



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 2025, 48.56%, 14.13% 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 33. 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”.

2 Basis of preparation (continued)

(ii) Amendments to standards and revised interpretation for the first time for the financial year beginning 1 April 2024 were adopted

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

All amendments to standards and revised interpretation listed above do not have a material impact on the Group's accounting policies.

(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 2024 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	1 April 2025
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
HKFRS 18	Presentation and Disclosure in Financial Statements	1 April 2027
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.



2 Basis of preparation (continued)

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

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;
- (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 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 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. There is no derivative financial instrument as at 31 March 2024.

As at 31 March 2025, 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\$564,000 (2024: HK\$960,000), mainly as a result of foreign exchange gains/losses on translation of Renminbi denominated cash and bank balances, financial assets and financial liabilities.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(i) Foreign exchange risk (continued)

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.

(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 2025 and 2024, 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 2025 and 2024.

(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 expected credit loss was limited to 12-month expected credit losses. 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 2025 and 2024.

(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 Mainland, and wholesales, which are due within 90 days from the date of invoice. As at 31 March 2025, 85.7% (2024: 91.1%) 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 20.

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\$2,760,000 (2024: HK\$2,856,000) were made as at 31 March 2025.

Movements on the Group's provision for ECL of trade receivables are disclosed in Note 20.

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 2025, the Group's financial liabilities included mainly trade payables and other payables amounting to HK\$318,993,000 (2024: HK\$398,173,000), which were substantially due within 3 months, and lease liabilities amounting to HK\$333,110,000 (2024: HK\$320,036,000) and HK\$362,379,000 (2024: HK\$410,702,000) 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 22. 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 2025, the Group maintained a cash position of HK\$371,098,000 (2024: HK\$457,757,000).

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 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 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 2025			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets				
Derivatives used for hedging – Forward foreign exchange contracts	–	112	–	112
Total assets	–	112	–	112
Liabilities				
Derivatives used for hedging – 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 2025.

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

There was no movement for financial assets nor liabilities carried at fair value during the year ended 31 March 2024.



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 there was impairment for property, plant and equipment HK\$400,000 (2024: Nil) and no impairment of right-of-use assets (2024: 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 2025, the Group did not recognise deferred tax assets of HK\$103,686,000 (2024: HK\$95,326,000) in respect of tax losses and temporary differences amounting to HK\$438,910,000 (2024: HK\$405,198,000) and HK\$54,132,000 (2024: HK\$50,305,000) 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 income

Slide display rental income and storage 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 international online sales and Hong Kong, Macau and Mainland China offline sales in each year's fourth quarter will be carried forward to next fiscal year end.

During the year ended 31 March 2025, the Group reconsidered the new trend of using the online-merge-offline retail model and has changed the customer loyalty program policy. All awarded points issued from online and offline sales can now be utilised through both online and offline sales channels (2024: all awarded points issued from online and offline sales could only be utilised via their respective sales channels). There was no material award points outstanding as at the year end arising from the change of customer loyalty programme policy.

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:

	2025 HK\$'000	2024 HK\$'000
Turnover – recognised under HKFRS 15 at a point in time		
Retail, e-commerce and wholesale	3,941,704	4,367,496
Other income – recognised under other accounting standards		
Slide display rental income	22,916	22,418
Storage income	1,396	11,645
	24,312	34,063

(a) Revenue recognition in relation to contract liabilities

As at 31 March 2025, contract liabilities included receipts in advance and deferred revenue amounting to HK\$9,544,000 (2024: HK\$13,336,000) and HK\$1,343,000 (2024: HK\$1,989,000) respectively.

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

	2025 HK\$'000	2024 HK\$'000
Revenue recognised that was included in the receipts in advance and deferred revenue balance at the beginning of the year (Note 24)	15,325	14,426

There was no revenue recognised for the years ended 31 March 2025 and 2024 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 Group who make strategic and operating decisions.

Executive directors of the Group 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.

