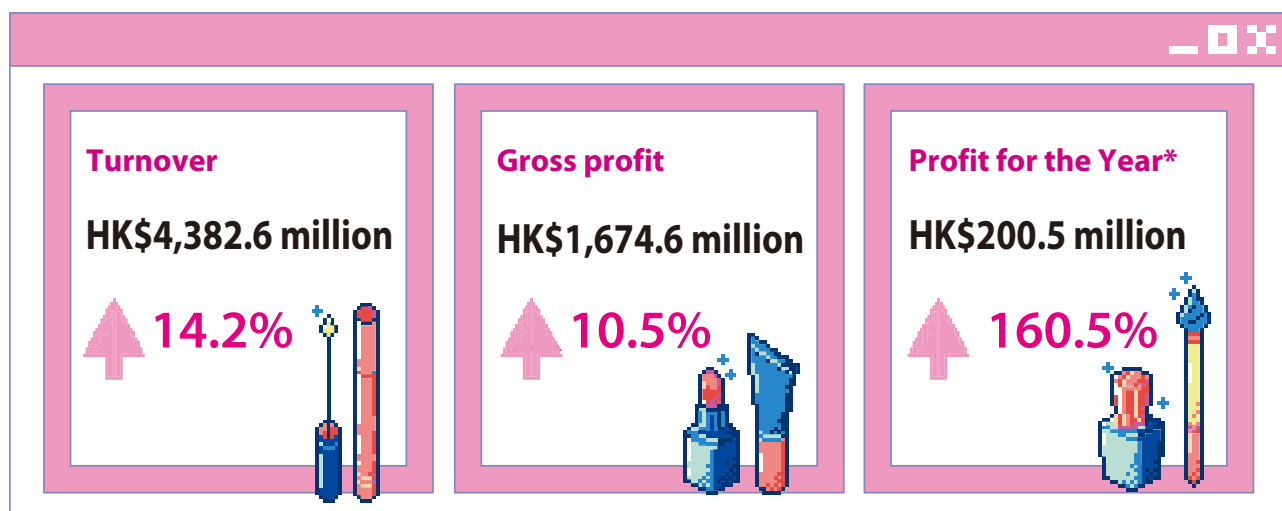
The Board proposed paying a final dividend of 3.4 HK cents per share for the Financial Year, and a final special dividend of 1.9 HK cents per share. Including the paid interim dividend of 1.15 HK cents, the total dividend for the Year amounts to 6.45 HK cents per share, representing approximately 100% of the Group's profit for the Year. This serves as a tangible return to all shareholders for their support of Sa Sa.

Looking ahead, Sa Sa will continue to proactively embrace change, implement stringent cost control and maintain a sound financial position. We will leverage Sa Sa's influence to uphold high standards within the industry and endeavour to reward shareholders for their trust and support through sustained performance.

# MANAGEMENT DISCUSSION & ANALYSIS



## Continuing Operations



\* Include discontinued offline business in Chinese Mainland

## Consolidated Income Statement for the Year Ended 31 March 2026

|                                                           | Full year          |             | First half         |             | Second half        |             |
|-----------------------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
|                                                           | 2026               | 2025        | 2026               | 2025        | 2026               | 2025        |
|                                                           | HK\$'000           | HK\$'000    | HK\$'000           | HK\$'000    | HK\$'000           | HK\$'000    |
| <b>Continuing Operations</b>                              |                    |             |                    |             |                    |             |
| Turnover                                                  | <b>4,382,600</b>   | 3,839,055   | <b>1,990,560</b>   | 1,866,888   | <b>2,392,040</b>   | 1,972,167   |
| Cost of sales                                             | <b>(2,707,983)</b> | (2,323,055) | <b>(1,235,567)</b> | (1,142,118) | <b>(1,472,416)</b> | (1,180,937) |
| Gross profit                                              | <b>1,674,617</b>   | 1,516,000   | <b>754,993</b>     | 724,770     | <b>919,624</b>     | 791,230     |
| Other income                                              | <b>24,511</b>      | 24,259      | <b>12,749</b>      | 13,345      | <b>11,762</b>      | 10,914      |
| Selling and distribution costs                            | <b>(1,256,854)</b> | (1,183,011) | <b>(600,789)</b>   | (579,996)   | <b>(656,065)</b>   | (603,015)   |
| Administrative expenses                                   | <b>(198,608)</b>   | (202,646)   | <b>(99,360)</b>    | (99,035)    | <b>(99,248)</b>    | (103,611)   |
| Other gains/(losses) – net                                | <b>8,197</b>       | 4,573       | <b>1,930</b>       | 6,273       | <b>6,267</b>       | (1,700)     |
| Operating profit                                          | <b>251,863</b>     | 159,175     | <b>69,523</b>      | 65,357      | <b>182,340</b>     | 93,818      |
| Finance income                                            | <b>10,505</b>      | 15,142      | <b>5,969</b>       | 7,909       | <b>4,536</b>       | 7,233       |
| Finance costs                                             | <b>(25,464)</b>    | (28,440)    | <b>(13,880)</b>    | (14,299)    | <b>(11,584)</b>    | (14,141)    |
| Profit before income tax                                  | <b>236,904</b>     | 145,877     | <b>61,612</b>      | 58,967      | <b>175,292</b>     | 86,910      |
| Income tax expenses                                       | <b>(34,235)</b>    | (14,941)    | <b>(8,721)</b>     | (11,469)    | <b>(25,514)</b>    | (3,472)     |
| Profit for the year from continuing operations            | <b>202,669</b>     | 130,936     | <b>52,891</b>      | 47,498      | <b>149,778</b>     | 83,438      |
| (Loss)/profit for the year from discontinued operation    | <b>(2,179)</b>     | (53,963)    | <b>(2,734)</b>     | (15,090)    | <b>555</b>         | (38,873)    |
| Profit for the year attributable to owners of the Company | <b>200,490</b>     | 76,973      | <b>50,157</b>      | 32,408      | <b>150,333</b>     | 44,565      |

## MANAGEMENT DISCUSSION & ANALYSIS

### Our Business

Established in the Hong Kong Special Administrative Region in 1978, Sa Sa International Holdings Limited (“**Sa Sa**” or the “**Company**”) and its subsidiaries (the “**Group**”) is a leading beauty product retailing group in Asia. Headquartered in Hong Kong, the operations of Sa Sa cover Hong Kong and Macao and Southeast Asia, including Malaysia and Singapore, while reaching out customers worldwide through diversified e-commerce platforms. The Group operates online sales networks in Chinese Mainland and across global markets, supported by its regional office in Kuala Lumpur, Malaysia to provide strategic backing for its expansion in Southeast Asia.

Adhering to our mission of “**Making Life Beautiful**”, the Group integrates this principle into all aspects of its business decisions. Sa Sa stays attuned to the evolving market trends, strategically expanding beyond its three traditional core categories (skincare, fragrance and make-up) into high-growth segments, including inner beauty and health products, personal care (hair & body) as well as beauty equipment to align with the global trend toward holistic “inside-out” beauty.

The Group’s warehouses in Hong Kong and Malaysia, together with third-party warehouses in Chinese Mainland and Singapore, are managed through digital systems to deliver efficient logistics and distribution services. Ongoing investments in supply chain innovation, digitalisation and sustainability aim to enhance operational efficiency and maintain product quality, including the provision of a 30-day return policy to the Group’s customers.

The Group adopts an “exclusive brands” strategy to create differentiated margin advantages. Coupled with a diversified and trend-responsive product portfolio, seamless Offline-Merge-Online (OMO) integration and the expertise of Sa Sa’s professional beauty consultant team, the Group delivers an immersive shopping experience for customers, and positions Sa Sa as an ideal partner for brands seeking to establish and expand their presence in Asia and beyond, tapping into regional and global beauty markets.

### MARKET OVERVIEW

**Chart 1: GDP/Retail Sales/Medicines and  
Cosmetics Sales in Financial Year 2025/26\* (year-on-year change)**

| <b>Market</b><br><b>(Apr 2025 – Mar 2026)</b> | <b>GDP Change Rate</b> | <b>Retail Sales Change</b> | <b>Medicines and<br/>Cosmetics<br/>Sales Change</b> |
|-----------------------------------------------|------------------------|----------------------------|-----------------------------------------------------|
| <b>China:</b>                                 |                        |                            |                                                     |
| Hong Kong                                     | +4.7%                  | +5.8%                      | +5.9%                                               |
| Macao                                         | +7.8%                  | +7.2%                      | +13.2%                                              |
| Chinese Mainland                              | +5.4%                  | +2.4%                      | +7.8%                                               |
| <b>Southeast Asia:</b>                        |                        |                            |                                                     |
| Malaysia                                      | +5.4%                  | +6.2%                      | Note 1                                              |
| Singapore                                     | +3.5%                  | +3.1%                      | Note 3                                              |
| The Philippines                               | +5.4%                  | Note 2                     | +4.9%                                               |
|                                               |                        | +6.5%                      | Notes 1 & 2                                         |

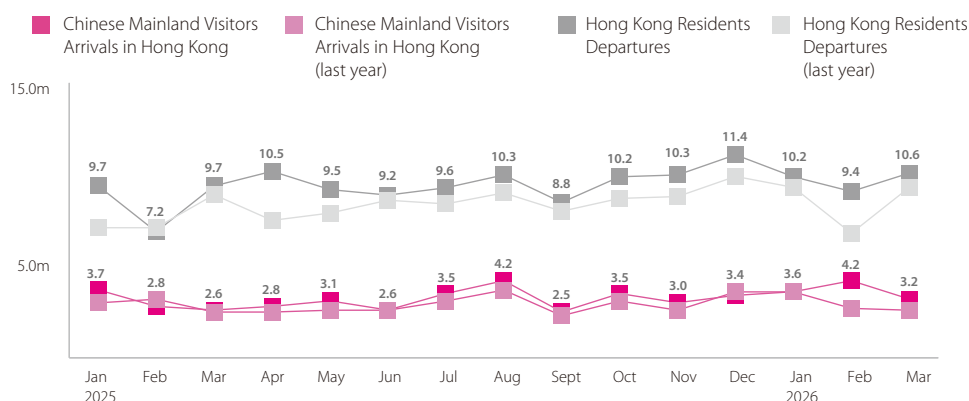
Notes:

1. There were no medicines and cosmetics retail sales statistics provided by the Malaysian and the Philippines Governments.
  2. This is the figure of Retail Trade, except motor vehicles and motorcycles, provided by the Government of the Philippines.
  3. “Cosmetics, toiletries and medical goods” as classified by the Government of Singapore.
- \* All the above data were sourced and extrapolated from statistics published by the corresponding governments’ statistics bureaus. Definitions and statistical methodologies for cosmetics retail sales vary across different government statistics bureaus.



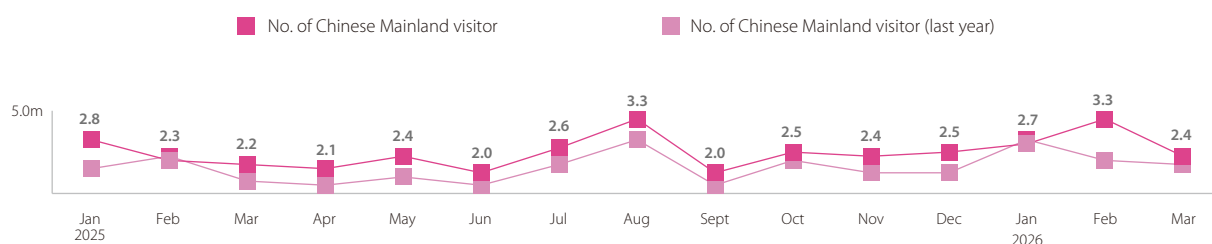


**Chart 2: Chinese Mainland Visitor Arrivals vs Hong Kong Residents Departure in Hong Kong (in million)**



Source: Hong Kong SAR Census and Statistics Department & Hong Kong Immigration Department

**Chart 3: Chinese Mainland Visitor Arrivals in Macao (in million)**



Source: Government of Macao SAR Statistics and Census Service

## Industry Review

### Hong Kong and Macao

#### World-Class Mega Events Boost Tourism and Retail

The Hong Kong SAR Government is actively promoting mega events economy. More than 300 international and local events have been held throughout 2025, including world-class sports events and concerts. The industries have leveraged an “Mega Events + Tourism” model by offering themed packages and shopping promotions to stimulate tourism and retail sectors. The Central Government relaxed earlier the Chinese Mainland visa measures – such as “Multiple-entry Individual Visit Scheme (IVS)” and “One Trip per Week” – have also injected growth momentum into the tourism and retail sectors in Hong Kong and Macao.

#### Sustained Growth in Visitor Arrivals to Hong Kong and Macao with Non-Chinese Mainland Visitors Up over 25% YoY

According to data from the Hong Kong Tourism Board, inbound visitors to Hong Kong in 2025 approached 50 million, up 12% year-on-year; visitor arrivals in the first 11 months already exceeded the total for the whole year of 2024. Non-Chinese Mainland visitors reached approximately 10 million, a 16% increase year-on-year. Among these, growth was particularly strong in markets such as Taiwan, Japan, Vietnam, Australia, and the Middle East, all of which saw year-on-year increases of 25% or more. Meanwhile, short-haul markets including the Philippines, Thailand, Vietnam, and India have recovered to, or even surpassed pre-pandemic levels. During the Financial Year, Hong Kong and Macao recorded approximately 52 million and 41 million visitors respectively, of which Chinese Mainland visitors accounted for approximately 40 million and 30 million (see Charts 2 and 3).

## MANAGEMENT DISCUSSION & ANALYSIS

### Reputation for Authenticity Bolsters Hong Kong as Top Beauty Shopping Destination for Tourists

A study released by the School of Hotel and Tourism Management at The Hong Kong Polytechnic University in April 2026 highlighted that beauty-focused tourists are one of the high-potential and value-driven customer segments. Typically characterised as “accessible luxury” consumers, these tourists tend to prioritise trusted brands and actively leverage digital tools to curate relevant information. For this segment, even when products are available at lower prices elsewhere, Hong Kong’s long-standing reputation as a “shopping paradise” and its assurance of “genuine and authentic product” remain compelling factors that prompt them to make purchases in Hong Kong with peace of mind.

### Strong Renminbi Boosts Outbound Travel Spending

Amid gradually stabilising economic fundamentals in Chinese Mainland, alongside a shift towards more accommodative monetary policy by the United States (U.S.) Federal Reserve, the weakening of the U.S. dollar has created favourable conditions for Renminbi appreciation. Driven by efficient and cost-competitive industrial supply chains in Chinese Mainland and a relative lack of overseas alternatives, Chinese technology enterprises – particularly in sectors such as energy storage – have engaged in large-scale foreign exchange settlements to replenish domestic capital. This trend, coupled with a buoyant domestic investment environment for emerging technologies, has further bolstered the Renminbi. The resulting increase in purchasing power has stimulated outbound travel and consumption among Chinese Mainland consumers, benefiting popular destinations such as Hong Kong and Macao.

## Chinese Mainland

### Consumption Emerges as Key Driver of China’s Economic Growth with Robust Performance in Cosmetics Sector

According to the Ministry of Commerce of the People’s Republic of China, total retail sales of consumer goods reached approximately RMB50.1 trillion in 2025, up 3.7% year-on-year, solidifying consumption as a primary growth engine. Of which, cosmetics retail sales grew by approximately 5.1% year-on-year.

At the “2025 China Cosmetics Industry Data Release Conference,” China Association of Fragrance Flavour and Cosmetic Industries reported that omni-channel cosmetics transaction value exceeded RMB1.1 trillion in 2025, up approximately 2.8% year-on-year. China’s per-capita cosmetics expenditure rose from approximately RMB742 in 2023 to approximately RMB785 in 2025, with expectations to surpass RMB1,000 by 2030. The report also noted a consumer shift from traditional brand prestige toward rational purchases, with “ingredients, efficacy, and personal values” now serving as the primary drivers of consumption.

### China’s E-commerce Market Remains the World’s Largest for the 13<sup>th</sup> Consecutive Year; Live-stream Commerce Thrives

China’s online consumption market remains highly active, with total e-commerce transaction volume exceeding RMB23.8 trillion, securing as the world’s largest online retail market for 13 consecutive years. In 2025, online retail sales reached approximately RMB16.0 trillion, with nascent retail formats such as live streaming and instant retail experiencing strong growth. Notably, live commerce transaction value increased by 11.3% year-on-year, indicating a sustained robust demand.

### Functional and Niche Beauty Products Gaining Traction

Amid the fiercely competitive business environment, beauty retailers are adjusting their operating models by optimising the balance between online and offline stores to enhance economic efficiency. The market increasingly favours value-for-money products, particularly those with functionality (including synthetic biology, recombinant collagen, and medical aesthetics), rather than established famous brands. This trend is creating opportunities for domestic and niche brands.

## Southeast Asia

### E-commerce GMV in Southeast Asia Surpasses US\$100 Billion in 2025

According to the “Southeast Asia E-commerce Report 2026” released in early 2026 by Singapore-based consultancy Momentum Works, the total gross merchandise value (GMV) across e-commerce platforms in Southeast Asia exceeded US\$157.6 billion in 2025, representing a year-on-year increase of 22.8%. Shopee, Lazada, and TikTok Shop collectively accounted for 98.8% of the market share, further consolidating a “tripartite dominance” structure and reinforcing their positions as the region’s primary e-commerce sales channels.

### Robust ASEAN Demand for Beauty Products Accelerates Growth of the Southeast Asian Beauty Market

Southeast Asia is among the fastest-growing regions globally for beauty consumption. Around 60% of the ASEAN population is under 35 – a demographic with strong beauty product demand – and internet penetration exceeds 50%, supporting continued growth in online beauty purchases.



## BUSINESS OVERVIEW

### FINANCIAL PERFORMANCE SUMMARY

Chart 4: Continuing Operations during the Financial Year (by Market)

| HK\$ Million               | Turnover       | Year-on-year Change (%) |
|----------------------------|----------------|-------------------------|
| <b>Offline Sales</b>       |                |                         |
| Hong Kong and Macao        | 3,250.9        | ▲ 16.4%                 |
| Southeast Asia             | 362.3          | ▲ 9.3%                  |
| <b>Total Offline Sales</b> | <b>3,613.2</b> | <b>▲ 15.7%</b>          |
| <b>Online Sales</b>        |                |                         |
| Hong Kong and Macao        | 239.5          | ▲ 20.0%                 |
| Chinese Mainland           | 395.3          | ▼ 5.4%                  |
| Southeast Asia             | 124.4          | ▲ 41.3%                 |
| Others                     | 10.2           | ▲ 3.4%                  |
| <b>Total Online Sales</b>  | <b>769.4</b>   | <b>▲ 7.6%</b>           |
| <b>Total Turnover</b>      | <b>4,382.6</b> | <b>▲ 14.2%</b>          |

Chart 5: Sales Mix (by Region/by Segment)

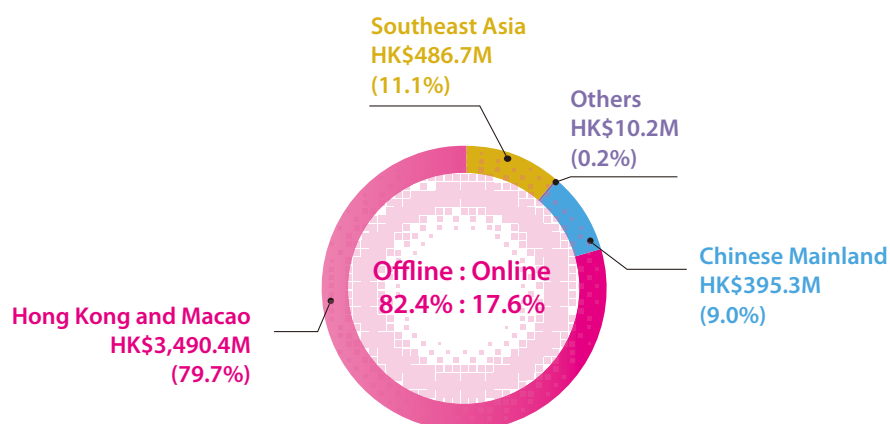


Chart 6: Breakdown of  
Offline Turnover (by Market)

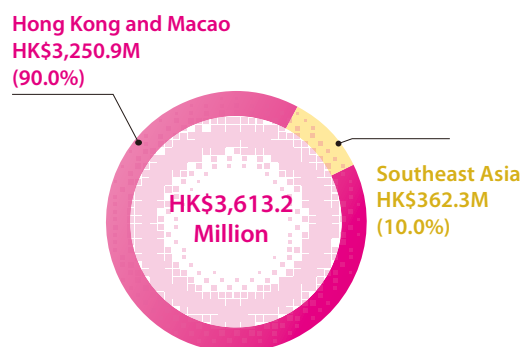
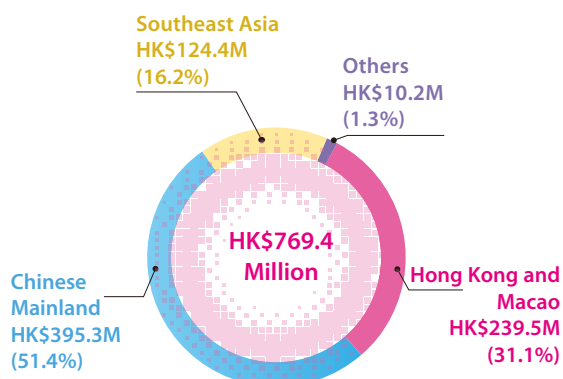


Chart 7: Breakdown of  
Online Turnover (by Market)



## Continuing Operations

### Number of Stores

| Market                   | As at<br>31 March 2025 | Opened   | Closed   | As at<br>31 March 2026 |
|--------------------------|------------------------|----------|----------|------------------------|
| China                    |                        |          |          |                        |
| – Hong Kong and Macao    | 84                     | 2        | 1        | <b>85</b>              |
| Southeast Asia           |                        |          |          |                        |
| – Malaysia and Singapore | 72                     | 4        | 1        | <b>75</b>              |
| <b>Total</b>             | <b>156</b>             | <b>6</b> | <b>2</b> | <b>160</b>             |

During the Financial Year, the Group successfully transformed market opportunities into tangible growth, underpinned by a clear strategic direction and strong execution capabilities. The Group laser-focused on the management of product portfolio and the enhancement of regional operating performance, resulting in growth of both turnover and profit.

### Steady Growth in Group Performance Led by Hong Kong and Macao

During the Year, **the Group's total turnover** was HK\$4,382.6 million, representing a year-on-year increase of 14.2%. By geography, Hong Kong and Macao constituted the largest market of the Group, contributing 79.7% of total turnover; Chinese Mainland and Southeast Asia accounted for 9.0% and 11.1% respectively, while other regions contributing 0.2% (See Chart 5).

### Offline Sales Increased by 15.7% Year-on-year with Corresponding Improvement of Store Efficiency

The Group's **offline sales** predominantly originate from Hong Kong and Macao as well as Southeast Asia, complementing the online operations. As at 31 March 2026, the Group operated 160 physical stores, with a net increase of four stores compared with same period last year, comprising 85 in Hong Kong and Macao and 75 in Southeast Asia (Malaysia and Singapore). During the Year, the Group continued to improve sales productivity per square foot and optimised in-store product assortments and merchandising in response to differing local consumer behaviours, catering to diverse customer needs precisely. During the Year, the Group's offline turnover amounted to HK\$3,613.2 million with a year-on-year increase of 15.7%, representing 82.4% of the Group's total turnover.





### Improved Supply Chain of Online Platforms Drives Steady Business Growth

**Online sales** comprise the Group's own online stores and third-party platforms spanning Chinese Mainland, Hong Kong and Macao, Southeast Asia and other regions. During the Year, the Group's online sales totalled HK\$769.4 million with a year-on-year increase of 7.6%, driven by improved supply chain stability that enhanced the online platform's efficiency. Online sales accounted for 17.6% of the Group's total turnover.

### The Group's Profit for the Year Rises 160.5% YoY as Cost Control Yields Strong Results

For the Financial Year, the Group's gross profit was HK\$1,674.6 million, representing an increase of 10.5% year-on-year. The growth aligned with the strategic direction of "enhancing sales and gross profit" set by the Group's management in the previous financial year. During the Financial Year, the Group accelerated the introduction of trendy products to align with evolving consumer purchasing patterns. While this strategy exerted temporary pressure on the gross profit margin, resulting in a decrease of 1.3 percentage points to 38.2%, it effectively stimulated business performance. Coupled with the improved operational efficiency in the Chinese Mainland and Southeast Asia, the Group's profit for the Year surged by 160.5% year-on-year to HK\$200.5 million (2025: HK\$77.0 million). Sales and distribution costs as well as administrative expenses as percentage of turnover decreased from 30.8% and 5.3% to 28.7% and 4.5% respectively, demonstrating the effectiveness of the Group's cost control.

The performance of Hong Kong and Macao was particularly outstanding. Significant growth in same-store sales, number of transactions, average sales per transaction and number of items per transaction drove the region's profit to HK\$209.2 million, representing an increase of 62.7% year-on-year. Following the closure of offline operations in the Chinese Mainland, the Group reallocated its resources to focus on online channels, successfully achieving a turnaround with a profit from continuing operations of HK\$9.1 million during the Year. On the other hand, Southeast Asia was affected by rising cost-of-living and macroeconomic headwinds, resulting in a loss of HK\$14.8 million. During the second half of the Financial Year, the Group proactively adjusted its regional operating strategy with a clear focus on enhancing operational efficiency and profitability.

### Strong Cash and Solid Financial Position

The Group maintained a solid financial position during the Year. As at 31 March 2026, the Group's total cash balance was HK\$504.8 million (2025: HK\$371.1 million) with a year-on-year increase of 36.0%, indicating an improvement in the operational efficiency of the Group and a sufficient cash position to support the operations. Net cash generated from operating activities (less the payment of lease liabilities and interest) for the Year was HK\$267.3 million (2025: HK\$137.4 million). During the Year, the Group's capital expenditure was HK\$52.5 million mainly for new stores, existing stores upgrade and IT investment.

### Proposed Final Dividend and Final Special Dividend to Reward Shareholders

The Board proposed paying a final dividend for the Year of 3.4 HK cents per share, and a final special dividend of 1.9 HK cents per share. Including the paid interim dividend of 1.15 HK cents, total dividends for the Year amounted to 6.45 HK cents per share, representing approximately 100% of the profit of the Group for the Year.

## 1. Hong Kong and Macao

### Co-Building a "Mega-Event Ecosystem" with Industry and Government to Capitalise on Festive Sales

Leveraging local festivals and multiple major events, the Group collaborated with various brands on co-branded initiatives and launched discounts as well as promotions across Offline-Merge-Online (OMO) channels. With the successive rollout of various economic and tourism stimulus measures, tourist arrivals to Hong Kong and Macao increased, further boosting sales of stores in tourist areas. During the Year, Hong Kong and Macao recorded a turnover of HK\$3,490.4 million with a year-on-year increase of 16.7%; offline turnover was HK\$3,250.9 million with a growth of 16.4% year-on-year, representing 93.1% of the region's turnover. VIP members contributed 53.5% of offline sales.

### Tourism Recovery Boosts Market and Drives Up Sales Share from Hong Kong and Macao Tourists

Among the Group's 76 stores in Hong Kong, 20 are situated in core-tourist districts such as Tsim Sha Tsui, Mong Kok, Causeway Bay and the cross-border travel hub in West Kowloon. In Macao, the Group operates nine stores, of which four are located on the high streets near major tourist attractions, three are within integrated hotel resort complexes and two are in non-tourist districts. Tourists accounted for 54.1% of total offline sales in Hong Kong and Macao (same period last year: 47.6%), reflecting a steady recovery in the tourism industry. Benefiting from the continuous expansion of the "Mega-Event Ecosystem" in Hong Kong and Macao, as well as the successful staging of various international events and large-scale conferences, the regional consumer sentiment has been significantly boosted. To capture this growing consumer demand, the Group will accelerate the expansion of its store network in Hong Kong, whilst continuing to review market conditions and flexibly optimise the store portfolio where economically justified.

“Trendy Products × Authentic Products” Drive Penetration into Next-Generation Customers

Leveraged its advantage of “first-hand beauty information platform”, Sa Sa introduced trendy products with strong buzz and fan bases to stimulate customer spending and collectible demand during the Financial Year. The Group simultaneously strengthened promotions across different platforms to reinforce Sa Sa’s shopping assurance of “genuine and authentic products”. Through the rollout of flash promotions and targeted campaigns, the Group successfully attracted its target audience and converted engagement into tangible sales. By harnessing the momentum of trendy products in an omni-channel marketing strategy, the Group further narrowed the gap with younger consumers and accelerated brand penetration into the next-generation customer segment.

Across-the-Board Growth in Business Indicators

During the Year, the Group recorded year-on-year growth in same-store sales, average sales per transaction, total number of transactions and number of items per transaction in Hong Kong and Macao, in which same-store sales rose by 18.9% compared with same period last year.

Creating “Experiential Consumption” to Showcase the Value of Physical Stores

Separately, the Group introduced value-added in-store services at designated stores (including smart beauty apps, skin and scalp analysis devices). In line with prevailing beauty trends, the Group also launched a variety of experiential events, including “K-Pop Star Makeup Workshop”, limited-time all-you-can-pack cosmetics games, and dedicated in-store trendy photo spots. Leveraging the Sa Sa APP membership pool and big-data analytics, the Group gains deeper insights into customer preferences to recommend the most suitable products and enhance the overall service experience.

Social Platform Engagement to Drive Traffic and Deliver a Seamless OMO Experience

The Group also offers “in-store exclusive” shopping vouchers on popular social platforms in the Chinese Mainland, drawing customers to Sa Sa’s physical stores during their trips to Hong Kong and Macao, where they can enjoy a professional and value-for-money shopping experience. This strategy has delivered encouraging results. Customers continue to maintain friendly relationships with Sa Sa and our beauty consultants through social media, allowing the Group to “Make Life Beautiful” for them.

Hong Kong and Macao

Chart 8: Same-store Sales Growth

(Year-on-Year Change)

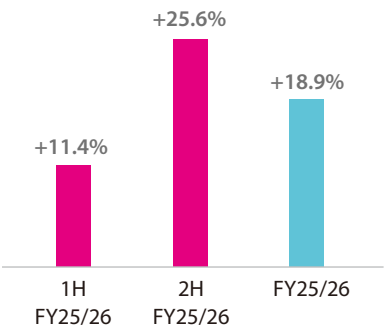
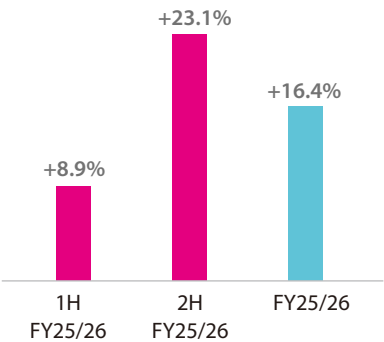


Chart 9: Offline Sales Performance

(Year-on-Year Change)



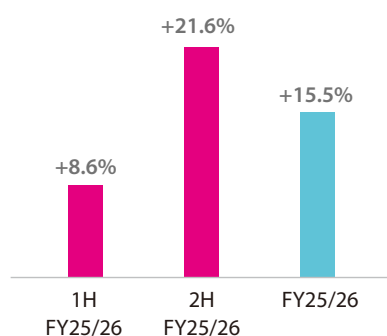
(Note: 1H: Apr – Sept; 2H: Oct – Mar)



## Hong Kong

**Chart 10: Same-store Sales Growth**

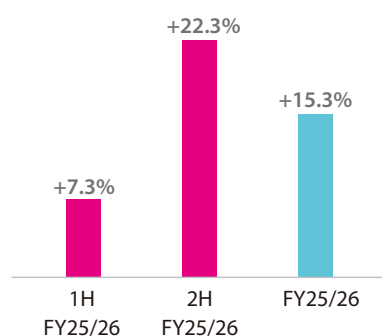
(Year-on-Year Change)



(Note: 1H: Apr – Sept; 2H: Oct – Mar)

**Chart 11: Offline Sales Performance**

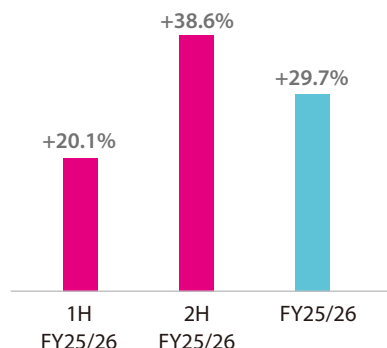
(Year-on-Year Change)



## Macao

**Chart 12: Same-store Sales Growth**

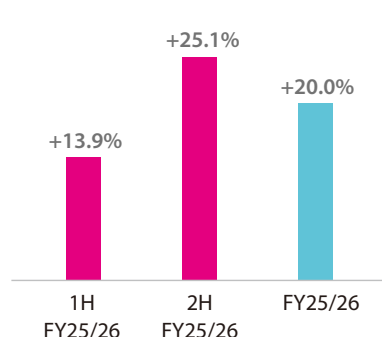
(Year-on-Year Change)



(Note: 1H: Apr – Sept; 2H: Oct – Mar)

**Chart 13: Offline Sales Performance**

(Year-on-Year Change)



### Hong Kong and Macao Online Sales Rise 20.0% YoY with Over Half Coming from Sa Sa VIP Members

During the Financial Year, online turnover in Hong Kong and Macao was HK\$239.5 million, representing an increase of 20.0% year-on-year. The growth was mainly attributable to our shopping website and mobile application. In terms of the Group's total online sales, 31.1% was generated from Hong Kong and Macao, in which approximately 51% was contributed by VIP members.

### Leveraging Social Engagement Insights to Drive Offline Sales via Online Traffic

The Group has also established online presence on major local third-party platforms, such as HKTVmall. It provides shopping information and limited-time offers through various social media channels, including Facebook, Instagram, Threads, as well as Xiaohongshu and Douyin, which are popular among Chinese Mainland customers. Engaging with customers through these channels allows the Group to refine its procurement and promotional strategies, effectively convert traffic into orders. As a result, both sales and number of transactions recorded encouraging year-on-year growth, and the Group also successfully redirected part of its online traffic from Chinese Mainland social platforms to drive offline sales in Hong Kong and Macao.

2. Chinese Mainland

As the Chinese Mainland retail market is predominantly online-driven, the Group closed all offline stores by 30 June 2025 and concentrated resources to focus on its online business. The Group now primarily operates cross-border e-commerce via WeChat Mini-Programme store and third-party platforms including Tmall, Douyin, Pinduoduo and JD.com.

Significant Improvement in Profitability of Continuing Operations in Chinese Mainland

During the Year, the Group’s continuing online operations recorded HK\$395.3 million, representing a year-on-year decrease of 5.4%, but it successfully achieved a turnaround with enhanced profitability, reaffirming the Group’s long-term strategy of achieving sustainable profitability. Meanwhile, the Group’s own WeChat mini-programme store recorded 44.0% growth in monthly active users (MAU) compared with the same period of last year. Going forward, the Group will eliminate platforms that fail to meet expectations to enhance the profitability of its online sales.

3. Southeast Asia

During the Year, the Group’s turnover in Southeast Asia was HK\$486.7 million with a year-on-year increase of 16.0%; in which offline sales increased by 9.3% year-on-year to HK\$362.3 million, accounting for 74.4% of the region’s turnover.

The Group’s offline operations in Southeast Asia primarily cover Malaysia and Singapore, while the Singapore business is managed by the regional office in Kuala Lumpur, Malaysia. The Group aims to strengthen Sa Sa’s brand influence in Southeast Asia through an asset-light operating model. As at 31 March 2026, the Group had 70 stores in Malaysia and five stores in Singapore.

Proactively Navigating Market Challenges with Strategies Gradually Yielding Results

In the first half of the Financial Year, the Malaysian government announced an expansion of the scope of Sales and Service Tax, further increasing the local cost of living. As stated in the previous interim results report, the management devoted additional time and resources to review and refine its local deployment to enhance Sa Sa’s competitiveness in the second half of the Financial Year, including enhancement of operating efficiencies across stores and departments to improve both offline sales and same-store sales in Southeast Asia (refer to Charts 14 and 15). During the Year, the Group introduced more trendy and best-selling products to the Southeast Asian market to drive store traffic and strengthen competitiveness. It also strengthened resource sharing across the Group in areas including brand and product management, information technology, finance, talent and training, thereby improving overall synergies.

Chart 14: Same-store Sales Growth

(Year-on-Year Change)

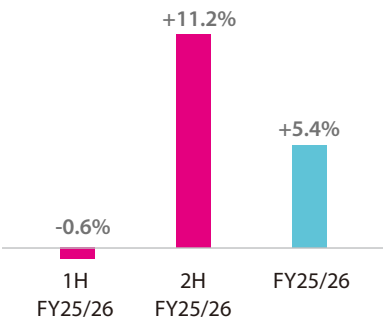
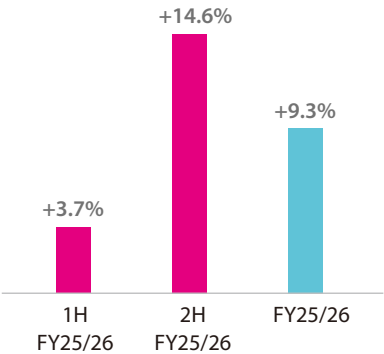


Chart 15: Offline Sales Performance

(Year-on-Year Change)



(Note: 1H: Apr – Sept; 2H: Oct – Mar)





### Steady Growth in Southeast Asia Online Business Reinforces Sa Sa's Brand Leadership

The Group's online presence in the region is mainly established through third-party platforms including Shopee, Lazada and Zalora, covering Singapore, Malaysia, the Philippines and Thailand. Driven by both existing and newly expanded online business of the Group in Southeast Asia, the Group's online sales in the region performed satisfactorily during the Year with a year-on-year growth of 41.3% to HK\$124.4 million, contributing 25.6% of the total sales in the region.

During the Year, the Group's flagship stores consistently maintained top-tier rankings in the Beauty & Health category on Shopee and Lazada in Singapore and Malaysia. These achievements underscore the Group's strong brand positioning and competitive edge on these highly dynamic e-commerce platforms. By leveraging the broad reach of these platforms and building customer trust, the Group has solidified its presence in the growing online retail landscape.

### 4. Other Jurisdictions

The Group's online sales in markets outside Hong Kong and Macao, Chinese Mainland, and Southeast Asia are conducted via online third-party channels and an international e-shop.

## FUTURE OUTLOOK

### Stay Agile and Adaptable to Achieve Sustainable Long-term Profit Growth

With trade disputes remaining unresolved and persisting instability in the Middle East, geopolitical risks are likely to intensify. Consequently, global trade inflation and consumer demand are anticipated to exhibit continued volatility. These uncertainties remain a key overhang that could impact commodity prices, interest rates and exchange rates, thereby influencing consumer sentiment and economic development. Nevertheless, underpinned by its solid foundations built over the years and its agility, the Group remains confident in capturing opportunities amid an evolving landscape.

### Optimise Offline Footprint to Further Unlock Growth Momentum

The Group will accelerate the expansion of its offline physical store network, further extending its presence in high-traffic tourist districts and residential areas with strong demand for beauty products subject to rent cost-effectiveness. Concurrently, the Group will optimise product display and operational efficiency across the stores to deliver a more personalised and convenient shopping experience. Meanwhile, the Group will continue to roll out omni-channel promotions aligned with various mega events and thematic campaigns, with an aim of strengthening customer engagement and enhancing brand loyalty.

The Group plans to open six to seven new stores in Hong Kong in the first half of the new financial year to meet customer demand for Sa Sa's beauty products, and expects this expansion to generate stronger financial returns. In Southeast Asia, the Group will introduce more competitive products, review and optimise the operational efficiency, thereby strengthening its competitiveness in the region.

### Strengthen Leadership as a "Beauty Giant" through Online Brand Value Enhancement

With Chinese Mainland serving as the Group's largest online market, the Group will continue to leverage traffic from its WeChat Mini-Programme and leading social media platforms to actively promote Sa Sa's reputation for "genuine and authentic products", penetrating further into consumer segments seeking trendy beauty products. Meanwhile, the Group will continue to introduce popular products highly sought after in the Chinese Mainland market, supported by targeted marketing strategies to improve customer conversion rates. The Group will also actively leverage online traffic to drive footfall to its Hong Kong and Macao offline operations, further reinforcing online-to-offline synergies within the Greater Bay Area and realising steady overall business growth.

The Group will continue to identify, nurture and develop promising brands. By strengthening their market visibility and brand equity, we are well positioned to capitalise on emerging opportunities and further unleash their commercial potential.

In Southeast Asia, the Group will also actively develop its online business, while reviewing and adjusting the local store mix and operating models. Leveraging social media platforms to strengthen marketing initiatives and foster closer engagement with consumers, the Group aims to enhance brand penetration and reinforce Sa Sa's leading position in the regional e-commerce market.

The Group will continue to foster steady business growth through a prudent and adaptable approach. The Group will closely monitor market developments, strengthen interdepartmental collaboration, and enhance its competitive edge. While pursuing growth in both sales and gross profit, the Group will maintain a stable gross profit margin, thereby securing a sustainable profitability model.

## FINANCIAL YEAR 2026/27 FIRST QUARTER SALES DATA

For the first quarter from 1 April 2026 to 21 June 2026, the Group's total turnover increased by 24.0% year-on-year. Online and offline sales, as well as year-on-year changes of turnover of different regions, are shown in the table below:

| HK\$ Million               | Turnover       | Year-on-year Change (%) |
|----------------------------|----------------|-------------------------|
| <b>Offline Sales</b>       |                |                         |
| Hong Kong and Macao        | 820.1          | ▲ 32.5%                 |
| Southeast Asia             | 83.5           | ▲ 17.0%                 |
| <b>Total Offline Sales</b> | <b>903.6</b>   | <b>▲ 30.9%</b>          |
| <b>Online Sales</b>        |                |                         |
| Hong Kong and Macao        | 52.0           | ▲ 0.9%                  |
| Chinese Mainland           | 81.3           | ▼ 18.1%                 |
| Southeast Asia             | 33.9           | ▲ 49.6%                 |
| Others                     | 2.6            | ▲ 25.1%                 |
| <b>Total Online Sales</b>  | <b>169.8</b>   | <b>▼ 3.2%</b>           |
| <b>Total Turnover</b>      | <b>1,073.4</b> | <b>▲ 24.0%</b>          |

## Human Resources

As at 31 March 2026, the Group had approximately 2,200 employees. The Group's staff costs for the Year were HK\$620.7 million. Details on the Group's human resources initiatives, training and development will be set out in the environment, social and governance report and the enterprise risk management report sections of the annual report of the Company for the year ended 31 March 2026.