The business reportable segments identified are Hong Kong and Macau, Mainland China, 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 2025					
	Hong Kong & Macau HK\$'000	Mainland China HK\$'000	Southeast Asia HK\$'000	Others HK\$'000	Total HK\$'000
Turnover	2,991,827	520,440	419,593	9,844	3,941,704
Segment results	128,568	(44,945)	(5,040)	(1,610)	76,973
Other information					
Capital expenditure	37,884	41	20,970	–	58,895
Finance income	12,951	135	1,075	–	14,161
Finance costs	22,396	216	5,967	–	28,579
Income tax expense/(credit)	12,004	(2)	2,943	(4)	14,941
Depreciation of property, plant and equipment	50,831	2,000	9,344	–	62,175
Depreciation of right-of-use assets	294,217	3,342	39,005	–	336,564
(Reversal of provision)/provision of slow moving stocks & stock shrinkage	(1,395)	1,395	(3,680)	–	(3,680)



6 Segment information (continued)

For the year ended 31 March 2024					
	Hong Kong & Macau HK\$'000	Mainland China HK\$'000	Southeast Asia HK\$'000	Others HK\$'000	Total HK\$'000
Turnover	3,409,720	581,577	365,754	10,445	4,367,496
Segment results	233,845	(17,133)	4,956	(2,785)	218,883
Other information					
Capital expenditure	53,617	530	19,190	–	73,337
Finance income	7,500	363	1,149	–	9,012
Finance costs	23,182	657	3,560	–	27,399
Income tax expense	43,975	169	3,716	4	47,864
Depreciation of property, plant and equipment	55,069	3,556	5,209	–	63,834
Depreciation of right-of-use assets	277,963	6,821	28,031	–	312,815
Provision/(reversal of provision) for slow moving inventories and shrinkage	7,371	(5,124)	1,492	–	3,739
	Hong Kong & Macau HK\$'000	Mainland China HK\$'000	Southeast Asia HK\$'000	Others HK\$'000	Total HK\$'000
At 31 March 2025					
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
At 31 March 2024					
Non-current assets	981,962	11,119	126,697	–	1,119,778
Current assets	1,117,996	114,760	151,191	393	1,384,340
Total assets as per consolidated statement of financial position					2,504,118

7 Other gains/(losses) – net

	2025 HK\$'000	2024 HK\$'000
Net exchange gains/(losses) (Note (a))	2,389	(4,103)
Gains on derecognition of lease liabilities and right-of-use assets (Note (b))	2,501	–
	4,890	(4,103)

Notes:

- (a) Net exchange gains/(losses) are accounted for in accordance with Note 33.6(ii).
- (b) During the year ended 31 March 2025, 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\$2,501,000.

8 Expenses by nature

	2025 HK\$'000	2024 HK\$'000
Cost of inventories sold	2,374,702	2,580,402
Employee benefit expenses (including directors' emoluments) (Note 9 & (b))	679,934	689,633
Depreciation expenses		
– right-of-use assets (Note 16(a))	336,564	312,815
– property, plant and equipment (Note 15)	62,175	63,834
Building management fees, government rent and rates	66,391	65,280
Lease rentals in respect of land and buildings		
– lease rental for short-term leases	37,162	48,103
– contingent rent	25,510	38,335
– rent concession related to COVID-19 (Note (a))	–	(917)
Advertising and promotion expenses	56,655	67,985
Bank and credit card charges	37,541	37,864
Transportation and delivery charges	30,892	38,693
Utilities and telecommunication	30,405	31,893
Outsource warehouse handling expenses and platform charges	26,990	26,687
Repair and maintenance	20,099	22,736
Packaging expenses	9,451	13,826
Postage, printing and stationery	5,300	6,187
Write-off of prepayment (Note (b))	3,132	–
Compensation on early termination of lease (Note (b))	3,010	–
Auditors' remuneration		
– audit services	2,305	2,481
– non-audit services	549	573
Donations	2,519	2,797
Impairment of property, plant and equipment (Note 15 & (b))	400	–
Write-off of property, plant and equipment (Note 15)	252	59
(Reversal of provision)/provision for slow moving inventories and shrinkage (Note 19)	(3,680)	3,739
Others	56,316	59,317
	3,864,574	4,112,322
Representing:		
Cost of sales	2,371,022	2,584,141
Selling and distribution costs	1,257,955	1,300,359
Administrative expenses	235,597	227,822
	3,864,574	4,112,322



8 Expenses by nature (continued)

Notes:

- (a) During the year ended 31 March 2024, rent concession related to COVID-19 amounted to HK\$917,000 was included in selling and distribution costs.
- (b) In February 2025, the Board approved the Group's plan to close the remaining 18 physical stores as of 31 March 2025 in Mainland China (the "store closures plan") by 30 June 2025, the Group had informed the relevant employees and landlords on the store closures plan prior to 31 March 2025. Accordingly, the Group had estimated and provided for the corresponding redundancy costs of HK\$17,224,000 and compensation on early termination of lease of HK\$3,010,000 as at and for the year ended 31 March 2025.

Additionally, the Group has also recognised other expenses in relation to the store closures plan, including the write-off of prepayment of expenses of HK\$3,132,000, provision for inventory of HK\$5,905,000, impairment of property, plant and equipment of HK\$400,000 and other store closures costs of HK\$378,000.

9 Employee benefit expenses (including directors' emoluments)

Accounting Policies Note 33.7		
	2025 HK\$'000	2024 HK\$'000
Salaries, bonuses, housing allowances, other allowances and benefits-in-kind	629,980	658,119
Retirement benefit costs (Note 25 (b))	31,211	30,059
Redundancy costs (Note 8 (b))	17,224	–
Directors' fees (Note 10(a))	1,386	1,340
Share-based payment (Note 26(c))	133	115
	679,934	689,633

10 Director and senior management emolument

(a) Directors' emoluments

Directors' emoluments comprise payments to the Company's directors (including three (2024: three) directors in the five highest paid individuals in the Group) in connection with management of affairs of the Company and the Group. The non-executive director receives an annual director's fee of HK\$108,610 (2024: HK\$257,400). 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 (2024: 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:

	2025 HK\$'000	2024 HK\$'000
Directors' fees	1,386	1,340
Salaries, housing allowances, other allowances and benefits-in-kind	10,553	10,623
Discretionary bonuses	670	1,251
Retirement benefit costs	282	325
Share-based payment	–	54
	12,891	13,593

10 Director and senior management emoluments (continued)

(a) Directors' emoluments (continued)

The directors' emoluments of the Company were as follows:

	Directors' fees HK\$'000	Salaries, housing allowances, other allowances and benefits- in-kind HK\$'000	Discretionary bonuses HK\$'000	Retirement benefit costs HK\$'000	Share-based payment (i) HK\$'000	Total HK\$'000
For the year ended 31 March 2025						
Executive Directors						
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
Ms KWOK Sze Wai Melody	-	1,225	95	80	-	1,400
Ms KWOK Sze Nga Kitty	-	1,225	95	80	-	1,400
Non-executive Director						
Ms LEE Yun Chun Marie-Christine (iv)	109	-	-	-	-	109
Independent Non-executive Directors						
Ms KI Man Fung Leonie	338	-	-	-	-	338
Mr TAN Wee Seng	407	-	-	-	-	407
Mr CHAN Hiu Fung Nicholas	337	-	-	-	-	337
Ms LEE Yun Chun Marie-Christine (iv)	195	-	-	-	-	195
	1,386	10,553	670	282	-	12,891



10 Director and senior management emoluments (continued)

(a) Directors' emoluments (continued)

The directors' emoluments of the Company were as follows:

	Directors' fees HK\$'000	Salaries, housing allowances, other allowances and benefits- in-kind HK\$'000	Discretionary bonuses HK\$'000	Retirement benefit costs HK\$'000	Share-based payment (i) HK\$'000	Total HK\$'000
For the year ended 31 March 2024						
<u>Executive Directors</u>						
Dr KWOK Siu Ming Simon (ii)	–	3,000	369	–	–	3,369
Dr KWOK LAW Kwai Chun Eleanor	–	2,760	338	–	–	3,098
Mr HO Danny Wing Fi (iii)	–	2,496	278	175	54	3,003
Ms KWOK Sze Wai Melody	–	1,207	133	75	–	1,415
Ms KWOK Sze Nga Kitty	–	1,160	133	75	–	1,368
<u>Non-executive Director</u>						
Ms LEE Yun Chun Marie-Christine (iv)	257	–	–	–	–	257
<u>Independent Non-executive Directors</u>						
Ms KI Man Fung Leonie	338	–	–	–	–	338
Mr TAN Wee Seng	407	–	–	–	–	407
Mr CHAN Hiu Fung Nicholas	338	–	–	–	–	338
	1,340	10,623	1,251	325	54	13,593

Notes:

- (i) Share-based payment represents amortisation to the 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 CEO 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.