## Financial Review

### Capital Resources and Liquidity

As at 31 March 2026, the Group's total equity amounted to HK\$1,282.5 million, including reserves of HK\$972.1 million. The Group continued to maintain a strong financial position with working capital of HK\$638.7 million that included net cash and bank balances of HK\$504.8 million, while unutilised banking facilities were approximately HK\$315.4 million, giving total accessible funds of HK\$820.2 million. Based on the Group's steady cash inflow from operations, coupled with sufficient cash and bank balances and the continued availability of the Group's banking loan facilities, the Group has adequate liquidity and financial resources to meet its working capital requirements and operating needs in the next twelve months from the balance sheet date.

During the Year, the majority of the Group's cash and bank balances were in Hong Kong dollar, Malaysian Ringgit, United States dollar, Euro, Renminbi and Macao Patac, and deposited in reputable financial institutions with maturity dates falling within a year. This is in line with the Group's treasury policy to maintain liquidity of its funds and continue to contribute a relatively stable yield to the Group.

### Financial Position

Total funds employed (representing total equity) as at 31 March 2026 were HK\$1,282.5 million, representing a 10.8% increase over the funds employed of HK\$1,157.7 million as at 31 March 2025. The gearing ratio, defined as the ratio of total borrowings to total equity, was zero as at 31 March 2026 and 2025.

### Treasury Policies

It is the Group's treasury management policy not to engage in any highly leveraged or speculative derivative products. In this respect, the Group continued to adopt a conservative approach to financial risk management. Most of the assets, receipts and payments of the Group are denominated either in Hong Kong dollar, United States dollar, Euro, Renminbi or Malaysian Ringgit. Based on purchase orders placed, the Group enters into forward foreign exchange contracts with reputable financial institutions to hedge against foreign exchange exposure arising from non-Hong Kong dollar or non-United States dollar denominated purchases. These hedging policies are regularly reviewed by the Group.



### **Property, Plant and Equipment**

For the year ended 31 March 2026, capital expenditure was HK\$52.5 million (2025: HK\$58.9 million), mainly for new stores, existing store upgrades and IT investment. Management will continue to devote resources to strengthening our store image, improving consumer experience and raising operational efficiency.

### **Inventories**

As at 31 March 2026, the Group's inventories were HK\$767.3 million (31 March 2025: HK\$670.0 million) while stock turnover days remained at 103 days.

### **Charge on Group Assets**

As at 31 March 2026, land and buildings with carrying value amounting to HK\$83.9 million (31 March 2025: HK\$89.5 million) were pledged for banking facilities made available to the Group.

### **Contingent Liabilities**

The Group had no significant contingent liabilities as at 31 March 2026.

### **Capital Commitments**

As at 31 March 2026, the Group had total capital commitments in respect of acquisition of property, plant and equipment of HK\$4.3 million.

# BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

At Sa Sa, we deliver quality products and attentive service, we honour the trust and support of our customers. This unwavering dedication is the cornerstone of our market leadership and sustainable growth.



**Dr KWOK Siu Ming Simon, SBS, JP**

Chairman and Chief Executive Officer

**Dr KWOK LAW Kwai Chun Eleanor, BBS, JP**

Vice-chairman







## Executive Directors



### Dr KWOK Siu Ming Simon, SBS, JP Chairman and Chief Executive Officer<sup>§^</sup>

Dr Kwok is the Chief Executive Officer, an executive director of the Company, the Chairman of the Board and the Chairman of both the Executive Committee and the Risk Management Committee of the Company. Dr Kwok together with his wife, Dr Kwok Law Kwai Chun Eleanor, has overseen Sa Sa's operations since the Group's earliest days and successfully listed the Company on the Stock Exchange in June 1997. Over the past 48 years, Dr Kwok has played a leading role in transforming Sa Sa into a leading beauty product retailing group in Asia. Dr Kwok is currently a member of the Electoral Conference for Electing Deputies of the Hong Kong Special Administrative Region to the 14<sup>th</sup> National People's Congress, a member of the Election Committee, the Honorary Life President of the Cosmetic & Perfumery Association of Hong Kong, the Governing Council Adviser of Quality Tourism Services Association in Hong Kong, the Honorary President of the Immigration Service Officers Association, the Honorary Founding President of the Professional Validation Centre of Hong Kong Business Sector, and the Honorary Life President of the Hong Kong Brands Protection Alliance, the Honorary President of Hong Kong Guangdong Chamber of Foreign Business Association, a member of Friends of Hong Kong Association, and a member of the Liberal Party. Dr Kwok was also a Member of the Hubei Provincial Committee of the Chinese People's Political Consultative Conference (2008–2017), Chairman of Quality Tourism Services Association (Dec 2013 – Dec 2017), and a member of Quality Tourism Services Committee and the Chairman of Quality Tourism Services Sub-Committee of Hong Kong Tourism Board (2016–2019).

Dr Kwok was named "Business Person of the Year" at the DHL/SCMP Hong Kong Business Awards 2018. He also received the "Best IR by Chairman/CEO" (small-cap category) from Hong Kong Investor Relations Association for seven consecutive years from 2016 to 2022 and was selected as the "CAPITAL Leaders of Excellence 2014" by CAPITAL Magazine in 2015. In 2014, he received the "Global Outstanding Chinese Award" from the "Global Chinese Association (GCA)" and was selected for the "Who's Who Leadership Award Scheme" by the Asian College of Knowledge Management. In 2012, he received the "China Cosmetic Retail Industry Special Contribution Award" from the Circulation Industry Promotion Centre of the Ministry of Commerce of the PRC and the China Beauty Expo Organising Committee. Dr Kwok won "The Directors of the Year Awards 2011" in the Listed Companies (SEHK – Non Hang Seng Index Constituents) category organised by the Hong Kong Institute of Directors, and the "Owner-Operator Award" at the DHL/SCMP Hong Kong Business Awards 2007. He was also a winner in the Retail Category in the "Ernst & Young Entrepreneur of the Year Awards China 2006". Dr Kwok was elected University Fellow by The Hong Kong Polytechnic University in 2012, received the degree of Doctor of Business Administration, honoris causa from the Open University of Hong Kong in 2011, and an honoris causa doctorate degree in Business Administration from Lingnan University in 2008.

Dr Kwok is an active participant in the work of charities. He is the First Vice-president (2014–2015, 2020–2022 and 2023–2026) of the Community Chest of Hong Kong as well as Executive Committee Chairman (2014–2015, 2020–2022 and 2023–2026), a member of the Board of Directors (2009–2015, 2016–2022 and 2023–2026) and Vice Patron (since 2015). Dr Kwok is also a Fundraising Committee Member of Heifer Hong Kong (since 2009), a Board Member of Concerted Efforts Resource Centre (since 2009), an Executive Board Member of the Hong Kong AIDS Foundation (since 2006), and an Honorary Advisor and Member (since 2006) of The Hong Kong Committee for the China AIDS Initiative. Dr Kwok was also a Vice-chairman of the Second & Third Board of Hongkong Kowloon Charitable Foundation Association Limited (2014–2020).

Dr Kwok is a director and shareholder of Sunrise Height Incorporated and Green Ravine Limited, the respective controlling and substantial shareholders of the Company. Both Dr Simon Kwok and Dr Eleanor Kwok have a 50% shareholdings in each of the two companies, in addition, Dr Kwok is a director of certain subsidiaries of the Group. Details of his interest in the shares and underlying shares in the Company are set out in the "Directors' Report". Save as aforesaid, Dr Simon Kwok does not hold any directorship in other listed companies in the past three years.

Dr Kwok is the husband of Dr Kwok Law Kwai Chun Eleanor, father of Mrs Chan Kwok Sze Wai Melody, Ms Kwok Sea Nga Kitty and Mr Kwok Ho Chuen Patrick. He is 73 years old.

\* Member of the audit committee

△ Member of the remuneration committee

# Member of the nomination committee

§ Member of the executive committee

^ Member of the risk management committee

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

### Dr KWOK LAW Kwai Chun Eleanor, BBS, JP Vice-chairman<sup>△#5^</sup>

One of the founders of the Group, an executive director of the Company and the Vice-chairman of the Board. She is a member of the Executive Committee, Remuneration Committee, Nomination Committee and Risk Management Committee of the Company. Dr Kwok has more than 40 years of experience in the sales and marketing of beauty products. With extensive professional knowledge and many years of experience in cosmetics retailing, she pioneered the unique operational concept of open-shelf display of beauty products, making shopping a more enjoyable experience. Dr Kwok plays a leading role in the marketing, operations, human resources and staff training functions of the Group.

Dr Kwok was named as one of the “Heroes of Philanthropy List 2020” in the Asia-Pacific region by Forbes Asia. She was awarded the “Women of Hope 2019 Entrepreneur Award” by Hong Kong Adventist Hospital Foundation in 2019. Dr Kwok was honoured the “Excellent Businesswomen” by Hong Kong Commercial Daily, the “Asian Outstanding Leaders Awards for Women” by Asian College of Knowledge Management and the “Asian Social Caring Leadership Award” by Social Enterprise Research Institute in 2017. Dr Kwok received “Most Successful Women Awards” by JESSICA Magazine in 2016. She was named “2013 Entrepreneur of the Year” in the Asia Pacific Entrepreneurship Awards 2013 Hong Kong by Enterprise Asia and received “The Excellent Award in Hong Kong Beauty Industry 2012/13” from the International CICA Association of Esthetic-CIDESCO Section China in 2012. Dr Kwok won the “Outstanding Women Entrepreneurs” award of the Hong Kong Women Professionals & Entrepreneurs Association in 2008, and received the “World Outstanding Chinese” award from the World Outstanding Chinese Association and World Chinese Business Investment Foundation in 2005. She was conferred an Honorary Doctorate of Management by Morrison University, USA, and an Honorary Fellowship by the Professional Validation Centre of Hong Kong Business Sector.

Dr Kwok is actively involved in chamber of commerce and charity activities. She is currently the Honourable President of the Cosmetic & Perfumery Association of Hong Kong (since 2009), President of Sa Sa Making Life Beautiful Charity Fund (since 2013), Adviser of Po Leung Kuk (April 2017 – March 2018, January 2023 – December 2025, January 2026 – December 2028), the Vice President of the Hong Kong Girl Guides Association (since 2012), Senator (since 2015) and the Honorary President (since 2005) of the Hong Kong Federation of Women, and Committee Member of Hong Kong Federation of Women Entrepreneurs Committee (since 2004). Dr Kwok was also the Chairman (April 2016 – March 2017), the Vice-chairman (April 2012 – March 2016), Director (2006-2012) of Po Leung Kuk, initiating the “Making Life Beautiful” Beauty Ambassador Training Programme (2008 and 2009) and “Sa Sa Eternal Beauty” Charitable Programme (2018-2019) of Po Leung Kuk together with Sa Sa. She was also the Committee Member of the Major Sports Events Committee (2015-2018), a patron of Caritas Fund Raising Campaign (2006-2020) and Honorary President of All-China Women’s Federation Hong Kong Delegates Association (2023-2025).

She is a director and shareholder of Sunrise Height Incorporated and Green Ravine Limited, the respective controlling and substantial shareholders of the Company. Both Dr Eleanor Kwok and Dr Simon Kwok have a 50% shareholdings in each of the two companies. Details of her interest in the shares and underlying shares in the Company are set out in the “Directors’ Report”. Dr Kwok is a director of certain subsidiaries of the Group. Save as aforesaid, Dr Eleanor Kwok does not hold any directorship in other listed companies in the past three years.

Dr Kwok is the wife of Dr Kwok Siu Ming Simon, mother of Mrs Chan Kwok Sze Wai Melody, Ms Kwok Sea Nga Kitty and Mr Kwok Ho Chuen Patrick. She is 72 years old.

### Mrs CHAN KWOK Sze Wai Melody, MH, JP<sup>5</sup>

Mrs Chan is an executive director of the Company and a member of the Executive Committee of the Company. Mrs Chan joined the Group in 2005 as management trainee and has held various positions within the Group over the years. She was promoted to Vice President, Corporate Strategy & Development in April 2018, with oversight over business development strategy, marketing, brand management and product development.

Mrs Chan is currently a member of the Electoral Conference for Electing Deputies of the Hong Kong Special Administrative Region to the 14<sup>th</sup> National People’s Congress, a member of the Election Committee in the Wholesale and Retail subsector, a member of the Beauty and Hairdressing Industry Training Advisory Committee of Qualifications Framework of HKSAR Education Bureau, a member of the Fight Crime Committee of HKSAR Government, and Executive Committee of Hong Kong Retail Management Association. With extensive experience in cosmetic retailing, she has been President of the Cosmetic & Perfumery Association of Hong Kong since 2017 and has been the Honorary President and Executive Advisor from 2024 onwards, diligently promoting solidarity and safeguarding the interests of the Hong Kong cosmetic industry. She is also an executive director of the Hong Kong Federation of Guangzhou Associations (since 2015), executive director of the Council of Guangzhou Overseas Friendship Association (since 2013), Honorary Advisor of the Hong Kong Island Women’s Association (since 2018) and Founding Honorary Advisor of the Hong Kong O2O E-commerce Federation (since 2017).



Actively involved in community service and philanthropic activities, Mrs Chan has been Prominent President (since 2022) of the Southern District Association and Honorary Vice-President of the Hong Kong Girl Guides Association (since 2013), as well as Vice President of Greater China Cancer Foundation (2025-2026). She also supported the establishment of Sa Sa's first charity foundation "Sa Sa Making Life Beautiful Charity Fund" and acts as its Vice-chairman, working closely with numerous influential non-profit organisations. Mrs Chan received the "District Association Award – Gold Award" by the Southern District Association of The Hong Kong Girl Guides Association in 2023, and received "Golden Bauhinia Award" by The Hong Kong Girl Guides Association in 2021. She was named "CMO Marketer of the Year" by Hong Kong Institute of Marketing ("HKIM") in 2019, recognising her outstanding achievement and contribution in marketing strategy development. She was awarded the "Golden Bauhinia Women Entrepreneur Award" by the Golden Bauhinia Women Entrepreneur Association in 2016 and "Junior Chamber International City Lady Award" in 2014, in recognition of her contribution to society as well as art and culture.

Mrs Chan graduated from RMIT University, Australia, in 2002 with a Bachelor of Business degree. She obtained a Master's degree in International Business from Monash University, Australia, in 2004. She was conferred an Honorary Fellowship by the Professional Validation Centre of Hong Kong Business Sector in 2019.

Mrs Chan is the daughter of Dr Kwok Siu Ming Simon and Dr Kwok Law Kwai Chun Eleanor, and the sister of Ms Kwok Sea Nga Kitty and Mr Kwok Ho Chuen Patrick. Details of her interest in the shares and underlying shares in the Company are set out in the "Directors' Report". She is 48 years old.

### Ms KWOK Sea Nga Kitty<sup>s</sup>

Ms Kwok is an executive director of the Company and a member of the Executive Committee of the Company. Ms Kwok joined the Group in 2010. Over the years, Ms Kwok has been committed to expanding the Group's Chinese Mainland and e-commerce businesses. She was promoted to Vice President of e-commerce in April 2018, overseeing the Group's e-commerce business in Chinese Mainland, Hong Kong and Macao SARs, Southeast Asia and other regions, and driving the Group's transformation into a new retail model through online and offline integration. Since 2025, Ms Kwok has been responsible for overseeing the Group's procurement and brand partnership initiatives in relation to parallel import products and fragrance categories.

Ms Kwok is passionate in driving industry excellence for the commerce and retail sectors. She has been an elected member of the retailer category of the Governing Council of the Quality Tourism Services Association (2017-2027), and clinched the GBA Outstanding Women Entrepreneur Award by Metro Broadcast and Hong Kong Small and Medium Enterprises Association in 2024. She was a member of the Executive Committee of The Professional Validation Centre of Hong Kong Business Sector.

Ms Kwok graduated from the University of British Columbia in Canada in 2004 with a Bachelor's degree in Economics.

Ms Kwok is the daughter of Dr Kwok Siu Ming Simon and Dr Kwok Law Kwai Chun Eleanor, the sister of Mrs Chan Kwok Sze Wai Melody and Mr Kwok Ho Chuen Patrick. Details of her interest in the shares and underlying shares in the Company are set out in the "Directors' Report". She is 42 years old.

### Mr CHUNG Ming Kit<sup>Chief Financial Officer and Company Secretary<sup>s^</sup></sup>

Mr Chung Ming Kit was appointed as an executive director, member of the executive committee and member of the risk management committee of the Company with effect from 19 June 2025. Mr Chung joined the Company as chief financial officer on 2 December 2024 and appointed as the company secretary on 25 April 2025. Mr Chung has over 20 years of experience in finance, accounting and management. Prior to joining the Company, he had worked in an international accounting firm and other companies listed on the Main Board of the Stock Exchange of Hong Kong, NASDAQ and the Singapore Exchange.

Mr Chung obtained his Bachelor's degree of business administration in accounting from the Hong Kong University of Science and Technology. He is a Chartered Financial Analyst of the CFA Institute and a fellow member of the Hong Kong Institute of Certified Public Accountants. He is also an independent non-executive director of Cutia Therapeutics, a company whose shares are listed on the Main Board of the Stock Exchange of Hong Kong, since 12 June 2023. He is 48 years old.

### Independent Non-executive Directors



#### Ms Ki Man Fung Leonie, GBS, SBS, JP\*△#

Ms Ki was appointed as an independent non-executive director of the Company in December 2006. She is Chair of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company. She was a non-executive director (2008-2012, 2018-2020) and an executive director (2012-2018) of New World Development Company Limited and an independent non-executive director of Clear Media Limited<sup>1</sup> (2004-2019), both being public companies the securities of which are/were listed on the Main Board of the Stock Exchange of Hong Kong. She retired from the New World Group in 2020.

Ms Ki has more than 40 years of experience in integrated communication and marketing services. She was the founder, partner and Chairman/Chief Executive Officer of Grey Hong Kong Advertising Limited and Grey China Advertising Limited. Committed to community and public services, she was the first Chief Executive of The Better Hong Kong Foundation and has been a Director of PMQ Management Company Limited. Currently she is Founder and Honorary President of Wu Zhi Qiao Charitable Foundation and an Honorary Advisor of Youth Outreach and the Musicus Society. In 2018, she founded the Hong Kong Gaudeamus Dunhuang Ensemble to promote Dunhuang arts and culture.

Ms Ki is an Honorary University Fellow of The Open University of Hong Kong, The University of Hong Kong and the Hong Kong Baptist University (HKBU). She has been awarded the honour of Beta Gamma Sigma by the Faculty of Business Administration of The Chinese University of Hong Kong, and Justice of the Peace, Silver Bauhinia Star and Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region. She was appointed as a member of the 12th Chinese People's Political Consultative Conference ("CPPCC") National Committee in 2013 and a member of the 10th, 11th & 12th CPPCC Yunnan Provincial Committee.

She is presently a member of the Culture Commission under the Culture, Sports and Tourism Bureau of the Hong Kong Special Administrative Region. She is 79 years old.

#### Mr TAN Wee Seng\*\*

Appointed as a non-executive director of the Company on 11 March 2010 and was re-designated from a non-executive director to an independent non-executive director on 26 June 2012. Mr Tan is the Chair of both the Audit Committee and the Nomination Committee of the Company.

Mr Tan is a professional in value and business management consultancy. He is a non-executive director, Chairman of the Sustainability Committee and member of the Audit Committee of Xtep International Holdings Limited, an independent non-executive director and Chairman of the Audit Committee of CIFI Holdings (Group) Co. Ltd., an independent non-executive director and Chairman of the Remuneration Committee of Health and Happiness (H&H) International Holdings Limited and an independent non-executive director, Chairman of the Audit Committee, the Remuneration Committee and the Nomination Committee of Shineroad International Holdings Limited, all the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong. He is also a board member and Chairman of the Finance and Operation Committee of Beijing City International School. Mr Tan resigned as the independent director and Chairman of Audit Committee of ReneSola Ltd whose shares are listed on the New York Stock Exchange with effect from 1 February 2023. Mr Tan was an independent non-executive director of Sinopharm Group Co. Ltd. whose shares are listed on the Main Board of the Stock Exchange of Hong Kong, and an independent director and Chairman of the Audit Committee of 7 Days Group Holdings Limited whose shares were listed on the New York Stock Exchange between November 2009 and July 2013 until it was privatised. He was the Chairman of the Special Committee for Privatisation of 7 Days Group Holdings Limited from October 2012 to July 2013.

Mr Tan has over 45 years of financial, operation and business strategy as well as management experience and has also held various senior management positions in a number of multinational and Chinese corporations. From 2003 to 2008, he was an executive director, Chief Financial Officer and Company Secretary of Li Ning Company Limited, the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong. From 1999 to 2002, he was the Senior Vice President of Reuters for the China, Mongolia and North Korea regions, and the Chief Representative of Reuters in China. Mr Tan is a fellow member of the Chartered Institute of Management Accountants, United Kingdom, and a fellow member of the Hong Kong Institute of Directors. He is 70 years old.

<sup>1</sup> Clear Media Limited was privatised in 2021





## Prof The Hon CHAN Hiu Fung Nicholas, BBS, MH, JP\*<sup>△</sup>

Appointed as an independent non-executive director of the Company on 2 September 2019. Mr Chan is a member of the Audit Committee and member of the Remuneration Committee of the Company. Mr Chan is a partner of an international law firm Squire Patton Boggs. He graduated from the University of Melbourne, Australia, in 1997 with a Bachelor of Laws degree and a Bachelor of Science (Computer Science) degree, and has been a solicitor in Hong Kong since May 1999. He was also admitted to the roll of solicitors in the following jurisdictions (but now non-practising): Australia Capital Territory (June 1997), State of Victoria in Australia (October 2000), and England and Wales (October 2007). Mr Chan was conferred Honorary Fellowship by the Hong Kong University of Science and Technology (HKUST) on 22 September 2023. He is also a China Appointed Attesting Officer.

Mr Chan was appointed as an independent non-executive director, member of the Related Party Transaction Control and Consumer Rights Protection Committee and the Strategy and Investment Committee of Ping An Insurance (Group) Company of China, Ltd., the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong, effective from 15 October 2025. He is also an independent non-executive director, Chairman of the Remuneration Committee and member of both the Audit Committee and the Nomination Committee of China Merchants Port Holdings Company Limited, an independent non-executive director, Chairman of the Remuneration Committee, member of each of the Audit Committee, the Nomination Committee and the Risk Management Committee of Q P Group Holdings Limited and an independent non-executive director and member of the Nomination Committee of Genertec Universal Medical Group Company, all the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong. Mr Chan resigned as an independent non-executive director, Chairman of the Remuneration Committee and member of both the Audit Committee and the Nomination Committee of Million Cities Holdings Limited with effect from 1 April 2025 and independent non-executive director, Chairman of the Nomination Committee and member of Audit Committee of Pangaea Connectivity Technology Limited with effect from 1 July 2025, all the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong.

Mr Chan is a member of the 13th (April 2019 – March 2023) and 14th (March 2023 – 2028) National People's Congress of the People's Republic of China and was elected to serve Hong Kong as a member of the Legislative Council with effect from January 2026. He is also an adjudicator or panel member of a number of appeal boards or advisory committee in the Hong Kong Special Administrative Region, including: member of Chief Executive's Policy Unit Expert Group (Social Development Expert Group) (May 2023 – June 2027), member of the Competition Commission (May 2024 – April 2028), member of Communications Authority (April 2023 – March 2027), member of the Expert Advisory Group on Legal and Dispute Resolution Services established by the Department of Justice (October 2024 – October 2027), member (June 2017 – June 2023) and chairman (June 2023 – Current) of the Steering Committee of Innovation and Technology Industry-Oriented Fund (ITIF) and Innovation and Technology Venture Fund (ITVF) Schemes and member to the Board of Directors of the Hong Kong Cyberport Management Company Limited (April 2024 – March 2028).

Mr Chan is currently the Director heading the operations of the AALCO Hong Kong Regional Arbitration Centre (since May 2022), Vice Chairman of the China Committee of the Hong Kong General Chamber of Commerce (since July 2025), Vice-Chairman of the InnoTech Committee of The Law Society of Hong Kong, Council Vice Chairman (October 2024 to October 2026) and Council Member (since November 2018) of Fu Hong Society, Council Member (since June 2022), Chairman of the Risk Management Subcommittee (since May 2024), Member of Executive Committee of the Council (April 2024 – March 2028), Member of the Audit and Risk Management Committee (April 2024 – March 2028) and Chairman of the Knowledge Transfer Committee (April 2024 – March 2028) of The Chinese University of Hong Kong, Court Member of The Hong Kong University of Science and Technology (September 2022 – September 2028), member of The Hong Kong Polytechnic University Technology Transfer Management Committee, Honorary Legal Advisor and member of the Membership Affairs Appeal Panel of Sports Federation & Olympic Committee of Hong Kong, China, a director of The Football Association of Hong Kong, China Limited and member of the council of Hong Kong Youth Exchange Promotion United Association (since January 2022).

Mr Chan is also the Honorary Legal Advisor of some charities and trade associations including the Hong Kong Association of Interactive Marketing (HKAIM), Hong Kong Creative Industries Association (HKCIA), e-Learning Consortium, Hong Kong General Chamber of Cross-border E-Commerce (HKGCCCE), Hong Kong Information Technology Federation (HKITF), Hong Kong Internet Service Providers Association (HKISPA), Hong Kong O2O E-Commerce Federation, and International Federation of Creativity and Technology (IFOCAT).

Mr Chan was a Council member of The Law Society of Hong Kong (December 2014 – May 2019), member of HKSAR Passports Appeal Board (October 2011 – October 2017), adjudicator of the Immigration Tribunal (October 2013 – October 2019), member of Solicitors Disciplinary Tribunal Panel (September 2010 – September 2016), Chairman of the Appeal Tribunal Panel (Buildings) (December 2012 – December 2020), substantive member of the Human Organ Transplant Board (February 2018 – February 2024) in the Hong Kong Special Administrative Region, Chairman of the Knowledge Transfer Committee, Council Member of The Hong Kong University of Science and Technology (April 2016 – March 2022), Chairman (June 2018 – May 2020) and Vice-Chairman (May 2020 – June 2022) of eBRAM International Online Dispute Resolution Centre Limited, member of the Legal Aid Services Council (September 2018 – August 2022), member of Committee on Innovation, Technology and Industry Development (March 2023 – March 2025) and Hospital Governing Committee Member of Castle Peak Hospital and Siu Lam Hospital. He is 52 years old.

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

### Ms LEE Yun Chun Marie-Christine\*

Appointed as a non-executive director of the Company on 26 February 2013 and redesignated as independent non-executive director and appointed as a member of Audit Committee on 2 September 2024. Ms Lee has a proven leadership position in retailing, branding and marketing, with more than 17 years of experience. Ms Lee was an ambassador of Harry Winston (Hong Kong) Limited, focusing on sales, branding and marketing and successfully launched its debut shop in Hong Kong, from 2009 to 2016. Harry Winston is a world famous jeweller specialising in luxurious jewellery and jewellery watches. She is currently the director of Or-Tea, an international premium specialty tea brand created in Hong Kong and produced in Germany. Ms Lee is a founder of Sport Max HK Co Limited, a diversified sports' service provider with professional coaching in sports. She is also an advisory board member of Phoenix Property Investors (H.K.) Limited, a private equity real estate investment group focusing on first-tier pan-Asian markets.

Previously, Ms Lee was a product manager of Shiatos Limited, an agent managing and distributing various prestigious European and international brands in Hong Kong, like Hermes, Van Cleef & Arpels, Lalique, Baccarat, Bernardaud, Christofle, etc. She was responsible for retailing and marketing, and successfully launched world famous high fashions in Hong Kong. She also worked for Citicorp International/Citibank NA as an investment advisor manager for high net worth individuals, and marketed loans for multinational corporations.

Ms Lee is committed to community work. She is a lifetime founding benefactor of The Nature Conservancy, USA, and a founder of a non-profit charitable organisation, Sports for Hope Foundation, providing funding to highly-talented young underprivileged athletes who lack financial means to further their passion. Ms Lee obtained a Bachelor of Science in Biochemistry and Nutritional Sciences from Simmons College, Boston, United States and was conferred an Honorary Fellowship by King's College, London for the cancer research programme at the Guy's Hospital. She is 66 years old.

### Senior Management



### Mr KWOK Ho Chuen Patrick Business Development Director

Mr Patrick Kwok is the Business Development Director of the Company. Joining the Group in January 2026, Mr Kwok leads and oversees key initiatives in business development, expanding the Group's market presence, building strategic partnerships, and further solidifies the Group's leading position within the retail industry.

Mr Kwok currently serves as the Chief Executive Officer and Co-Founder of Qi Feng Capital, Business Development Director of V POINT. Mr. Kwok has extensive experience in the investment and real estate sectors, enabling the Group to make more precise market assessments and cost-efficient proposals in relation to lease negotiations and store fit-out works. His outstanding achievements and contributions to the business community have been recognised by the Guangdong-Hong Kong-Macao Bay Area Entrepreneurs Union, which honoured him with the "GBA Outstanding Young Entrepreneur Award" in 2021.

Active in fostering collaboration within the business community, Mr Kwok has served as an Executive Committee Member of the Outstanding Young Entrepreneurs Committee of the Guangdong-Hong Kong-Macao Bay Area Entrepreneurs Union (since 2022) and President of the Hong Kong Industrial & Commercial Association – Youth Link (since 2022). He was also a Director (2020–2021) and an Executive Director (2021–2025) of the Hong Kong United Youth Association Limited, dedicated to uniting Hong Kong's business forces to capitalise on its unique advantages within the Greater Bay Area.

Deeply committed to philanthropy and community service, Mr Kwok served as a Director of Po Leung Kuk from 2017 to 2025 to support underprivileged groups. To nurture the next generation of youth leaders, he also serves as the President of Kwai Tsing District Junior Police Call Honorary President Council (January 2025 – December 2026) and Assistant Commissioner, Advisory Committee of the Immigration Department Youth Leaders Corps (July 2024 – June 2027).

Mr Kwok graduated from Queen Mary University of London, United Kingdom, with a Bachelor of Science degree in Business Management. Prior to his current roles, he held positions at Phoenix Property Investors from 2015 to 2017, focusing on investment and asset management, and joined retail leasing and investment team of Savills from 2013 to 2015.

Mr Kwok is the son of Dr Kwok Siu Ming Simon and Dr Kwok Law Kwai Chun Eleanor, and the younger brother of Mrs Chan Kwok Sze Wai Melody and Ms Kwok Sea Nga Kitty. He is 34 years old.



“At Sa Sa, we recognise the importance of good corporate governance in delivering long-term, sustainable results. We are therefore committed to maintaining the highest standards of corporate governance.”

## Corporate Governance at Sa Sa for the Year



### Board Effectiveness

- Nine Directors
- INEDs: 44.4%
- Female Directors: 55.6%
- Average age: 61
- 5 Board meetings held during the Year with 100% attendance rate
- 21 meetings of Board Committees held during the Year
- INEDs serving more than nine years: 50%
- Board evaluation conducted every two years regularly
- Diverse Board with multiple perspectives and a wide range of skills and experience



### Audit, Risk and Internal Control

- Audit Committee composition: 100% INEDs
- Audit Committee meeting attendance: 100%
- Members of Audit Committee meet with external auditor annually without presence of EDs every year
- Internal audit function in place
- Risk Management Committee established
- Enterprise risk management system in place
- Whistle-blowing policy
- Policy in place to safeguard objectivity and independence of external auditor



### Shareholders and Investors

- Hybrid AGM providing greater flexibility for attendees and enabling wider participation
- Regular engagement with both shareholders and investors through multiple channels
- Dividend policy
- Shareholders communication policy
- Shareholders rights explained on Company's website



### Compliance with Corporate Governance Code



The CG Code is the standard against which we measure ourselves. Throughout the Year, we have complied with all but one of the code provisions in the CG Code, but we also exceeded the CG Code in the following respects:

- ✓ Continued to hold our AGM in hybrid form allowing participants the flexibility of attending in person or virtually.
- ✓ Held a total of 5 Board meetings and 21 Board Committee meetings altogether, exceeding the minimum required by the CG Code.
- ✓ 44.4% of our Board members are INEDs.
- ✓ Board evaluation was conducted at regular intervals.
- ✓ The formal letters of appointment for non-executive Directors deal with a range of matters regarding a Director's appointment and responsibilities.
- ✓ All members of the Audit Committee are independent non-executive directors, as opposed to the majority, exceeding the independence requirements under the Listing Rules.
- ✓ The Audit Committee held one private meeting with the external auditor without the presence of any of our executive directors during the Year.
- ✓ In addition to the Audit Committee, Nomination Committee and Remuneration Committee, we have established an Executive Committee and a Risk Management Committee, each with specific written terms of reference setting out clearly the individual committee's duties and authorities. Since 2018/19, we have established a Sustainability Steering Committee chaired by an executive director of the Company.
- ✓ The terms of reference of the Board have a clear division of roles with the Management. These terms of reference also set out the Board's responsibility for formulation of strategy and its monitoring role.
- ✓ We have included a separate Enterprise Risk Management Report, which sets out Sa Sa's risk management framework and how Sa Sa manages the Group's material risks in our annual report.
- ✓ We have formulated the Environmental, Social and Corporate Governance Policy and have published an Environmental, Social and Governance Report since 2012.
- ✓ Among other policies, we have a Whistleblowing Policy, a Gifts and Entertainment Policy, and Guidelines on Prevention of Bribery Ordinance, all of which are published on our corporate website.
- ✓ We gave more than 20 clear business days' notice for our annual general meetings.
- ✓ To further increase efficiency of communication, protection of the environment and to save costs for the Company, arrangements have been made since 2009 to ascertain Shareholders' preferences as to the means of receiving Corporate Communications.



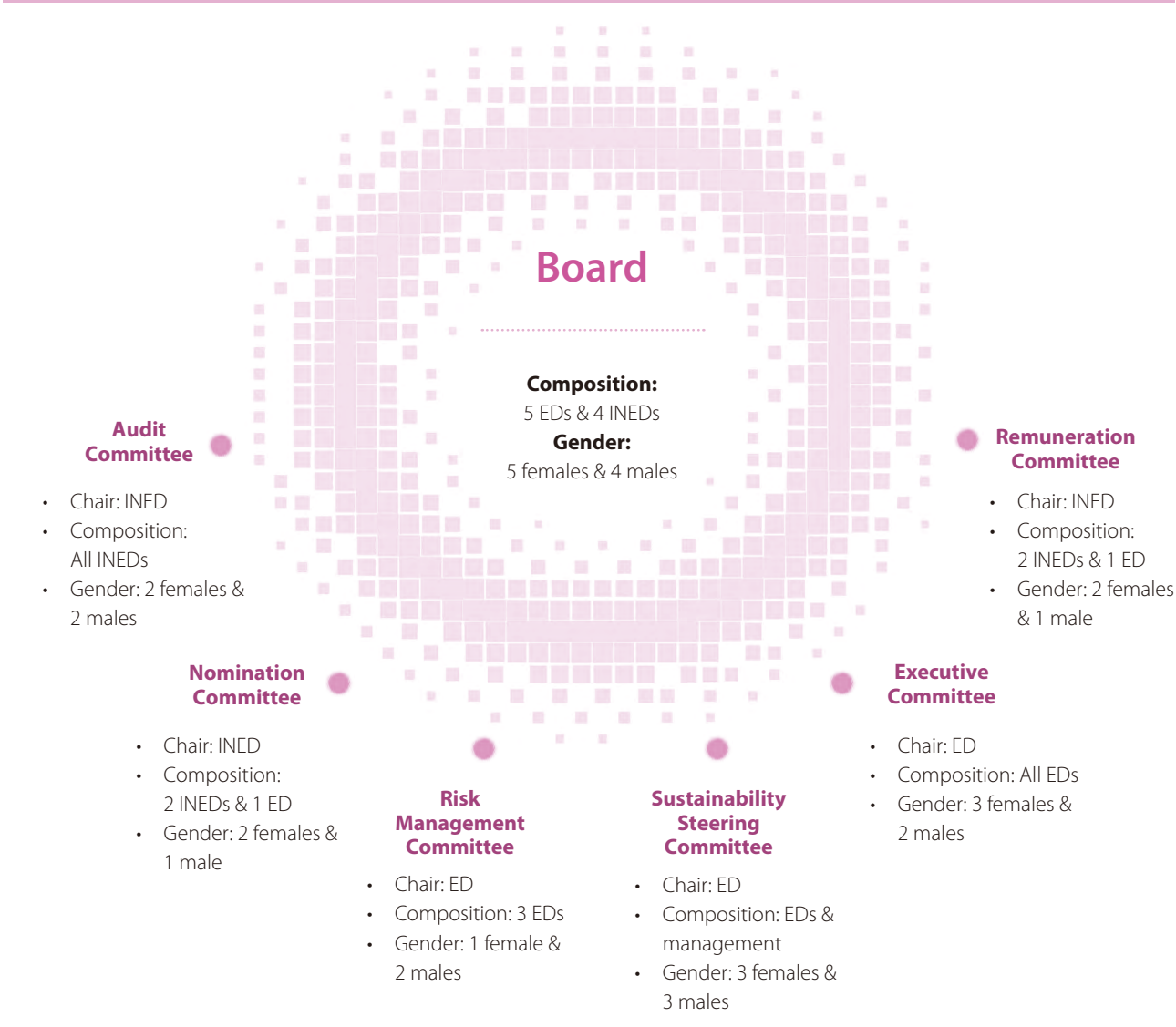


## Deviation from the Corporate Governance Code

### Code Provision C.2.1

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. We have deviated from such code provision in that Dr KWOK Siu Ming Simon is both the chairman and CEO of the Company. The division of responsibilities between the two roles are, however, clearly established and set out in writing in the respective terms of reference for the chairman and the CEO. Dr Kwok, being one of the founders of the Group, has superior knowledge of our business and is a veteran of the retail industry. The Board is therefore of the view that vesting the roles of chairman and CEO in the same person facilitates the execution of the Group's business strategies and maximises the effectiveness of our operations. We will, nevertheless, periodically review the Board's structure going forward in light of the evolving needs of the Group and consider segregation of the two roles if and when appropriate.

## Our Governance Structure



## Board Composition

Composition of the Board and Board Committees<sup>1</sup>

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                              |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>Board</b><br>        |                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                              |  |
| Dr KWOK Siu Ming Simon (Chairman and CEO)*<br>Dr KWOK LAW Kwai Chun Eleanor (Vice-chairman)*<br>Mrs CHAN KWOK Sze Wai Melody*<br>Ms KWOK Sea Nga Kitty*<br>Mr CHUNG Ming Kit (CFO and Company Secretary)*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                      | Ms KI Man Fung Leonie^<br>Mr TAN Wee Seng^<br>Prof The Hon CHAN Hiu Fung Nicholas^<br>Ms LEE Yun Chun Marie-Christine^                                                                                                                                                                       |  |
| <b>Audit Committee</b><br>                                                                                                                                                                                                                                                                                                                                  | <b>Nomination Committee</b><br>                   | <b>Remuneration Committee</b><br>   |  |
| Mr TAN Wee Seng (Chair)^<br>Ms KI Man Fung Leonie^<br>Prof The Hon CHAN Hiu Fung Nicholas^<br>Ms LEE Yun Chun Marie-Christine^                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Mr TAN Wee Seng (Chair)^<br>Dr KWOK LAW Kwai Chun Eleanor*<br>Ms KI Man Fung Leonie^                                                                                                                                                                                                                 | Ms KI Man Fung Leonie (Chair)^<br>Dr KWOK LAW Kwai Chun Eleanor*<br>Prof The Hon CHAN Hiu Fung Nicholas^                                                                                                                                                                                     |  |
| <b>Executive Committee</b><br>                                                                                                                                                                                                                                   | <b>Risk Management Committee</b><br>   |                                                                                                                                                                                                                                                                                              |  |
| Dr KWOK Siu Ming Simon (Chair)*<br>Dr KWOK LAW Kwai Chun Eleanor*<br>Mrs CHAN KWOK Sze Wai Melody*<br>Ms KWOK Sea Nga Kitty*<br>Mr CHUNG Ming Kit*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Dr KWOK Siu Ming Simon (Chair)*<br>Dr KWOK LAW Kwai Chun Eleanor*<br>Mr CHUNG Ming Kit*                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                              |  |

\* ED    <sup>^</sup>INED

Note:

1. Mr CHUNG Ming Kit was appointed as executive director, member of the Executive Committee and member of Risk Management Committee of the Company with effect from 19 June 2025.

The Board has a balanced composition, comprising five executive directors and four independent non-executive directors. This composition goes beyond the parameters of the CG Code, which requires listed issuers to have independent non-executive directors representing at least one-third of the Board.

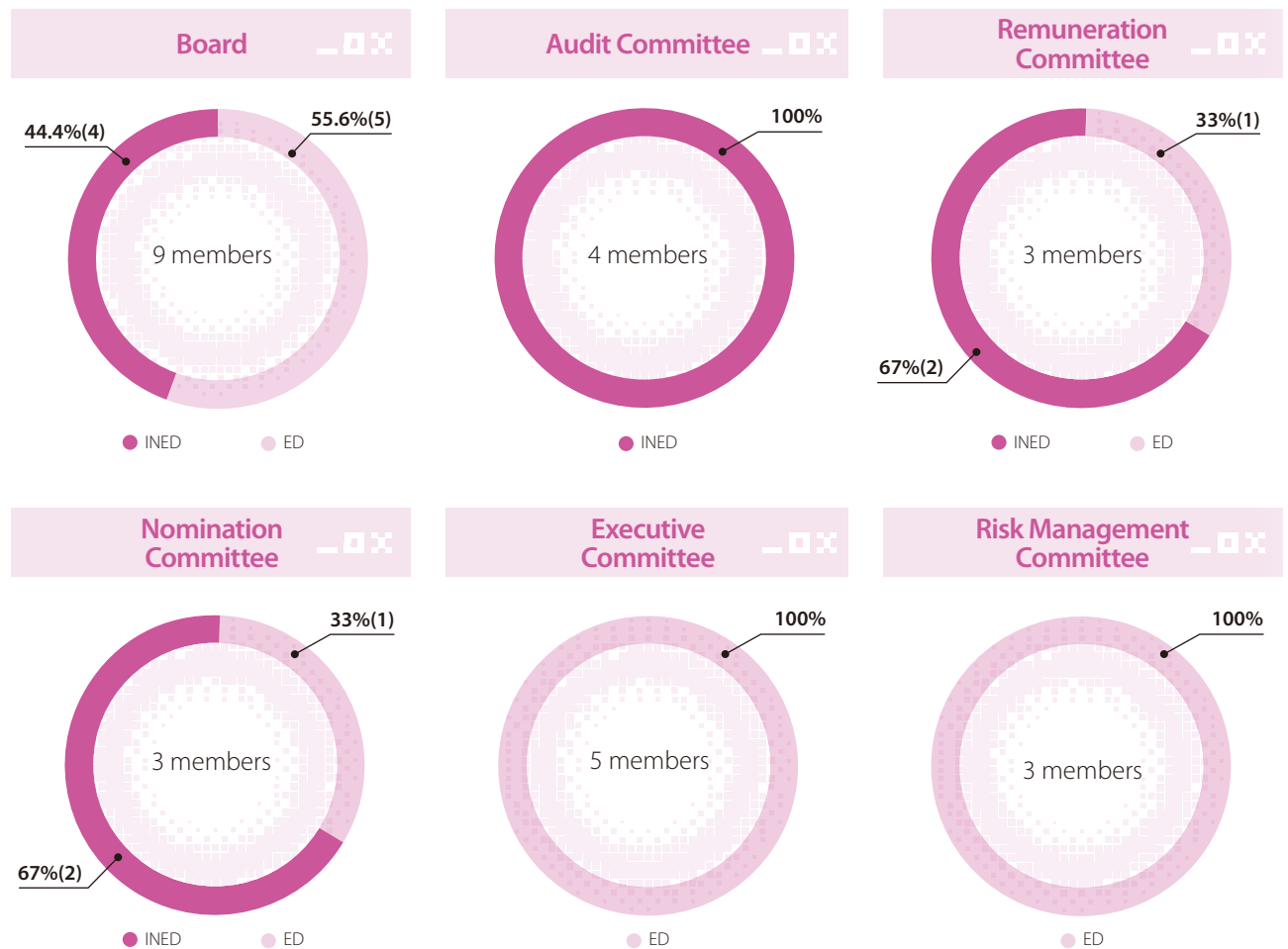
The biographical details of each of our Directors, including the relationship between Board members, are set out on pages 37 to 42 of this annual report. An updated list of our Directors, identifying their respective roles and functions together with their biographical details, is displayed on the Stock Exchange's website and our corporate website.



## Independence

We have a strong element of independence on the Board, providing independent and objective oversight on strategic issues and performance matters. The Audit Committee, Remuneration Committee and Nomination Committees are each chaired by an independent non-executive director.

### Board Independence



Some of our INEDs have served as our Board members for more than nine years. While this could be relevant to the determination of independence, it is well recognised that an individual's independence cannot be determined arbitrarily on the basis of a set period of time. In assessing the independence of INEDs, the Board and the Nomination Committee consider each individual Director's character and judgement as demonstrated by his/her commitment and contribution to the Board during his/her years of service and other relevant factors. We are of the view that the INEDs who have served more than nine years, namely Ms Ki Man Fung Leonie and Mr TAN Wee Seng, despite their length of service, have always expressed their views independently, objectively and impartially, constructively challenging the views of the other Directors and testing the arguments whenever necessary. A longer tenure on the Board means deeper knowledge of the Company and its industry, better understanding of the risks and challenges facing the Company and being better able to formulate long term goals and strategies and discharge monitoring responsibilities. Ms Ki is an iconic and legendary figure in the world of advertising. She was awarded a GBS for her long and distinguished public and community services in 2016 and is still passionately serving the society. She has the positions of executive director, non-executive director and independent non-executive director in other listed companies and understands board dynamics. Mr Tan is a seasoned finance professional who has also served as non-executive director and independent non-executive director of other listed companies. He is chairman of the audit committee of two other companies whose shares are listed on the Stock Exchange and former chairman of the audit committee of two companies whose shares are listed on the New York Stock Exchange. Ms Ki's and Mr Tan's board experience and cross industry experience as well as working knowledge of the governance process are invaluable attributes that the Nomination Committee and the Board have taken into account in the assessment of independence.

The Board remains adamant that Board appointments should be based on merits and the length of time any Director has served is only one of many factors to be considered. The Board is satisfied that Ms Ki and Mr Tan remain independent despite their years of service and that they will continue to effectively contribute as Board members. The Board is of the view that each of our INEDs meets the independence guidelines as set out in rule 3.13 of the Listing Rules and that they are able to continue to fulfil their roles as required.

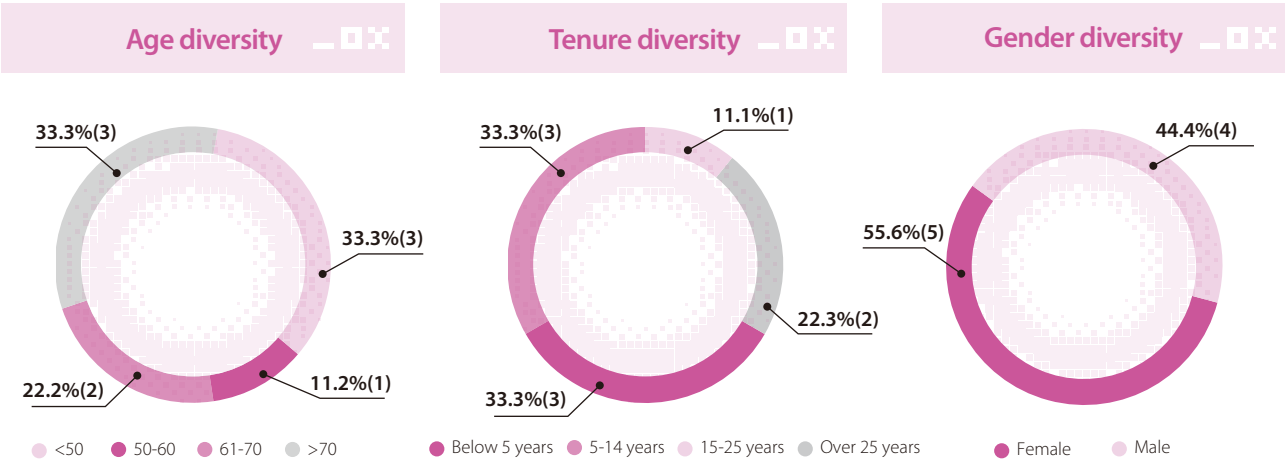
The Company has in place effective mechanisms to ensure that independent views and input are available to the Board. These mechanisms include (i) reviewing Board size and composition annually to ensure that suitably skilled and sufficient number of INEDs are appointed to the Board; (ii) reviewing the independence of each INED both on appointment and annually during the term of appointment; (iii) ensuring that the INEDs devote sufficient time, actively participate and make contributions in accordance with the Company's expectations; (iv) conducting Board evaluations; (v) the Chairman taking the lead to ensure all Directors, and in particular the INEDs, have sufficient information to perform their responsibilities and can do so candidly, openly and effectively, contributing to high standard of governance; (vi) ensuring INEDs are entitled to seek assistance from the Company Secretary and, where necessary, independent advice from external professional advisers at the Company's expense; and (vii) reviewing the compensation of the INEDs yearly to ensure they are properly compensated but are not financially dependent on, or have interests linked to, the performance of the Company so that they can express their views objectively and without bias at all times. The implementation and effectiveness of these mechanisms are reviewed by the Board annually.

Board Diversity

We recognise the benefit and value of diversity across the organisation, and endorse the view that a diverse board, with a breadth of perspective, is one of the key drivers of an effective board.

We have a highly diverse Board in terms of age, gender, academic background, nationality, professional experience, industry experience and tenure. Collectively, the Board possesses experience and expertise in retail, finance and accounting, law, branding and marketing, talent management, Chinese Mainland market, community services, management, technology and consumer journey digitalisation. Each Board member's relevant skills and experience have been disclosed in their biographical information on pages 37 to 42 of this annual report.

Our Board Diversity Policy reinforces the significant role women Directors play in the Company and pledges to ensure a strong female representation at Board level. With a female to male ratio of 5:4 on our Board as at 31 March 2026, the Board is satisfied that there is sufficient gender diversity at the Board level. A full version of the policy is set out below. It can also be found on our corporate website.





## Board Diversity Policy

### Purpose

1. The Company recognises the benefit and value of diversity across the organisation, and endorses the view that a diverse board, with a breadth of perspective, is one of the key drivers of an effective board.
2. This policy sets out the framework in achieving Board diversity in the Company.

### Policy Statement

3. In considering and reviewing Board composition, both the Nomination Committee and the Board will consider the benefits of all aspects of diversity, including age, gender, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities of the Directors. While the ultimate decision of all Board appointments would be based on meritocracy and the contributions that the Director candidate is expected to bring, considerable weight would be given to ensure a diverse Board with balanced composition.

### Measurable Objectives

4. Women Directors will continue to play a significant role in the Company and the Board will ensure there is strong female representation and is committed to achieving and maintaining a minimum of 33% female representation at Board level.

### Review and Monitoring

5. This policy will be reviewed periodically to ensure it remains relevant to the Company's needs and reflects both regulatory requirements and good corporate governance practices.

### Language Version

6. The text of this policy appears in both English and Chinese languages. In case of discrepancy, the English version shall prevail.

### Approval of this Policy

7. This policy was first adopted by resolutions of the Directors passed on 16 August 2013, and last amended by resolutions of the Directors passed on 26 February 2026.

## Diversity Across Workforce

Our diversity philosophy is followed throughout the Group. Gender parity in respect of senior management\* has been achieved with a 50:50 male to female as at the date of this annual report. Please refer to our 2025/26 Environmental, Social and Governance Report of the Company for the male to female ratio in respect of our general workforce and distribution across different seniority and functions as at 31 March 2026.

We promote diversity at all levels of our workforce and provide equal opportunities for employment and advancement regardless of sex, race, family status or disability. As at 31 March 2026, our total workforce comprised 80% female and 20% male and are not of single gender. Gender distribution in our office and logistics centre are more even while in the frontline stores, there are more females than males. Given the dynamic nature of our business, we have not set any measurable objectives in respect of the gender ratio for our general workforce, rather our focus is on identifying the right person for the right role while taking into account diversity in a range of areas, including gender.

## Appointment and Re-election of Directors

All our INEDs are appointed for a specific term of not more than three years. Newly appointed Directors are required to offer themselves for re-election at the first AGM following their appointment. Under the articles of association of the Company, at least one-third of the Directors are subject to retirement by rotation at the AGM at least once every three years. If so recommended by the Nomination Committee, retiring Directors who are eligible may offer themselves for re-election by the Shareholders at the AGM at which he or she retires.

\* Inclusive of five EDs and senior management identified on page 42 of this annual report



Dr KWOK Siu Ming Simon, Dr KWOK LAW Kwai Chun Eleanor, Mr TAN Wee Seng and Prof The Hon CHAN Hiu Fung Nicholas will retire by rotation at the AGM to be held in August 2026. All of them, being eligible, will offer themselves for re-election by the Shareholders at the AGM.

Further details in relation to the re-election of Directors will be set out in the circular which will be sent to Shareholders together with the notice of AGM. We confirm that all Directors' appointments and re-elections were conducted in compliance with the articles of association of the Company and the CG Code.

### Nomination Policy

Our Nomination Policy setting out the criteria and procedures to be adopted when considering Director candidates to be appointed or re-appointed as Directors was first adopted by the Board in 2012 and was last amended in the financial year ended 31 March 2019. One of the policy objectives is to ensure the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

### Our Nomination Criteria

When selecting a candidate to be nominated for directorship or re-appointment, considerations will be given to the following:

- (a) age, gender, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities of the candidate;
- (b) effect on the Board's composition and diversity;
- (c) ability and commitment of the candidate to devote sufficient time to effectively carry out his/her duties. In this regard, the number and nature of offices held by the candidate in public companies or organisations, and other executive appointments or significant commitments should be considered;
- (d) potential/actual conflicts of interest that may arise if the candidate is selected;
- (e) the contributions that the candidate is expected to bring;
- (f) independence of the candidate; and
- (g) other factors considered to be relevant on a case by case basis.

The following is a summary of the nomination procedures and process adopted by the Company for newly appointed Directors. In case of re-appointment of existing Directors, a physical meeting would be held to consider the re-appointment based on the criteria set out above.

#### Nomination Committee

- Identifies or selects candidates, with or without assistance from external agencies or the Company, pursuant to the criteria set out above
- May use any process it deems appropriate to evaluate the candidates, which may include personal interviews, background checks, presentations, written submissions by the candidate or third party reference
- Holds a physical meeting to consider the matter and would avoid the making of decisions by written resolutions unless it is impractical that a physical meeting be held
- Provides all relevant information and makes recommendation to the Board, including the terms and conditions of the appointment
- If approved by the Board, the appointment would be confirmed by a letter of appointment approved by the Nomination Committee



#### Board

- Deliberates and decides on the appointment based upon the recommendation of the Nomination Committee
- Newly appointed Directors may only hold office until the first AGM following the appointment. If eligible, they may stand for election by Shareholders. A circular accompanying the notice of AGM containing all relevant information would be sent to Shareholders by the Board



#### Shareholders

- Vote on the Directors' re-appointment at the AGM



## Clear Division of Responsibilities

### Between Chairman and Chief Executive Officer

Although the positions of the chairman of the Board and CEO are currently held by the same individual, Dr KWOK Siu Ming Simon, their respective responsibilities are clearly established and set out in the terms of reference for the chairman and the CEO, which are available on our website.

In his capacity as chairman of the Board, Dr Kwok has met with all the INEDs without the presence of other Directors during the Year. While in his capacity as CEO, Dr Kwok meets with the other executive directors and management team regularly to ensure that issues requiring attention are handled efficiently and in a timely manner.

A summary of the respective roles of the Chairman and the CEO is set out below:

| Chairman                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | CEO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>➤ Provides leadership to the Board, ensures that it works effectively and performs its responsibilities.</li> <li>➤ Takes primary responsibility for ensuring that good corporate governance practices and procedures are established.</li> <li>➤ Ensures that the Board as a whole plays a full and constructive part in the development and determination of corporate strategies.</li> <li>➤ Ensures that decisions agreed by the Board are effectively implemented by the CEO and Management.</li> <li>➤ With the assistance of the Company Secretary, draws up the agenda for each Board meeting taking into account any matters proposed by the other Directors for inclusion in the agenda and allowing sufficient time for the consideration of all issues.</li> <li>➤ Ensures that the Board is properly briefed on issues arising at Board meetings and receives adequate information in a timely manner to enable matters to be properly considered and decisions made.</li> <li>➤ Encourages all Directors to make full and active contribution to the Board's affairs and takes the lead in ensuring that the Board acts in the best interests of the Company.</li> <li>➤ Encourages Directors with different views to voice their concerns, allows sufficient time for discussion of issues and ensures that Board decisions fairly reflect Board consensus.</li> <li>➤ Ensures that there is effective communication with Shareholders and stakeholders and understands of their views.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Provides leadership to the Management.</li> <li>➤ Develops and proposes goals and strategies for the Board's consideration.</li> <li>➤ Ensures information and reports provided by the Management to the Board are relevant, accurate, timely and clear.</li> <li>➤ Ensures effective implementation of the decisions agreed by the Board and is accountable to the Board.</li> <li>➤ Responsible for the day-to-day management of the Group's business in accordance with business plans and within the budgets approved by the Board.</li> <li>➤ Leads the Management in the design, implementation and monitoring of the risk management and internal control systems.</li> <li>➤ Ensures matters of importance requiring the Board's involvement are brought to its attention.</li> <li>➤ Leads the communication with Shareholders and key stakeholders.</li> </ul> |

### Executive Directors

In the Year, Mr CHUNG Ming Kit has been appointed as an executive director on 19 June 2025. We have five executive directors who together form the Executive Committee as at 31 March 2026. The Executive Committee, led by the CEO, is accountable to the Board while the executive directors are leaders of the management team. The role and responsibilities of, and details of work done by, the Executive Committee are set out on pages 54 and 57 of this annual report.

### Independent Non-Executive Directors

Independent non-executive directors are not part of the Company's management but they make a positive contribution to the development of the Group's strategy and policies. INEDs also scrutinise the Group's performance through informed insight and independent judgements. They have not been reserved in asking questions and challenging the Management's views and recommendations, which role is vital to fulfilling the objectives set by the Board. In order to preserve well-balanced governance, the Board has ensured that all members of the Audit Committee are INEDs, and that the majority of the members of the Nomination Committee and Remuneration Committee are INEDs.

### Induction and Continuous Professional Development

We recognise that professional developments for Directors is a major contributor to the maintenance of high corporate governance standards in the Company. We have adopted our own policy on Induction of and Continuous Professional Development for Directors since 2005. The Board reviews and monitors the implementation of this policy to ensure its effectiveness periodically. All newly appointed Directors are provided with induction and training on appointment, and are required to undertake continuous professional development throughout the term of their appointment, which may be arranged by the Company or the Director himself/herself.

Mr Chung Ming Kit, who was appointed as an executive Director on 19 June 2025, had obtained the legal advice referred to in Rule 3.09D of the Listing Rules from the Company's legal advisor on 16 June 2025 and has confirmed he understood his obligations as a Director.

All Directors have provided their training records to the Company and confirmed their respective records on an annual basis. The table below summarises the participation of Directors in training and continuous professional development during the Year.

| Name                                | Attending trainings, briefings, seminars or conferences | Reviewing legislative or regulatory updates | Reading materials relevant to the Company or its business and attending corporate events |
|-------------------------------------|---------------------------------------------------------|---------------------------------------------|------------------------------------------------------------------------------------------|
| Dr KWOK Siu Ming Simon              | ✓                                                       | ✓                                           | ✓                                                                                        |
| Dr KWOK LAW Kwai Chun Eleanor       | ✓                                                       | ✓                                           | ✓                                                                                        |
| Mrs CHAN KWOK Sze Wai Melody        | ✓                                                       | ✓                                           | ✓                                                                                        |
| Ms KWOK Sea Nga Kitty               | ✓                                                       | ✓                                           | ✓                                                                                        |
| Mr CHUNG Ming Kit                   | ✓                                                       | ✓                                           | ✓                                                                                        |
| Ms KI Man Fung Leonie               | ✓                                                       | ✓                                           | ✓                                                                                        |
| Mr TAN Wee Seng                     | ✓                                                       | ✓                                           | ✓                                                                                        |
| Prof The Hon Chan Hiu Fung Nicholas | ✓                                                       | ✓                                           | ✓                                                                                        |
| Ms LEE Yun Chun Marie-Christine     | ✓                                                       | ✓                                           | ✓                                                                                        |



## The Board and the Management

The Board is responsible for the overall conduct of the Group's affairs and monitors the performance of Management. The Board delegates and gives clear directions to members of the Management as to their powers and the circumstances in which further directions or approval should be sought.

Management for the purpose of this corporate governance report refers to the Company's executive directors, all senior vice-presidents, vice-presidents, department directors and associate directors of the Group. They are responsible for the day-to-day operations, management and administration of the Group under the leadership of the CEO and Executive Committee comprising all executive directors. They also execute and implement strategies and directions determined by the Board. Their respective responsibilities are clearly established and set out in the terms of reference for the Board and the Management, which is available on our corporate website. The Management provides monthly updates to the Board to enable Board members to discharge their duties more effectively.

Members of our Management are frequently invited to attend Board meetings to report and engage in discussions with the Board in respect of strategy, budget planning, progress and performance updates. This is to ensure that the Board has a general understanding of the Group's business so that they can make informed decisions for the benefit of the Group. Members of the Management are required to answer any questions and respond to any constructive challenges posed by the Board. All Board members also have separate and independent access to the Management.

In addition to regular Board meetings, 11 separate management meetings chaired by the CEO were held during the Year to review, discuss and make decisions on financial and operational matters.

The department heads of major business units also meet with the Executive Committee on a regular basis to report, enhance and strengthen cross-departmental communications and coordination.

The Board understands that corporate governance duties should be the collective responsibilities of the Directors. The duties as stipulated in the Code Provision A.2.1 are included in the terms of reference of the Board.

## Company Secretary

Ms Mak Sum Wun Simmy resigned as Company Secretary and Mr Chung Ming Kit was appointed as Company Secretary with effect from 25 April 2025. Our Company Secretary is an employee of the Company and reports to the Chairman and CEO. He/She also acts as secretary to most of our Board Committees. He/She advises and supports the Board on governance matters and ensures that proper procedures are followed by the Board and Board Committees. He/She also assists the chairman of the Board and chairmen of the Board Committees in drawing up the agenda for each meeting.

All Board members have access to the advice and services of the Company Secretary. In the Year, the Company Secretary has complied with the requirement under the Listing Rules to undertake at least 15 hours of relevant professional training.

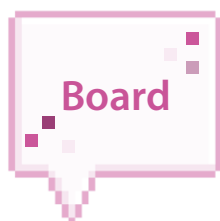
## Board Committees



As an integral part of good corporate governance and to enhance the function of the Board, five Board Committees – Audit Committee, Nomination Committee, Remuneration Committee, Executive Committee and Risk Management Committee – have been established to assume responsibilities for and to oversee particular aspects of the Company's affairs. Board Committees report to the Board on their decisions and make recommendations at Board meetings.

Regular Board Committee meetings were held during the Financial Year and the number of meetings and attendance of individual committee members are set out on page 59 of this annual report. Throughout the Year, the chairman and vice-chairman of the Board also attended Board Committee meetings at the invitation of the respective chairs of the Board Committees.

All Board Committees are provided with sufficient resources to discharge their duties and are empowered to obtain independent legal or other professional advice at the Company's expense in appropriate circumstances.



### **Audit Committee (All members are INEDs)**



#### **Key responsibilities:**

To review and monitor the Group's relationship with the external auditor and the auditor's independence; to monitor the integrity of the Group's financial information and review significant reporting judgements contained in it; to oversee the Group's financial reporting; to review the effectiveness of internal control and risk management procedures on behalf of the Board; to consider major investigation findings on internal control matters and management's response to these findings, and the audit process.



### **Nomination Committee (Majority of the members are INEDs)**



#### **Key responsibilities:**

To make recommendations to the Board for selection of potential Board members, appointment and re-appointment of Directors; to review the structure, size and composition of the Board; to assess the independence of INEDs; and to determine the policy for nomination of Directors.



### **Remuneration Committee (Majority of the members are INEDs)**



#### **Key responsibilities:**

To determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; and giving due regard to the Company's financial status, to ensure the Directors and senior management are fairly rewarded.



### **Executive Committee (All members are EDs)**



#### **Key responsibilities:**

To ensure successful implementation of the corporate strategy and directions of the Group as determined by the Board.



### **Risk Management Committee (All members are EDs)**



#### **Key responsibilities:**

To provide leadership to the management in relation to risk management and internal control, including monitoring the implementation of the Enterprise Risk Management Programme; to review and approve recommendations for engaging external consultants to assist with risk management, delegated responsibilities for leading management in the establishment and maintenance of an appropriate and effective risk management and internal control system.





## Audit Committee

### Work done by the Audit Committee in the Year

5 meetings (100% attendance rate)

#### Internal audit

- ✓ Received and considered the internal audit reports including:
  - Internal audit progress;
  - Significant internal audit findings and follow-up implementation status on prior audit findings;
  - Shop visits' progress and results;
  - ERM progress results;
  - Annual internal audit plan; and
  - Major investigation findings on internal controls and the management's response to these findings.
- ✓ Considered the adequacy of resources of the internal audit function and its effectiveness.

#### Risk management and internal control

- ✓ Evaluated the adequacy and effectiveness of the Group's risk management procedures and internal control system covering all material controls, including financial, operational and compliance controls.

#### Financial reporting

- ✓ Reviewed and considered the annual results for the year ended 31 March 2025 and related documents.
- ✓ Reviewed and considered the interim results for the six months ended 30 September 2025 and related documents.
- ✓ Considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

#### External auditor

- ✓ Considered the re-appointment of PwC as auditor of the Company.
- ✓ Reviewed the summary of audit and non-audit services provided by the external auditor for the year ended 31 March 2025 and the six months ended 30 September 2025 and considered the auditor's independence.

The Audit Committee held one private meeting with the external auditor without the presence of the executive directors in the Year. This meeting afforded a candid exchange of dialogue and opinions between the Audit Committee and the external auditor.

## The Auditor

We engage PwC as our external auditor. We have received a written confirmation from PwC confirming that it is independent and that there are no relationship between PwC and the Company that is likely to impair its independence. The roles and responsibilities of our external auditor are stated in the Independent Auditor's Report on pages 91 to 94 of this annual report.

To maintain the external auditor's independence and the objectivity and effectiveness of the audit process, since 2009, we have in place a policy on the Provision of Audit and Non-audit Services by External Auditors that sets out the types of audit and non-audit services that the Company may request of the external auditor (the policy is available on our website).

For the Year, the fees paid by the Group to PwC amounted to approximately HK\$3,450,000, comprising audit fees of HK\$2,408,000 and non-audit fees of HK\$1,042,000. The non-audit services consisted of tax advisory services, transfer pricing analysis, and other services.

The Audit Committee will continue to review the independence and objectivity of the external auditors, including the review of any proposals and fees. The Audit Committee has access to the financial expertise of the Group and its auditors and can seek further independent professional advice at the Company's expense, if considered necessary.

### Nomination Committee

#### Work done by the Nomination Committee in the Year

1 meeting (100% attendance rate)

##### Board composition

- ✓ Reviewed the structure, size and composition of the Board.
- ✓ Assessed the continued independence of each INEDs.

##### Re-appointment of Directors

- ✓ Considered the re-appointment of Mr Tan Wee Seng as INED.
- ✓ Considered the re-appointment of Ms LEE Yun Chun Marie-Christine as INED.

##### Appointment of Director

- ✓ Approved the appointment of Mr Chung Ming Kit as ED.

We have received from each INED written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee has reviewed each confirmation and assessed the independence of the INEDs, concluding that all INEDs met the independence guidelines as set out in Rule 3.13 of the Listing Rules. In addition, the Nomination Committee has concluded that there exist no business or other relationships or circumstances that are likely to affect, or could appear to affect the INEDs' independent judgement. The Nomination Committee will continue to assess annually the independence of all INEDs.

### Remuneration Committee

#### Work done by the Remuneration Committee in the Year

2 meetings (100% attendance rate)

##### Directors' and Management's remuneration

- ✓ Reviewed and determined the remuneration of the Directors and Management for the Year in consultation with the chairman of the Board and in accordance with the remuneration policy of the Group.
- ✓ Approved the remuneration packages of Mr Chung Ming Kit, the new ED.
- ✓ Approved the grant of share options and awarded Shares.



## Remuneration of Directors and Senior Management

We have in place a formal and transparent Remuneration Policy for Directors and senior management, which is reviewed from time to time. The Remuneration Committee has also taken into account a number of relevant factors such as remuneration packages offered by companies of comparable business and scale, market rates, and the financial and non-financial performance of the Group, to ensure that the remuneration packages offered remain appropriate and competitive.

The remuneration package of our executive Directors and Management comprised basic salary, a discretionary bonus tied to the performance of the Company and the individual, and other allowances and benefits. Except for the Chairman and Vice-chairman of the Board who are founders and substantial shareholders of the Company, the remuneration package of the other executive Directors and Management may also include share options or share awards, some of which are time-based while others are performance-based.

INEDs are compensated with reference to market rate with the aim of fairly remunerating their efforts and time dedicated to Board and Board Committee matters. The remuneration package of INEDs comprises a fixed annual fee of HK\$257,400. The Chairman of the Audit Committee is paid an additional fee of HK\$150,000 per annum while other members of the Audit Committee are paid an additional fee of HK\$80,000 per annum. No additional fees are payable for sitting on other Board Committees.

Please refer to note 10 to the consolidated financial statements on pages 112 to 114 of this annual report for the total emoluments paid to each Director and the emoluments of senior management in aggregate and by band for the Year.

## Executive Committee

### Work done by the Executive Committee in the Year

#### 11 meetings (96.0% attendance rate)

##### Strategy and budgeting

- ✓ Ensured successful implementation of the corporate strategy and directions of the Group.
- ✓ Reviewed business proposals, implementation plans, strategic plans and annual operating plans to ensure that they are in line with the corporate goals and objectives.
- ✓ Reviewed the budget, long-term plan, corporate goals and objectives, long-term business model and strategy.

##### Performance monitoring

- ✓ Reviewed the Group's results and performance against the market and budget.
- ✓ Reviewed the reasons for under/over performance against the market/budget and developed plans and strategies to adapt to market circumstances.
- ✓ Provided directions to the management and monitored the Group's performance throughout the Year including:
  - Store openings and closures;
  - Sales performance;
  - Marketing and promotions;
  - Product development;
  - Branding management;
  - Inventory management;
  - IT strategy;
  - Human resources, training needs and staff performance;
  - Performance of the logistics function; and
  - E-commerce strategies and performance.

The Executive Committee proactively communicates with the INEDs and the Management and is open and responsive to any issues that might be raised by the INEDs. The number of meetings held by the Executive Committee during the Year and the attendance of each individual committee members are set out on page 59 of this annual report. Members of the Management are invited to attend the Executive Committee meetings as and when appropriate.

Risk Management Committee

Work done by Risk Management Committee in the Year

2 meetings (100% attendance rate)

System and control

✓ Established and maintained appropriate and effective risk management and internal control systems with reports being made to the Board on any material deficiencies.

Enterprise Risk Management Programme

✓ Reviewed and considered the ERM progress and results for the Year including:

- Continuous assessment of existing and new risks that the Group faced;
- Reviewed risk indicators and assessed how risks were measured and managed;
- Reviewed and assessed the risk trends and appropriateness of risk indicators; and
- Assessed the effectiveness of measures taken to manage risks.

Representatives from the Internal Audit and Management Services Department also attended the meetings at the invitation of the Risk Management Committee. The number of meetings held by the Risk Management Committee during the Year and the attendance records of each individual committee members are set out on page 59 of this annual report. Please refer to the Enterprise Risk Management Report on pages 66 to 74 of this annual report for further activities undertaken by the Risk Management Committee.

The Board in Action

Meetings of the Board, Board Committees and Shareholders

| Meetings in the Year                                                                                                                                                                                                                                                                                              |     |     |     |     |     |     |     |     |     |     |     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| APR                                                                                                                                                                                                                                                                                                               | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR |
| B                                                                                                                                                                                                                                                                                                                 | E   | B   | E   | AGM | E   | E   | B   | E   | E   | B   | E   |
| A                                                                                                                                                                                                                                                                                                                 |     | A   |     | B   |     |     | A   |     |     | A   | RM  |
| R                                                                                                                                                                                                                                                                                                                 |     | N   |     | A   |     |     |     |     |     | E   |     |
|                                                                                                                                                                                                                                                                                                                   |     | R   |     | E   |     |     |     |     |     |     |     |
|                                                                                                                                                                                                                                                                                                                   |     | E   |     | E   |     |     |     |     |     |     |     |
|                                                                                                                                                                                                                                                                                                                   |     |     |     | RM  |     |     |     |     |     |     |     |
| <div><div>B</div> Board</div> <div><div>A</div> Audit Committee</div> <div><div>R</div> Remuneration Committee</div> <div><div>N</div> Nomination Committee</div> <div><div>E</div> Executive Committee</div> <div><div>RM</div> Risk Management Committee</div> <div><div>AGM</div> Annual General Meeting</div> |     |     |     |     |     |     |     |     |     |     |     |



## Attendance at Meetings<sup>1</sup>



The following table shows the attendance of Directors at Board meetings, Board Committee meetings and the AGM held in the Year.

| Directors                                         | Board    | Audit Committee  | Remuneration Committee | Nomination Committee | Executive Committee | Risk Management Committee | Annual General Meeting |
|---------------------------------------------------|----------|------------------|------------------------|----------------------|---------------------|---------------------------|------------------------|
| <b>Executive Directors</b>                        |          |                  |                        |                      |                     |                           |                        |
| Dr KWOK Siu Ming Simon                            | 5/5      | 5/5 <sup>2</sup> | 2/2 <sup>2</sup>       | 1/1 <sup>2</sup>     | 11/11               | 2/2                       | 1/1                    |
| Dr KWOK LAW Kwai Chun Eleanor                     | 5/5      | 5/5 <sup>2</sup> | 2/2                    | 1/1                  | 11/11               | 2/2                       | 1/1                    |
| Mrs CHAN KWOK Sze Wai Melody                      | 5/5      | 5/5 <sup>2</sup> | N/A                    | N/A                  | 11/11               | 2/2 <sup>2</sup>          | 1/1                    |
| Ms KWOK Sea Nga Kitty                             | 5/5      | 5/5 <sup>2</sup> | N/A                    | N/A                  | 10/11               | 2/2 <sup>2</sup>          | 1/1                    |
| Mr CHUNG Ming Kit <sup>4</sup>                    | 4/4      | 3/3 <sup>2</sup> | N/A                    | N/A                  | 8/9                 | 2/2                       | 1/1                    |
| <b>Independent Non-Executive Directors</b>        |          |                  |                        |                      |                     |                           |                        |
| Ms KI Man Fung Leonie                             | 5/5      | 5/5              | 2/2                    | 1/1                  | N/A                 | N/A                       | 1/1                    |
| Mr TAN Wee Seng                                   | 5/5      | 5/5              | N/A                    | 1/1                  | N/A                 | N/A                       | 1/1                    |
| Prof The Hon CHAN Hiu Fung Nicholas               | 5/5      | 5/5              | 2/2                    | N/A                  | N/A                 | N/A                       | 1/1                    |
| Ms LEE Yun Chun Marie-Christine                   | 5/5      | 5/5              | N/A                    | N/A                  | N/A                 | N/A                       | 1/1                    |
| <b>Total number of meetings</b>                   | <b>5</b> | <b>5</b>         | <b>2</b>               | <b>1</b>             | <b>11</b>           | <b>2</b>                  | <b>1</b>               |
| Average attendance rate of Directors <sup>3</sup> | 100%     | 100%             | 100%                   | 100%                 | 96.0%               | 100%                      | 100%                   |

Notes:

- Attendance is expressed as the number of meetings attended out of the number of meetings held.
- Attended as an invitee only.
- Average attendance rate is calculated without the invitees.
- Mr CHUNG Ming Kit was appointed as ED on 19 June 2025.

When Directors are unable to attend a Board or Board Committee meeting, they have the opportunity beforehand to review the relevant papers and discuss any agenda items or provide comments to the Chairman of the Board or the Board Committee Chairman as appropriate.



### Work Done by the Board in the Year

#### 5 meetings (100% attendance rate)

##### Financial

- ✓ Approved the annual results and annual report for the year ended 31 March 2025.
- ✓ Reviewed financial performance against budget and the market.
- ✓ Approved the interim report and interim results announcement for the six months ended 30 September 2025.
- ✓ Considered the unaudited quarterly results.
- ✓ Approved the content of various Corporate Communications and disclosure including results announcement, annual report, interim report and circular to the Shareholders regarding the AGM.

##### Strategic planning and business performance

- ✓ Reviewed and considered the Group's budget, strategic plans, short and long-term goals, business, financial and sustainability performance, as well as market and regulatory developments.

##### Corporate governance

- ✓ Approved the re-appointment of Mr TAN Wee Seng and Ms LEE Yun Chun Marie-Christine as INEDs.
- ✓ Approved the appointment of Mr CHUNG Ming Kit as ED.
- ✓ Approved the re-elections of Mrs CHAN KWOK Sze Wai Melody, Ms KWOK Sea Nga Kitty, Mr CHUNG Ming Kit and Ms LEE Yun Chun Marie-Christine as Directors at the AGM held on 21 August 2025.
- ✓ Approved the re-appointment of PwC as auditor of the Company.
- ✓ Considered reports from the chairs of the Board Committees.
- ✓ Reviewed ESG development and approved the Environmental, Social and Governance Report.
- ✓ Approved the revised board diversity policy.
- ✓ Adopted the workforce diversity policy.
- ✓ Reviewed the mechanism(s) to ensure independent views and input are available to the Board.
- ✓ Reviewed the implementation and effectiveness of Shareholder's Communication Policy and approved the revised policy.
- ✓ Approved the revised terms of reference of Nomination Committee.
- ✓ Directors' training.
- ✓ Approved the grant of share options and awarded Shares.
- ✓ Approved the change of Company Secretary and authorised representative.
- ✓ Received the report regarding the Board performance review.

### Meeting Process and Information of Directors

The Board and Board Committees meet regularly during the Year. The dates and time of meetings are planned usually in the year before to allow sufficient time for the Directors to schedule their activities.

The Board meets at least four times a year at approximately quarterly intervals. We held five Board meetings during the Year.

The formal notice and agenda of meetings are finalised by the Chairman of the Board and are usually sent to all Directors at least 14 days before each regular meeting. All Directors are given opportunities to comment on the agenda and to bring up additional matters for consideration at the meetings.

Meeting materials are usually sent to Directors in advance of each meeting to ensure that the Directors have full and timely access to relevant information. With a view to becoming more environmental-friendly by reducing paper consumption, meeting materials are distributed in electronic form and Directors are encouraged to read the electronic version.



Draft minutes recording substantive matters discussed and decisions resolved at the meetings are circulated to all Directors for their review and comments within a reasonable time of each meeting. The final version of the minutes is formally approved at the next meeting and a copy is sent to each Director for his/her record. The final executed version is placed on record and made available for inspection.

In the Year, we continued to hold our Board and Board Committee meetings in hybrid form allowing both physical and online attendance.

## Time Commitment of Directors

We recognise that it is important that all Directors should be able to contribute sufficient time to the Company to discharge their responsibility. All Directors have confirmed to the Company that they have given sufficient time and attention to the affairs of the Company and made contributions to the development of the Company's strategy and policies through independent, constructive and informed comments throughout the Year.

We understand that our Directors may be invited to hold positions in other private, public or professional organisations, or they may have other significant commitments. These engagements will broaden their knowledge and experience and may act to the benefit of the Company. Each Director has disclosed to the Company the number and nature of offices held by him/her in public companies or organisations and other significant commitments. None of our Directors, individually, held directorships in more than six listed companies (including the Company) as at 31 March 2026. Despite those commitments, each Director was able to give sufficient time and attention to the Company's affairs and perform his/her duties as Directors during the Year.

## Board Evaluation

We have conducted Board evaluation since 2016. This involved each Director completing a questionnaire rating the Board's performance on areas such as Board composition, sufficiency and effectiveness of the Board Committees, Board process, Board effectiveness, professional developments and the skills required of Directors in the context of the Company's strategic development. The findings were consolidated into an anonymised report for consideration at a Board meeting.

The Board is committed to reviewing its own performance and effectiveness every two years regularly.

## Model Code for Securities Transactions by Directors

We have adopted our own model codes regarding securities transactions by Directors and relevant employees on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules. Our model codes are extended to certain "relevant employees" who, because of their office or employment, are likely to possess inside information in relation to the Company or its securities. We have received confirmation from all Directors and relevant employees that they have complied with the Company's model codes throughout the Year.

## Conflicts of Interest

All Directors are required to comply with their common law duty to act in the best interests of the Company and to have particular regard to the interests of the Shareholders as a whole. Any perceived, potential or actual conflicts of interest between the Group and its Directors are to be avoided. The Directors are required to disclose their interests, if any, in any transactions, arrangements or other proposals considered by the Board at Board meetings. They are further required to abstain from voting if any conflicts of interest arise or if they become aware of any perceived or potential conflicts of interest. All declared interests are properly recorded and made accessible by Board members. No Director voted on any matter involving a potential or actual conflicts of interest between himself/herself and the Company or any of its subsidiaries in the Year.

## Directors' and Officers' Insurance

We have maintained a Directors' and Officers' liability insurance, which provides cover for any claims brought against our Directors and officers since 2001. The coverage is reviewed every year to ensure that it remains adequate in light of changing trends in the insurance market and other relevant factors. The insurance policy is available for inspection by the Directors upon request. No claim has been made against the insurance policy since 2001.

### Compliance with Laws and Regulations



To ensure that the Group complies with relevant laws and regulations and, where appropriate, meets or exceeds industry best practices, we constantly review our practices to keep up to date with the latest developments in regard to all relevant laws and regulations. Trainings on important topics such as the Listing Rules, anti-corruption, personal data privacy, and trade descriptions and practices are provided from time to time.

Various policies and procedures including, among others, the Conflict of Interest Policy, Whistleblowing Policy, and Gifts and Entertainment Policy, are in place, setting out the standards of conduct that our employees are required to follow. These policies and procedures are reviewed from time to time and updated where necessary and are made available to our employees through our Company's intranet, with some of the policies being published on our website.

The Company regards consumer protection legislation as having a significant impact on the Group and takes active steps to ensure compliance.

With respect to the protection of personal data, the Group has a compliance manual, which is a practical guide with examples and illustrations, case studies and compliance checklists aiming to assist employees to comply with their obligations under the laws and regulations governing personal data. The step-by-step compliance checklists cover the entire life cycle of personal data from their creation to destruction to ensure that the Group respects privacy concerns while using big data to drive business value.