No compensation for loss of office has been paid to the directors for the years ended 31 March 2025 and 2024.

No director of the Company waived any emoluments during the years ended 31 March 2025 and 2024.

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 (2024: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2024: two) individuals during the year were as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries, housing allowances, other allowances and benefits-in-kind	3,546	3,498
Discretionary bonuses	296	434
Retirement benefit costs	131	132
	3,973	4,064

The emoluments of the individuals fell within the following bands:

Emoluments bands	Number of individuals	
	2025	2024
HK\$1,500,001 – HK\$2,000,000	1	1
HK\$2,000,001 – HK\$2,500,000	1	1
	2	2

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

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

	2025 HK\$'000	2024 HK\$'000
Salaries, housing allowances, other allowances and benefits-in-kind	3,546	3,498
Discretionary bonuses	296	434
Retirement benefit costs	131	132
	3,973	4,064

The emoluments of the individuals fell within the following bands:

Emoluments bands	Number of individuals	
	2025	2024
HK\$1,500,001 – HK\$2,000,000	1	1
HK\$2,000,001 – HK\$2,500,000	1	1
	2	2



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 16.

	2025 HK\$'000	2024 HK\$'000
Finance income from:		
Interest income on bank deposits	11,620	7,244
Others	2,541	1,768
	14,161	9,012
Finance costs from:		
Interest expenses on lease liabilities	28,579	26,275
Interest expenses on bank borrowings	–	1,124
	28,579	27,399

12 Income tax expense

Material Accounting Policy

The tax expense for the year comprise current and deferred tax. Tax is recognised in the 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% (2024: 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.

	2025 HK\$'000	2024 HK\$'000
Current tax:		
Hong Kong profits tax		
Current	3,199	3,733
Over-provision in previous years	(35)	(66)
Overseas taxation		
Current	7,196	6,476
Under-provision in previous years	–	4
Total current tax	10,360	10,147
Deferred tax (Note 18):		
Decrease in net deferred tax assets	4,581	37,717
Income tax expense	14,941	47,864

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:

	2025 HK\$'000	2024 HK\$'000
Profit before income tax	91,914	266,747
Tax calculated at a taxation rate of 16.5% (2024: 16.5%)	15,166	44,013
Effect of different taxation rates in other countries (Note)	(2,372)	(3,893)
Expenses not deductible for income tax purposes	1,603	2,711
Income not subject to income tax	(3,085)	(4,142)
Unrecognised tax losses	3,664	9,237
Over-provision in previous years	(35)	(62)
Income tax expense	14,941	47,864

Note:

The Group is subject to different tax jurisdictions mainly in Macau, Singapore, Malaysia and Mainland China with tax rate ranges from 12% to 25% (2024: 12% to 25%).



13 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.

- (a) Basic earnings per share is calculated by dividing the profit 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 during the year.

	2025	2024
Profit attributable to owners of the Company (HK\$'000)	76,973	218,883
Weighted average number of ordinary shares in issue less shares held under the Share Award Scheme during the year (thousands)	3,102,198	3,102,076

- (b) Diluted earnings per share 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 2025 and 2024 have been included in the number of shares.

	2025	2024
Profit attributable to owners of the Company (HK\$'000)	76,973	218,883
Weighted average number of ordinary shares in issue less shares held under the Share Award Scheme during the year (thousands)	3,102,198	3,102,076
Adjustment for share options and awarded shares (thousands)	192	53
Weighted average number of ordinary shares for diluted earnings per share (thousands)	3,102,390	3,102,129

14 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.