The Group's legal team attended external seminars and workshops on a regular basis to keep informed of developments in personal data privacy and personal information protection laws. Changes and additions to the privacy policy and additional control measures are implemented on a timely basis. Our privacy policy is in compliance with the European Union's General Data Protection Regulation.

Apart from personal data protection, we have also devised a compliance manual for due compliance of the Trade Descriptions Ordinance. Other than legal requirements, the manual highlights the need for reasonable due diligence in the procurement and quality control process. The manual also includes a full set of compliance checklists, which provide our colleagues with practical guidance to help them fulfil their duties. The legal team regularly reviews and improves marketing and promotional materials as well as product information to ensure that the information provided to consumers is accurate and not misleading.

To ensure that our employees are properly trained in the legal requirements of trade description and trade practices, the legal team provides workshops or guidance to the business units on a regular basis.

To assist our colleagues with the classification of different products (including pharmaceutical products, orally consumed products, proprietary Chinese medicine, health food and supplements, and food), we have a compliance manual on "Medicine, Medical Advertisements and Food" detailing the laws and regulations governing each type of product. Workshops or guidance on the topic are provided to business units on a regular basis.

In relation to information known to "insiders" of the Group but not generally known to the market i.e. inside information, the Group has in place an Inside Information Policy setting out controls with regard to the handling and disclosure of such inside information and providing examples and illustrations to facilitate understanding and compliance.



## Risk Management and Internal Controls



The Group's risk management and internal control systems are designed with reference to the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Board is accountable for overseeing the Group's risk management and internal control systems and reviewing their effectiveness on an ongoing basis. The Management and other personnel are responsible for implementing and maintaining a robust system of internal controls that covers governance, compliance and risk management, as well as financial and operational controls. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, rather than absolute assurance of the followings:

- appropriateness and effectiveness of risk management and internal control systems;
- compliance with applicable laws, regulations, policies and procedures;
- reliability and integrity of financial reporting;
- effectiveness and efficiency of operations; and
- prevention and detection of fraud and irregularities.

The Board has delegated to the Risk Management Committee the overall responsibility for leading the Management in the establishment and maintenance of appropriate and effective risk management and internal control systems.

For the Board's review relating to the Company's ESG performance, reporting and ESG risks, please refer to the 2025/26 Environmental, Social and Governance Report of the Company.

### Risk Management Framework

Our Enterprise Risk Management ("ERM") framework provides a systematic and disciplined approach to the risk management process, which is embedded in the system of internal controls and is an integral part of corporate governance. The ERM framework helps sustain business success, creates value for stakeholders and supports the Board in discharging its corporate governance responsibilities by proactively identifying, addressing and managing major risks within the Group.

Details of the ERM system and process are set out in the Enterprise Risk Management Report on pages 66 to 74 of this annual report.

### Quality Management System

The Group is fully committed to quality management. We continually track standard procedures and control processes which have already been embedded in the daily operations. Compliance and significant risk areas will be reviewed by Internal Audit and Management Services Department ("IAMS Department") during individual audit engagements.

### Internal Audit Function

The IAMS Department is an independent and objective function that reports directly to the Audit Committee on a quarterly basis. The head of IAMS Department has direct access to the chairman of the Audit Committee. In addition, the IAMS Department has unfettered access to review all aspects of the Group's activities including corporate governance, risk management and control processes. It assists the Board independently to review the effectiveness of the Group's risk management and internal control systems to seek continuous improvement. The Internal Audit Charter, approved by the Audit Committee and adopted by the Board, is available on the Group's website.

To embrace the new retail era, internal audits must cultivate innovation and ensure that our audit approaches are sufficiently agile to respond to organisational changes in the transforming retail landscape. We plan to deploy the latest technologies to optimise and elevate audit processes, and continue providing assurance over changing business processes, controls and risks. The transformation of internal audit functions is a journey involving the use of new approaches to planning, executing and reporting by leveraging the proliferation of data and technology, and the ultimate objective of which is to add value to the Group that meets the increasing expectations of the Board and the Group's management.

In order to maintain a high level of professionalism and to prepare ourselves for this transformation, members of the IAMS Department are continuously encouraged to attend relevant external workshops or seminars and to conduct online self-study to keep abreast of the latest developments in the field.

### Internal Audit Activities

The IAMS Department adopts a risk-based approach to develop the annual and revise the quarterly audit plans that are aligned with the ERM framework and are strategic and objective centric. Potentially auditable activities are identified, prioritised and scoped based on our dynamic and continuous risk assessment which covers business activities involving material risks across the Group.

The Audit Committee reviews and approves the annual audit plan and all major subsequent changes made in the regular meetings. Significant financial, operational, compliance and fraud risk areas are further assessed during individual audit engagement to evaluate control effectiveness.

All findings and recommendations on internal control deficiencies for each audit engagement are communicated to the Management who are required to establish remediation plans to correct those control deficiencies within a reasonable time period. Post-audit reviews are performed to monitor agreed action plans and to ensure that corrective measures for previously identified control deficiencies have been implemented as intended and on a timely basis. Significant deficiencies of individual engagement are reported to and reviewed by the Audit Committee.

Aiming to enhance responsibility and accountability for risks and controls among management, we will continue to foster the implementation of control self-assessment within selected business units and processes. This involves identifying process owners and ensuring that they are responsible for assessing whether internal controls are present and functioning in their responsible processes. Benchmarking audit work will also be performed by the IAMS Department to assure their quality.

### Review of Risk Management and Internal Control Effectiveness

Through the Audit Committee, the Board has conducted an annual review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 March 2026, covering all material financial, operational and compliance controls. The Board considers the Group's risk management and internal control systems to be effective and adequate. There were no suspected material irregularities or significant areas of concern identified during the Year that might cause potential impact to our Shareholders.

The Audit Committee has annually reviewed the adequacy of resources, qualifications, experience and training programmes of the Group's IAMS Department and accounting and financial reporting staff and considered that staffing is adequate, with a conclusion that all staff members are of sufficient competence to carry out their designated roles and responsibilities.

## Shareholders and Investors



### 2026 Annual General Meeting

The AGM provides the Board with an opportunity to meet and engage directly with our Shareholders. The AGM for the Financial Year will be held on or around Thursday, 27 August 2026. Separate resolutions will be proposed at the meeting on each substantially separate issue and all voting will be conducted by poll. Notice of the AGM together with a circular, which sets out each resolution to be proposed at the AGM, will be sent to the Shareholders on or around Monday, 27 July 2026.

### Shareholders' Rights

Our Shareholders have the right to convene general meetings and to put forward proposals, details of which can be found on our website and on pages 75 to 76 of the "Investor Relations Report" in this Annual Report.

Shareholders are also welcome to make enquiries to the Board. For the procedure and contact details, please refer to pages 75 to 76 of the "Investor Relations Report" in this Annual Report.





## Communication with Shareholders

The Board and Management maintain a continuing dialogue with the Group's Shareholders and investors through various channels. The Chairman and other members of the Board and the external auditor attend AGM to meet Shareholders. The Directors will answer questions raised by the Shareholders on the performance of the Group. The Company holds press conferences and/or analyst briefings twice a year following the release of interim and annual results announcements at which the EDs are available to answer questions and receive feedback regarding the performance of the Group. Our corporate website which contains corporate information, interim and annual reports, announcements and circulars issued by the Company as well as the recent developments of the Group enable the Shareholders to have timely and updated information of the Group. Shareholders can refer to the "Shareholders' Communication Policy" posted on our corporate websites for more details.

The prevailing Shareholders' Communication Policy has been reviewed by the Board and was considered appropriate and effective with reference to the Shareholders base and composition. Based on the activities conducted as disclosed in the Investor Relations Report on pages 75 to 76 of this annual report, the Board is satisfied that the Shareholders' Communication Policy has been effectively implemented during the Year.

## Dividend Policy

The Board formalised and adopted a Dividend Policy in February 2019 and updated in November 2024. The main part of the policy is set out below.

### Policy Statement

1. Factors to be considered when deciding on dividend payout include the Company's financial performance and cash flow position, return to Shareholders, cash needed for the Group's business operations, expansion and inventory, capital expenditure requirements, funding for other business opportunities, and also a healthy financial buffer for unforeseen market circumstances.
2. With a view to providing stable financial return to Shareholders while retaining adequate reserves for market fluctuation and future growth, it is the Company's policy to pay regular dividends once or twice a year with a target pay out ratio of not less than 50% of the profit for the year attributable to owners of the Company.
3. The payment of dividends is subject to any restrictions under the laws and the Company's articles of association. The target pay out ratio above may be adjusted if circumstances require having considered the factors in paragraph 1.

### Scrip Dividend Alternative

4. The Board may offer a scrip dividend alternative with or without discount if it considers appropriate based on the expected costs to the Company, the dilution effect and Shareholders' expectation. The scrip dividend scheme has the advantages of enabling Shareholders to increase their investment in the Company without incurring brokerage fees, stamp duty and related dealing costs, while at the same time allowing the Company to retain for use, as working capital or as funding for new investments, the cash that would otherwise have been paid to the Shareholders had they elected to receive the dividend in cash, in whole or in part.

### Unclaimed Dividends

5. Pursuant to Article 156 of the Company's articles of association, all dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company, and after such forfeiture no Shareholder or other person shall have any right to or claim in respect of such dividends or bonuses.

## Constitutional Document

There was no change made to the constitutional document of the Company during the Year. A copy of the constitutional document is available on the website of the Company and that of the Stock Exchange.

## Other Shareholder-related Information

For details of the 2025 AGM, upcoming important dates and year-end public float capitalisation, please refer to pages 75 to 76 of the "Investor Relations Report" in this Annual Report.

## Directors' Acknowledgement on Financial Reporting



The Directors collectively acknowledge their responsibility for preparing the financial statements of the Company and its subsidiaries for the Year.

# ENTERPRISE RISK MANAGEMENT REPORT

## Our Approach

Effective risk management is essential to the achievement of the Group's strategic objectives and starts with the right conversations between the right stakeholders to drive the 'right' business decisions.

The Group's ERM system offers a systematic and disciplined approach to provide clear responsibility and accountability structures for risk management. It consists of three major components: risk governance; risk infrastructure and oversight; as well as assignment of risk ownership.

We actively identify and embed mitigation actions for material risks that could impact our current or future performance. Our risk management efforts engage all stakeholders in order to ensure we focus on the risks that could have the greatest impact and we take all reasonable steps to mitigate, but not necessarily eliminate, our principal risks. Accountability for managing risk is embedded into our management structure, an annual risk assessment establishes mitigation plans and monitors risk on a continual basis.

## Risk Management Committee (the "RMC")

The RMC, acting for the Board, independently reviews the assessment at least annually and receives regular reports on the risks faced across the business and the effectiveness of the actions taken to mitigate these risks. We use internal and external data to monitor our risks and to make proactive interventions. We also establish cross-functional working groups and use expert advice where necessary to ensure significant risks are effectively managed and, where appropriate, escalated to the RMC and the Board for consideration.

The Board is responsible for determining the Group's risk profile and risk appetite, with the latter defining the acceptable tolerance levels for key risks. The Board oversees the Group's risk management framework, reviews the Group's key existing and potential risks and their respective mitigation strategies, and ensures risk management effectiveness.

The Group formed the RMC in 2009 that comprises three Executive Directors as part of the Group's commitment to further enhancing our control environment. The RMC has written terms of reference that set out the responsibilities of the members, which are available on the Company's website. The RMC assists the Board in providing leadership to the management in relation to risk management and internal control. The RMC has overall responsibility for the establishment and maintenance of an appropriate and effective risk management and internal control systems including the design, implementation and monitoring of such systems for the Group.

For the year ended 31 March 2026, the RMC held two meetings to assess and re-assess the major risks and to review the management of these risks and the effectiveness of mitigation actions, while also actively identifying any positive business opportunities that arise in relation to these risks.

## Enterprise Risk Management (ERM)

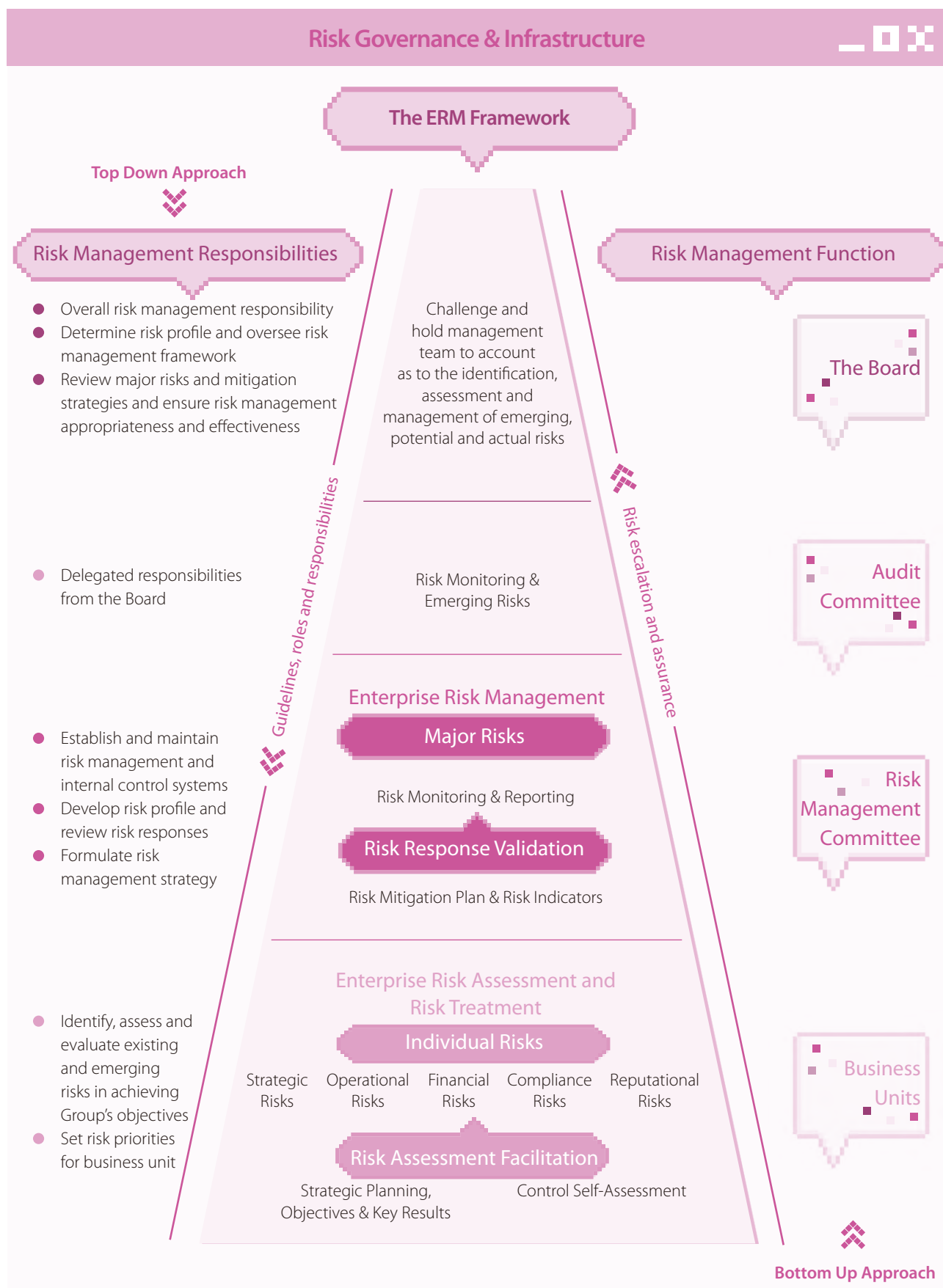
Risk assessment is the identification and analysis of existing and emerging risks in order to form a basis for determining how risks are managed in terms of likelihood and impact. Risk areas are categorised into strategic, operational, financial, compliance and reputational perspectives for further assessment and management. A bottom-up and top-down approach is adopted to ensure a holistic risk management process, and a risk register has been maintained since the inception of the ERM system. This register has been regularly monitored and updated by taking emerging risks into account for continuous risk assessment purposes and building the risk-based internal audit plan.

The Group has in place the Control Self-Assessment, requiring all business units and major departments in the headquarters to annually identify potential and significant risks and assess the adequacy and effectiveness of risk management and internal controls.

ERM uses risk indicators to identify and monitor major risks. The setting of risk indicators aligns with the risk appetite, representing the magnitude of risk the Group is willing to undertake in order to achieve its business goals. Risk owners are required to take mitigation actions to address these risks. Such actions are integrated into the Group's day-to-day management while their effectiveness are closely measured by risk indicators. This is used as a basis for reporting and discussion in the management meetings as well as in RMC meetings. If any risk indicators are worsening, the responsible risk owners are required to re-assess the existing remedial action plans and promptly propose new plans if necessary.

Members of the RMC meet as often as necessary to review and discuss the risk management progress of each of the major risks and to provide a continuous update on the business environment and to monitor any changes. The IAMS Department carries out continuous assessment on the progress of risk management procedures while it also evaluates the risk responses submitted by risk owners. The IAMS Department facilitates the RMC in reporting significant risks, material changes and the associated mitigation actions to the Audit Committee on a quarterly basis.

Purpose driven annual strategic planning based on objectives and key results aligned to the Group's strategic objectives (see section headed "Our Strategy") incorporating key performance indicators for all functions is conducted annually and progress is measured regularly throughout the year. These plans incorporate risks identified through ERM and provide management with a comprehensive set of indicators for monitoring both business performance and the associated risks. An illustrative diagram describing our ERM framework is set out on page 67 of this annual report.



## Ethical Business Practice

The RMC is committed to enforcing ethical business practices by setting the right tone at the top, as well as ensuring our employees uphold the highest standards of professional ethics. To evaluate and manage fraud risks, all business units and departments are required to formally assess and report annually their fraud risk exposure.

To proactively protect against fraud, we have established whistleblowing channels. All possible cases of fraud are followed up by IAMS Department or jointly, if appropriate, with other departments in the Group or with external investigators. Prompt disciplinary actions will be taken together with corrective actions to close the gaps and reduce the opportunity for fraudulent acts, and will be reported to the Executive Directors and Audit Committee.

To cultivate a culture of fairness, honesty and integrity among our employees, our Code of Business Conduct and supporting policies and standards set out compliance requirements which are embedded through continuous training and internal communications.

## Principal Risks

The RMC considers principal risks to be the most significant risks faced by the Group, including those that are the most material to our performance and that could threaten our business model or future long-term performance, solvency or liquidity. They do not comprise all the risks associated with our business and are not set out in priority order. Additional risks not known to the Management, or currently deemed to be less significant, may also have an adverse effect on the business.

The RMC continuously monitor emerging risks. Our management team undertakes horizon-scanning to monitor any potential disruptions that could dramatically change our industry and/or our business, from both a risk and opportunity perspective, to understand the changing landscape and take appropriate actions. We are currently monitoring a number of emerging risks across the business.

The following list does not include all of our risks, and the risks listed are not set out in order of priority. Risk Assessment refers to the relative change in risk intensity from the prior year.

| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Risk Assessment                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. Consumer Behaviour and Lifestyle Choices</b></p> <p>Consumer patterns are being disrupted by, but not limited to, digital technology, health and lifestyle priorities, altered consumption behaviour, and new formats and technologies.</p> <p>Consumer behaviour and lifestyle of local residents in Hong Kong has changed, with consumers more likely to return home earlier at night and a preference to travel during holidays, particularly to Chinese Mainland. Travel to Shenzhen just north of the boundary can be quicker than to other places within Hong Kong, making the casual unplanned trip to Chinese Mainland an increasing trend.</p> <p>This poses a risk to our business with more household spending allocated to travel and less hours allocated to shopping in Hong Kong, particularly at weekends and long public holidays. In addition, Chinese Mainland tourists increasingly prioritize local cultural experiences over traditional shopping trips.</p> <p>Inability to respond and adapt our products or processes to these disruptive market forces could impact our ability to effectively service our customers and consumers with the required agility, and result in financial loss.</p> | <p>The Group has formulated strategic plans and implemented management initiatives including:</p> <ul style="list-style-type: none"> <li>– Focusing on exclusive brands product mix to increase gross margin;</li> <li>– strengthening emerging product category sales such as inner beauty and beauty equipment to grow average sales value per transaction;</li> <li>– exploring new sales channels such as online livestreaming and Douyin promotional vouchers to boost customer traffic;</li> <li>– enabling OMO and improving the flexibility for consumers to shop and receive their goods;</li> <li>– systematic review of emerging consumer and route to consumer trends at market and brand level; and</li> <li>– variance analysis, identifying changes in consumer attitudes and spending.</li> </ul> <p>In addition, the Hong Kong SAR Government is actively tackling these intrinsic structural issues by stimulating inbound travel and promoting mega-events with the opening of Kai Tak Stadium.</p> | <p><b>Increasing</b> </p>  |



| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                              | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Risk Assessment                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>2. Product Competitiveness</b></p> <p>Our success hinges upon our ability to identify product trends, anticipate changing customer demands, and respond promptly.</p> <p>However, we face the risk that our products may not gain consumer acceptance due to the rapid shifts in consumer preferences, for example, the increasing prominence for niche brands and, China brands among Chinese Mainland consumers.</p> | <p>We are implementing a revamped CRM program and investing in data analysis to identify consumer preferences and trends, and provide personalised experiences.</p> <p>Our Category Management and Product Development team is actively introducing new and emerging brands from around the world to address changing consumer preferences and enhance customer loyalty. We have a highly diversified portfolio of brands from across the world, to ensure broad coverage of consumer occasions, country of origin, trends and price points.</p> <p>Our offering of a broad range of quality beauty products at competitive prices is in line with the proven concept of serving as a “one-stop beauty product specialty platform”. While our core categories are skincare, make-up and fragrance, developing new product categories in line with our purpose of “making life beautiful” such as beauty equipment and inner beauty related health and fitness products, is a core driver of growth. By adopting a broader product offering, we can better serve and hence improve the loyalty of existing customers, and also attract new customers and customer segments.</p> | <p><b>Increasing</b> </p>  |
| <p><b>3. Product Quality and Counterfeit</b></p> <p>Accidental or malicious contamination of raw materials or finished product; quality control issues through our supply chain management; and/or ineffective intervention to address quality issues in products supplied to market, could cause harm to consumers, damage our corporate and brand reputation.</p>                                                          | <p>The Group invests significant resources in quality control to ensure only genuine and quality products are sold through our channels.</p> <p>In recognition of these efforts, the Group has received Q-Mark Elite Brand Award for the past 20 years. Additionally, the Group has participated in HKSAR Government Intellectual Property Department’s “No Fakes Pledge” Scheme for 20+ years and has been recognised under “The Quality Tourism Services Scheme” by Hong Kong Tourism Board. The Group is so confident in these investments that both online and offline customers enjoy a 30-day Purchase Guarantee.</p> <p>Regular risk assessments are undertaken against our product quality standards.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p><b>Stable</b> </p>  |



| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Risk Assessment                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>4. Market Concentration Risk</b></p> <p>The Group's core region and sales channel is offline stores in Hong Kong and Macao SARs, where 48.6% of sales (71.5% pre-covid) were from Chinese Mainland tourists.</p> <p>After covid, numerous alternative sales channels have opened up in Chinese Mainland, including the duty free island of Hainan. Chinese Mainland shopping habits have somewhat changed and they are accustomed to shop at these alternative channels.</p> <p>This could significantly impact the ability of the Group to recover tourist sales mix to pre-covid levels.</p> | <p>One of the Group's core strategic goals is to diversify sales channels outside offline stores in Hong Kong and Macao SARs.</p> <p>In order to facilitate steps towards these goals, accountability of markets and channels is clearly established with designated management teams.</p> <p>Strategic plans for each market are clearly defined and encompass the Group's core strategic pillars of:</p> <ol style="list-style-type: none"> <li>1. Customer-centric approach;</li> <li>2. Sourcing premium global trend products; and</li> <li>3. Seamless omni-channel shopping experience.</li> </ol> <p>Please refer to "Our Strategy" on pages 13 to 16 of this annual report.</p> <p>We have strengthened our content marketing on trending social media applications such as Xiaohongshu to reach our target consumers and communicate our product offering. We also align online and offline promotional activities and run complementary marketing campaigns promoting interaction with consumers and the creation of a holistic shopping experience.</p> <p>We are focused on enabling OMO in order to stay "customer-centric" and allow them to shop across channels and jurisdiction with consistency of experience. We are striving to accelerate OMO development by further increasing collaboration between our online business teams and our retail store business units, and deploying technology to enhance seamless touch points with customers.</p> <p>We leverage the offline store Beauty Consultants to provide best-in-class consumer experience and act as the glue for OMO via chat commerce.</p> | <p><b>Decreasing</b> </p>  |



| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Risk Assessment                                                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>5. Cybersecurity and Personal Data Privacy Risks</b></p> <p>There is a rise in cyber-attacks and related crimes. Sophisticated cyber and IT threats (both within our network and at third parties), including those facilitated through breaches of internal policies and unauthorised access continue to be prevalent, and could lead to theft, loss and misappropriation of critical assets, such as personal and consumer data, and operational/production systems.</p> <p>As the world becomes increasingly digital and the collection and use of data becomes more prevalent, the potential risks related to data collection and use within the Group are also expected to intensify. Personal data privacy risks may result in losses to our customers, potential fines, and damage to our reputation and business.</p> | <p>To mitigate these risks, we have invested in:</p> <ul style="list-style-type: none"> <li>Enterprise-wide cyber risk management processes and policies are in place.</li> <li>Cyber security training and awareness outreach program, including regular newsletters to deliver anti-fraud messages and increase public awareness of scams among all employees.</li> <li>Identity and access management framework.</li> <li>IT disaster recovery and business continuity testing across key systems.</li> <li>Monitoring of internal systems and response strategies for cyber threats.</li> <li>The Group has a personal data privacy policy in place and has developed a compliance manual, a practical guide complete with examples and illustrations, case studies and compliance checklists – aiming to assist employees comply with their obligations under laws and regulations governing personal data.</li> </ul> <p>These measures are aimed at proactively protecting our digital assets, minimising the impact of cyber incidents, and ensuring the confidentiality, integrity, and availability of our systems and data.</p> | <p><b>Increasing</b> </p>  |

| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Risk Assessment                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <p><b>6. Talent Acquisition, Retention and Succession for Critical Positions</b></p> <p>Competition for talent has been a recurring theme and continues to remain a challenge for the Group. However, demographic changes post pandemic have increased the severity of this risk including reduction in the working population due to emigration abroad and overall low unemployment rate.</p> <p>Human capital is one of the most important assets and the departure of employees who hold critical positions within the organisation for an extended period of time can present a significant risk to business continuity.</p> <p>In situations where such departures are at short notice or beyond the control of the organisation, such as retirement, illness, or unforeseen circumstances, there is a genuine concern regarding the potential loss of invaluable knowledge and expertise. This loss could also have a significant impact on the seamless continuity of business operations. The wealth of experience and industry insights possessed by these seasoned professionals represents an irreplaceable asset that greatly contributes to the success and stability of the Company.</p> | <p><b>New Recruitment Channels</b></p> <p>In addition to expanding our traditional recruitment channels, the Group is leveraging the power of social media, mobile apps and other electronic channels to acquire talent and raise our profile with the public. The Group also makes use of internal resources and networks through the Staff Referral Scheme.</p> <p><b>Home Grown Talent – Future Management Pipeline</b></p> <p>Our Management Trainee Programme targets high potential university graduates, offering them an individually planned, fast track career path to managerial level in our frontline sales operations, logistics or e-commerce business. Over the years, the scheme has provided many managers for the organisation.</p> <p><b>Training and Development</b></p> <p>We have in place a series of effective functional training and development programmes such as Junior Beautician Trainee (JBT) and Sales Trainee programmes. These are offered in our Sa Sa Beauty Academy, 'Big Sister and Brother scheme' and the Sa Sa e-learning platform with the aim of upgrading staff competency levels, ensure consistency in service quality and to promote team spirit.</p> <p><b>Succession Plan</b></p> <p>To ensure smooth transitions and mitigate any potential disruptions from employee departures, we have embedded succession plans in our people management by identifying potential candidates with the necessary skills, knowledge, and potential to assume key positions in the future. This can be achieved through performance evaluations, talent assessments, and discussions with managers and department heads.</p> <p>We have also implemented development plans to cultivate potential successors and prepare them for future positions. This may involve providing training, mentoring, job rotations, stretch assignments, and exposing them to cross-functional teams or projects.</p> | <p><b>Increasing</b></p>  |



| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Risk Assessment                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>7. Technology and Artificial Intelligence</b></p> <p>There is an increasing trend in using newly developed technology and artificial intelligence ("AI") in business operation, aims to be more efficient, creative and to provide more tailor-made services and experiences to the customers. Therefore, if we are not being up-to-date with these technologies, it would reduce our competitive advantage.</p> <p>However, due to increasing usage of the new technology and AI tools, certain risks associated also need to be dealt with. Privacy related risk, such as compliance with required privacy notices and receipt of consents in using certain data, are significant concerns. The complexity and lack of transparency in many AI models and technological tools, coupled with the speed of technological advancements may make it difficult for companies to understand, assess and utilize their functions while fully managing the related risks.</p> | <p>To stay ahead of the times, the Group actively adopts AI technology to deliver innovative experiences to customers. On the online shopping platform, the Group has introduced an "AI Beauty" that analyses customers' skin and hair conditions to recommend suitable skincare and haircare products, enhancing the personalisation of the shopping experience. Additionally, the Group has launched an "AI Makeup Artist" service in physical stores, offering tailor-made makeup suggestions to customers. This not only enriches the in-store experience but also helps attract more customer engagement and strengthen brand loyalty.</p> <p>To manage AI-related privacy risks, we have established comprehensive framework implementing strict data controls, conducting regular compliance audits, and training staff on responsible AI use. All systems require explicit user consent and minimise data retention. We vet third-party AI tools to ensure they meet our privacy standards, protecting customer information while leveraging technology's benefits.</p> | <p><b>Increasing</b> </p>      |
| <p><b>8. Geopolitical Volatility and Business Interruption</b></p> <p>Geopolitical forces, coupled with macro-economic stress, increase the likelihood of international and domestic tensions, disputes, conflict, unrest, and crime.</p> <p>A significant interruption to our business due to external events or a global health emergency could restrict access to our products, negatively affect our operations and brands, or pose a threat to the safety of our employees; any of which could have a negative impact on our commercial and financial performance.</p>                                                                                                                                                                                                                                                                                                                                                                                                   | <p>We have policies in place to prioritise the health and safety of our people.</p> <p>There is a Business Continuity Programme in place, including training, to enhance our capability to react effectively to a crisis and minimise disruption.</p> <p>Supply chain risk and inventory management enables us to better maintain operations through volatility.</p> <p>Multi-channel product availability enables consumers to flexibly continue to purchase our products.</p> <p>Insurance policies are in place to protect against the financial consequences of covered events.</p> <p>Home working capability is well established and supports business continuity.</p>                                                                                                                                                                                                                                                                                                                                                                                                    | <p><b>Increasing</b> </p>  |

| Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mitigation Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Risk Assessment                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>9. Macroeconomic and Financial Volatility</b></p> <p>Consumer demand is increasingly disrupted as a result of heightened macroeconomic volatility, with inflation, rising oil prices and cost-of-living crises across many countries adversely impacting consumer spending power.</p> <p>Failure to react quickly enough to changing macro-economic conditions and financial volatility could erode consumer confidence and propensity to spend, adversely impacting financial performance.</p> <p>Macroeconomic conditions include inflationary pressures, unemployment and global trade tensions. Financial volatility risk could arise from variability in financial and property markets, interest rate fluctuations and currency instability.</p>                                                                                                                                | <p>We monitor local and global key business drivers and performance to prepare for changes in the external environment.</p> <ul style="list-style-type: none"> <li>• Currency monitoring takes place in combination with forecast forex receipts and payments to manage volatility which arises.</li> <li>• Group-level strategic analysis and scenario planning is managed at both headquarters and at local level, to manage risk across the business.</li> <li>• We have multi-country and local sourcing strategies.</li> <li>• Acute issues including inflation are embedded in monthly country level management meetings and managed accordingly.</li> </ul> <p>We actively manage down the working capital life cycle to preserve cash.</p>                                                                                                                                                                                                                                                           | <p><b>Increasing</b> </p>      |
| <p><b>10. Extreme Weather and Natural Disasters</b></p> <p>As global temperatures continue to rise due to climate change, extreme weather events and natural disasters increase in frequency and intensity. Simultaneously, heavy rainfall and typhoons are also becoming a more common occurrence.</p> <p>Unsafe or undesirable travel conditions prevent customers from visiting physical stores, reducing traffic and spending appetite, leading to sudden revenue drop.</p> <p>Extreme weather or natural disasters may also destroy store and office premises, damage inventory, and force temporary closures, whilst also poses a threat to employees' health and safety.</p> <p>Supply chains are also vulnerable to extreme weather – raw material and product scarcity, transport disruptions causing major delays in getting product to shelves impacting business operation.</p> | <p>To mitigate the risks arising from climate change, the Group has implemented the following plans:</p> <ul style="list-style-type: none"> <li>• Maintaining appropriate insurance coverage for different disaster scenarios.</li> <li>• Establishing Business Continuity Programme providing guidelines on how to react under different conditions to minimise disruption and ensure smooth recovery, with scheduled testings to ensure resilience of the critical systems.</li> <li>• Diversify product supply source and sales channel to ensure supply chain risks are kept at an acceptable level and provide flexible product availability to customers.</li> </ul> <p>The Group also understands the importance of environmental protection and the impact it has towards climate change. Sa Sa will strive to contribute towards the cause with full dedication in view of building a sustainable future. Please refer to 2025/26 Environmental, Social and Governance Report for more details.</p> | <p><b>Increasing</b> </p>  |

# INVESTOR RELATIONS REPORT



## Shareholders' Communication Policy

To facilitate effective and systematic Shareholders' communications with higher standard of IR practices, the Board approved and adopted the "Shareholders' Communication Policy" on 19 March 2012, setting out the aims and practices to engage in two-way communication with Shareholders and the investment community. It is available on the Company's website for public reference.

## Multi-Channel Information Disclosure

Sa Sa is committed to delivering accurate information to the capital markets in a timely, non-exclusive and high transparency manner. In addition to fulfilling mandatory reporting requirements for listed companies, such as annual results announcement and shareholder meetings, we also leverage various media channels to enhance digital applications and explore various modes of corporate communication and interaction, including voluntary disclosure of quarterly performance announcements, social media updates (LinkedIn, Facebook etc.), store visits, press releases and conference calls. These channels allow the stakeholders from different backgrounds fully understand the Group's business and financial situation for making informed investment decisions.

In response to the trends of sustainability and digitalisation, the Group actively implements "paperless" measures in various areas, including the provision of QR codes during analyst briefings to allow the analysts to access the Company's presentation materials through electronic devices to reduce paper waste. We will also explore more strategies to enhance efficient investors communication.

## Shareholders Meetings

Shareholders' meetings are held to ensure Shareholders can participate in or appoint proxies to hear from and put questions to Directors regarding the Group's performance, and to vote for resolutions as set out in the AGM notice. These are proposed at the AGM for consideration and, where appropriate, approval by the Shareholders. The last Shareholders' meeting was the AGM held at Training Room 1, 8/F, Block B, MP Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on 21 August 2025 (Thursday) at 12:30 p.m. Particulars of the major items considered at such AGM were set out in the circular of the Company dated 21 July 2025. All proposed ordinary resolutions were passed by way of poll voting at such AGM. The 2026 AGM will be held at Training Room 1, 8/F, Block B, MP Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on 27 August 2026 (Thursday) at 12:00 noon.

## Shareholders' Rights

Shareholders can make a request to convene a general meeting on the written requisition of any two or more Shareholders or on the written requisition of any one Shareholder that is a registered clearing house, provided that such requisitions held as at the date of deposit of the requisition are not less than one-tenth of the paid-up capital of the Company. Such percentage of requisitions carries the right of voting at general meetings of the Company, according to the procedures as set out in "How Shareholders Can Convene an Extraordinary General Meeting", which is available on the Company's website for public reference.

Towards the end of each general meeting held by the Company, there are opportunities for Shareholders to raise questions or put forward proposals. Shareholders may also contact Investor Relations at [ir@sasa.com](mailto:ir@sasa.com) or by writing to 8/F, Block B, MP Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong if they have proposals they would like the Company to consider at any other time. Shareholders who wish to propose a formal resolution for consideration at the Shareholders' meeting should convene an extraordinary general meeting in accordance with the procedures mentioned in the first paragraph of this section. Enquiries may also be made at any time via the captioned method.

## Shareholder Information

### Financial Calendar

|                                                                                                             |                                            |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| FY2025/26 interim results announcement                                                                      | 20 November 2025                           |
| FY2025/26 annual results announcement                                                                       | 25 June 2026                               |
| For determining Shareholders' eligibility to attend and vote at 2026 AGM:<br>Closure of register of members | 24–27 August 2026<br>(both days inclusive) |
| Record date                                                                                                 | 27 August 2026                             |
| 2026 AGM                                                                                                    | 27 August 2026                             |
| FY2026/27 interim results announcement                                                                      | Mid to late November 2026                  |

### Share Listing

|                                    |              |
|------------------------------------|--------------|
| First listed on the Stock Exchange | 13 June 1997 |
|------------------------------------|--------------|



## INVESTOR RELATIONS REPORT

### Listing and Stock Codes

#### Ordinary Shares

|                                 |               |
|---------------------------------|---------------|
| The Stock Exchange of Hong Kong | 178           |
| Bloomberg                       | 178 HK Equity |
| Reuters                         | 0178.HK       |
| ADR Level 1 Programme           | SAXJY         |

### Stock Information

|                                                      |                     |
|------------------------------------------------------|---------------------|
| Board lot                                            | 2,000 shares        |
| Nominal value per share                              | HK\$0.1             |
| Number of ordinary shares issued as at 31 March 2026 | 3,103,189,458       |
| Public float as at 31 March 2026                     | Approximately 35.8% |

| Share Performance                             | FY2025/26 | FY2024/25 | Market Capitalisation<br>(As at 31 March) | HK\$ Billion |
|-----------------------------------------------|-----------|-----------|-------------------------------------------|--------------|
| Closing price as at 31 March (HK\$ per share) | 0.75      | 0.62      | 2026                                      | 2.3          |
| Highest price (HK\$ per share)                | 0.77      | 0.94      | 2025                                      | 1.9          |
| Lowest price (HK\$ per share)                 | 0.51      | 0.62      | 2024                                      | 2.6          |
| Average daily trading volume (million shares) | 4.2       | 3.3       | 2023                                      | 5.7          |
| Average daily trading amount (HK\$ million)   | 2.6       | 2.4       | 2022                                      | 4.3          |

## Dividend History

The Group will strive to maintain a consistently high dividend payout policy whenever profitable, taking into consideration the Group's high return on equity, development plans and cash flow. The decision of the Board also takes into account any special circumstances.

| Financial Year | Basic<br>(HK Cents per share) |       | Special<br>(HK Cents per share) |       | Total | Dividend<br>Yield (%) | Dividend<br>Payout<br>Ratio |
|----------------|-------------------------------|-------|---------------------------------|-------|-------|-----------------------|-----------------------------|
|                | Interim                       | Final | Interim                         | Final |       |                       |                             |
| 2025/26        | 1.15                          | 3.4   | –                               | 1.9   | 6.45  | 8.6%                  | ~100%                       |
| 2024/25        | 0.75                          | 1.7   | –                               | –     | 2.45  | 3.9%                  | 70%*                        |
| 2023/24        | –                             | 5.0   | –                               | –     | 5.0   | 6.0%                  | 71%                         |

\* Taking core profit for 2024/25 financial year of HK\$107.0 million to calculate dividend payout ratio.

## Investor Relations Enquiries and Communications

For enquiries regarding investor relations or corporate information, please contact:

Corporate Communications and Investor Relations Department  
Sa Sa International Holdings Limited  
8<sup>th</sup> Floor, Block B, MP Industrial Centre, 18 Ka Yip Street, Chai Wan,  
Hong Kong  
Investor relations hotline: (852) 2975 3733  
Email: [ir@sasa.com](mailto:ir@sasa.com)

## Shareholders Service and Enquiries

For enquiries about your shareholding including change of name or address, transfer of shares, loss of share certificates or dividend cheques, registrations and requests for annual/interim report copies, please contact the Company's branch share registrar and transfer office:

Tricor Investor Services Limited  
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong SAR  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185  
Email: [is-enquiries@vistra.com](mailto:is-enquiries@vistra.com)  
Website: <https://srhk.vistra.com>

Shareholders can manage their shareholding online by creating an online Member Account with Tricor Investor Services Centre or use their online Holding Enquiry Services to enquire about holding details, such as company and personal particulars as well as share balances. For details, please visit <https://srhk.vistra.com>.

# DIRECTORS' REPORT



The Directors have pleasure in presenting their report together with the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2026 (the "Financial Year" or "Year").

## Principal Activities and Segment Analysis of Operations

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries are set out in note 33 to the consolidated financial statements.

An analysis of the Group's turnover and results for the Year by business segments is set out in note 6 to the consolidated financial statements.

## Business Review

A fair review of the Group's business is provided in the Management Discussion & Analysis section (pages 23 to 33). Description of the principal risks and uncertainties facing the Group can be found in the Enterprise Risk Management Report (pages 66 to 74). No important event affecting the Group has occurred since the end of the Financial Year. The outlook of the Group's business is discussed under Our Strategy (pages 13 to 16) and the Management Discussion & Analysis section (page 33). Certain financial key performance indicators which complement and supplement our financial disclosures are set out on pages 17 to 20. An account of the Company's relationships with its stakeholders and discussions on the Group's environmental policies and performance are included in the standalone Environmental, Social and Governance Report. To the extent necessary for an understanding of the development, performance or position of the Company's business, discussions on the Company's compliance with the relevant laws and regulations that have a significant impact on the Company are set out in the Corporate Governance Report.

A separate Environmental, Social and Governance Report is distributed electronically to reduce resources consumed in the printing and distribution of hard copies. It is available for public viewing on the Company's website ([corp.sasa.com](http://corp.sasa.com)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)).

The above sections form part of this Directors' Report.

## Results and Appropriations

The results for the Year are set out in the consolidated income statement on page 95 of this annual report.

An interim dividend of 1.15 HK cents (2025: 0.75 HK cents) per Share was paid on 19 December 2025. The Board proposed the payment of a final dividend of 3.4 HK cents (2025: 1.7 HK cents) per Share and a final special dividend of 1.9 HK cents (2025: Nil) per Share for the Financial Year. Such dividends will be proposed for approval by Shareholders at the AGM to be held on Thursday, 27 August 2026, and, if approved, are payable to Shareholders whose names appear on the register of members of the Company on Thursday, 3 September 2026. Total dividends paid and to be paid in respect of the Year amounted to HK\$200,156,000.

## Dividend Policy

The Company has a policy on the payment of dividends, which is set out in the Corporate Governance Report on page 65 of this annual report.

## Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last 10 financial years is set out on pages 17 to 20 of this annual report.

## Major Customers and Suppliers

During the Year, the percentage of purchases attributable to the Group's five largest suppliers combined and the percentage of sales attributable to the Group's five largest customers combined were both less than 30% of the Group's respective purchases and sales for the Year.

## Reserves

Details of the movements in reserves of the Group and the Company during the Year are set out in notes 29 and 34 to the consolidated financial statements.

### Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group during the Year are set out in note 16 to the consolidated financial statements.

### Share Capital

Details of the movements in share capital of the Company during the Year are set out in note 28 to the consolidated financial statements.

### Equity-linked Agreements

Save for the Share Option Schemes as set out on pages 78 to 83 of this annual report, there was no equity-linked agreement entered into by the Company during the Year or subsisted at the end of the Year.

### Share Options

#### Share Option Schemes

- **2012 Share Option Scheme**

A share option scheme was adopted on 23 August 2012 and became unconditional and effective on 27 August 2012 (the "2012 Share Option Scheme"). The 2012 Share Option Scheme expired on 23 August 2022. Upon expiration of the 2012 Share Option Scheme, no option was available for grant as at 1 April 2025 and 31 March 2026 and no further options were granted under it during the Year but its provisions continued to govern options granted under this scheme up to and including 23 August 2022. The total number of Shares which may be issued upon exercise of all options granted under the scheme is 300,000 Shares, which represented 0.01% of the total issued share capital of the Company as at 31 March 2026. A summary of the 2012 Share Option Scheme is set out below:

(a) **Purpose**

To provide Participants (as defined below) with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

(b) **Participants**

Any directors (including executive, non-executive directors and independent non-executive directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any members of the Group whom the Board or a duly authorised committee thereof considers, in its sole discretion, to have contributed to the Group.

(c) **Total number of Shares available for issue**

- (i) The maximum number of Shares in respect of which options may be granted under the 2012 Share Option Scheme shall not (when aggregated with any Shares subject to any other share option scheme(s) of the Company) exceed 10% in nominal amount of the issued share capital of the Company on 23 August 2012, the date on which the 2012 Share Option Scheme was adopted (the "2012 Scheme Mandate Limit"). Option lapsed in accordance with the terms of the 2012 Share Option Scheme will not be counted for the purpose of calculating the 2012 Scheme Mandate Limit.
- (ii) The 2012 Scheme Mandate Limit may be renewed at any time subject to prior Shareholders' approval but in any event shall not exceed 10% of the issued share capital of the Company as at the date of approval of the renewal of the 2012 Scheme Mandate Limit. Options previously granted under the 2012 Share Option Scheme or any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the terms or exercised options) will not be counted for the purpose of calculating the refreshed 2012 Scheme Mandate Limit.
- (iii) The maximum number of Shares in respect of which options may be granted to grantees under the 2012 Share Option Scheme and other share option schemes of the Company shall not exceed 30% in nominal amount of the issued share capital of the Company from time to time.
- (iv) As at 25 June 2026, no further options could be granted under the 2012 Share Option Scheme and the total number of Shares which may be issued upon exercise of all options granted under the scheme was 300,000 Shares, which represented 0.01% of the total issued share capital of the Company on that date.



## Share Options (continued)

### Share Option Schemes (continued)

#### • 2012 Share Option Scheme (continued)

##### (d) Maximum entitlement of each participant

The maximum number of Shares in respect of which options may be granted under the 2012 Share Option Scheme to a specifically identified single Participant shall not (when aggregated with any Shares subject to any other share option scheme(s) of the Company and including exercised, cancelled and outstanding options) in any 12-month period exceed 1% of the Shares in issue.

The Company may grant options beyond the said individual limit to Participants if (i) the Company has first sent a circular to Shareholders containing the identity of the Participant in question, the number and terms of the options to be granted (and options previously granted to such Participant) and other relevant information as required under the Listing Rules; and (ii) separate Shareholders' approval has been obtained in general meeting with the proposed Participant and his associates abstaining from voting.

##### (e) Option period

The period within which the Shares must be taken up under an option shall be notified by the Board to each grantee at the time of making an offer which shall not expire later than 10 years from the date of grant of the relevant option.

##### (f) Minimum period for which an option must be held before it can be exercised

The minimum period, if any, for which an option must be held before it can be exercised shall be determined by the Board at its absolute discretion. The 2012 Share Option Scheme itself does not specify any minimum holding period.

##### (g) Consideration on acceptance of the option

HK\$1.00 is required to be paid by the grantee to the Company on acceptance of the option offer as consideration.

##### (h) Basis of determining the subscription price

The subscription price shall be determined by the Board in its absolute discretion but in any event shall not be less than the highest of:

- (i) the closing price of the Company's Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant;
- (ii) the average closing price of the Company's Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; or
- (iii) the nominal value of a Share of the Company.

##### (i) Remaining life of the 2012 Share Option Scheme

The 2012 Share option Scheme expired on 23 August 2022.

Details of the share options granted under the 2012 Share Option Scheme and their movements during the Year are set out below:

| Name                            | Date of grant | Exercise price per Share (HK\$) | Exercise period                | Number of Share Options        |                         |                           |                        |                                 |
|---------------------------------|---------------|---------------------------------|--------------------------------|--------------------------------|-------------------------|---------------------------|------------------------|---------------------------------|
|                                 |               |                                 |                                | Outstanding as at 1 April 2025 | Granted during the Year | Exercised during the Year | Lapsed during the Year | Outstanding as at 31 March 2026 |
| Directors                       |               |                                 |                                |                                |                         |                           |                        |                                 |
| Ms Ki Man Fung Leonie           | 13 April 2018 | 4.65                            | 13 April 2020 to 12 April 2028 | 100,000                        | –                       | –                         | –                      | 100,000                         |
| Mr TAN Wee Seng                 | 13 April 2018 | 4.65                            | 13 April 2020 to 12 April 2028 | 100,000                        | –                       | –                         | –                      | 100,000                         |
| Ms LEE Yun Chun Marie-Christine | 13 April 2018 | 4.65                            | 13 April 2020 to 12 April 2028 | 100,000                        | –                       | –                         | –                      | 100,000                         |
|                                 |               |                                 |                                | 300,000                        | –                       | –                         | –                      | 300,000                         |

No share options were cancelled during the Year.

The vesting date of the share options granted on 13 April 2018 under the 2012 Share Option Scheme is 13 April 2020, being the second anniversary date from the date of grant.

### Share Options (continued)

#### Share Option Schemes (continued)

- **2022 Share Option Scheme**

Following the expiration of the 2012 Share Option Scheme, the Company adopted a new share option scheme (the "2022 Share Option Scheme") on 31 August 2022. The number of options available for grant under the 2022 Share Option Scheme as at 1 April 2025 and 31 March 2026 was 310,318,945 and 282,318,945, respectively. The number of options available for grant under the Service Provider Sublimit (as defined below) as at 1 April 2025 and 31 March 2026 was both 31,031,894. A summary of the 2022 Share Option Scheme is set out below:

(a) **Purpose**

To reward and incentivise the Participants (as defined below) for their contribution or potential contribution to the Group and to align their interests with those of the Company and the Shareholders, and/or to recruit and retain high calibre Participants and attract human resources that are valuable to the Group.

(b) **Participants**

The Board shall, in accordance with and subject to the provisions of the 2022 Share Option Scheme and the Listing Rules, be entitled but shall not be bound at any time within the period of ten years commencing on 31 August 2022, the date on which the 2022 Share Option Scheme was adopted (the "Adoption Date"), to make an offer to any person belonging to the following classes of participants to subscribe, subject to such conditions as the Board may think fit, and no person other than the Participant named in such offer may subscribe, for such number of Shares at such subscription price as the Board shall determine:

- (i) any employee (whether employed on a full-time or part-time basis, including any executive director but excluding any non-executive director) of the Company or its subsidiaries (including persons who are granted options as an inducement to enter into employment contracts with the Group) (the "Eligible Employee");
- (ii) any non-executive director (including independent non-executive director) of the Company or its subsidiaries;
- (iii) any director and employee of any holding company, fellow subsidiary or associated company of the Company;
- (iv) any shareholder of any member of the Group; and
- (v) any person(s) who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group as determined by the Remuneration Committee, including advisers, consultants, distributors, contractors, suppliers, agents, business partners, joint venture partners, promoters and service providers of any member of the Group, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, or consultants providing professional services to the Group (the "Service Providers").

and, for the purposes of the 2022 Share Option Scheme, the offer may be made to a trust or similar arrangement for the benefit of a specified Participant subject to the fulfilment of requirements of the Listing Rules (including waiver from the Stock Exchange, where applicable).



## Share Options (continued)

### Share Option Schemes (continued)

- **2022 Share Option Scheme (continued)**

- (c) **Total number of Shares available for issue**

- (i) The maximum number of Shares in respect of which options may be granted under the 2022 Share Option Scheme shall not (when aggregated with any Shares subject to any other share option scheme(s) and share award scheme(s) that involve(s) the issuance of new Shares) exceed 10% of the total number of Shares in issue on the Adoption Date (the "Scheme Mandate Limit"), and in respect of options that may be granted to Service Providers, a sublimit of 1% of the total number of Shares in issue on the Adoption Date (the "Service Provider Sublimit"). Option lapsed in accordance with the terms of the 2022 Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.
    - (ii) Where applicable under the Listing Rules, the Company may seek approval by the Shareholders in general meeting to refresh the Scheme Mandate Limit (and the Service Provider Sublimit) after three years from the date of Shareholders' approval for the last refreshment (or the adoption of the 2022 Share Option Scheme), provided that:
      - (a) the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the 2022 Share Option Scheme and any other share option schemes and all awards to be granted under any share award schemes that involve the issuance of new Shares under the scheme mandate as refreshed shall not exceed 10% of the total number of the Shares in issue as at the date of approval of the refreshed scheme mandate;
      - (b) the Company has first sent a circular to the Shareholders containing the number of options that were already granted under the existing Scheme Mandate Limit and the Service Provider Sublimit, and the reason for such refreshment; and
      - (c) any additional refreshment within any three-year period must be approved by independent Shareholders in accordance with the relevant requirement of the Listing Rules.
    - (iii) Where applicable under the Listing Rules, the maximum number of Shares in respect of which options may be granted to grantees under the 2022 Share Option Scheme and other share option schemes of the Company shall not exceed 30% of the total number of the Shares in issue from time to time or such limit in accordance with the Listing Rules.
    - (iv) As at 25 June 2026, the total number of Shares available for issue under the 2022 Share Option Scheme and the total number of Shares which may be issued upon exercise of all options to be granted under the scheme was 310,318,945 Shares and 282,818,945 Shares, respectively, which represented 10.00% and 9.11% of the total issued share capital of the Company as at that date, respectively.

- (d) **Maximum entitlement of each Participant**

The maximum number of Shares in respect of which options may be granted to a specifically identified single Participant under the 2022 Share Option Scheme in any 12-month period up to and including the date of such grant shall not (when aggregated with any Shares subject to any other share option scheme(s) and share award scheme(s) that involve(s) the issuance of new Shares excluding any options lapsed in accordance with the terms of the 2022 Share Option Scheme) exceed 1% of the Shares in issue (the "Individual Limit").

Where applicable under the Listing Rules, the Company may grant options beyond the Individual Limit to Participants if (i) the Company has first sent a circular to Shareholders containing the identity of the Participant in question, the number and terms of the options to be granted (and options previously granted to such Participant in the aforesaid 12-month period), the purpose of granting the options to the Participant and an explanation as to how the terms of the options serve such purpose; (ii) the number and terms of the options to be granted to the Participant has been fixed before Shareholders' approval; and (iii) separate Shareholders' approval has been obtained in general meeting with the proposed Participant and his close associates (or his associates if the Participant is a connected person) abstaining from voting.



## Share Options (continued)

### Share Option Schemes (continued)

#### • 2022 Share Option Scheme (continued)

##### (e) Period within which the option may be exercised by the grantee

The period to be notified by the Board to each grantee as being the period during which an option may be exercised as the Board determines at its discretion, save that such period shall not be more than ten years from the date of grant of the relevant option.

##### (f) Vesting period of options granted

The minimum period for which an option must be held before it can be exercised, which shall not be less than 12 months, save where applicable under the Listing Rules when the Remuneration Committee has approved the offer of options to a specifically identified Participant who is an Eligible Employee or a non-executive director (including independent non-executive director) of the Company or its subsidiaries with a shorter vesting period, and the Company has clearly explained the reason for so doing in the announcement regarding the relevant grant of options published by the Company as required under the Listing Rules.

##### (g) Consideration on acceptance of the option

HK\$1.00 is required to be paid by the grantee to the Company on acceptance of the option offer as consideration and the option offer must be accepted by not later than 30 days from the date of grant.

##### (h) Basis of determining the subscription price

The subscription price shall be determined by the Board in its absolute discretion but in any event shall not be less than the higher of:

- (i) the closing price of the Company's Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant;
- (ii) the average closing price of the Company's Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; or
- (iii) the nominal value of a Share of the Company.

##### (i) Remaining life of the 2022 Share Option Scheme

The 2022 Share Option Scheme is valid for a period of ten years commencing on 31 August 2022. The remaining life of the 2022 Share Option Scheme is around 6 years and 2 months.

Details of the share options granted under the 2022 Share Option Scheme and their movements during the Year are set out below:

|                              |                |                                                                                                        |                                  |                                 |                                                         | Number of Share Options |                 |                 |                 |                     |
|------------------------------|----------------|--------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|---------------------------------------------------------|-------------------------|-----------------|-----------------|-----------------|---------------------|
| Name                         | Date of grant  | Closing price of the Shares immediately before the date on which the share options were granted (HK\$) | Exercise period                  | Exercise price per Share (HK\$) | Fair value of share options on the date of grant (HK\$) | Outstanding             | Granted         | Exercised       | Lapsed          | Outstanding         |
|                              |                |                                                                                                        |                                  |                                 |                                                         | as at 1 April 2025      | during the Year | during the Year | during the Year | as at 31 March 2026 |
| Director                     |                |                                                                                                        |                                  |                                 |                                                         |                         |                 |                 |                 |                     |
| Mrs CHAN KWOK Sze Wai Melody | 8 October 2025 | 0.62                                                                                                   | 8 October 2027 to 7 October 2035 | 0.65                            | 0.2256                                                  | –                       | 1,100,000       | –               | –               | 1,100,000           |
| Ms KWOK Sea Nga Kitty        | 8 October 2025 | 0.62                                                                                                   | 8 October 2027 to 7 October 2035 | 0.65                            | 0.2256                                                  | –                       | 1,100,000       | –               | –               | 1,100,000           |
| Mr CHUNG Ming Kit            | 8 October 2025 | 0.62                                                                                                   | 8 October 2027 to 7 October 2035 | 0.65                            | 0.2256                                                  | –                       | 1,100,000       | –               | –               | 1,100,000           |
| Employees                    | 8 October 2025 | 0.62                                                                                                   | 8 October 2027 to 7 October 2035 | 0.65                            | 0.2215                                                  | –                       | 27,190,000      | –               | (2,490,000)     | 24,700,000          |
|                              |                |                                                                                                        |                                  |                                 |                                                         | –                       | 30,490,000      | –               | (2,490,000)     | 28,000,000          |



## Share Options (continued)

### Share Option Schemes (continued)

- **2022 Share Option Scheme (continued)**

The share options granted on 8 October 2025 are subject to achievement of personal performance target based on the Company's Performance Management System before they can be vested.

No share options were cancelled during the Year.

The vesting periods of the share options granted on 8 October 2025 under the 2022 Share Option Scheme shall be no less than 12 months from the date of grant and the share options shall be vested and become exercisable in four tranches as set out below:

- 10% of the share options granted are exercisable during the period from 8 October 2027 to 7 October 2035 (both days inclusive).
- 20% of the share options granted are exercisable during the period from 8 October 2028 to 7 October 2035 (both days inclusive).
- 30% of the share options granted are exercisable during the period from 8 October 2029 to 7 October 2035 (both days inclusive).
- 40% of the share options granted are exercisable during the period from 8 October 2030 to 7 October 2035 (both days inclusive).

The fair values of the share options granted during the Year as determined using the binomial pricing model and prepared by International Valuation Limited were listed below:

| Date of grant  | Number of share options granted | Exercise period of share options                                                | Fair value per share option granted to directors (HK\$) | Fair value per share option granted to employees (HK\$) |
|----------------|---------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| 8 October 2025 | 30,490,000                      | 3,049,000 share options may be exercised from 8 October 2027 to 7 October 2035  | 0.2256                                                  | 0.2215                                                  |
|                |                                 | 6,098,000 share options may be exercised from 8 October 2028 to 7 October 2035  | 0.2256                                                  | 0.2215                                                  |
|                |                                 | 9,147,000 share options may be exercised from 8 October 2029 to 7 October 2035  | 0.2256                                                  | 0.2215                                                  |
|                |                                 | 12,196,000 share options may be exercised from 8 October 2030 to 7 October 2035 | 0.2256                                                  | 0.2215                                                  |

The significant inputs into the model were share price of HK\$0.65 on the grant date, exercise price of HK\$0.65, volatility of 42.99%, dividend yields of 4.38%, based on the stock price and historical dividend payout of the Company and an annual risk-free interest rate of 3.00%. The volatility measured based on historical volatility of the Company, excluding abnormalities (if any), for the period before the valuation date (8 October 2025) with length best commensurate to remaining contractual life of the options. The fair values calculated by adopting the closing price of the Company's publicly traded share as of the valuation date (8 October 2025). The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

### Share Award Scheme

The share award scheme was adopted by the Board on 11 April 2014 (the "Share Award Scheme"). The awarded Shares are acquired by the independent trustee, at the costs of the Company, and held under a trust on and subject to, among others, the terms and conditions of the Share Award Scheme. Awarded Shares will be vested in the selected employees according to the terms of grant determined by the Board.

As at 31 March 2026, a total of 8,032,000 awarded Shares had been granted pursuant to the Share Award Scheme, out of which 210,000 awarded Shares remained unvested. During the Year, a total of 565,000 awarded Shares were lapsed and remained part of the trust fund under the Share Award Scheme. A summary of the Share Award Scheme is set out below:

**(a) Purposes**

The purposes of the Share Award Scheme are: (a) to recognise the contributions by certain employees and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (b) to attract suitable personnel for further development of the Group.

**(b) Participants**

The Board may, from time to time, at its absolute discretion select any individual being an employee (including without limitation any executive director) of any member of the Group (other than any employee who is resident in a place where the award of the awarded Shares and/or the vesting and transfer of the awarded Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such employee) for participation in the Share Award Scheme as a selected employee, and grant such number of awarded Shares to any employee(s) selected by the Board pursuant to the scheme rules for participation in the Share Award Scheme at no consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

**(c) Administration**

The Share Award Scheme may be subject to the administration of the Board and the trustee in accordance with the scheme rules and the trust deed.

**(d) Maximum limit**

The maximum number of Shares which may be granted under the Share Award Scheme shall not exceed 5% of the total issued Shares from time to time. The maximum number of Shares which may be awarded to a selected employee under the Share Award Scheme within a period of 12 months shall not exceed 1% of the total issued Shares from time to time.

**(e) Vesting period of awarded Shares granted**

A selected employee shall be entitled to receive the awarded Shares vested in him/her in accordance with the vesting schedule (if any) and subject to the selected employee having satisfied all vesting conditions (if any) specified by the Board at the time of making the award. Vesting of the awarded Shares will be conditional on the selected employee remaining an employee of the Group as provided in the scheme rules on the relevant vesting dates.

**(f) Consideration on acceptance of the awarded Shares**

No consideration.

**(g) Basis of determining the purchase price of awarded Shares**

No such provision in the Share Award Scheme.

The Board shall from time to time cause to be paid funds out of the Group's resources to the trustee sufficient for the acquisition of the awarded Shares. The trustee shall keep the Board informed from time to time of the number of Shares purchased and the price at which those Shares have been purchased. The Shares so purchased and any balance of the funds after completion of the purchase shall also form part of the trust fund.

**(h) Remaining life of the Share Award Scheme**

Subject to any early termination as may be determined by the Board pursuant to the scheme rules, the Share Award Scheme shall be valid and effective for a term of 15 years commencing from 11 April 2014, the date on which the Share Award Scheme was adopted. The remaining life of the Share Award Scheme is around 2 years and 10 months.



## Share Award Scheme (continued)

### (i) Voting rights

The trustee shall not exercise the voting rights in respect of any Shares held by it under the trust.

Details of the awarded Shares granted under the Share Award Scheme and their movements during the Year are set out below:

|                   |                  |                                                  |                                                                                                         |                                      |                                                                                                                         | Number of awarded Shares       |                         |                        |                        |                                 |
|-------------------|------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------|------------------------|------------------------|---------------------------------|
| Name              | Date of award    | Average fair value <sup>#</sup> per Share (HK\$) | Closing price of the Shares immediately before the date on which the awarded Shares were granted (HK\$) | Vesting period*                      | Weighted average closing price of the Shares immediately before the date on which the awarded Shares were vested (HK\$) | Outstanding as at 1 April 2025 | Awarded during the Year | Vested during the Year | Lapsed during the Year | Outstanding as at 31 March 2026 |
|                   |                  |                                                  |                                                                                                         |                                      |                                                                                                                         |                                |                         |                        |                        |                                 |
| Director          |                  |                                                  |                                                                                                         |                                      |                                                                                                                         |                                |                         |                        |                        |                                 |
| Mr CHUNG Ming Kit | 16 July 2025     | 0.59                                             | 0.60                                                                                                    | 16 July 2025 to 2 December 2027      | –                                                                                                                       | –                              | 100,000                 | –                      | –                      | 100,000                         |
| Employees         | 8 February 2024  | 0.82                                             | 0.85                                                                                                    | 8 February 2024 to 19 August 2025    | –                                                                                                                       | 25,000                         | –                       | –                      | (25,000)               | –                               |
|                   |                  |                                                  |                                                                                                         | 8 February 2024 to 19 September 2025 | –                                                                                                                       | 25,000                         | –                       | –                      | (25,000)               | –                               |
|                   |                  |                                                  |                                                                                                         | 8 February 2024 to 20 November 2025  | –                                                                                                                       | 15,000                         | –                       | –                      | (15,000)               | –                               |
|                   | 12 December 2024 | 0.71                                             | 0.71                                                                                                    | 12 December 2024 to 1 August 2027    | –                                                                                                                       | 50,000                         | –                       | –                      | –                      | 50,000                          |
|                   |                  |                                                  |                                                                                                         | 12 December 2024 to 2 July 2027      | –                                                                                                                       | 30,000                         | –                       | –                      | –                      | 30,000                          |
|                   | 16 July 2025     | 0.59                                             | 0.60                                                                                                    | 16 July 2025 to 11 February 2030     | –                                                                                                                       | –                              | 300,000                 | –                      | (300,000)              | –                               |
|                   |                  |                                                  |                                                                                                         | 16 July 2025 to 20 January 2030      | –                                                                                                                       | –                              | 200,000                 | –                      | (200,000)              | –                               |
|                   |                  |                                                  |                                                                                                         | 16 July 2025 to 3 February 2028      | –                                                                                                                       | –                              | 30,000                  | –                      | –                      | 30,000                          |
|                   |                  |                                                  |                                                                                                         |                                      |                                                                                                                         | 145,000                        | 630,000                 | –                      | (565,000)              | 210,000                         |

<sup>#</sup> The fair value of awarded Shares was determined with reference to market price of the Shares at the date of award.

<sup>\*</sup> The period during which all the specified vesting conditions of the awarded Shares are to be satisfied.

No awarded Shares were cancelled during the Year.

## Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association and there are no restrictions against such rights under the laws in the Cayman Islands where the Company was incorporated.

## Buy-back, Sale or Redemption of Shares

During the Year, there was no buy-back, sale or redemption of the Company's listed securities (including sale of treasury Shares (if any)) by the Company or any of its subsidiaries, except that the trustee of the Share Award Scheme, pursuant to the rules and trust deed of the Share Award Scheme, purchased on the Stock Exchange a total of 2,664,000 Shares at a total consideration of approximately HK\$1,551,000.

As at 31 March 2026, the Company did not hold any treasury Shares.

## Subsidiaries

Details of the Company's principal subsidiaries as at 31 March 2026 are set out in note 33 to the consolidated financial statements.

## Capitalised Interest

No interest was capitalised by the Group during the Year (2025: Nil).

### Distributable Reserves

As at 31 March 2026, the reserves of the Company available for distribution amounted to HK\$1,576,393,000 (2025: HK\$1,667,707,000).

### Donations

The Group made donations during the Year totalling HK\$3,776,000 (2025: HK\$2,518,600).

### Directors

The Directors who held office during the Year were:

#### Executive Directors

Dr KWOK Siu Ming Simon, *SBS, JP* (Chairman and CEO)

- date of appointment: 3 December 1996\*
- date of last re-election in AGM as a Director: 22 August 2024

Dr KWOK LAW Kwai Chun Eleanor, *BBS, JP* (Vice-chairman)

- date of appointment: 3 December 1996\*
- date of last re-election in AGM as Director: 22 August 2024

Mrs CHAN KWOK Sze Wai Melody, *MH, JP*

- date of appointment: 2 September 2019\*
- date of last re-election in AGM as Director: 21 August 2025

Ms KWOK Sea Nga Kitty

- date of appointment: 31 August 2022\*
- date of last re-election in AGM as a Director: 21 August 2025

Mr CHUNG Ming Kit (CFO and Company Secretary)

- date of appointment: 19 June 2025\*
- date of last re-election in AGM as a Director: 21 August 2025

#### Independent Non-executive Directors

Ms KI Man Fung Leonie, *GBS, SBS, JP*

- date of appointment: 15 December 2006
- date of last re-election in AGM as a Director: 22 August 2024
- term of directorship: three years commencing on 15 December 2024\*

Mr TAN Wee Seng

- date of appointment: 26 June 2012
- date of last re-election in AGM as Director: 24 August 2023
- term of directorship: three years commencing on 26 August 2025\*

Prof The Hon CHAN Hiu Fung Nicholas, *BBS, MH, JP*

- date of appointment: 2 September 2019
- date of last re-election in AGM as Director: 24 August 2023
- term of directorship: three years commencing on 27 August 2023\*

Ms LEE Yun Chun Marie-Christine

- date of appointment: 2 September 2024
- date of last re-election in AGM as Director: 21 August 2025
- term of directorship: three years commencing on 22 August 2025\*

Pursuant to Article 116 of the articles of association of the Company, Dr KWOK Siu Ming Simon, Dr KWOK LAW Kwai Chun Eleanor, Mr TAN Wee Seng and Prof The Hon CHAN Hiu Fung Nicholas will retire by rotation at the forthcoming AGM and, all being eligible, each of them will offer herself/himself for re-election.

\* Subject to the provisions on rotation and retirement in the articles of association of the Company.



## Confirmation of Independence from INEDs

The Company has received a written confirmation from each INED of his/her independence pursuant to Rule 3.13 of the Listing Rules which has been reviewed by the Nomination Committee. Both the Nomination Committee and the Board consider all INEDs to be independent throughout the Year and that they remain so as at the date of this annual report.

## Directors' Service Contracts

None of the Directors offering himself/herself for re-election at the forthcoming AGM has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

## Contracts of Significance

No transaction, arrangement and contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any Director or his/her connected entity is or was materially interested, either directly or indirectly, subsisted during or at the end of the Year.

## Indemnification of Directors

The articles of association of the Company provide that Directors shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour, or in which he/she is acquitted. All Directors have the benefit of directors' and officers' liability insurance. The Company has taken out and maintained director's and officers' liability insurance throughout the Year.

## Biographical Details of Directors and Senior Management

The updated biographical information of the Directors and senior management is set out on pages 37 to 42 of this annual report.

## Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2026, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code are set out below:

### (I) Long Position in the Shares, Underlying Shares and Debentures of the Company

| Name of Director                | Number of Shares in the Company |                  |                              |                          |                 | Approximate percentage of the Shares in issue <sup>(1)</sup> |
|---------------------------------|---------------------------------|------------------|------------------------------|--------------------------|-----------------|--------------------------------------------------------------|
|                                 | Personal interests              | Family interests | Corporate interests          | Derivatives interests    | Total interests |                                                              |
| Dr KWOK Siu Ming Simon          | 40,728,000                      | –                | 1,948,734,297 <sup>(2)</sup> | –                        | 1,989,462,297   | 64.1102%                                                     |
| Dr KWOK LAW Kwai Chun Eleanor   | –                               | 40,728,000       | 1,948,734,297 <sup>(2)</sup> | –                        | 1,989,462,297   | 64.1102%                                                     |
| Mrs CHAN KWOK Sze Wai Melody    | 110,000                         | 6,000            | –                            | 1,100,000 <sup>(3)</sup> | 1,216,000       | 0.0392%                                                      |
| Ms KWOK Sea Nga Kitty           | 110,000                         | –                | –                            | 1,100,000 <sup>(3)</sup> | 1,210,000       | 0.0390%                                                      |
| Mr CHUNG Ming Kit               | 1,000,000                       | –                | –                            | 1,200,000 <sup>(3)</sup> | 2,200,000       | 0.0709%                                                      |
| Ms KI Man Fung Leonie           | –                               | –                | –                            | 100,000 <sup>(3)</sup>   | 100,000         | 0.0032%                                                      |
| Mr TAN Wee Seng                 | –                               | –                | –                            | 100,000 <sup>(3)</sup>   | 100,000         | 0.0032%                                                      |
| Ms LEE Yun Chun Marie-Christine | –                               | –                | –                            | 100,000 <sup>(3)</sup>   | 100,000         | 0.0032%                                                      |



## Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

### (I) Long Position in the Shares, Underlying Shares and Debentures of the Company (continued)

Notes:

- (1) Based on 3,103,189,458 Shares in issue as at 31 March 2026.
- (2) These Shares are held as to 1,506,926,594 Shares by Sunrise Height Incorporated, as to 440,407,703 Shares by Green Ravine Limited and as to 1,400,000 Shares by Million Fidelity International Limited. All of these companies are owned as to 50% each by Dr KWOK Siu Ming Simon and Dr KWOK LAW Kwai Chun Eleanor.
- (3) Details of the derivatives interests in the Shares of the Directors and their movement during the Year are disclosed in the sections of share options schemes on pages 79 and 82 and share award scheme on page 85 of this annual report.

### (II) Long Position in the Shares, Underlying Shares and Debentures of Associated Corporations

Dr KWOK Siu Ming Simon and Dr KWOK LAW Kwai Chun Eleanor are each taken to be interested in all the issued non-voting deferred shares (the "Deferred Shares") of Base Sun investment Limited ("Base Sun"), Matford Trading Limited ("Matford"), Sa Sa Cosmetic Company Limited and Sa Sa Investment (HK) Limited, all of which are wholly-owned subsidiaries of the Company.

Details of interests in the Deferred Shares as at 31 March 2026 are set out below:

#### Dr KWOK Siu Ming Simon: Number of Deferred Shares in associated corporation

| Name of associated corporation | Personal interests | Family interests | Corporate interests | Other interests | Total interests | Percentage of shareholding to all the Deferred Shares of associated corporation |
|--------------------------------|--------------------|------------------|---------------------|-----------------|-----------------|---------------------------------------------------------------------------------|
| Base Sun Investment Limited    | –                  | –                | 2 <sup>(1)</sup>    | –               | 2               | 100%                                                                            |
| Matford Trading Limited        | 3 <sup>(2)</sup>   | –                | –                   | –               | 3               | 50%                                                                             |
| Sa Sa Cosmetic Company Limited | 1                  | –                | –                   | –               | 1               | 50%                                                                             |
| Sa Sa Investment (HK) Limited  | 1                  | –                | –                   | –               | 1               | 50%                                                                             |

#### Dr KWOK LAW Kwai Chun Eleanor: Number of Deferred Shares in associated corporation

| Name of associated corporation | Personal interests | Family interests | Corporate interests | Other interests | Total interests | Percentage of shareholding to all the Deferred Shares of associated corporation |
|--------------------------------|--------------------|------------------|---------------------|-----------------|-----------------|---------------------------------------------------------------------------------|
| Base Sun Investment Limited    | –                  | –                | 2 <sup>(1)</sup>    | –               | 2               | 100%                                                                            |
| Matford Trading Limited        | 3 <sup>(3)</sup>   | –                | –                   | –               | 3               | 50%                                                                             |
| Sa Sa Cosmetic Company Limited | 1                  | –                | –                   | –               | 1               | 50%                                                                             |
| Sa Sa Investment (HK) Limited  | 1                  | –                | –                   | –               | 1               | 50%                                                                             |

Notes:

- (1) Dr KWOK Siu Ming Simon and Dr KWOK LAW Kwai Chun Eleanor together hold two Deferred Shares in Base Sun through Win Win Group International Limited ("Win Win") and Modern Capital Investment Limited ("Modern Capital"). Win Win and Modern Capital are companies beneficially owned as to 50% each by Dr KWOK Siu Ming Simon and Dr KWOK LAW Kwai Chun Eleanor and each of Win Win and Modern Capital holds one Deferred Share in Base Sun.
- (2) Dr KWOK Siu Ming Simon holds three Deferred Shares in Matford through Mr YUNG Leung Wai Tony who acts as a nominee shareholder.
- (3) Dr KWOK LAW Kwai Chun Eleanor holds three Deferred Shares in Matford through Ms KWOK Lai Yee Mabel who acts as a nominee shareholder.



## Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

### (II) Long Position in the Shares, Underlying Shares and Debentures of Associated Corporations (continued)

Save as disclosed above, no Director or chief executive of the Company has any interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### Directors' Benefits from Rights to Acquire Shares or Debentures

Save as disclosed under the sections of share option schemes on pages 79 and 82 and share award scheme on page 85 of this annual report, at no time during the Year was the Company or its subsidiaries, a party to any arrangements which enabled the Directors (including their spouses or children under 18 years of age), to acquire benefits by means of acquisition of shares in or debenture of the Company or any other body corporate.

## Interests and Short Positions in Shares and Underlying Shares of Substantial Shareholders

As at 31 March 2026, substantial Shareholders (as defined in the Listing Rules), other than a Director or chief executive of the Company, who had interests and short positions in the Shares and underlying Shares which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO are as follows:

### Long Position of Substantial Shareholders in the Shares

| Name of Substantial Shareholders           | Capacity         | No. of Shares held | Approximate percentage shareholding <sup>(1)</sup> |
|--------------------------------------------|------------------|--------------------|----------------------------------------------------|
| Sunrise Height Incorporated <sup>(2)</sup> | Beneficial owner | 1,506,926,594      | 48.56%                                             |
| Green Ravine Limited <sup>(2)</sup>        | Beneficial owner | 440,407,703        | 14.19%                                             |

Notes:

(1) Based on 3,103,189,458 Shares in issue as at 31 March 2026.

(2) Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Dr KWOK Siu Ming Simon and Dr KWOK LAW Kwai Chun Eleanor.

## Interests and Short Positions in Shares and Underlying Shares of Other Persons

As at 31 March 2026, the Company has not been notified of any persons (other than the Directors or chief executives or substantial shareholders of the Company) who had interests or short positions in the Shares or underlying Shares as recorded in the register to be kept under Section 336 of the SFO.

## Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

## Related Party Transactions

The transactions with related parties disclosed in note 32 to the consolidated financial statements do not constitute discloseable connected transactions under the Listing Rules.

### Connected Transactions

During the Year, there were no connected transactions or continuing connected transactions that were not fully exempted from shareholders' approval, annual review and all disclosure requirements under the Listing Rules.

### Specific Performance Obligation on Controlling Shareholder

As disclosed in the Company's announcement dated 7 August 2020, Sa Sa Cosmetic Company Limited (an indirect wholly-owned subsidiary of the Company) as borrower obtained general banking facilities from a bank to finance the working capital requirements of the Group. Such banking facilities are provided by way of two revolving loan facilities up to an aggregate amount of HK\$80,000,000 with no specific tenor, which may be modified, cancelled or suspended at any time without prior notice at the bank's sole discretion.

It is a condition of the banking facilities, among others, that Dr KWOK Siu Ming Simon and/or his family members shall maintain (whether directly or indirectly) not less than 51% shareholding of the Company, and Dr KWOK Siu Ming Simon shall remain as chairman of the Board.

### Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the total issued share capital of the Company is held by the public as at the date of this report.

### Auditor

The financial statements for the Year have been audited by PricewaterhouseCoopers who retired and, being eligible, offered itself for re-appointment. A resolution to re-appoint it and to authorise the Directors to fix its remuneration will be proposed for approval at the forthcoming AGM. There has been no change of auditor in the preceding three years.

On behalf of the Board

**KWOK Siu Ming Simon**

*Chairman and CEO*

Hong Kong, 25 June 2026

# INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

**To the Shareholders of Sa Sa International Holdings Limited**  
(incorporated in the Cayman Islands with limited liability)

## Opinion

### What we have audited

The consolidated financial statements of Sa Sa International Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 95 to 154, comprise:

- the consolidated statement of financial position as at 31 March 2026;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## INDEPENDENT AUDITOR'S REPORT

The key audit matter identified in our audit is related to impairment of retail store assets.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Impairment of retail store assets</b> <p>Refer to Notes 16 and 17(a) to the consolidated financial statements.</p> <p>The Group had net book value of approximately HK\$186 million and HK\$507 million of property, plant and equipment and right-of-use assets as at 31 March 2026 respectively, of which approximately HK\$77 million and HK\$470 million were attributable to its retail stores respectively.</p> <p>Management considers each retail store as a separate cash-generating unit ("CGU") and has carried out assessments of the macroeconomic environment, each retail store's financial performances, the Group's plan to use the retail store assets and the stage of operation of the retail store as of the reporting date to identify whether there are indicators for impairment. If impairment indicators exist, management conducted an impairment assessment by estimating the recoverable amounts of the relevant CGU using value-in-use ("VIU") calculation.</p> <p>We focused on this area because the identification of impairment indicators and estimation of recoverable amounts of the relevant retail stores are subject to significant management's judgements and estimations.</p> | <p>We evaluated and tested the impairment assessment of the property, plant and equipment and right-of-use assets of the retail stores by performing the following procedures:</p> <ul style="list-style-type: none"><li>– understood management's controls and processes for assessment on impairment indicators of retail stores and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and other inherent risk factors;</li><li>– tested management's assessment as to which relevant CGU has indicators of impairment by:<ul style="list-style-type: none"><li>• engaging in discussions with management regarding the methods used in the assessment of impairment indicators, including consideration of both external and internal sources of information;</li><li>• testing the input data used by management, on a sample basis, in the assessment of impairment indicators; and</li><li>• comparing historical budgets to actual results.</li></ul></li><li>– for those CGUs with impairment indicators, reviewed management's VIU analyses by:<ul style="list-style-type: none"><li>• enquiring of management in relation to key assumptions in their business plan and evaluated the key assumptions applied, such as revenue growth rate, percentage change of running costs and gross profit margin, etc. by comparing them to historical information and our understanding of latest market information and conditions;</li><li>• recomputing the recoverable amounts of cash generating units and compared with their respective carrying amounts; and</li><li>• evaluating the sensitivity analysis to ascertain the extent of change in the key assumptions either individually or collectively that would result in the retail store assets being impaired and also considered the likelihood of such a change in the key assumptions.</li></ul></li></ul> <p>Based on our work performed, we found the result of the impairment assessment of retail store assets made by management to be supported by available evidence.</p> |



## Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



## INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is So Sing Wai, Donald (practising certificate number: P07311).