	2025 HK\$'000	2024 HK\$'000
Interim, paid – 0.75 HK cents (2024: Nil) per share	23,274	–
Final, proposed – 1.7 HK cents (2024: 5.0 HK cents) per share	52,754	155,159
	76,028	155,159

At a meeting held on 19 June 2025, the directors proposed a final dividend of 1.7 HK cents per share. This proposed dividend has 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 2026 if approved by the shareholders.

15 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 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 and vessel	4-5 years

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



15 Property, plant and equipment (continued)

Material Accounting Policy (continued)

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 33.3** 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 income statement.

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

	Land and buildings HK\$'000	Leasehold improvements HK\$'000	Equipment, Furniture and fixtures HK\$'000	Motor vehicles and vessel HK\$'000	Total HK\$'000
At 31 March 2023					
Cost	190,790	501,938	238,454	26,684	957,866
Accumulated depreciation and impairment	(88,642)	(440,161)	(213,810)	(20,291)	(762,904)
Net book amount	102,148	61,777	24,644	6,393	194,962
Year ended 31 March 2024					
Opening net book amount	102,148	61,777	24,644	6,393	194,962
Additions	–	59,215	12,707	1,415	73,337
Write-off	–	(18)	(41)	–	(59)
Disposals	–	–	(33)	–	(33)
Depreciation	(5,630)	(40,938)	(15,324)	(1,942)	(63,834)
Exchange differences	–	(730)	(286)	–	(1,016)
Closing net book amount	96,518	79,306	21,667	5,866	203,357
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

15 Property, plant and equipment (continued)

- (a) Depreciation expense of HK\$48,048,000 (2024: HK\$50,535,000) was included in selling and distribution costs, and HK\$14,127,000 (2024: HK\$13,299,000) was included in administrative expenses.
- (b) Write-off of property, plant and equipment of HK\$252,000 (2024: HK\$59,000) was included in selling and distribution costs.
- (c) As at 31 March 2025, land and buildings with carrying value amounted to HK\$89,483,000 (2024: HK\$94,424,000) were pledged for banking facilities made available to the Group.

As at 31 March 2025, net book amount of retail store assets represented property, plant and equipment and right-of-use assets amounting to HK\$82,887,000 (2024: HK\$75,360,000) and HK\$549,661,000 (2024: HK\$537,022,000) 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 and gross profit margin. As a result of the impairment assessment, an impairment loss for property, plant and equipment HK\$296,000 (2024: Nil) and HK\$104,000 (2024: Nil) were recognised in selling and distribution cost and administrative expense respectively, and no impairment loss of right-of-use assets (Note 16(a)) was recognised during the year ended 31 March 2025 and 2024, due to the store closure plan outlined in Note 8(b).



16 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.

16 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.



16 Leases (continued)

(a) Right-of-use assets

	Store properties HK\$'000	Warehouses and offices properties HK\$'000	Total HK\$'000
At 1 April 2023	375,281	144,398	519,679
Inception of lease contracts	444,191	1,229	445,420
Adjustment for lease	(4,405)	(1,206)	(5,611)
Depreciation	(274,019)	(38,796)	(312,815)
Exchange difference	(4,026)	(410)	(4,436)
At 31 March and 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

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 (2024: 1 to 10 years).

During the year ended 31 March 2025, depreciation of right-of-use assets of HK\$333,499,000 (2024: HK\$308,727,000) was included in selling and distribution costs, and HK\$3,065,000 (2024: HK\$4,088,000) was included in administrative expenses.

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.

16 Leases (continued)

(b) Lease liabilities

	2025 HK\$'000	2024 HK\$'000
At 1 April	692,148	565,603
Inception of lease contracts	317,106	439,109
Adjustment for lease	(14,378)	(1,407)
Interest expenses on lease liabilities (Note)	28,579	26,275
Payment for lease liabilities (including interest)	(368,965)	(331,590)
Exchange difference	4,354	(5,842)
At 31 March	658,844	692,148

Note:

During the year ended 31 March 2025, interest expenses on lease liabilities of HK\$28,579,000 (2024: HK\$26,275,000) were included in finance costs.