### **PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 25 June 2026

# CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2026



|                                                                                                                                    | Note | 2026<br>HK\$'000   | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|------------------------------------------------------------------------------------------------------------------------------------|------|--------------------|-------------------------------------------|
| <b>Continuing operations</b>                                                                                                       |      |                    |                                           |
| Turnover                                                                                                                           | 5    | <b>4,382,600</b>   | 3,839,055                                 |
| Cost of sales                                                                                                                      | 8    | <b>(2,707,983)</b> | (2,323,055)                               |
| Gross profit                                                                                                                       |      | <b>1,674,617</b>   | 1,516,000                                 |
| Other income                                                                                                                       | 5    | <b>24,511</b>      | 24,259                                    |
| Selling and distribution costs                                                                                                     | 8    | <b>(1,256,854)</b> | (1,183,011)                               |
| Administrative expenses                                                                                                            | 8    | <b>(198,608)</b>   | (202,646)                                 |
| Other gains – net                                                                                                                  | 7    | <b>8,197</b>       | 4,573                                     |
| Operating profit                                                                                                                   |      | <b>251,863</b>     | 159,175                                   |
| Finance income                                                                                                                     | 11   | <b>10,505</b>      | 15,142                                    |
| Finance costs                                                                                                                      | 11   | <b>(25,464)</b>    | (28,440)                                  |
| Profit before income tax                                                                                                           |      | <b>236,904</b>     | 145,877                                   |
| Income tax expense                                                                                                                 | 12   | <b>(34,235)</b>    | (14,941)                                  |
| <b>Profit for the year from continuing operations</b>                                                                              |      | <b>202,669</b>     | 130,936                                   |
| <b>Loss for the year from discontinued operation</b>                                                                               | 13   | <b>(2,179)</b>     | (53,963)                                  |
| <b>Profit for the year attributable to owners of the Company</b>                                                                   |      | <b>200,490</b>     | 76,973                                    |
| Earnings per share from continuing operations attributable to owners of the Company for the year (expressed in HK cents per share) |      |                    |                                           |
| Basic                                                                                                                              | 14   | <b>6.5</b>         | 4.2                                       |
| Diluted                                                                                                                            | 14   | <b>6.5</b>         | 4.2                                       |
| Earnings per share for profit attributable to owners of the Company for the year (expressed in HK cents per share)                 |      |                    |                                           |
| Basic                                                                                                                              | 14   | <b>6.5</b>         | 2.5                                       |
| Diluted                                                                                                                            | 14   | <b>6.5</b>         | 2.5                                       |

The notes and disclosures on pages 100 to 154 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

|                                                                                                   | Note  | 2026<br>HK\$'000 | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|---------------------------------------------------------------------------------------------------|-------|------------------|-------------------------------------------|
| <b>Profit for the year</b>                                                                        |       | <b>200,490</b>   | 76,973                                    |
| <b>Other comprehensive income/(loss)</b>                                                          |       |                  |                                           |
| <u>Item that will not be reclassified subsequently to profit or loss</u>                          |       |                  |                                           |
| Actuarial losses on retirement benefit obligations                                                | 27(b) | <b>(817)</b>     | (850)                                     |
| <u>Items that may be reclassified to profit or loss</u>                                           |       |                  |                                           |
| Cash flow hedges, net of tax                                                                      |       | <b>(116)</b>     | 58                                        |
| Currency translation differences of foreign subsidiaries recorded in translation reserve          |       | <b>14,193</b>    | 7,496                                     |
| <b>Other comprehensive income for the year, net of tax</b>                                        |       | <b>13,260</b>    | 6,704                                     |
| <b>Total comprehensive income for the year attributable to owners of the Company</b>              |       | <b>213,750</b>   | 83,677                                    |
| Total comprehensive income/(loss) for the year attributable to owners of the Company arises from: |       |                  |                                           |
| Continuing operations                                                                             |       | <b>226,188</b>   | 137,310                                   |
| Discontinued operation                                                                            | 13    | <b>(12,438)</b>  | (53,633)                                  |
|                                                                                                   |       | <b>213,750</b>   | 83,677                                    |

The notes and disclosures on pages 100 to 154 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026



|                                              | Note  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------|-------|------------------|------------------|
| <b>ASSETS</b>                                |       |                  |                  |
| <b>Non-current assets</b>                    |       |                  |                  |
| Property, plant and equipment                | 16    | 186,143          | 200,585          |
| Right-of-use assets                          | 17(a) | 507,128          | 623,416          |
| Rental deposits and other assets             | 18    | 80,114           | 91,683           |
| Deferred tax assets                          | 19    | 158,476          | 177,140          |
|                                              |       | <b>931,861</b>   | 1,092,824        |
| <b>Current assets</b>                        |       |                  |                  |
| Inventories                                  | 20    | 767,313          | 670,036          |
| Trade receivables                            | 21    | 51,231           | 64,746           |
| Other receivables, deposits and prepayments  | 22    | 150,702          | 125,136          |
| Income tax recoverable                       |       | 835              | 2,287            |
| Time deposits                                | 23    | 62,745           | 70,000           |
| Cash and cash equivalents                    | 23    | 442,068          | 301,098          |
|                                              |       | <b>1,474,894</b> | 1,233,303        |
| <b>LIABILITIES</b>                           |       |                  |                  |
| <b>Current liabilities</b>                   |       |                  |                  |
| Trade payables                               | 24    | 322,161          | 238,626          |
| Other payables and accruals                  | 25    | 196,405          | 197,019          |
| Lease liabilities                            | 17(b) | 292,415          | 311,932          |
| Income tax payable                           |       | 25,189           | 20,450           |
|                                              |       | <b>836,170</b>   | 768,027          |
| <b>Net current assets</b>                    |       | <b>638,724</b>   | 465,276          |
| <b>Total assets less current liabilities</b> |       | <b>1,570,585</b> | 1,558,100        |
| <b>Non-current liabilities</b>               |       |                  |                  |
| Other payables                               |       | 27,073           | 37,293           |
| Lease liabilities                            | 17(b) | 242,668          | 346,912          |
| Retirement benefit obligations               | 27    | 18,222           | 15,950           |
| Deferred tax liabilities                     | 19    | 163              | 202              |
|                                              |       | <b>288,126</b>   | 400,357          |
| <b>Net assets</b>                            |       | <b>1,282,459</b> | 1,157,743        |
| <b>EQUITY</b>                                |       |                  |                  |
| <b>Capital and reserves</b>                  |       |                  |                  |
| Share capital                                | 28    | 310,319          | 310,319          |
| Reserves                                     | 29    | 972,140          | 847,424          |
| <b>Total equity</b>                          |       | <b>1,282,459</b> | 1,157,743        |

The consolidated financial statements on pages 95 to 154 were approved by the Company's Board of Directors on 25 June 2026 and were signed on its behalf.

**KWOK Siu Ming Simon**  
Chairman and CEO

**KWOK LAW Kwai Chun Eleanor**  
Vice-chairman

The notes and disclosures on pages 100 to 154 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

|                                                                                          | Note       | Attributable to owners of the Company |                      |                   |
|------------------------------------------------------------------------------------------|------------|---------------------------------------|----------------------|-------------------|
|                                                                                          |            | Share capital<br>HK\$'000             | Reserves<br>HK\$'000 | Total<br>HK\$'000 |
| Balance at 1 April 2025                                                                  |            | 310,319                               | 847,424              | 1,157,743         |
| Profit for the year                                                                      |            | –                                     | 200,490              | 200,490           |
| Other comprehensive income/(loss):                                                       |            |                                       |                      |                   |
| Actuarial losses on retirement benefit obligations                                       |            | –                                     | (817)                | (817)             |
| Cash flow hedges, net of tax                                                             |            | –                                     | (116)                | (116)             |
| Currency translation differences of foreign subsidiaries recorded in translation reserve |            | –                                     | 14,193               | 14,193            |
| Total comprehensive income for the year                                                  |            | –                                     | 213,750              | 213,750           |
| Share award scheme:                                                                      |            |                                       |                      |                   |
| Value of employee services                                                               | 28(c) & 29 | –                                     | 21                   | 21                |
| Share purchased for share award scheme                                                   | 28(b) & 29 | –                                     | (1,551)              | (1,551)           |
| Employee share option scheme:                                                            |            |                                       |                      |                   |
| Value of employee services                                                               | 28(c) & 29 | –                                     | 810                  | 810               |
| Unclaimed dividends forfeited                                                            | 29         | –                                     | 127                  | 127               |
| Dividends:                                                                               |            |                                       |                      |                   |
| 2024/2025 final dividend                                                                 |            | –                                     | (52,754)             | (52,754)          |
| 2025/2026 interim dividend                                                               |            | –                                     | (35,687)             | (35,687)          |
| Total transactions with owners, recognised directly in equity                            |            | –                                     | (89,034)             | (89,034)          |
| Balance at 31 March 2026                                                                 |            | 310,319                               | 972,140              | 1,282,459         |

|                                                                                          | Note       | Attributable to owners of the Company |                      |                   |
|------------------------------------------------------------------------------------------|------------|---------------------------------------|----------------------|-------------------|
|                                                                                          |            | Share capital<br>HK\$'000             | Reserves<br>HK\$'000 | Total<br>HK\$'000 |
| Balance at 1 April 2024                                                                  |            | 310,319                               | 941,770              | 1,252,089         |
| Profit for the year                                                                      |            | –                                     | 76,973               | 76,973            |
| Other comprehensive income/(loss):                                                       |            |                                       |                      |                   |
| Actuarial losses on retirement benefit obligations                                       |            | –                                     | (850)                | (850)             |
| Cash flow hedges, net of tax                                                             |            | –                                     | 58                   | 58                |
| Currency translation differences of foreign subsidiaries recorded in translation reserve |            | –                                     | 7,496                | 7,496             |
| Total comprehensive income for the year                                                  |            | –                                     | 83,677               | 83,677            |
| Share award scheme:                                                                      |            |                                       |                      |                   |
| Value of employee services                                                               | 28(c) & 29 | –                                     | 133                  | 133               |
| Unclaimed dividends forfeited                                                            | 29         | –                                     | 277                  | 277               |
| Dividends:                                                                               |            |                                       |                      |                   |
| 2023/2024 final dividend                                                                 |            | –                                     | (155,159)            | (155,159)         |
| 2024/2025 interim dividend                                                               |            | –                                     | (23,274)             | (23,274)          |
| Total transactions with owners, recognised directly in equity                            |            | –                                     | (178,023)            | (178,023)         |
| Balance at 31 March 2025                                                                 |            | 310,319                               | 847,424              | 1,157,743         |

The notes and disclosures on pages 100 to 154 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026



|                                                                         | Note  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------|-------|------------------|------------------|
| <b>Cash flows from operating activities</b>                             |       |                  |                  |
| Cash generated from operations                                          | 30(a) | 652,778          | 512,238          |
| Hong Kong profits tax paid                                              |       | (3,204)          | (4,250)          |
| Overseas tax paid                                                       |       | (5,676)          | (1,611)          |
| <b>Net cash generated from operating activities</b>                     |       | <b>643,898</b>   | 506,377          |
| <b>Cash flows from investing activities</b>                             |       |                  |                  |
| Purchase of property, plant and equipment                               |       | (57,303)         | (59,317)         |
| Proceeds from disposal of property, plant and equipment                 | 30(b) | 49               | –                |
| Redemption/(placement) of time deposits with maturity over three months |       | 7,255            | (70,000)         |
| Interest received                                                       |       | 7,340            | 11,547           |
| <b>Net cash used in investing activities</b>                            |       | <b>(42,659)</b>  | (117,770)        |
| <b>Cash flows from financing activities</b>                             |       |                  |                  |
| Payment for lease liabilities (including interest)                      | 17(b) | (376,581)        | (368,965)        |
| Loan interest payment                                                   |       | (564)            | –                |
| Unclaimed dividends forfeited                                           |       | 127              | 277              |
| Purchase of shares for share award scheme                               | 28(b) | (1,551)          | –                |
| Dividend paid                                                           |       | (88,441)         | (178,433)        |
| Proceeds from borrowings                                                | 30(c) | 95,000           | –                |
| Repayment of borrowings                                                 | 30(c) | (95,000)         | –                |
| <b>Net cash used in financing activities</b>                            |       | <b>(467,010)</b> | (547,121)        |
| <b>Net increase/(decrease) in cash and cash equivalents</b>             |       | <b>134,229</b>   | (158,514)        |
| <b>Cash and cash equivalents at beginning of year</b>                   |       | <b>301,098</b>   | 457,757          |
| Effect of foreign exchange rate changes                                 |       | 6,741            | 1,855            |
| <b>Cash and cash equivalents at end of year</b>                         | 23    | <b>442,068</b>   | 301,098          |

The notes and disclosures on pages 100 to 154 are an integral part of these consolidated financial statements.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 General information

Sa Sa International Holdings Limited (the “Company”) and its subsidiaries are collectively referred as (the “Group”) in the consolidated financial statements.

The Group is principally engaged in the retailing and wholesaling of cosmetic products.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company has its listing on the Stock Exchange.

As at 31 March 2026, 48.56%, 14.19% and 0.05% of the total issued shares of the Company were owned by Sunrise Height Incorporated, Green Ravine Limited and Million Fidelity International Limited respectively. Sunrise Height Incorporated and Green Ravine Limited were incorporated in the British Virgin Islands and Million Fidelity International Limited was incorporated in Hong Kong. These companies are owned as to 50.0% each by Dr KWOK Siu Ming Simon and Dr KWOK LAW Kwai Chun Eleanor, as being the ultimate controlling parties of the Company.

These consolidated financial statements are presented in thousands of Hong Kong dollar (HK\$'000), unless otherwise stated.

Apart from the material accounting policies presented within the corresponding notes to the consolidated financial statements, other potentially material accounting policies are set out Note 35. These policies have been consistently applied to all the years presented, unless otherwise stated.

## 2 Basis of preparation

### (i) Compliance with HKFRS Accounting Standards (“HKFRS”) and the disclosure requirements of Hong Kong Companies Ordinance (“HKCO”)

The consolidated financial statements have been prepared in accordance with HKFRS and the disclosure requirements of the HKCO Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments, which are carried at fair value.

HKFRS comprise the following authoritative literature:

- HKFRS Accounting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants (“HKICPA”)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 – “Critical Accounting Estimates and Judgements”.

### (ii) Amendments to standards for the first time for the financial year beginning 1 April 2025 were adopted

- Amendments to Hong Kong Accounting Standard (“HKAS”) 21 and HKFRS 1, “Lack of Exchangeability”

The amendments to standards listed above do not have a material impact on the Group’s accounting policies.



## 2 Basis of preparation (continued)

### (iii) New standards, amendments to standards and interpretation have been issued but not yet adopted

The following new standards, amendments to standards and interpretation have been issued but are not effective for the Financial Year beginning on or after 1 April 2025 and have not been early adopted by the Group:

|                                                |                                                                                          | Effective for<br>annual periods<br>beginning on<br>or after             |
|------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Amendments to HKFRS 9 and HKFRS 7              | Amendments to the Classification and Measurement of Financial Instruments                | 1 April 2026                                                            |
| HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 | Annual Improvements to HKFRS Accounting Standards – Volume 11                            | 1 April 2026                                                            |
| Amendments to HKFRS 9 and HKFRS 7              | Amendments to the Contracts Referencing Nature-dependent Electricity                     | 1 April 2026                                                            |
| HKFRS 18                                       | Presentation and Disclosure in Financial Statements                                      | 1 April 2027                                                            |
| HKFRS 19                                       | Subsidiaries without Public Accountability: Disclosures                                  | 1 April 2027                                                            |
| Amendments to HKFRS 19                         | Subsidiaries without Public Accountability: Disclosures                                  | 1 April 2027                                                            |
| Amendments to Hong Kong Interpretation 5       | Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause | 1 April 2027                                                            |
| Amendments to HKFRS 10 and HKAS 28             | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture    | A date to be determined by the International Accounting Standards Board |

The Group will apply these new standards, amendments to standards and interpretation in the year of initial application. Given the current status of the Group, the directors do not expect the adoption of the new standards, and amendments to standards and interpretation will have a material impact on the Group's results of operations and financial position, except as described below.

#### Impact on application of HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 "Presentation of Financial Statements", introducing new requirements that will help to achieve comparability of financial performance of similar entities and provide more relevant information and transparency to users. These include:

- (i) all income and expenses in the consolidated income statement are required to be classified into one of the five categories, namely operating, investing, financing, income taxes, and discontinued operations;
- (ii) two newly-defined subtotals "operating profit" and "profit before financing and income taxes" are required to be presented in the consolidated income statement to increase comparability;
- (iii) management-defined performance measures ("MPMs"), which are often non-HKFRS measures (e.g., EBITDA), are required to be disclosed in a single note in the consolidated financial statements;

## 2 Basis of preparation (continued)

### (iii) New standards, and amendments to standard and interpretation have been issued but not yet adopted (continued)

#### Impact on application of HKFRS 18 – Presentation and Disclosure in Financial Statements (continued)

- (iv) enhanced guidance on the principles of aggregation and disaggregation of information is provided; and
- (v) operating profit subtotal is required to be used as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method, and each of interest income, interest expense and dividend income should be classified under a single category.

The adoption of HKFRS 18 would not have any impact on the Group's profit attributable to shareholders. The Group is still in the process of assessing the impact of HKFRS 18 on the Group's consolidated financial statements, particularly with respect to the categorisation of income and expenses in the Group's consolidated income statement, the structure of the Group's consolidated income statement and consolidated statement of cash flows, and the additional disclosure required for MPMS.

## 3 Financial risk management

### 3.1 Financial risk factors

The Company's financial instruments include trade receivables, other receivables and deposits, time deposits, cash and cash equivalents, trade payables, other payable and accrual and lease liabilities. Details of these financial instruments are disclosed in respective notes.

The Group's activities expose it to a variety of financial risks including foreign exchange risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by management who identifies, evaluates and mitigates financial risks in close co-operation with the Group's operating subsidiaries. The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### (i) Foreign exchange risk

The Group operates in various countries and is exposed to foreign exchange risk against Hong Kong dollar ("HK\$") arising from foreign exchange exposure. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operation.

Most of the assets, receipts and payments of the Group are either in HK\$, United States dollar ("US\$"), Euro, Malaysian Ringgit or Renminbi. The Group minimises its foreign exchange exposure against purchase orders denominated in foreign currencies by entering into forward contracts with reputable financial institutions or at spot and maintain no material long position. The hedging policies are regularly reviewed by the Group.

As at 31 March 2026, if HK\$ had weakened/strengthened by 5% against Renminbi with all other variables held constant, post-tax profit for the year would have been higher/lower by HK\$658,000 (2025: HK\$564,000), mainly as a result of foreign exchange gains/losses on translation of Renminbi denominated cash and bank balances, financial assets and financial liabilities.

Certain assets of the Group are denominated in US\$ but the foreign exchange risk is considered not significant as HK\$ exchange rate is pegged to US\$.

The remaining Group's assets and liabilities are primarily denominated in the respective group companies' functional currency, which would not expose the Group to material foreign exchange risk.



### 3 Financial risk management (continued)

#### 3.1 Financial risk factors (continued)

##### (ii) Credit risk

The Group's credit risk is primarily attributable to deposits with banks and financial institutions, deposits and trade and other receivables with a maximum exposure equal to the carrying amounts of these financial instruments.

Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

##### (a) Credit risk of deposits with banks and financial institutions

As at 31 March 2026 and 2025, all bank balances and bank deposits are held at reputable financial institutions which are leading and reputable with low credit risk and there is no significant concentration risk to a single counterparty and there is no history of defaults from these counterparties. The expected credit losses ("ECL") is close to zero and no provision was made as at 31 March 2026 and 2025.

##### (b) Credit risk of deposits and other receivables

Deposits and other receivables were mainly rental deposit and utilities and management fee deposits. The credit quality of deposits and other receivables has been assessed with reference to historical information about the default rates and financial position of the counterparties. Given there is no history of defaults from these counterparties, the directors of the Company are of the opinion that there was no significant increase in credit risk and the ECL was limited to 12-month ECL. Therefore, ECL rate of the deposits and other receivables is assessed to be close to zero and no provision was made as at 31 March 2026 and 2025.

##### (c) Credit risk of trade receivables

The Group performs periodic credit evaluations of its customers, taking into account their financial position, past experience and other factors. The utilisation of credit limits is regularly reviewed. Sales to retail customers are settled in cash or using major credit cards. No material credit limits were exceeded during the reporting period, and management does not expect any material losses from non-performance by these counterparties.

Trade receivables mainly represent receivables from electronic payment service providers, receivables from e-commerce platform providers, receivables from shopping malls and department stores in the Chinese Mainland, and wholesales, which are due within 90 days from the date of invoice. As at 31 March 2026, 88.6% (2025: 85.7%) of the total trade receivables were due within 90 days from the date of invoice. Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 21.

The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9, which permits the use of the lifetime ECL provision for all trade receivables.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and days past due. The ECL rates are based on the past repayment history and the historical credit loss experience. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The ECL allowance provided on a collective basis is insignificant as there was no history of material default from trade receivables.

### 3 Financial risk management (continued)

#### 3.1 Financial risk factors (continued)

##### (ii) Credit risk (continued)

##### (c) Credit risk of trade receivables (continued)

For trade receivables relating to accounts in which objective evidence that the debtor faces significant financial difficulties or enter into liquidation, they are assessed individually for impairment allowance. Accordingly, provision of ECL allowance of HK\$3,121,000 (2025: HK\$2,760,000) were made as at 31 March 2026.

Movements on the Group's provision for ECL of trade receivables are disclosed in Note 21.

Provision for ECL allowance on trade receivables is presented as net provision within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### (iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and making available an adequate amount of committed credit facilities with staggered maturities to reduce refinancing risk in any year and to fund working capital, dividend payments, new investments and close out market positions if required.

As at 31 March 2026, the Group's financial liabilities included mainly trade payables and other payables amounting to HK\$404,119,000 (2025: HK\$318,933,000), which were substantially due within 3 months, and lease liabilities amounting to HK\$307,360,000 (2025: HK\$333,110,000) and HK\$251,259,000 (2025: HK\$362,379,000) which were due within 12 months and over 12 months respectively.

The undiscounted cash flows therefore approximate the carrying amounts as the impact of discounting is not significant.

##### (iv) Interest rate risk

The Group's interest rate risk resulted from timing differences in the repricing of interest-bearing assets or liabilities. Major interest-bearing assets of the Group are time deposits and short-term bank deposits, details of which have been disclosed in Note 23. As any reasonable changes in interest rate would not result in a significant change in the Group's results, no sensitivity analysis is presented for interest rate risk.

The Group monitors its interest rate risk through management of maturity profile and choice of fixed or floating interest rates.

#### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total equity.

As at 31 March 2026, the Group maintained a cash and deposits position of HK\$504,813,000 (2025: HK\$371,098,000).



### 3 Financial risk management (continued)

#### 3.3 Fair value estimation

The carrying values of trade receivables, deposits and other receivables, time deposits, cash and cash equivalents, trade payables, other payables and accruals and lease liabilities as at 31 March 2026 and 2025 are a reasonable approximation to their fair values.

The table below analyses the Group's financial assets and liabilities carried at fair value as at 31 March 2026 and 2025 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

|                                                                      | As at 31 March 2026 |                     |                     |                   |
|----------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
|                                                                      | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | Total<br>HK\$'000 |
| <b>Assets</b>                                                        |                     |                     |                     |                   |
| Derivatives used for hedging<br>– Forward foreign exchange contracts | –                   | –                   | –                   | –                 |
| Total assets                                                         | –                   | –                   | –                   | –                 |
| <b>Liabilities</b>                                                   |                     |                     |                     |                   |
| Derivatives used for hedging<br>– Forward foreign exchange contracts | –                   | 59                  | –                   | 59                |
| Total liabilities                                                    | –                   | 59                  | –                   | 59                |

|                                                                      | As at 31 March 2025 |                     |                     |                   |
|----------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
|                                                                      | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | Total<br>HK\$'000 |
| <b>Assets</b>                                                        |                     |                     |                     |                   |
| Derivatives used for hedging<br>– Forward foreign exchange contracts | –                   | 112                 | –                   | 112               |
| Total assets                                                         | –                   | 112                 | –                   | 112               |
| <b>Liabilities</b>                                                   |                     |                     |                     |                   |
| Derivatives used for hedging<br>– Forward foreign exchange contracts | –                   | 7                   | –                   | 7                 |
| Total liabilities                                                    | –                   | 7                   | –                   | 7                 |

Forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market.

There was no movement for the transfer between each level of financial assets and liabilities during the year ended 31 March 2026 and 2025.

There was no changes in valuation techniques during the year ended 31 March 2026 and 2025.



### 4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### (i) Impairment of non-financial assets

The Group conducts impairment reviews of non-financial assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Group to estimate the value-in-use based on discounted future cash flows. Where the discounted future cash flows are less than the carrying amount of the corresponding non-financial assets, an impairment loss may arise. During the year, after reviewing the business environment as well as the Group's strategies and past performance of its cash-generating units, management concluded that an impairment loss should be recognised for property, plant and equipment of HK\$1,993,000 (2025: HK\$400,000) and for right-of-use assets of HK\$2,505,000 (2025: Nil). Management believes that any reasonably possible changes in the assumptions used in the impairment reviews would not significantly affect management's view on impairment provision at current year end.

#### (ii) Provision for inventory

The Group estimates the provision for inventory based on the inventory turnover days and sales performance of inventories and makes specific provision for near-expiry and slow-moving inventories, taking into consideration the economic outlook, the Group's business strategy, confirmed orders from wholesalers, and the marketability of inventories. The Group also estimates the shrinkage provision with reference to the level of inventory loss in current year.

Provision for inventory is recorded where events or changes in circumstances indicate that the carrying amounts of inventories will not be fully realised. The quantification of inventory provision requires the use of estimates and judgement. Where the outcomes are different from the original estimates, such differences will impact the carrying value of inventories and provisions for inventory in the years in which such estimates have been changed.

#### (iii) Deferred tax assets in respect of tax losses and temporary differences

As at 31 March 2026, the Group did not recognise deferred tax assets of HK\$103,894,000 (2025: HK\$103,686,000) in respect of tax losses and temporary differences amounting to HK\$427,136,000 (2025: HK\$438,910,000) and HK\$54,117,000 (2025: HK\$54,132,000) respectively that could be carried forward against future taxable income as the realisation of the related tax benefits through future taxable profit is not probable. Estimating the amount of deferred tax asset arising from tax losses requires a process that involves determining appropriate provisions for income tax expense, forecasting future year's taxable income and assessing our ability to utilise tax benefits through future earnings. In cases where the actual future profits generated are different from original estimates than expected, such differences will impact the recognition of deferred tax assets and income tax charges in the year in which such circumstances are changed.



## 5 Revenue and other income

### Material Accounting Policy



Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the retail and wholesales of cosmetic products, stated net of value added taxes, returns, rebates and discounts.

Revenue is recognised when specific criteria have been met for the Group's activities described below:

#### ***Sale of goods – retail and e-commerce transactions***

The Group sells cosmetic products through chain of retail stores and e-commerce platforms. Revenue from the sale of goods is recognised at a point in time when any subsidiary of the Group entity sells and has delivered a product to the customer and the Group receives sales and acceptance confirmations, and there is no unfulfilled obligation that affects the customer's acceptance of the products. Payment of the transaction price is due immediately when the customer purchases the goods. The Group estimates the sales return provision based on accumulated experience and considers that no provision is recognised as the amounts of returns are immaterial.

#### ***Sale of goods – wholesale***

Sales are recognised at a point in time when control of the products has been transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that affects the wholesaler's acceptance of the products.

The goods are often sold with sales discounts. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, if any. No element of financing is deemed present.

#### ***Slide display rental income, and storage and service fee income***

Slide display rental income, and storage and service fee income are recognised on a straight-line basis in accordance with the terms of the relevant agreements.

#### ***Customer loyalty programme***

The Group operates a customer loyalty programme, where certain customers accumulate points for purchases made which entitle them to purchase goods for free or at a discounted price. The customer loyalty programme gives rise to a separate performance obligation because it provides a material right to the customer and allocates a portion of the transaction price to the loyalty credits awarded to customers based on the relative stand-alone selling price. All awarded points issued from Hong Kong and Macao sales, Chinese Mainland and international online sales in each year's fourth quarter will be carried forward to next fiscal year end. All awarded points issued from online and offline sales can be utilised through both online and offline sales channels.

When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers the promised goods to the customer, the Group presents the contract as a contract liability when the payment is received or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer the promised goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

## 5 Revenue and other income (continued)

The Group is principally engaged in the retailing and wholesaling of cosmetic products. Turnover represents the sales of goods to customers. An analysis of revenue and other income recognised during the year is as follows:

|                                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|-------------------------------------------------------------------|------------------|-------------------------------------------|
| <b>Turnover – recognised under HKFRS 15 at a point in time</b>    |                  |                                           |
| Retail, e-commerce and wholesale                                  | <b>4,382,600</b> | 3,839,055                                 |
| <b>Other income – recognised under other accounting standards</b> |                  |                                           |
| Slide display rental income                                       | <b>21,571</b>    | 22,863                                    |
| Storage and service fee income                                    | <b>2,940</b>     | 1,396                                     |
|                                                                   | <b>24,511</b>    | 24,259                                    |

### (a) Revenue recognition in relation to contract liabilities

As at 31 March 2026, contract liabilities included receipts in advance and deferred revenue amounting to HK\$11,296,000 (2025: HK\$9,544,000) and HK\$1,305,000 (2025: HK\$1,343,000) respectively.

The following table shows the revenue recognised in the current reporting period relating to carried-forward receipts in advance and deferred revenue:

|                                                                                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Revenue recognised that was included in the receipts in advance and deferred revenue balance at the beginning of the year (Note 25) | <b>10,887</b>    | 15,325           |

There was no revenue recognised for the years ended 31 March 2026 and 2025 related to performance obligations that were satisfied in prior year.

### (b) Unsatisfied long-term contracts

The Group selected to choose a practical expedient and omit disclosure of remaining performance obligations as all related contracts have a duration of one year or less.



## 6 Segment information

### Material Accounting Policy



Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive directors of the Company who make strategic and operating decisions.

Executive directors of the Company review the internal reporting of the Group in order to assess performance and allocate resources. Executive directors consider the business trend of using an online-merge-offline retail model and assess the performance of geographic segments based on the merged online and offline business results from each segment. During the year ended 31 March 2026, the Group discontinued the business of offline retailing of cosmetic products in Chinese Mainland which was previously included in "Chinese Mainland", while the online business is retained; the comparatives have been restated.

The business reportable segments identified are Hong Kong and Macao, Chinese Mainland, Southeast Asia and Others.

Segment assets consist primarily of property, plant and equipment, right-of-use assets, deferred tax assets, inventories, receivables, deposits and prepayments, time deposits, cash and cash equivalents and income tax recoverable. Capital expenditure comprises additions to property, plant and equipment.

The breakdown of key segment information including total turnover from external customers is disclosed below.

| For the year ended 31 March 2026                   |                                  |                                 |                               |                    |                   |
|----------------------------------------------------|----------------------------------|---------------------------------|-------------------------------|--------------------|-------------------|
|                                                    | Hong Kong<br>& Macao<br>HK\$'000 | Chinese<br>Mainland<br>HK\$'000 | Southeast<br>Asia<br>HK\$'000 | Others<br>HK\$'000 | Total<br>HK\$'000 |
| <b>Turnover</b>                                    | <b>3,490,408</b>                 | <b>395,271</b>                  | <b>486,743</b>                | <b>10,178</b>      | <b>4,382,600</b>  |
| <b>Segment results</b>                             | <b>209,191</b>                   | <b>9,092</b>                    | <b>(14,796)</b>               | <b>(818)</b>       | <b>202,669</b>    |
| <b>Other information</b>                           |                                  |                                 |                               |                    |                   |
| Finance income                                     | 9,566                            | 26                              | 913                           | –                  | 10,505            |
| Finance costs                                      | 19,548                           | 43                              | 5,873                         | –                  | 25,464            |
| Income tax expense/(credit)                        | 33,908                           | (26)                            | 354                           | (1)                | 34,235            |
| Depreciation of property, plant and equipment      | 55,180                           | 178                             | 12,568                        | –                  | 67,926            |
| Depreciation of right-of-use assets                | 300,515                          | 898                             | 42,548                        | –                  | 343,961           |
| Provision of slow moving inventories and shrinkage | 11,346                           | –                               | 544                           | –                  | 11,890            |
| Impairment of property, plants and equipment       | –                                | –                               | 1,993                         | –                  | 1,993             |
| Impairment of right-of use assets                  | –                                | –                               | 2,505                         | –                  | 2,505             |

## 6 Segment information (continued)

|                                                                  | For the year ended 31 March 2025 |                                                          |                               |                    |                               |
|------------------------------------------------------------------|----------------------------------|----------------------------------------------------------|-------------------------------|--------------------|-------------------------------|
|                                                                  | Hong Kong<br>& Macao<br>HK\$'000 | Chinese<br>Mainland<br>HK\$'000<br>Restated<br>(Note 13) | Southeast<br>Asia<br>HK\$'000 | Others<br>HK\$'000 | Total<br>HK\$'000<br>Restated |
| Turnover                                                         | 2,991,827                        | 417,791                                                  | 419,593                       | 9,844              | 3,839,055                     |
| Segment results                                                  | 128,568                          | 9,018                                                    | (5,040)                       | (1,610)            | 130,936                       |
| Other information                                                |                                  |                                                          |                               |                    |                               |
| Finance income (Restated)                                        | 14,039                           | 28                                                       | 1,075                         | –                  | 15,142                        |
| Finance costs                                                    | 22,396                           | 77                                                       | 5,967                         | –                  | 28,440                        |
| Income tax expense/(credit)                                      | 12,004                           | (2)                                                      | 2,943                         | (4)                | 14,941                        |
| Depreciation of property, plant and equipment                    | 50,831                           | 267                                                      | 9,344                         | –                  | 60,442                        |
| Depreciation of right-of-use assets                              | 294,217                          | 841                                                      | 39,005                        | –                  | 334,063                       |
| Reversal of provision for slow moving inventories and shrinkage  | 1,395                            | –                                                        | 3,680                         | –                  | 5,075                         |
|                                                                  |                                  |                                                          |                               |                    |                               |
|                                                                  | Hong Kong<br>& Macao<br>HK\$'000 | Chinese<br>Mainland<br>HK\$'000                          | Southeast<br>Asia<br>HK\$'000 | Others<br>HK\$'000 | Total<br>HK\$'000             |
| <b>At 31 March 2026</b>                                          |                                  |                                                          |                               |                    |                               |
| Non-current assets*                                              | <b>764,496</b>                   | <b>688</b>                                               | <b>166,677</b>                | <b>–</b>           | <b>931,861</b>                |
| Current assets                                                   | <b>1,258,267</b>                 | <b>49,611</b>                                            | <b>166,944</b>                | <b>72</b>          | <b>1,474,894</b>              |
| Total assets as per consolidated statement of financial position |                                  |                                                          |                               |                    | <b>2,406,755</b>              |
| * Capital expenditure                                            | <b>37,578</b>                    | <b>39</b>                                                | <b>14,850</b>                 | <b>–</b>           | <b>52,467</b>                 |
| <b>At 31 March 2025</b>                                          |                                  |                                                          |                               |                    |                               |
| Non-current assets*                                              | 916,425                          | 1,652                                                    | 174,747                       | –                  | 1,092,824                     |
| Current assets                                                   | 992,239                          | 75,499                                                   | 160,258                       | 5,307              | 1,233,303                     |
| Total assets as per consolidated statement of financial position |                                  |                                                          |                               |                    | 2,326,127                     |
| * Capital expenditure                                            | 37,884                           | 41                                                       | 20,970                        | –                  | 58,895                        |



## 7 Other gains – net

|                                                                                | 2026<br>HK\$'000 | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|--------------------------------------------------------------------------------|------------------|-------------------------------------------|
| Net exchange gains (Note (a))                                                  | 7,210            | 2,389                                     |
| Gains on derecognition of lease liabilities and right-of-use assets (Note (b)) | 987              | 2,184                                     |
|                                                                                | <b>8,197</b>     | 4,573                                     |

Notes:

(a) Net exchange gains are accounted for in accordance with Note 35.6(ii).

(b) During the year ended 31 March 2026, the Group has a lease reassessment and closed a number of stores before the end of the leases. Accordingly, the corresponding remaining lease liabilities and right-of-use assets of these leases were derecognised, which resulted in gains of HK\$987,000 (2025: HK\$2,184,000) from continuing operations, and gains of HK\$644,000 (2025: HK\$317,000) included in loss for the year from discontinued operation.

## 8 Expenses by nature

|                                                                                       | 2026<br>HK\$'000 | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|---------------------------------------------------------------------------------------|------------------|-------------------------------------------|
| Cost of inventories sold                                                              | 2,696,093        | 2,328,130                                 |
| Employee benefit expenses (including directors' emoluments) (Note 9)                  | 620,700          | 612,042                                   |
| Depreciation expenses                                                                 |                  |                                           |
| – right-of-use assets (Note 17(a))                                                    | 343,961          | 334,063                                   |
| – property, plant and equipment (Note 16)                                             | 67,926           | 60,442                                    |
| Building management fees, government rent and rates                                   | 65,745           | 62,606                                    |
| Lease rentals in respect of land and buildings                                        |                  |                                           |
| – lease rental for short-term leases                                                  | 24,052           | 36,425                                    |
| – contingent rent                                                                     | 28,569           | 15,200                                    |
| Advertising and promotion expenses                                                    | 55,563           | 53,365                                    |
| Bank and credit card charges                                                          | 46,489           | 36,797                                    |
| Outsource warehouse handling expenses and platform charges                            | 41,414           | 26,990                                    |
| Transportation and delivery charges                                                   | 34,496           | 29,568                                    |
| Utilities and telecommunication                                                       | 28,188           | 28,535                                    |
| Repair and maintenance                                                                | 20,742           | 20,245                                    |
| Packaging expenses                                                                    | 12,510           | 8,913                                     |
| Provision/(reversal of provision) for slow moving inventories and shrinkage (Note 20) | 11,890           | (5,075)                                   |
| Postage, printing and stationery                                                      | 4,910            | 5,144                                     |
| Donations                                                                             | 3,776            | 2,519                                     |
| Auditors' remuneration                                                                |                  |                                           |
| – audit services                                                                      | 2,408            | 2,305                                     |
| – non-audit services                                                                  | 1,042            | 549                                       |
| Impairment of property, plant and equipment (Note 16)                                 | 1,993            | –                                         |
| Impairment of right-of-use assets (Note 17(a))                                        | 2,505            | –                                         |
| Write-off of property, plant and equipment (Note 16)                                  | 360              | 252                                       |
| Others                                                                                | 48,113           | 49,697                                    |
|                                                                                       | <b>4,163,445</b> | 3,708,712                                 |
| Representing:                                                                         |                  |                                           |
| Cost of sales                                                                         | 2,707,983        | 2,323,055                                 |
| Selling and distribution costs                                                        | 1,256,854        | 1,183,011                                 |
| Administrative expenses                                                               | 198,608          | 202,646                                   |
|                                                                                       | <b>4,163,445</b> | 3,708,712                                 |



## 9 Employee benefit expenses (including directors' emoluments)

### Accounting Policies Note 35.7

|                                                                              | 2026<br>HK\$'000 | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|------------------------------------------------------------------------------|------------------|-------------------------------------------|
| Salaries, bonuses, housing allowances, other allowances and benefits-in-kind | 590,069          | 581,900                                   |
| Retirement benefit costs (Note 27(b))                                        | 28,380           | 28,623                                    |
| Directors' fees (Note 10(a))                                                 | 1,420            | 1,386                                     |
| Share-based payment (Note 28(c))                                             | 831              | 133                                       |
|                                                                              | 620,700          | 612,042                                   |

## 10 Director and senior management emolument

### (a) Directors' emoluments

Directors' emoluments comprise payments to the Company's directors (including three (2025: three) directors in the five highest paid individuals in the Group) in connection with management of affairs of the Company and the Group. No non-executive director receives an annual director's fee (2025: HK\$108,610). Considering the comparatively heavier workload and responsibility of the Audit Committee, its chairman and members will receive an additional annual remuneration amounted to HK\$150,000 and HK\$80,000 (2025: HK\$150,000 and HK\$80,000) respectively.

The aggregate amounts of emoluments payable to the directors of the Company during the year were as follows:

|                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------|------------------|------------------|
| Salaries, housing allowances, other allowances and benefits-in-kind | 9,714            | 10,553           |
| Directors' fees                                                     | 1,420            | 1,386            |
| Discretionary bonuses                                               | 830              | 670              |
| Retirement benefit costs                                            | 261              | 282              |
| Share-based payment                                                 | 121              | –                |
|                                                                     | 12,346           | 12,891           |

The directors' emoluments of the Company were as follows:

|                                            | Directors' fees<br>HK\$'000 | Salaries,<br>housing<br>allowances,<br>other<br>allowances<br>and benefits-<br>in-kind<br>HK\$'000 | Discretionary<br>bonuses<br>HK\$'000 | Retirement<br>benefit costs<br>HK\$'000 | Share-based<br>payment (i)<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------|----------------------------------------|-------------------|
| <b>For the year ended 31 March 2026</b>    |                             |                                                                                                    |                                      |                                         |                                        |                   |
| <b>Executive Directors</b>                 |                             |                                                                                                    |                                      |                                         |                                        |                   |
| Dr KWOK Siu Ming Simon (ii)                | –                           | 3,000                                                                                              | 250                                  | –                                       | –                                      | 3,250             |
| Dr KWOK LAW Kwai Chun Eleanor              | –                           | 2,760                                                                                              | 230                                  | –                                       | –                                      | 2,990             |
| Mr CHUNG Ming Kit (v)                      | –                           | 1,504                                                                                              | 160                                  | 101                                     | 57                                     | 1,822             |
| Mrs CHAN KWOK Sze Wai Melody               | –                           | 1,225                                                                                              | 95                                   | 80                                      | 32                                     | 1,432             |
| Ms KWOK Sze Nga Kitty                      | –                           | 1,225                                                                                              | 95                                   | 80                                      | 32                                     | 1,432             |
| <b>Independent Non-executive Directors</b> |                             |                                                                                                    |                                      |                                         |                                        |                   |
| Ms KI Man Fung Leonie                      | 338                         | –                                                                                                  | –                                    | –                                       | –                                      | 338               |
| Mr TAN Wee Seng                            | 407                         | –                                                                                                  | –                                    | –                                       | –                                      | 407               |
| Prof The Hon CHAN Hiu Fung Nicholas        | 337                         | –                                                                                                  | –                                    | –                                       | –                                      | 337               |
| Ms LEE Yun Chun Marie-Christine            | 338                         | –                                                                                                  | –                                    | –                                       | –                                      | 338               |
|                                            | 1,420                       | 9,714                                                                                              | 830                                  | 261                                     | 121                                    | 12,346            |



## 10 Director and senior management emoluments (continued)

### (a) Directors' emoluments (continued)

The directors' emoluments of the Company were as follows:

|                                            | Directors' fees<br>HK\$'000 | Salaries,<br>housing<br>allowances,<br>other<br>allowances<br>and benefits-<br>in-kind<br>HK\$'000 | Discretionary<br>bonuses<br>HK\$'000 | Retirement<br>benefit costs<br>HK\$'000 | Share-based<br>payment (i)<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------|----------------------------------------|-------------------|
| For the year ended 31 March 2025           |                             |                                                                                                    |                                      |                                         |                                        |                   |
| <u>Executive Directors</u>                 |                             |                                                                                                    |                                      |                                         |                                        |                   |
| Dr KWOK Siu Ming Simon (ii)                | –                           | 3,000                                                                                              | 250                                  | –                                       | –                                      | 3,250             |
| Dr KWOK LAW Kwai Chun Eleanor              | –                           | 2,760                                                                                              | 230                                  | –                                       | –                                      | 2,990             |
| Mr HO Danny Wing Fi (iii)                  | –                           | 2,343                                                                                              | –                                    | 122                                     | –                                      | 2,465             |
| Mrs CHAN KWOK Sze Wai Melody               | –                           | 1,225                                                                                              | 95                                   | 80                                      | –                                      | 1,400             |
| Ms KWOK Sze Nga Kitty                      | –                           | 1,225                                                                                              | 95                                   | 80                                      | –                                      | 1,400             |
| <u>Non-executive Director</u>              |                             |                                                                                                    |                                      |                                         |                                        |                   |
| Ms LEE Yun Chun Marie-Christine (iv)       | 109                         | –                                                                                                  | –                                    | –                                       | –                                      | 109               |
| <u>Independent Non-executive Directors</u> |                             |                                                                                                    |                                      |                                         |                                        |                   |
| Ms KI Man Fung Leonie                      | 338                         | –                                                                                                  | –                                    | –                                       | –                                      | 338               |
| Mr TAN Wee Seng                            | 407                         | –                                                                                                  | –                                    | –                                       | –                                      | 407               |
| Prof The Hon CHAN Hiu Fung Nicholas        | 337                         | –                                                                                                  | –                                    | –                                       | –                                      | 337               |
| Ms LEE Yun Chun Marie-Christine (iv)       | 195                         | –                                                                                                  | –                                    | –                                       | –                                      | 195               |
|                                            | 1,386                       | 10,553                                                                                             | 670                                  | 282                                     | –                                      | 12,891            |

Notes:

- (i) Share-based payment represents amortisation to the consolidated income statement of the fair value of awarded shares and share options measured at the respective grant dates, regardless of whether the share options would be exercised or not.
- (ii) Dr KWOK Siu Ming Simon is the Chairman and Chief Executive Officer of the Company.
- (iii) Mr HO Danny Wing Fi resigned from his positions as executive director of the Company with effect from 13 December 2024.
- (iv) Ms LEE Yun Chun Marie-Christine redesignated from her positions as non-executive director to an independent non-executive director of the Company with effect from 2 September 2024.
- (v) Mr CHUNG Ming Kit was appointed as Chief Financial Officer of the Company with effective on 2 December 2024 and appointed as Executive Director on 19 June 2025.

No compensation for loss of office has been paid to the directors for the years ended 31 March 2026 and 2025.

No director of the Company waived any emoluments during the years ended 31 March 2026 and 2025.

## 10 Director and senior management emoluments (continued)

### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2025: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2025: two) individuals during the year were as follows:

|                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------|------------------|------------------|
| Salaries, housing allowances, other allowances and benefits-in-kind | 2,642            | 3,546            |
| Discretionary bonuses                                               | 205              | 296              |
| Retirement benefit costs                                            | 34               | 131              |
| Share-based payment                                                 | 26               | –                |
|                                                                     | <b>2,907</b>     | <b>3,973</b>     |

The emoluments of the individuals fell within the following bands:

| Emoluments bands              | Number of individuals |          |
|-------------------------------|-----------------------|----------|
|                               | 2026                  | 2025     |
| HK\$0 – HK\$1,500,000         | 2                     | –        |
| HK\$1,500,001 – HK\$2,000,000 | –                     | 1        |
| HK\$2,000,001 – HK\$2,500,000 | –                     | 1        |
|                               | <b>2</b>              | <b>2</b> |

### (c) Senior management emoluments (excluding directors' emoluments)

The details of the senior management emoluments (excluding directors' emoluments) payable during the year were as follows:

|                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------|------------------|------------------|
| Salaries, housing allowances, other allowances and benefits-in-kind | 1,642            | 3,546            |
| Discretionary bonuses                                               | 139              | 296              |
| Retirement benefit costs                                            | 6                | 131              |
|                                                                     | <b>1,787</b>     | <b>3,973</b>     |

The emoluments of the individuals fell within the following bands:

| Emoluments bands              | Number of individuals |          |
|-------------------------------|-----------------------|----------|
|                               | 2026                  | 2025     |
| HK\$0 – HK\$500,000           | 2                     | –        |
| HK\$1,000,001 – HK\$1,500,000 | 1                     | –        |
| HK\$1,500,001 – HK\$2,000,000 | –                     | 1        |
| HK\$2,000,001 – HK\$2,500,000 | –                     | 1        |
|                               | <b>3</b>              | <b>2</b> |



## 11 Finance income and costs

### Material Accounting Policy



Interest income on financial assets at amortised cost is calculated using the effective interest method. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

The material accounting policy of interest expenses on lease liabilities is disclosed in Note 17.

|                                        | 2026<br>HK\$'000 | 2025<br>HK\$'000<br>Restated<br>(Note 13) |
|----------------------------------------|------------------|-------------------------------------------|
| Finance income from:                   |                  |                                           |
| Interest income on bank deposits       | 7,878            | 12,609                                    |
| Others                                 | 2,627            | 2,533                                     |
|                                        | 10,505           | 15,142                                    |
| Finance costs from:                    |                  |                                           |
| Interest expenses on lease liabilities | 24,900           | 28,440                                    |
| Interest expenses on bank borrowings   | 564              | –                                         |
|                                        | 25,464           | 28,440                                    |

## 12 Income tax expense

### Material Accounting Policy



The tax expense for the year comprise current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 12 Income tax expense (continued)

Hong Kong profits tax has been provided for at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

|                                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------|------------------|------------------|
| Current tax:                           |                  |                  |
| Hong Kong profits tax                  |                  |                  |
| Current                                | 3,464            | 3,199            |
| Over-provision in previous years       | (18)             | (35)             |
| Overseas taxation                      |                  |                  |
| Current                                | 11,885           | 7,196            |
| Under-provision in previous years      | 3                | –                |
| Total current tax                      | 15,334           | 10,360           |
| Deferred tax (Note 19):                |                  |                  |
| Deferred tax assets charged            | 18,901           | 4,581            |
| Income tax expense                     | 34,235           | 14,941           |
| Income tax expense is attributable to: |                  |                  |
| Profit from continuing operations      | 34,235           | 14,941           |
| Loss from discontinued operation       | –                | –                |
|                                        | 34,235           | 14,941           |

The income tax expense on the Group's profit before income tax differs from the theoretical amount that would arise using the profits tax rate of Hong Kong as follows:

|                                                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------------------|------------------|------------------|
| Profit before income tax from continuing operations          | 236,904          | 145,877          |
| Loss before income tax from discontinued operation           | (2,179)          | (53,963)         |
|                                                              | 234,725          | 91,914           |
| Tax calculated at a taxation rate of 16.5% (2025: 16.5%)     | 38,729           | 15,166           |
| Effect of different taxation rates in other countries (Note) | (4,663)          | (2,372)          |
| Expenses not deductible for income tax purposes              | 5,769            | 1,603            |
| Income not subject to income tax                             | (1,640)          | (3,085)          |
| Utilisation of previously unrecognised tax loss              | (5,307)          | (3,516)          |
| Unrecognised tax losses                                      | 1,362            | 7,180            |
| Over-provision in previous years – net                       | (15)             | (35)             |
| Income tax expense                                           | 34,235           | 14,941           |

Note:

The Group is subject to different tax jurisdictions mainly in Macao, Singapore, Malaysia and Chinese Mainland with tax rate ranges from 12% to 25% (2025: 12% to 25%).



### 13 Discontinued operation

#### Accounting Policy



A discontinued operation is a component of the Group's business, the operation and cash flow of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Where an operation is classified as discontinued, a single amount is presented in the statement of income statement, which comprises the post-tax profit or loss of the discontinued operation and the post-tax gain or loss recognised on the measurement to fair value less costs of disposal, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation. Comparative figures for the prior year have been re-presented in accordance with HKFRS 5.

During the year ended 31 March 2026, the Group discontinued the business of retailing of cosmetic products in Chinese Mainland. The results of the discontinued operation for the year ended 31 March 2026 and 2025 are presented below:

|                                                                                          | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------------------------------------|------------------|------------------|
| Turnover                                                                                 | 17,482           | 102,649          |
| Other gains – net                                                                        | 642              | 370              |
| Cost of sales and expenses                                                               | (20,303)         | (156,982)        |
| Loss before income tax                                                                   | (2,179)          | (53,963)         |
| Income tax expense                                                                       | –                | –                |
| Loss from discontinued operation                                                         | (2,179)          | (53,963)         |
| Currency translation differences of foreign subsidiaries recorded in translation reserve | (10,259)         | 330              |
| Total comprehensive loss from discontinued operation                                     | (12,438)         | (53,633)         |

Loss for the period of discontinued operation has been arrived at after charging:

|                                                                                       | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------------------------|------------------|------------------|
| Depreciation of property, plant and equipment (Note 16)                               | –                | 1,733            |
| Depreciation of right-of-use assets (Note 17(a))                                      | –                | 2,501            |
| Impairment of property, plant and equipment (Note 16)                                 | –                | 400              |
| Impairment of trade receivables (Note 21)                                             | 357              | –                |
| (Reversal of provision)/provision for slow moving inventories and shrinkage (Note 20) | (4,475)          | 1,395            |

The net cash flows incurred by the discontinued operation are as follow:

|                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------|------------------|------------------|
| Net cash used in operating activities                               | (21,061)         | (19,626)         |
| Net cash used in investing activities                               | (189)            | (196)            |
| Net cash generated from financing activities                        | 15,477           | 14,789           |
| Net decrease in cash and cash equivalents in discontinued operation | (5,773)          | (5,033)          |

## 14 Earnings per share

## Material Accounting Policy

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing cost associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## From continuing operations

- (a)** Basic earnings per share from continuing operations is calculated by dividing the profit from continuing operations attributable to owners of the Company by the weighted average number of ordinary shares in issue less the total number of shares held under the share award scheme was adopted by the Board on 11 April 2014 (the "Share Award Scheme") during the year.

|                                                                                                                               | 2026             | 2025      |
|-------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|
| Profit from continuing operations attributable to owners of the Company (HK\$'000)                                            | <b>202,669</b>   | 130,936   |
| Weighted average number of ordinary shares in issue less shares held under the Share Award Scheme during the year (thousands) | <b>3,101,377</b> | 3,102,198 |
|                                                                                                                               | <b>2026</b>      | 2025      |
| Total basic earnings per share attributable to the owners of the Company (HK cents)                                           | <b>6.5</b>       | 4.2       |





## 14 Earnings per share (continued)

### From continuing operations (continued)

- (b) Diluted earnings per share from continuing operations is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options and awarded shares under the Share Award Scheme during the year. For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. For shares held under the Share Award Scheme, awarded shares granted to the employees but not yet vested as at 31 March 2026 and 2025 have been included in the number of shares.

|                                                                                                                               | 2026             | 2025      |
|-------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|
| Profit from continuing operations attributable to owners of the Company (HK\$'000)                                            | <b>202,669</b>   | 130,936   |
| Weighted average number of ordinary shares in issue less shares held under the Share Award Scheme during the year (thousands) | <b>3,101,377</b> | 3,102,198 |
| Adjustment for share options and awarded shares (thousands)                                                                   | <b>301</b>       | 192       |
| Weighted average number of ordinary shares for diluted earnings per share (thousands)                                         | <b>3,101,678</b> | 3,102,390 |

|                                                                                       | 2026       | 2025 |
|---------------------------------------------------------------------------------------|------------|------|
| From continuing operations attributable to owners of the Company (HK cents)           | <b>6.5</b> | 4.2  |
| Total diluted earnings per share attributable to the owners of the Company (HK cents) | <b>6.5</b> | 4.2  |

### From continuing and discontinued operations

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

|                                                                                                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Profit from continuing operations attributable to owners of the Company                                    | <b>202,669</b>   | 130,936          |
| Loss from discontinued operation attributable to owners of the Company                                     | <b>(2,179)</b>   | (53,963)         |
| Profit for the purpose of basic and diluted earnings per share from continuing and discontinued operations | <b>200,490</b>   | 76,973           |

|                                                                                     | 2026       | 2025  |
|-------------------------------------------------------------------------------------|------------|-------|
| From continuing operations attributable to owners of the Company (HK cents)         | <b>6.5</b> | 4.2   |
| From discontinued operation (HK cents) (Note (a))                                   | <b>–</b>   | (1.7) |
| Total basic earnings per share attributable to the owners of the Company (HK cents) | <b>6.5</b> | 2.5   |

The denominators used are the same as those detailed above for both basic and diluted earnings per share from continuing operations.

Note:

- (a) The basic and diluted loss per share attributable to owners of the Company from discontinued operation for the year ended 31 March 2026 are less than 0.1 HK cents..

## 14 Earnings per share (continued)

### From discontinued operation

The basic and diluted loss per share for the discontinued operation is 0.07 HK cents per share (2025: Basic and diluted loss of 1.7 HK cents per share).

The calculation of basic and diluted loss per share from the discontinued operation is based on:

|                                                                                                                               | 2026      | 2025      |
|-------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Loss attributable to owners of the Company from the discontinued operation (HK\$'000)                                         | (2,179)   | (53,963)  |
| Weighted average number of ordinary shares in issue less shares held under the Share Award Scheme during the year (thousands) | 3,101,377 | 3,102,198 |
| Adjustment for share options and awarded shares (thousands)                                                                   | 301       | 192       |
| Weighted average number of ordinary shares for diluted earnings per share (thousands)                                         | 3,101,678 | 3,102,390 |

## 15 Dividends

### Material Accounting Policy

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

|                                                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------|------------------|------------------|
| Interim, paid – 1.15 HK cents (2025: 0.75 HK cents) per share | 35,687           | 23,274           |
| Final, proposed – 3.4 HK cents (2025: 1.7 HK cents) per share | 105,508          | 52,754           |
| Final special, proposed – 1.9 HK cents (2025: nil) per share  | 58,961           | –                |
|                                                               | 200,156          | 76,028           |

At a Board meeting held on 25 June 2026, the directors of the Company proposed a final dividend of 3.4 HK cents (2025: 1.7 HK cents) and a final special dividend of 1.9 HK cents per share (2025: Nil).

These proposed dividends have not been reflected as dividend payables in these consolidated financial statements, but will be reflected as an appropriation of distributable reserve for the year ending 31 March 2027 if approved by the shareholders.



## 16 Property, plant and equipment

### Material Accounting Policy



Land and buildings mainly comprise offices. Property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

|                                   |                                       |
|-----------------------------------|---------------------------------------|
| Leasehold land                    | Over remaining lease term             |
| Buildings                         | 20-36 years                           |
| Leasehold improvements            | Over shorter of lease term or 6 years |
| Equipment, furniture and fixtures | 3-5 years                             |
| Motor vehicles                    | 4-5 years                             |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Please refer to **Note 35.3** for policies on impairment of non-financial assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are recognised in the consolidated income statement.

Please refer to **Critical Accounting Estimates and Judgements Note 4(i)** for estimates and judgements on impairment for property, plant and equipment.

## 16 Property, plant and equipment (continued)

|                                         | Land and<br>buildings<br>HK\$'000 | Leasehold<br>improvements<br>HK\$'000 | Equipment,<br>Furniture<br>and fixtures<br>HK\$'000 | Motor<br>vehicles<br>HK\$'000 | Total<br>HK\$'000 |
|-----------------------------------------|-----------------------------------|---------------------------------------|-----------------------------------------------------|-------------------------------|-------------------|
| At 31 March 2024                        |                                   |                                       |                                                     |                               |                   |
| Cost                                    | 190,790                           | 478,047                               | 216,253                                             | 25,336                        | 910,426           |
| Accumulated depreciation and impairment | (94,272)                          | (398,741)                             | (194,586)                                           | (19,470)                      | (707,069)         |
| Net book amount                         | 96,518                            | 79,306                                | 21,667                                              | 5,866                         | 203,357           |
| Year ended 31 March 2025                |                                   |                                       |                                                     |                               |                   |
| Opening net book amount                 | 96,518                            | 79,306                                | 21,667                                              | 5,866                         | 203,357           |
| Additions                               | –                                 | 41,745                                | 17,141                                              | 9                             | 58,895            |
| Write-off                               | –                                 | (37)                                  | (3)                                                 | (212)                         | (252)             |
| Depreciation                            | (5,629)                           | (39,980)                              | (14,637)                                            | (1,929)                       | (62,175)          |
| Impairment                              | –                                 | (267)                                 | (133)                                               | –                             | (400)             |
| Exchange differences                    | –                                 | 966                                   | 194                                                 | –                             | 1,160             |
| Closing net book amount                 | 90,889                            | 81,733                                | 24,229                                              | 3,734                         | 200,585           |
| At 31 March 2025                        |                                   |                                       |                                                     |                               |                   |
| Cost                                    | 190,790                           | 491,493                               | 199,710                                             | 24,323                        | 906,316           |
| Accumulated depreciation and impairment | (99,901)                          | (409,760)                             | (175,481)                                           | (20,589)                      | (705,731)         |
| Net book amount                         | 90,889                            | 81,733                                | 24,229                                              | 3,734                         | 200,585           |
| <b>Year ended 31 March 2026</b>         |                                   |                                       |                                                     |                               |                   |
| Opening net book amount                 | <b>90,889</b>                     | <b>81,733</b>                         | <b>24,229</b>                                       | <b>3,734</b>                  | <b>200,585</b>    |
| Additions                               | –                                 | <b>40,709</b>                         | <b>11,567</b>                                       | <b>191</b>                    | <b>52,467</b>     |
| Write-off                               | –                                 | <b>(344)</b>                          | <b>(16)</b>                                         | –                             | <b>(360)</b>      |
| Depreciation                            | <b>(5,629)</b>                    | <b>(47,224)</b>                       | <b>(13,222)</b>                                     | <b>(1,851)</b>                | <b>(67,926)</b>   |
| Impairment                              | –                                 | <b>(1,744)</b>                        | <b>(249)</b>                                        | –                             | <b>(1,993)</b>    |
| Exchange differences                    | –                                 | <b>2,865</b>                          | <b>505</b>                                          | –                             | <b>3,370</b>      |
| Closing net book amount                 | <b>85,260</b>                     | <b>75,995</b>                         | <b>22,814</b>                                       | <b>2,074</b>                  | <b>186,143</b>    |
| <b>At 31 March 2026</b>                 |                                   |                                       |                                                     |                               |                   |
| Cost                                    | <b>190,790</b>                    | <b>479,840</b>                        | <b>198,258</b>                                      | <b>24,522</b>                 | <b>893,410</b>    |
| Accumulated depreciation and impairment | <b>(105,530)</b>                  | <b>(403,845)</b>                      | <b>(175,444)</b>                                    | <b>(22,448)</b>               | <b>(707,267)</b>  |
| Net book amount                         | <b>85,260</b>                     | <b>75,995</b>                         | <b>22,814</b>                                       | <b>2,074</b>                  | <b>186,143</b>    |



## 16 Property, plant and equipment (continued)

- (a) Depreciation expense of HK\$55,517,000 (2025: HK\$46,635,000) was included in selling and distribution costs from continuing operations, HK\$12,409,000 (2025: HK\$13,807,000) was included in administrative expenses from continuing operations and no depreciation expense (2025: HK\$1,733,000) was included in loss for the year from discontinued operation.
- (b) Write-off of property, plant and equipment of HK\$360,000 (2025: HK\$252,000) was included in selling and distribution costs from continuing operations.
- (c) As at 31 March 2026, land and buildings with carrying value amounted to HK\$83,941,000 (2025: HK\$89,483,000) were pledged for banking facilities made available to the Group.

As at 31 March 2026, net book amount of retail store assets represented property, plant and equipment and right-of-use assets amounting to HK\$77,239,000 (2025: HK\$82,887,000) and HK\$470,163,000 (2025: HK\$549,661,000) respectively. The Group regards each individual retail store as a separately identifiable cash-generating unit. Management carried out an impairment assessment for the retail store assets, including property, plant and equipment and right-of-use assets, which have an impairment indicator.

The carrying amount of the retail store assets is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The estimates of the recoverable amounts were based on value-in-use calculations using discounted cash flow projections based on the financial forecasts approved by management covering the remaining tenure of the lease, with major assumptions such as revenue growth rate, percentage change of running costs, gross profit margin and discount rates ranging from 2.8% to 11.5%. As a result of the impairment assessment, an impairment loss for property, plant and equipment HK\$1,993,000 (2025: Nil) was recognised in selling and distribution cost from continuing operations and no impairment loss (2025: HK\$400,000) was recognised in loss for the year from discontinued operation. An impairment loss of right-of-use assets (Note 17(a)) HK\$2,505,000 (2025: Nil) was recognised from continuing operations and no impairment loss of right-of-use assets (2025: Nil) was recognised in loss for the year from discontinued operation.

Key assumptions used in the value-in-use calculations for the recoverable amount of retail store assets in Hong Kong, Malaysia and Singapore market are as follows:

|                                     |                                                                                                                 |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Revenue growth rate:                | based on the estimated foot traffic of the Group's retail stores and the recovery of the economy of this market |
| Percentage change of running costs: | based on the estimated change related to the Group's cost saving plan and historical data                       |
| Gross profit margin:                | based on the historical data and potential change in product mix                                                |

## 17 Leases

### Material Accounting Policy



#### ***The Group as lessee***

The Group leases various retail stores, warehouses and offices. Rental contracts are typically made for fixed periods from 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the lease liabilities and finance costs. The finance cost is charged to consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- restoration costs; and
- any initial direct costs.



## 17 Leases (continued)

### Material Accounting Policy (continued)



#### ***The Group as lessee (continued)***

Payments associated with short-term leases are recognised on a straight-line basis as an expense in consolidated income statement. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets.

#### ***The Group as lessor***

The Group enters into lease agreements as a lessor with respect to some of its leased properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.



## 17 Leases (continued)

## (a) Right-of-use assets

|                              | Store<br>properties<br>HK\$'000 | Warehouses<br>and offices<br>properties<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------|---------------------------------|-----------------------------------------------------|-------------------|
| At 1 April 2024              | 537,022                         | 105,215                                             | 642,237           |
| Inception of lease contracts | 317,205                         | 6,846                                               | 324,051           |
| Adjustment for lease         | (10,376)                        | (2)                                                 | (10,378)          |
| Depreciation                 | (298,205)                       | (38,359)                                            | (336,564)         |
| Exchange difference          | 4,015                           | 55                                                  | 4,070             |
| At 31 March 2025             | 549,661                         | 73,755                                              | 623,416           |
| At 1 April 2025              | <b>549,661</b>                  | <b>73,755</b>                                       | <b>623,416</b>    |
| Inception of lease contracts | <b>242,038</b>                  | <b>1,026</b>                                        | <b>243,064</b>    |
| Adjustment for lease         | <b>(23,368)</b>                 | <b>(22)</b>                                         | <b>(23,390)</b>   |
| Depreciation                 | <b>(305,759)</b>                | <b>(38,202)</b>                                     | <b>(343,961)</b>  |
| Impairment loss recognised   | <b>(2,505)</b>                  | <b>–</b>                                            | <b>(2,505)</b>    |
| Exchange difference          | <b>10,096</b>                   | <b>408</b>                                          | <b>10,504</b>     |
| At 31 March 2026             | <b>470,163</b>                  | <b>36,965</b>                                       | <b>507,128</b>    |

The Group obtains right to control the use of various retail stores, warehouses and offices for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain a wide range of different terms and conditions including lease payments and lease terms ranging from 1 to 6 years (2025: 1 to 6 years).

During the year ended 31 March 2026, depreciation of right-of-use assets of HK\$341,352,000 (2025: HK\$331,721,000) was included in selling and distribution costs from continuing operations, HK\$2,609,000 (2025: HK\$2,342,000) was included in administrative expenses from continuing operations, and no depreciation of right-of-use assets (2025: HK\$2,501,000) was included in loss for the year from discontinued operation.

Some of the property leases which the Group is the lessee contain variable lease payment terms that are linked to sales generated from the leased stores. Variable lease terms are used to link lease payments to store cash flows and reduce fixed cost. The variable lease payments depend on sales and consequently on the overall economic development over the next few years. Taking into account the development of sales expected over the next few years, variable lease payments are expected to continue to present a similar proportion of store sales in future years.

For details of impairment losses on right-of-use assets, refer to Note 16(c).



## 17 Leases (continued)

### (b) Lease liabilities

|                                                    | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------------|------------------|------------------|
| At 1 April                                         | 658,844          | 692,148          |
| Inception of lease contracts                       | 240,885          | 317,106          |
| Adjustment for lease                               | (25,050)         | (14,378)         |
| Interest expenses on lease liabilities (Note)      | 24,904           | 28,579           |
| Payment for lease liabilities (including interest) | (376,581)        | (368,965)        |
| Exchange difference                                | 12,081           | 4,354            |
| At 31 March                                        | 535,083          | 658,844          |

Note:

During the year ended 31 March 2026, interest expenses on lease liabilities of HK\$24,900,000 (2025: HK\$28,440,000) were included in finance costs from continuing operations and HK\$4,000 (2025: HK\$139,000) was included in loss for the year from discontinued operation.

Maturity analysis of lease liabilities is as follows:

|                                                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------|------------------|------------------|
| Lease liabilities payable:                      |                  |                  |
| Not later than 1 year                           | 292,415          | 311,932          |
| Later than 1 year but not later than 5 years    | 241,515          | 344,757          |
| Over 5 years                                    | 1,153            | 2,155            |
|                                                 | 535,083          | 658,844          |
| Less: portion classified as current liabilities | (292,415)        | (311,932)        |
| Non-current liabilities                         | 242,668          | 346,912          |

### (c) Short-term leases and not yet commenced leases

As at 31 March 2026, the total future lease payments for short-term leases and not yet commenced leases amounted to HK\$3,655,000 (2025: HK\$9,798,000) and HK\$82,818,000 (2025: HK\$18,321,000) respectively.

## 18 Rental deposits and other assets

| Accounting Policies Note 35.4 |                  |                  |
|-------------------------------|------------------|------------------|
|                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
| Rental and other deposits     | 74,562           | 86,131           |
| Others                        | 5,552            | 5,552            |
|                               | 80,114           | 91,683           |

Rental deposits are carried at amortised cost using the effective interest rate of 0.49% to 3.22% per annum (2025: 0.44% to 3.22% per annum). The carrying amounts of rental deposits approximate their fair values.

## 19 Deferred tax

## Material Accounting Policy



Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences and losses can be utilised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Please refer to **Critical Accounting Estimates and Judgements Note 4(iii)** for estimates and judgements on deferred tax assets in respect of tax losses and temporary differences.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The net amounts are as follows:

|                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------|------------------|------------------|
| Deferred tax assets       | 158,476          | 177,140          |
| Deferred tax liabilities  | (163)            | (202)            |
| Deferred tax assets – net | 158,313          | 176,938          |

The movement in net deferred tax assets is as follows:

|                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------|------------------|------------------|
| At 1 April                                                          | 176,938          | 181,360          |
| Deferred tax charged to the consolidated income statement (Note 12) | (18,901)         | (4,581)          |
| Exchange differences                                                | 276              | 159              |
| At 31 March                                                         | 158,313          | 176,938          |



## 19 Deferred tax (continued)

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

|                                             | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------|------------------|------------------|
| Deferred tax assets                         |                  |                  |
| – to be recovered within 12 months          | 24,348           | 11,600           |
| – to be recovered after more than 12 months | 134,128          | 165,540          |
|                                             | 158,476          | 177,140          |
| Deferred tax liabilities                    |                  |                  |
| – to be recovered after more than 12 months | 163              | 202              |

The movements in deferred tax assets and liabilities during the year are as follows:

### Deferred tax assets

|                                                         | Decelerated tax depreciation |                  | Leases           |                  | Provisions       |                  | Tax losses       |                  | Total            |                  |
|---------------------------------------------------------|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                                         | 2026<br>HK\$'000             | 2025<br>HK\$'000 | 2026<br>HK\$'000 | 2025<br>HK\$'000 | 2026<br>HK\$'000 | 2025<br>HK\$'000 | 2026<br>HK\$'000 | 2025<br>HK\$'000 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
| At 1 April                                              | 4,838                        | 4,695            | 1,835            | 2,002            | 6,897            | 1,436            | 163,570          | 173,467          | 177,140          | 181,600          |
| (Charged)/credited to the consolidated income statement | 3,192                        | 178              | (258)            | (202)            | 229              | 5,343            | (22,103)         | (9,938)          | (18,940)         | (4,619)          |
| Exchange differences                                    | 61                           | (35)             | 81               | 35               | 112              | 118              | 22               | 41               | 276              | 159              |
| At 31 March                                             | 8,091                        | 4,838            | 1,658            | 1,835            | 7,238            | 6,897            | 141,489          | 163,570          | 158,476          | 177,140          |

### Deferred tax liabilities

|                                               | Accelerated tax depreciation |                  |
|-----------------------------------------------|------------------------------|------------------|
|                                               | 2026<br>HK\$'000             | 2025<br>HK\$'000 |
| At 1 April                                    | 202                          | 240              |
| Credited to the consolidated income statement | (39)                         | (38)             |
| At 31 March                                   | 163                          | 202              |

Deferred tax assets are recognised for tax losses carry forward to the extent that realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of HK\$103,894,000 (2025: HK\$103,686,000) in respect of tax losses amounting to HK\$427,136,000 (2025: HK\$438,910,000) and temporary differences amounting to HK\$54,117,000 (2025: HK\$54,132,000) that can be carried forward against future taxable income. Tax losses amounting to HK\$276,790,000 (2025: HK\$252,478,000) will expire within 1 to 5 years from 31 March 2026. The remaining tax losses and capital allowances have no expiry date.

## 20 Inventories

### Material Accounting Policy



Inventories comprise merchandise and are stated at the lower of cost and net realisable value.

Cost represents the invoiced cost of inventories plus the applicable freight and duties. Costs are assigned to individual items on the weighted-average basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Please refer to **Critical Accounting Estimates and Judgements Note 4(ii)** for estimates and judgements on provision for inventory.

|                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------|------------------|------------------|
| Merchandise for resale | 767,313          | 670,036          |

The cost of inventories recognised in cost of sales from continuing operations and loss for the year from discontinued operation amounted to HK\$2,696,093,000 (2025: HK\$2,328,130,000) and HK\$8,247,000 (2025: HK\$46,572,000), respectively.

During the year, the Group has made provision of HK\$11,890,000 (2025: reversal of provision of HK\$5,075,000) for slow moving inventories and shrinkage and was included in cost of sales from continuing operations, and made reversal of provision of HK\$4,475,000 (2025: made provision of HK\$1,395,000) for discontinued operation.

## 21 Trade receivables

### Material Accounting Policy



Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Please refer to **Note 35.4 (iv)** for policies on impairment of financial assets.



## 21 Trade receivables (continued)

|                                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------|------------------|------------------|
| Trade receivables                          | 54,352           | 67,506           |
| Less: provision for expected credit losses | (3,121)          | (2,760)          |
| Trade receivables – net                    | 51,231           | 64,746           |

The carrying amounts of trade receivables approximate their fair values.

The Group's turnover comprises mainly cash sales and credit card sales. Certain wholesale customers are granted credit terms ranging from 7 to 120 days. The ageing analysis of trade receivables by invoice date is as follows:

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Within 1 month | 41,535           | 51,657           |
| 1 to 3 months  | 3,875            | 3,817            |
| Over 3 months  | 5,821            | 9,272            |
|                | 51,231           | 64,746           |

Movement in the Group's provision for expected credit losses on trade receivables is as follows:

|                                                                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------------------------------------------|------------------|------------------|
| At 1 April                                                      | 2,760            | 2,856            |
| Provision/(reversal) of impairment recognised in previous years | 357              | (99)             |
| Exchange differences                                            | 4                | 3                |
| At 31 March                                                     | 3,121            | 2,760            |

The Group applies HKFRS 9 simplified approach to measure ECL, which uses a lifetime expected loss allowance for all trade receivables. For details, please refer to **Note 3.1(ii) in "Financial Risk Management"**.

Trade receivables are denominated in the following currencies:

|                    | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------|------------------|------------------|
| HK\$               | 30,061           | 31,569           |
| Renminbi           | 12,045           | 19,386           |
| Singapore dollar   | 3,527            | 2,838            |
| Malaysian Ringgit  | 3,296            | 4,370            |
| Philippines dollar | 1,728            | 791              |
| Thai Baht          | 502              | 485              |
| US\$               | 72               | 5,307            |
|                    | 51,231           | 64,746           |

## 22 Other receivables, deposits and prepayments

### Material Accounting Policy



Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit losses.

If collection of other receivables is expected to be in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Please refer to **Note 35.4(iv)** for policies on impairment of financial assets.

|                                          | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------|------------------|------------------|
| Rental and utilities deposits            | 55,623           | 43,918           |
| Other receivables and payment in advance | 63,094           | 46,018           |
| Prepayments                              | 15,118           | 18,409           |
| Other deposits                           | 16,867           | 16,791           |
|                                          | <b>150,702</b>   | 125,136          |

The carrying amounts of other receivables and deposits approximate their fair values. The other receivables are due and receivable within one year from the end of the reporting period.

Other receivables, deposits and prepayments are denominated in the following currencies:

|                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------|------------------|------------------|
| HK\$              | 142,427          | 112,082          |
| Malaysian Ringgit | 7,096            | 8,749            |
| Renminbi          | 750              | 3,932            |
| Singapore dollar  | 429              | 373              |
|                   | <b>150,702</b>   | 125,136          |





## 23 Time deposits, cash and cash equivalents

### Material Accounting Policy



Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Time deposits do not meet the definition of a cash equivalent when it has a maturity of three months or more from the date of acquisition.

|                                                                         | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------|------------------|------------------|
| <b>Time deposits</b>                                                    |                  |                  |
| Time deposits with maturity over three months                           | 62,745           | 70,000           |
| <b>Cash and cash equivalents</b>                                        |                  |                  |
| Short-term bank deposits                                                | 269,009          | 121,653          |
| Cash at bank and on hand                                                | 173,059          | 179,445          |
| Cash and cash equivalents as stated in consolidated cash flow statement | 442,068          | 301,098          |
| Total                                                                   | 504,813          | 371,098          |

Time deposits, and cash and bank balances are denominated in the following currencies:

|                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------|------------------|------------------|
| HK\$              | 374,357          | 257,928          |
| Malaysian Ringgit | 38,141           | 34,607           |
| US\$              | 22,279           | 22,935           |
| Euro              | 20,252           | 10,010           |
| Renminbi          | 19,795           | 20,565           |
| Macao Pataca      | 14,352           | 15,481           |
| Singapore dollar  | 7,318            | 2,874            |
| Swiss Franc       | 5,965            | 5,388            |
| Japanese Yen      | 2,335            | 1,294            |
| Others            | 19               | 16               |
|                   | 504,813          | 371,098          |

As at 31 March 2026, the year-end effective interest rate on the time deposits over three months was 2.49% (2025: 3.73%) per annum. These deposits have an average maturity of 3 months.

The year-end effective interest rate on short-term bank deposits was 2.53% per annum (2025: 3.78% per annum). These deposits have an average maturity of 0.4 months (2025: 1.7 months).

As at 31 March 2026, total cash and bank balances denominated in Renminbi and Malaysian Ringgit of approximately HK\$52,415,000 (2025: HK\$52,829,000) were kept in Chinese Mainland and Malaysia. The remittance of these funds out of Chinese Mainland and Malaysia is subject to applicable foreign exchange restrictions imposed by the respective local governments.

## 24 Trade payables

### Material Accounting Policy



Trade payables are obligations to pay for goods that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The ageing analysis of trade payables by invoice date is as follows:

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Within 1 month | 261,464          | 152,544          |
| 1 to 3 months  | 48,188           | 72,117           |
| Over 3 months  | 12,509           | 13,965           |
|                | <b>322,161</b>   | 238,626          |

The carrying amounts of trade payables approximate their fair values.

Trade payables are denominated in the following currencies:

|                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------|------------------|------------------|
| HK\$              | 225,608          | 153,555          |
| US\$              | 37,156           | 32,193           |
| Malaysian Ringgit | 20,474           | 20,090           |
| Euro              | 14,946           | 7,731            |
| South Korean Won  | 5,860            | 4,163            |
| Japanese Yen      | 5,808            | 4,158            |
| Renminbi          | 5,701            | 11,476           |
| Swiss Franc       | 3,249            | 3,207            |
| Singapore dollar  | 2,481            | 1,771            |
| Australian dollar | 327              | –                |
| Canadian dollar   | 291              | –                |
| Macao Pataca      | 260              | 250              |
| Others            | –                | 32               |
|                   | <b>322,161</b>   | 238,626          |



## 25 Other payables and accruals

### Material Accounting Policy



Other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Provisions are recognised when the Group has a present legal and constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligations using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

|                                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------|------------------|------------------|
| Accrued staff costs                          | 65,432           | 79,120           |
| Accrued reinstatement costs                  | 25,159           | 14,244           |
| Valued-added tax and other tax payables      | 14,695           | 14,790           |
| Contract liabilities (Note 5(a))             | 12,601           | 10,887           |
| Accrued advertising and promotion expenses   | 11,457           | 10,544           |
| Accrued capital expenditure                  | 9,723            | 14,560           |
| Accrued transportation expenses              | 7,207            | 4,297            |
| Accrued rental related expenses              | 6,094            | 2,138            |
| Accrued utilities and telecommunication      | 3,534            | 2,915            |
| Accrued repair & maintenance                 | 2,811            | 5,742            |
| Forward foreign exchange contracts (Note 26) | 59               | 7                |
| Other payables and accruals                  | 37,633           | 37,775           |
|                                              | <b>196,405</b>   | 197,019          |

## 26 Forward foreign exchange contracts

|                                                         | 2026                          |                                    | 2025                          |                                    |
|---------------------------------------------------------|-------------------------------|------------------------------------|-------------------------------|------------------------------------|
|                                                         | Current<br>assets<br>HK\$'000 | Current<br>liabilities<br>HK\$'000 | Current<br>assets<br>HK\$'000 | Current<br>liabilities<br>HK\$'000 |
| Forward foreign exchange contracts<br>– cash flow hedge | –                             | 59                                 | 112                           | 7                                  |

The maturity dates of the outstanding forward foreign exchange contracts as at 31 March 2026 are within one year and are classified as current liabilities.

As at 31 March 2026, the notional principal amount of the outstanding forward foreign exchange contracts under cash flow hedges was HK\$2,762,000 (2025: HK\$4,611,000). The hedges related to highly probable forecasted purchases denominated in Euro, Swiss Franc and Japanese Yen which are expected to occur at various dates within a 12-month period.

The forward foreign exchange contracts entered for the years ended 31 March 2026 and 2025 were determined to be effective hedges. There was no ineffectiveness to be recognised in the consolidated income statement.

## 27 Retirement benefit obligations

### (a) Retirement benefit obligations

|                                                                                        | Accounting Policies Note 35.7 |                  |
|----------------------------------------------------------------------------------------|-------------------------------|------------------|
|                                                                                        | 2026<br>HK\$'000              | 2025<br>HK\$'000 |
| Retirement benefit obligations liability on:<br>– long service payments (Note (b)(ii)) | 18,222                        | 15,950           |

### (b) Retirement benefit costs

|                                                                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------------------------|------------------|------------------|
| <b>Retirement benefit costs charged to consolidated income statement:</b> |                  |                  |
| Retirement benefit costs                                                  |                  |                  |
| – defined contribution plans (Note (i))                                   | 26,711           | 29,197           |
| – long service payments (Note (ii))                                       | 2,233            | 2,014            |
|                                                                           | 28,944           | 31,211           |
| <b>Representing:</b>                                                      |                  |                  |
| – employee benefit expenses from continuing operations (Note 9)           | 28,380           | 28,623           |
| – loss for the year from discontinued operation                           | 564              | 2,588            |
|                                                                           | 28,944           | 31,211           |
| <b>Retirement benefit costs charged to other comprehensive income:</b>    |                  |                  |
| – long service payments (Note (ii))                                       | 817              | 850              |



## 27 Retirement benefit obligations (continued)

### (b) Retirement benefit costs (continued)

Notes:

- (i) The subsidiaries of the Group in Hong Kong elected to contribute to the Mandatory Provident Fund Scheme ("MPF Scheme"). The MPF Scheme is a defined contribution retirement benefit plan administered by independent trustees. Under the MPF Scheme, both the employer and employees are required to contribute 5% of the employee's monthly salaries (capped at HK\$30,000). Contributions from the employer equivalent to the contribution as specified at the rules of the MPF Scheme are 100% vested as soon as they are paid to the relevant MPF Scheme but all benefits derived from the mandatory contributions must be preserved until the employee reaches the age of 65, subject to a few exceptions. As to the employer's contribution in excess of the portion vested in the MPF Scheme, the employees are entitled to 100% of it after 10 years of completed service or at a reduced scale after completion of 3 to 9 years' service. Any forfeited employer's excess contributions are refundable to the Group.

The employees of the Group in Chinese Mainland are members of state-managed retirement benefit schemes operated by the respective local government in Chinese Mainland. The Group is required to contribute a specified percentage of payroll costs to the scheme to fund the benefits. The only obligation of the Group with respect to these schemes is to make the specified contributions.

Subsidiaries of the Group in Singapore and Malaysia contribute to the Central Provident Fund and Employees Provident Fund respectively, the national defined contribution plan. The contributions are charged to profit or loss in the period to which they relate. The Company has no further payment obligations once the contributions have been paid.

- (ii) The Group's provision for long service payments are determined based on the actuarial valuation as at 31 March 2026 prepared by International Valuation Limited, a qualified actuary, using the projected unit credit method.

The movements of long service payments during the year are as follows:

|                                                                   | Present value of obligations |                  |
|-------------------------------------------------------------------|------------------------------|------------------|
|                                                                   | 2026<br>HK\$'000             | 2025<br>HK\$'000 |
| At 1 April                                                        | 15,950                       | 12,561           |
| Current service cost                                              | 1,695                        | 1,463            |
| Interest cost                                                     | 538                          | 551              |
| Retirement benefit costs charged to consolidated income statement | 2,233                        | 2,014            |
| Remeasurements:                                                   |                              |                  |
| Actuarial loss/(gain) – experience                                | 2                            | (147)            |
| Actuarial loss – financial assumptions                            | 898                          | 1,711            |
| Actuarial gain – demographic assumptions                          | (83)                         | (714)            |
| Retirement benefit costs charged to other comprehensive income    | 817                          | 850              |
| Benefits (paid)/refund directly by the employer                   | (778)                        | 525              |
| At 31 March                                                       | 18,222                       | 15,950           |

## 28 Share capital

### Material Accounting Policy



Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Please refer to **Note 35.8** for details on share options and share award scheme.

|                                                     | No. of shares | HK\$'000 |
|-----------------------------------------------------|---------------|----------|
| <b>Authorised shares of HK\$0.1 each</b>            |               |          |
| At 1 April 2024, 31 March 2025 and 2026             | 8,000,000,000 | 800,000  |
| <b>Issued and fully paid shares of HK\$0.1 each</b> |               |          |
| At 1 April 2024, 31 March 2025 and 2026             | 3,103,189,458 | 310,319  |

#### (a) Share options

A share option scheme was adopted by the Company on 23 August 2012 and became unconditional and effective on 27 August 2012 (the "2012 Share Option Scheme"). The 2012 Share Option Scheme expired on 23 August 2022.

Under the 2012 Share Option Scheme, share options may be granted to any directors (including executive, non-executive and independent non-executive directors) and employees of the Group, and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any members of the Group who the Board or a duly authorised committee thereof considers, in its sole discretion, to have contributed to the Group.

The option period shall be notified by the Board to each grantee at the time of making an offer which shall not expire later than 10 years from the date of grant of the relevant option. The subscription price shall be determined by the Board at its absolute discretion but in any event shall not be less than the highest of: (i) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; or (iii) the nominal value of a Share. The Group has no obligation to repurchase or settle the options in cash.

The outstanding share options of the Company were granted under the 2012 Share Option Scheme to the directors of the Company and certain key management personnel, which are to be vested after the selected employee completed a period of services in the Group from one to three years from the grant date or achieved certain performance targets set by the Board. All outstanding share options have been vested.

The 2012 Share Option Scheme expired on 23 August 2022. Following the expiration of the 2012 Share Option Scheme, the Company adopted a new share option scheme (the "2022 Share Option Scheme") on 31 August 2022.

Under the 2022 Share Option Scheme, the Board shall, in accordance with and subject to the provisions of the 2022 Share Option Scheme and the Listing Rules, be entitled but shall not be bound at any time within the period of ten years commencing on 31 August 2022, the date on which the 2022 Share Option Scheme was adopted, to make an offer to any person belonging to the following classes of participants ("Participant") to subscribe, subject to such conditions as the Board may think fit, and no person other than the Participant named in such offer may subscribe, for such number of Shares at such subscription price as the Board shall determine:



## 28 Share capital (continued)

### (a) Share options (continued)

- (a) any employee (whether employed on a full-time or part-time basis, including any executive director but excluding any non-executive director) of the Company or its subsidiaries (including persons who are granted options as an inducement to enter into employment contracts with the Group);
- (b) any non-executive director (including independent non-executive director) of the Company or its subsidiaries;
- (c) any director and employee of any holding company, fellow subsidiary or associated company of the Company;
- (d) any shareholder of any member of the Group; and
- (e) any person(s) who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group as determined by the Remuneration Committee, including advisers, consultants, distributors, contractors, suppliers, agents, business partners, joint venture partners, promoters and service providers of any member of the Group, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, or consultants providing professional services to the Group,

and, for the purposes of the 2022 Share Option Scheme, the offer may be made to a trust or similar arrangement for the benefit of a specified Participant subject to the fulfilment of requirements of the Listing Rules (including waiver from the Stock Exchange, where applicable).

The period to be notified by the Board to each grantee as being the period during which an option may be exercised as the Board determines at its discretion, save that such period shall not be more than ten years from the date of grant of the relevant option. The subscription price shall be determined by the Board in its absolute discretion but in any event shall not be less than the higher of: (i) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; or (iii) the nominal value of a Share. The Group has no obligation to repurchase or settle the options in cash.

During the year ended 31 March 2026, no share options were granted under the 2012 Share Option Scheme (2025: Nil) and 30,490,000 shares were granted under 2022 Share Option Scheme (2025: Nil) to certain directors of the Company and employee of the Group.

Movements in the number of share options outstanding are as follows:

|             | <b>No. of share options<br/>year ended 31 March</b> |         |
|-------------|-----------------------------------------------------|---------|
|             | <b>2026</b>                                         | 2025    |
| At 1 April  | <b>300,000</b>                                      | 300,000 |
| Granted     | <b>30,490,000</b>                                   | –       |
| Lapsed      | <b>(2,490,000)</b>                                  | –       |
| At 31 March | <b>28,300,000</b>                                   | 300,000 |



## 28 Share capital (continued)

### (a) Share options (continued)

The expiry dates and subscription prices of the share options outstanding as at 31 March 2026 and 2025 are set out as follows:

| Expiry dates                                                                          | Subscription price per Share (HK\$) | No. of share options outstanding as at 31 March |            |
|---------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------------------|------------|
|                                                                                       |                                     | 2026                                            | 2025       |
| <b>2012 Share Option Scheme</b>                                                       |                                     |                                                 |            |
| 12 April 2028                                                                         | 4.65                                | <b>300,000</b>                                  | 300,000    |
| <b>2022 Share Option Scheme</b>                                                       |                                     |                                                 |            |
| 7 October 2035                                                                        | 0.65                                | <b>28,000,000</b>                               | –          |
|                                                                                       |                                     | <b>28,300,000</b>                               | 300,000    |
| Weighted average remaining contractual life of options outstanding at end of the year |                                     | <b>9.44 years</b>                               | 3.03 years |

The weighted average fair value of share options granted during the Year was determined using the binomial pricing model, prepared by International Valuation Limited, was HK\$0.2256 and HK\$0.2215 per option. The significant inputs into the model were share price of HK\$0.65 on the grant date, exercise price of HK\$0.65, volatility of 42.99%, dividend yields of 4.38%, based on the stock price and historical dividend payout of the Company and an annual risk-free interest rate of 3.00%. The volatility measured based on historical volatility of the Company, excluding abnormalities (if any), for the period before the valuation date (8 October 2025) with length best commensurate to remaining contractual life of the options.

### (b) Share award

Pursuant to a resolution of the Board dated 11 April 2014, the Board approved the adoption of the Share Award Scheme under which shares of the Company may be awarded to selected employees for no cash consideration in accordance with its absolute discretion. The Share Award Scheme shall be valid and effective for a term of 15 years commencing from 11 April 2014. The maximum number of Shares which may be awarded to a selected employee under the Share Award Scheme within 12 months shall not exceed 1% of the issued Share of the Company. The awarded shares are to be vested after the selected employee completed a period of services in the Group from 3 months to 3 years from the grant date unless in special circumstances.

A trust has been set up and fully funded by the Company for the purpose of purchasing, administering and holding the Company's shares for the Share Award Scheme. The total number of shares to be granted under the Share Award Scheme is limited to 5% of the total issued Share of the Company.

During the year ended 31 March 2026, the Company acquired 2,664,000 (2025: Nil) Shares on Stock Exchange at a total consideration of approximately HK\$1,551,000 and has been debited to the shareholders' equity.

Movements in the number of awarded shares:

|                | Number of awarded shares year ended 31 March |           |
|----------------|----------------------------------------------|-----------|
|                | 2026                                         | 2025      |
| At 1 April     | <b>145,000</b>                               | 295,000   |
| Awarded (Note) | <b>630,000</b>                               | 110,000   |
| Vested         | –                                            | (165,000) |
| Lapsed         | <b>(565,000)</b>                             | (95,000)  |
| At 31 March    | <b>210,000</b>                               | 145,000   |

Note: The fair value of awarded Shares was determined with reference to market price of the Shares at the date of award. Average fair value per share was HK\$0.59 (2025: HK\$0.73).



## 28 Share capital (continued)

### (b) Share award (continued)

Details of the awarded Shares outstanding as at 31 March 2026 were set out as follows:

| Date of award    | Average fair value per share (HK\$) | Vesting period*                      | Number of awarded Shares       |                         |                        |                        | Outstanding as at 31 March 2026 |
|------------------|-------------------------------------|--------------------------------------|--------------------------------|-------------------------|------------------------|------------------------|---------------------------------|
|                  |                                     |                                      | Outstanding as at 1 April 2025 | Awarded during the year | Vested during the year | Lapsed during the year |                                 |
| 8 February 2024  | 0.82                                | 8 February 2024 to 19 August 2025    | 25,000                         | –                       | –                      | (25,000)               | –                               |
|                  |                                     | 8 February 2024 to 19 September 2025 | 25,000                         | –                       | –                      | (25,000)               | –                               |
|                  |                                     | 8 February 2024 to 20 November 2025  | 15,000                         | –                       | –                      | (15,000)               | –                               |
| 12 December 2024 | 0.71                                | 12 December 2024 to 1 August 2027    | 50,000                         | –                       | –                      | –                      | 50,000                          |
|                  |                                     | 12 December 2024 to 2 July 2027      | 30,000                         | –                       | –                      | –                      | 30,000                          |
| 16 July 2025     | 0.59                                | 16 July 2025 to 2 December 2027      | –                              | 100,000                 | –                      | –                      | 100,000                         |
|                  |                                     | 16 July 2025 to 20 January 2030      | –                              | 200,000                 | –                      | (200,000)              | –                               |
|                  |                                     | 16 July 2025 to 3 February 2028      | –                              | 30,000                  | –                      | –                      | 30,000                          |
|                  |                                     | 16 July 2025 to 11 February 2030     | –                              | 300,000                 | –                      | (300,000)              | –                               |
|                  |                                     |                                      | <b>145,000</b>                 | <b>630,000</b>          | <b>–</b>               | <b>(565,000)</b>       | <b>210,000</b>                  |

\* The period during which all the specific vesting conditions of the awarded Shares are to be satisfied.

### (c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of employee benefit expense were as follows:

|                                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------|------------------|------------------|
| Expenses recognised by share option       | <b>810</b>       | –                |
| Expenses recognised by share award scheme | <b>21</b>        | 133              |
|                                           | <b>831</b>       | 133              |

## 29 Reserves

|                                                                                          | Share premium<br>HK\$'000 | Shares held under the Share Award Scheme<br>HK\$'000 | Capital redemption reserve<br>HK\$'000 | Employee share-based compensation reserve<br>HK\$'000 | Translation reserve<br>HK\$'000 | Hedging Reserve<br>HK\$'000 | Accumulated losses<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------------|----------------------------------------|-------------------------------------------------------|---------------------------------|-----------------------------|--------------------------------|-------------------|
| At 1 April 2025                                                                          | 1,412,707                 | (2,152)                                              | 11,783                                 | 4,258                                                 | (55,288)                        | 58                          | (523,942)                      | 847,424           |
| Profit for the year                                                                      | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | 200,490                        | 200,490           |
| Other comprehensive income/(loss):                                                       |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| Actuarial losses on retirement benefit obligations                                       | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | (817)                          | (817)             |
| Cash flow hedges, net of tax                                                             | -                         | -                                                    | -                                      | -                                                     | -                               | (116)                       | -                              | (116)             |
| Currency translation differences of foreign subsidiaries recorded in translation reserve | -                         | -                                                    | -                                      | -                                                     | 14,193                          | -                           | -                              | 14,193            |
| Total comprehensive income for the year                                                  | -                         | -                                                    | -                                      | -                                                     | 14,193                          | (116)                       | 199,673                        | 213,750           |
| Share award scheme:                                                                      |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| Value of employee services                                                               | -                         | -                                                    | -                                      | 21                                                    | -                               | -                           | -                              | 21                |
| Shares purchased for share award scheme                                                  | -                         | (1,551)                                              | -                                      | -                                                     | -                               | -                           | -                              | (1,551)           |
| Vesting of shares under share award scheme                                               | -                         | 106                                                  | -                                      | (21)                                                  | -                               | -                           | (85)                           | -                 |
| Employee share option scheme:                                                            |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| Value of employee services                                                               | -                         | -                                                    | -                                      | 810                                                   | -                               | -                           | -                              | 810               |
| Unclaimed dividends forfeited                                                            | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | 127                            | 127               |
| Dividends:                                                                               |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| 2024/2025 final dividend                                                                 | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | (52,754)                       | (52,754)          |
| 2025/2026 interim dividend                                                               | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | (35,687)                       | (35,687)          |
| Total transactions with owners, recognised directly in equity                            | -                         | (1,445)                                              | -                                      | 810                                                   | -                               | -                           | (88,399)                       | (89,034)          |
| At 31 March 2026                                                                         | 1,412,707                 | (3,597)                                              | 11,783                                 | 5,068                                                 | (41,095)                        | (58)                        | (412,668)                      | 972,140           |

|                                                                                          | Share premium<br>HK\$'000 | Shares held under the Share Award Scheme<br>HK\$'000 | Capital redemption reserve<br>HK\$'000 | Employee share-based compensation reserve<br>HK\$'000 | Translation reserve<br>HK\$'000 | Hedging Reserve<br>HK\$'000 | Accumulated losses<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------------|----------------------------------------|-------------------------------------------------------|---------------------------------|-----------------------------|--------------------------------|-------------------|
| At 1 April 2024                                                                          | 1,412,707                 | (2,848)                                              | 11,783                                 | 4,207                                                 | (62,784)                        | -                           | (421,295)                      | 941,770           |
| Profit for the year                                                                      | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | 76,973                         | 76,973            |
| Other comprehensive income/(loss):                                                       |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| Actuarial losses on retirement benefit obligations                                       | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | (850)                          | (850)             |
| Cash flow hedges, net of tax                                                             | -                         | -                                                    | -                                      | -                                                     | -                               | 58                          | -                              | 58                |
| Currency translation differences of foreign subsidiaries recorded in translation reserve | -                         | -                                                    | -                                      | -                                                     | 7,496                           | -                           | -                              | 7,496             |
| Total comprehensive income for the year                                                  | -                         | -                                                    | -                                      | -                                                     | 7,496                           | 58                          | 76,123                         | 83,677            |
| Share award scheme:                                                                      |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| Value of employee services                                                               | -                         | -                                                    | -                                      | 133                                                   | -                               | -                           | -                              | 133               |
| Vesting of shares under share award scheme                                               | -                         | 696                                                  | -                                      | (82)                                                  | -                               | -                           | (614)                          | -                 |
| Unclaimed dividends forfeited                                                            | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | 277                            | 277               |
| Dividends:                                                                               |                           |                                                      |                                        |                                                       |                                 |                             |                                |                   |
| 2023/2024 final dividend                                                                 | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | (155,159)                      | (155,159)         |
| 2024/2025 interim dividend                                                               | -                         | -                                                    | -                                      | -                                                     | -                               | -                           | (23,274)                       | (23,274)          |
| Total transactions with owners, recognised directly in equity                            | -                         | 696                                                  | -                                      | 51                                                    | -                               | -                           | (178,770)                      | (178,023)         |
| At 31 March 2025                                                                         | 1,412,707                 | (2,152)                                              | 11,783                                 | 4,258                                                 | (55,288)                        | 58                          | (523,942)                      | 847,424           |



### 30 Cash flow information

#### (a) Cash generated from operations

|                                                                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------------|------------------|------------------|
| Profit for the year from continuing operations                                | 202,669          | 130,936          |
| Loss for the year from discontinued operation                                 | (2,179)          | (53,963)         |
| Profit for the year including discontinued operation                          | 200,490          | 76,973           |
| Adjustments for:                                                              |                  |                  |
| – Income tax expense                                                          | 34,235           | 14,941           |
| – Depreciation of property, plant and equipment                               | 67,926           | 62,175           |
| – Depreciation of right-of-use assets                                         | 343,961          | 336,564          |
| – Gains on disposal of property, plant and equipment                          | (49)             | –                |
| – Write-off of property, plant and equipment                                  | 360              | 252              |
| – Write-off of prepayment                                                     | –                | 3,132            |
| – Impairment of property, plant and equipment                                 | 1,993            | 400              |
| – Impairment of trade receivables                                             | 357              | –                |
| – Provision for impairment loss on right-use-assets                           | 2,505            | –                |
| – Provision/(reversal of provision) for slow moving inventories and shrinkage | 7,415            | (3,680)          |
| – Share-based payment                                                         | 831              | 133              |
| – Gain on derecognition of lease liabilities and right-of-use assets          | (1,631)          | (2,501)          |
| – Finance costs                                                               | 24,904           | 28,579           |
| – Finance income                                                              | (9,436)          | (14,161)         |
|                                                                               | 673,861          | 502,807          |
| Changes in working capital:                                                   |                  |                  |
| – Inventories                                                                 | (100,503)        | 42,541           |
| – Trade receivables                                                           | 13,158           | 8,009            |
| – Other receivables, deposits and prepayments                                 | (11,931)         | 19,407           |
| – Trade payables                                                              | 83,535           | (68,022)         |
| – Other payables, accruals and retirement benefit obligations                 | (5,342)          | 7,496            |
| Cash generated from operations                                                | 652,778          | 512,238          |

#### (b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

|                                                         | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------|------------------|------------------|
| Net book amount (Note 16)                               | –                | –                |
| Gains on disposal of property, plant and equipment      | 49               | –                |
| Proceeds from disposal of property, plant and equipment | 49               | –                |

#### (c) The liabilities arising from financing activities represented borrowings and lease liabilities. For details of movement in lease liabilities, see Note 17(b). There are no other movements between the opening and closing balance of borrowings other than proceeds from and repayment of borrowings as disclosed in the consolidated statement of cash flows.

## 31 Commitments

### Capital commitments in respect of acquisition of property, plant and equipment

|                                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------|------------------|------------------|
| Contracted but not provided for | 4,290            | 7,773            |

## 32 Significant related party transactions

### Material Accounting Policy

Related parties are individuals and companies, including subsidiaries, fellow subsidiaries, jointly controlled entities, associated companies and key management personnel, where the individual or company has the ability, directly or indirectly, control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions. A close family member of any such individual is considered to be a related party.

#### (a) Transactions with related parties

|                                                                                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------------------------------------------------------------------------|------------------|------------------|
| Sale of goods to entities owned by the immediate family member of an executive director       | 809              | 1,455            |
| Purchase of goods from entities owned by the immediate family member of an executive director | 89               | 739              |

The related party transactions were conducted in accordance with terms mutually agreed with related parties and in the ordinary course of business.

#### (b) Key management compensation

Key management, including executive directors, senior management and other key management personnel, represents individual who has authority and responsibility for planning, directing and controlling the activities of the Group.

Key management compensation is disclosed as follows:

|                                                                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------------------------|------------------|------------------|
| Salaries, bonuses, housing allowances, other allowances and benefits-in-kind | 35,004           | 38,284           |
| Retirement benefit costs                                                     | 1,103            | 1,214            |
| Share-based payment                                                          | 430              | 133              |
|                                                                              | 36,537           | 39,631           |



## 32 Significant related party transactions (continued)

### (c) Interest of directors

None of the directors received any termination benefits during the year ended 31 March 2026 (2025: Nil). During the year ended 31 March 2026, the Group did not pay consideration to any third parties for making available directors' services (2025: Nil). As at 31 March 2026, there were no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected entities (2025: Nil). During the year and at the year end, no director of the Company had or has a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the Group's business to which the Group was or is a party (2025: Nil).

## 33 Principal subsidiaries

Particulars of the principal subsidiaries at 31 March 2026 and 2025:

| Name                               | Place of incorporation/<br>establishment and<br>kind of legal entity<br>(Country/Region) | Principal activities<br>and place of operation<br>(if different from place<br>of incorporation) | Particulars<br>of issued share<br>capital/paid up<br>share capital | Direct/indirect<br>interest held |
|------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------|
| Base Sun Investment Limited        | Hong Kong, limited liability company                                                     | Property holding                                                                                | Ordinary HK\$100<br>Deferred HK\$2                                 | 100%                             |
| Cosmic Rosy Limited                | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$1                                                     | 100%                             |
| Cyber Colors Limited               | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Docile Company Limited             | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$2                                                     | 100%                             |
| Dragon Gold Investments Limited    | Hong Kong, limited liability company                                                     | Trading of cosmetic and skin care products                                                      | Ordinary HK\$2                                                     | 100%                             |
| Dragonstar International Limited   | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$1                                                     | 100%                             |
| Eleanor International Limited      | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Ever Bloom Development Limited     | Hong Kong, limited liability company                                                     | Investment holding                                                                              | Ordinary HK\$1                                                     | 100%                             |
| Fielding Group Limited             | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$2                                                     | 100%                             |
| Forever Best International Limited | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$1                                                     | 100%                             |
| Hadatuko Limited                   | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Highmove Enterprises Limited       | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$1                                                     | 100%                             |

### 33 Principal subsidiaries (continued)

| Name                                     | Place of incorporation/<br>establishment and<br>kind of legal entity<br>(Country/Region) | Principal activities<br>and place of operation<br>(if different from place<br>of incorporation) | Particulars<br>of issued share<br>capital/paid up<br>share capital | Direct/indirect<br>interest held |
|------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------|
| Hong Kong Sa Sa (M) Sdn. Bhd.            | Malaysia, limited liability company                                                      | Trading and retailing of cosmetic products                                                      | Ordinary RM20,000,000                                              | 100%                             |
| Luxelink Sdn. Bhd. (Note 5)              | Malaysia, limited liability company                                                      | Trading and retailing of cosmetic products                                                      | Ordinary RM100,000 (2025: Ordinary RM1)                            | 100%                             |
| Matford Trading Limited                  | Hong Kong, limited liability company                                                     | Property holding                                                                                | Ordinary HK\$100<br>Deferred HK\$6                                 | 100%                             |
| Methode Swiss Limited                    | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Netcom Holdings Limited                  | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$50,000                                                | 100%                             |
| New Image International Holdings Limited | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$6                                                     | 100%                             |
| Nouveau International Limited            | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$1                                                     | 100%                             |
| Rosy Sino Limited                        | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Sa Sa Boutique Limited                   | Hong Kong, limited liability company                                                     | Investment holding                                                                              | Ordinary HK\$2                                                     | 100%                             |
| Sa Sa Company Limited                    | Hong Kong, limited liability company                                                     | Logistic services                                                                               | Ordinary HK\$2,000                                                 | 100%                             |
| Sa Sa Cosmetic Company Limited           | Hong Kong, limited liability company                                                     | Retailing and wholesaling of cosmetic products                                                  | Ordinary HK\$100<br>Deferred HK\$2                                 | 100%                             |
| Sa Sa Cosmetic Co. (S) Pte. Ltd.         | Singapore, limited liability company                                                     | Trading and retailing of cosmetic products                                                      | Ordinary S\$19,500,000                                             | 100%                             |
| Sa Sa dot Com Limited                    | Hong Kong, limited liability company                                                     | Online business                                                                                 | Ordinary HK\$1,000,000                                             | 100%                             |
| Sa Sa Development Limited                | Hong Kong, limited liability company                                                     | Property holding                                                                                | Ordinary HK\$100                                                   | 100%                             |
| Sa Sa Health Food Limited                | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$50,000                                                | 100%                             |
| Sa Sa Investment (HK) Limited            | Hong Kong, limited liability company                                                     | Property holding                                                                                | Ordinary HK\$100<br>Deferred HK\$2                                 | 100%                             |





### 33 Principal subsidiaries (continued)

| Name                                             | Place of incorporation/<br>establishment and<br>kind of legal entity<br>(Country/Region) | Principal activities<br>and place of operation<br>(if different from place<br>of incorporation) | Particulars<br>of issued share<br>capital/paid up<br>share capital | Direct/indirect<br>interest held |
|--------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------|
| Sa Sa Investment Limited                         | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$1                                                     | 100%                             |
| Sa Sa Making Life Beautiful Charity Fund Limited | Hong Kong, limited liability company                                                     | Charitable activities                                                                           | Limited by guarantee                                               | 100%                             |
| Sa Sa Nominees Limited                           | Hong Kong, limited liability company                                                     | Provision of services to group companies                                                        | Ordinary HK\$2                                                     | 100%                             |
| Sa Sa Overseas Limited                           | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$2                                                     | 100%                             |
| Sa Sa Property Limited                           | Hong Kong, limited liability company                                                     | Property holding                                                                                | Ordinary HK\$100                                                   | 100%                             |
| Sasatinie Limited                                | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| SkinPeptoxyl Limited                             | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Soo Beauté Limited                               | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| S.P. Laboratories S.A.                           | Switzerland, limited liability company                                                   | Holding of intellectual property rights                                                         | CHF100,000                                                         | 100%                             |
| Swiss Rituel Limited                             | British Virgin Islands, limited liability company                                        | Holding of intellectual property rights                                                         | Ordinary US\$1                                                     | 100%                             |
| Suisse Programme Limited                         | Gibraltar, limited liability company                                                     | Holding of intellectual property rights                                                         | Ordinary £100                                                      | 100%                             |
| Whitfield Enterprises Limited                    | British Virgin Islands, limited liability company                                        | Investment holding                                                                              | Ordinary US\$2                                                     | 100%                             |
| 明貴貿易(上海)有限公司 (Note 1)                            | People's Republic of China, limited liability company                                    | Wholesale of cosmetic products                                                                  | HK\$10,000,000                                                     | 100%                             |
| 莎莎化妝品(中國)有限公司 (Note 2)                           | People's Republic of China, limited liability company                                    | Trading of cosmetic products (2025: Trading and retailing of cosmetic products)                 | HK\$278,000,000                                                    | 100%                             |
| 莎莎電子商務(廣州)有限公司 (Note 3)                          | People's Republic of China, limited liability company                                    | Provision of online business related services to group companies                                | RMB1,000,000                                                       | 100%                             |

### 33 Principal subsidiaries (continued)

Notes:

- 1) 明貴貿易(上海)有限公司 is a wholly foreign-owned enterprise established in the People's Republic of China.
- 2) 莎莎化妝品(中國)有限公司 is a wholly foreign-owned enterprise established in the People's Republic of China.
- 3) 莎莎電子商務(廣州)有限公司 is a wholly foreign-owned enterprise established in the People's Republic of China.
- 4) Hong Kong means Hong Kong SAR.
- 5) Luxelink Sdn. Bhd. is a wholly foreign-owned enterprise incorporated in Malaysia. On 5 May 2025, 99,999 ordinary shares were issued for a total consideration of RM99,999, all of which were fully paid.

### 34 Statement of financial position and reserve movement of the Company

#### Statement of financial position of the Company

|                                                  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------|------------------|------------------|
| <b>ASSETS</b>                                    |                  |                  |
| <b>Non-current assets</b>                        |                  |                  |
| Investments in and amounts due from subsidiaries | 1,897,519        | 1,965,358        |
| Other assets                                     | 750              | 750              |
|                                                  | <b>1,898,269</b> | 1,966,108        |
| <b>Current assets</b>                            |                  |                  |
| Other receivables, deposits and prepayments      | 333              | 997              |
| Time deposits                                    | –                | 15,000           |
| Cash and cash equivalents                        | 1,794            | 10,066           |
|                                                  | <b>2,127</b>     | 26,063           |
| <b>LIABILITIES</b>                               |                  |                  |
| <b>Current liabilities</b>                       |                  |                  |
| Other payables and accruals                      | 430              | 256              |
| <b>Net current assets</b>                        | <b>1,697</b>     | 25,807           |
| <b>Total assets less current liabilities</b>     | <b>1,899,966</b> | 1,991,915        |
| <b>EQUITY</b>                                    |                  |                  |
| <b>Capital and reserves</b>                      |                  |                  |
| Share capital                                    | 310,319          | 310,319          |
| Reserves                                         | 1,589,647        | 1,681,596        |
| <b>Total equity</b>                              | <b>1,899,966</b> | 1,991,915        |

The statement of financial position of the Company was approved by the Board on 25 June 2026 and was signed on its behalf.

**KWOK Siu Ming Simon**  
Chairman and CEO

**KWOK LAW Kwai Chun Eleanor**  
Vice-chairman



### 34 Statement of financial position and reserve movement of the Company (continued)

#### Reserve movement of the Company

|                                                                  | Share<br>premium<br>HK\$'000 | Shares<br>held under<br>the Share<br>Award Scheme<br>HK\$'000 | Capital<br>redemption<br>reserve<br>HK\$'000 | Employee<br>share-based<br>compensation<br>reserve<br>HK\$'000 | Retained<br>earnings<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------------------------|------------------------------|---------------------------------------------------------------|----------------------------------------------|----------------------------------------------------------------|----------------------------------|-------------------|
| At 1 April 2025                                                  | 1,412,707                    | (2,152)                                                       | 11,783                                       | 4,258                                                          | 255,000                          | 1,681,596         |
| Loss and total comprehensive loss for the year                   | -                            | -                                                             | -                                            | -                                                              | (2,915)                          | (2,915)           |
| Share award scheme:                                              |                              |                                                               |                                              |                                                                |                                  |                   |
| Value of employee services                                       | -                            | -                                                             | -                                            | 21                                                             | -                                | 21                |
| Shares purchased for share award scheme                          | -                            | (1,551)                                                       | -                                            | -                                                              | -                                | (1,551)           |
| Vesting of shares under share award scheme                       | -                            | 106                                                           | -                                            | (21)                                                           | (85)                             | -                 |
| Employee share option scheme:                                    |                              |                                                               |                                              |                                                                |                                  |                   |
| Value of employee services                                       | -                            | -                                                             | -                                            | 810                                                            | -                                | 810               |
| Unclaimed dividends forfeited                                    | -                            | -                                                             | -                                            | -                                                              | 127                              | 127               |
| Dividends:                                                       |                              |                                                               |                                              |                                                                |                                  |                   |
| 2024/2025 final dividend                                         | -                            | -                                                             | -                                            | -                                                              | (52,754)                         | (52,754)          |
| 2025/2026 interim dividend                                       | -                            | -                                                             | -                                            | -                                                              | (35,687)                         | (35,687)          |
| Total transactions with owners,<br>recognised directly in equity | -                            | (1,445)                                                       | -                                            | 810                                                            | (88,399)                         | (89,034)          |
| At 31 March 2026                                                 | 1,412,707                    | (3,597)                                                       | 11,783                                       | 5,068                                                          | 163,686                          | 1,589,647         |

|                                                                  | Share<br>premium<br>HK\$'000 | Shares<br>held under<br>the Share<br>Award Scheme<br>HK\$'000 | Capital<br>redemption<br>reserve<br>HK\$'000 | Employee<br>share-based<br>compensation<br>reserve<br>HK\$'000 | Retained<br>earnings<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------------------------|------------------------------|---------------------------------------------------------------|----------------------------------------------|----------------------------------------------------------------|----------------------------------|-------------------|
| At 1 April 2024                                                  | 1,412,707                    | (2,848)                                                       | 11,783                                       | 4,207                                                          | 437,099                          | 1,862,948         |
| Loss and total comprehensive loss for the year                   | -                            | -                                                             | -                                            | -                                                              | (3,329)                          | (3,329)           |
| Share award scheme:                                              |                              |                                                               |                                              |                                                                |                                  |                   |
| Value of employee services                                       | -                            | -                                                             | -                                            | 133                                                            | -                                | 133               |
| Vesting of shares under share award scheme                       | -                            | 696                                                           | -                                            | (82)                                                           | (614)                            | -                 |
| Employee share option scheme:                                    |                              |                                                               |                                              |                                                                |                                  |                   |
| Unclaimed dividends forfeited                                    | -                            | -                                                             | -                                            | -                                                              | 277                              | 277               |
| Dividends:                                                       |                              |                                                               |                                              |                                                                |                                  |                   |
| 2023/2024 final dividend                                         | -                            | -                                                             | -                                            | -                                                              | (155,159)                        | (155,159)         |
| 2024/2025 interim dividend                                       | -                            | -                                                             | -                                            | -                                                              | (23,274)                         | (23,274)          |
| Total transactions with owners,<br>recognised directly in equity | -                            | 696                                                           | -                                            | 51                                                             | (178,770)                        | (178,023)         |
| At 31 March 2025                                                 | 1,412,707                    | (2,152)                                                       | 11,783                                       | 4,258                                                          | 255,000                          | 1,681,596         |

### 35 Summary of other potentially material accounting policies

#### 35.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

#### 35.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the financial statements of the Company exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### 35.3 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

#### 35.4 Financial assets

##### (i) Classification

The Group classifies its financial assets to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

##### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

##### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated income statement.

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated income statement and presented in "other gains – net" together with foreign exchange gains and losses.



## 35 Summary of other potentially material accounting policies (continued)

### 35.4 Financial assets (continued)

#### (iv) Impairment

The Group assesses on a forward looking basis the ECL associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires ECL to be recognised from initial recognition of the receivables. See Note 21 for further details.

### 35.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company and the counterparty.

### 35.6 Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is the Company's functional currency and the Group's and the Company's presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the consolidated income statement within "other gains – net".

#### (iii) Group companies

The results and financial positions of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

#### (iv) Disposal of foreign operation

On the disposal of a foreign operation (this is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

## 35 Summary of other potentially material accounting policies (continued)

### 35.7 Employee benefits

#### (i) Short-term obligation

Liabilities for salaries that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

#### (ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

#### (iii) Retirement benefit obligations

The Group operates various post-employment scheme, including defined contribution plan and long service payments (see Note 35.7(iv)).

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (iv) Long service payments

The Group's net obligation in respect of amounts payable on cessation of employment in certain circumstances under the employment law of the respective countries in which the Group operates is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Long service payments are assessed using the projected unit credit method. The cost of providing the long service payment liabilities is charged to the consolidated income statement so as to spread the cost over the service lives of employees in accordance with the advice of the actuaries.

Long service payments are discounted to determine the present value of obligation and reduced by entitlement accrued under the Group's defined contribution plans that are attributable to contributions made by the Group, where applicable. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in consolidated income statement.

#### (v) Bonus plan

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liability for bonus plan is expected to be settled within 12 months and is measured at the amount expected to be paid when it is settled.

#### (vi) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange of these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity has a formal detailed restructuring plan and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it that is within the scope of HKAS 37 and involves the payment of termination benefits.



## 35 Summary of other potentially material accounting policies (continued)

### 35.8 Share-based payment

#### (i) Equity-settled share-based payment transactions

The Group operates two equity-settled share-based schemes, Share Option Scheme and Share Award Scheme, under which the entity receives services from certain directors and employees as consideration for equity instruments (options or awarded shares) of the Group. The fair value of the employee services received in exchange for the grant of the options or awarded shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted or shares awarded:

- including any market performance conditions (for example, an entity's share price); and
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options or awarded shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options or awarded shares that are expected to vest based on the non-market performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

Upon vesting and transfer of the awarded shares to the awardees, the related costs of the awarded shares are credited to shares held under the Share Award Scheme, and the related fair value of the shares are debited to employee share-based compensation reserve.

#### (ii) Share-based payment transactions among group entities

The grant by the Company of options or share awards over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

#### (iii) Shares held for share award scheme

When the Company's shares are acquired from the market by the trust set up by the Company under the Share Award Scheme, the total consideration of shares acquired from the market (including any directly attributable incremental costs) is presented as "Shares held under the Share Award Scheme" and deducted from total equity. Upon vesting, the related costs of the vested shares for Share Award Scheme purchased from the market are credited to "Shares held under the Share Award Scheme", with a corresponding decrease in "Employee share-based compensation reserve" for Share Award Scheme.



## 35 Summary of other potentially material accounting policies (continued)

### 35.9 Foreign exchange contracts

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates its derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Movements on the hedging reserve in shareholders' equity are shown in Note 26. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

#### Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in consolidated income statement within "other gains – net".

The Group designated certain forward foreign exchange contracts as cash flow hedges to hedge against the Group's purchases denominated in Euro and Swiss Franc. The Group generally designates the full change in fair value of the forward contract as the hedging instrument. Gains or losses relating to the effective portion of the change in the fair value of the forward foreign exchange contracts are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast purchase that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example inventory), the gains and losses previously deferred in hedging reserve are transferred from hedging reserve and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of goods sold when these inventory are sold.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time, is recognised in the consolidated income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserve is immediately transferred to the consolidated income statement within "other gains – net".

# GLOSSARY



|                                               |                                                                                                                                                                                                                                                     |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AGM(s)                                        | Annual general meetings of the Company                                                                                                                                                                                                              |
| Board                                         | Board of directors of the Company                                                                                                                                                                                                                   |
| CEO                                           | Chief Executive Officer of the Company                                                                                                                                                                                                              |
| CFO                                           | Chief Financial Officer of the Company                                                                                                                                                                                                              |
| CG Code                                       | Corporate Governance Code, Appendix C1 to the Listing Rules                                                                                                                                                                                         |
| Code Provision(s)                             | Code provisions in the CG Code                                                                                                                                                                                                                      |
| Company or Sa Sa                              | Sa Sa International Holdings Limited                                                                                                                                                                                                                |
| Corporate Communication(s)                    | Any document issued or to be issued by the Company for the information or action of holders of any securities of the Company, including but not limited to annual and interim reports, notice of meeting, listing document, circular and proxy form |
| Director(s)                                   | Director(s) of the Company, including all executive, non-executive and independent non-executive directors                                                                                                                                          |
| ED(s)                                         | Executive director(s) of the Company                                                                                                                                                                                                                |
| ERM                                           | Enterprise Risk Management                                                                                                                                                                                                                          |
| Group, we or us                               | Sa Sa International Holdings Limited, and, except where the context indicates otherwise, its subsidiaries                                                                                                                                           |
| Hong Kong, Hong Kong SAR, HK or HKSAR         | The Hong Kong Special Administrative Region of the People's Republic of China                                                                                                                                                                       |
| INED(s)                                       | Independent non-executive director(s) of the Company                                                                                                                                                                                                |
| Listing rules                                 | Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited                                                                                                                                                                |
| Macao or Macao SAR                            | The Macao Special Administrative Region of the People's Republic of China                                                                                                                                                                           |
| Mainland or Chinese Mainland                  | The People's Republic of China excluding Hong Kong, Macao and Taiwan                                                                                                                                                                                |
| Model Code                                    | Model Code for Securities Transactions by Directors of Listed issuers, Appendix C3 to the Listing Rules                                                                                                                                             |
| PRC                                           | The People's Republic of China                                                                                                                                                                                                                      |
| PwC                                           | PricewaterhouseCoopers                                                                                                                                                                                                                              |
| SFO                                           | Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong                                                                                                                                                                                 |
| Share(s)                                      | Share(s) of the Company                                                                                                                                                                                                                             |
| Shareholder(s)                                | Shareholder(s) of the Company                                                                                                                                                                                                                       |
| Stock Exchange or Stock Exchange of Hong Kong | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                             |

# CORPORATE INFORMATION

## Board of Directors

### Executive Directors

Dr KWOK Siu Ming Simon, *SBS, JP* (Chairman and CEO)  
Dr KWOK LAW Kwai Chun Eleanor, *BBS, JP* (Vice-chairman)  
Mrs CHAN KWOK Sze Wai Melody, *MH, JP*  
Ms KWOK Sea Nga Kitty  
Mr CHUNG Ming Kit (CFO)

### Independent Non-executive Directors

Ms KI Man Fung Leonie, *GBS, SBS, JP*  
Mr TAN Wee Seng  
Prof The Hon CHAN Hiu Fung Nicholas, *BBS, MH, JP*  
Ms LEE Yun Chun Marie-Christine

## Company Secretary

Mr CHUNG Ming Kit

## Head Office

8<sup>th</sup> Floor, Block B, MP Industrial Centre  
18 Ka Yip Street  
Chai Wan, Hong Kong SAR

## Registered Office

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

## Auditor

PricewaterhouseCoopers  
Certified Public Accountants and  
Registered Public Interest Entity Auditor

## Principal Share Registrar and Transfer Office

Suntera (Cayman) Limited  
Suite 3204, Unit 2A, Block 3  
Building D, P.O. Box 1586  
Gardenia Court, Camana Bay  
Grand Cayman, KY1-1110  
Cayman Islands

## Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited  
17/F, Far East Finance Centre,  
16 Harcourt Road  
Hong Kong SAR  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185  
E-mail: [is-enquiries@vistra.com](mailto:is-enquiries@vistra.com)  
Website: <https://srhk.vistra.com>

## Principal Bankers

Bank of China (Hong Kong) Limited  
Bank of Communications (Hong Kong) Limited  
Citibank, N. A.  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking  
Corporation Limited

## Share Information

Stock code: 178  
(The Stock Exchange of Hong Kong Limited)

## Investor Relations

Corporate Communications and  
Investor Relations Department  
Sa Sa International Holdings Limited  
8<sup>th</sup> Floor, Block B, MP Industrial Centre  
18 Ka Yip Street  
Chai Wan, Hong Kong SAR  
Investor Relations Hotline: (852) 2975 3733  
E-mail: [ir@sasa.com](mailto:ir@sasa.com)

## Corporate & Shopping Websites

[corp.sasa.com](http://corp.sasa.com)

[www.sasa.com](http://www.sasa.com)



This 2025/2026 Annual Report is available in both English and Chinese, and in printed and electronic forms. All Corporate Communications are now available on the Company's website at <http://corp.sasa.com> and the HKEXnews website of the Stock Exchange at <http://www.hkexnews.hk>.

As an environment-conscious corporate citizen, the Company encourages Shareholders to access the Corporate Communications via the Company's or HKEXnews website. Shareholders may at any time change their choice of language or means of receipt of the Company's Corporate Communications by notice in writing to Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong. The request form may be downloaded from the Company's website.

Annual Results  
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The Stock Exchange of Hong Kong Limited (Stock Code: 178)