Maturity analysis of lease liabilities is as follows:

	2025 HK\$'000	2024 HK\$'000
Lease liabilities payable:		
Not later than 1 year	311,932	298,136
Later than 1 year but not later than 5 years	344,757	387,547
Over 5 years	2,155	6,465
	658,844	692,148
Less: portion classified as current liabilities	(311,932)	(298,136)
Non-current liabilities	346,912	394,012

(c) Short-term leases and not yet commenced leases

As at 31 March 2025, the total future lease payments for short-term leases and not yet commenced leases amounted to HK\$9,798,000 (2024: HK\$10,843,000) and HK\$18,321,00 (2024: HK\$58,651,000) respectively.

17 Rental deposits and other assets

	Accounting Policies Note 33.4 2025 HK\$'000	2024 HK\$'000
Rental and other deposits	86,131	87,032
Others	5,552	5,552
	91,683	92,584

Rental deposits are carried at amortised cost using the effective interest rate of 0.44% to 3.22% per annum (2024: 0.44% to 3.20% per annum). The carrying amounts of rental deposits approximate their fair values.



18 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:

	2025 HK\$'000	2024 HK\$'000
Deferred tax assets	177,140	181,600
Deferred tax liabilities	(202)	(240)
Deferred tax assets – net	176,938	181,360

The movement in net deferred tax assets is as follows:

	2025 HK\$'000	2024 HK\$'000
At 1 April	181,360	219,413
Deferred tax charged to the consolidated income statement (Note 12)	(4,581)	(37,717)
Exchange differences	159	(336)
At 31 March	176,938	181,360

18 Deferred tax (continued)

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	2025 HK\$'000	2024 HK\$'000
Deferred tax assets		
– to be recovered within 12 months	11,600	39,627
– to be recovered after more than 12 months	165,540	141,973
	177,140	181,600
Deferred tax liabilities		
– to be recovered after more than 12 months	202	240

The movements in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred tax assets

	Decelerated tax depreciation		Leases		Provisions		Tax losses		Total	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
At 1 April	4,695	6,246	2,002	2,974	1,436	1,972	173,467	208,500	181,600	219,692
(Charged)/credited to the consolidated income statement	178	(1,521)	(202)	(946)	5,343	(403)	(9,938)	(34,886)	(4,619)	(37,756)
Exchange differences	(35)	(30)	35	(26)	118	(133)	41	(147)	159	(336)
At 31 March	4,838	4,695	1,835	2,002	6,897	1,436	163,570	173,467	177,140	181,600

Deferred tax liabilities

	Accelerated tax depreciation	
	2025 HK\$'000	2024 HK\$'000
At 1 April	240	279
Credited to the consolidated income statement	(38)	(39)
At 31 March	202	240

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\$103,686,000 (2024: HK\$95,326,000) in respect of tax losses amounting to HK\$438,910,000 (2024: HK\$405,198,000) and temporary differences amounting to HK\$54,132,000 (2024: HK\$50,305,000) that can be carried forward against future taxable income. Tax losses amounting to HK\$252,478,000 (2024: HK\$227,748,000) will expire within 1 to 5 years from 31 March 2025. The remaining tax losses and capital allowances have no expiry date.



19 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.

	2025 HK\$'000	2024 HK\$'000
Merchandise for resale	670,036	705,303

The cost of inventories recognised in cost of sales amounted to HK\$2,374,702,000 (2024: HK\$2,580,402,000).

During the year, the Group has made reversal of provision of HK\$3,680,000 (2024: made provision of HK\$3,739,000) for slow moving inventories and shrinkage.

20 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 33.4(iv)** for policies on impairment of financial assets.

20 Trade receivables (continued)

	2025 HK\$'000	2024 HK\$'000
Trade receivables	67,506	75,611
Less: provision for expected credit losses	(2,760)	(2,856)
Trade receivables – net	64,746	72,755

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:

	2025 HK\$'000	2024 HK\$'000
Within 1 month	51,657	62,097
1 to 3 months	3,817	4,171
Over 3 months	9,272	6,487
	64,746	72,755

Movement in the Group's provision for ECL on trade receivables is as follows:

	2025 HK\$'000	2024 HK\$'000
At 1 April	2,856	3,106
Reversal of impairment recognised in previous years	(99)	(231)
Exchange differences	3	(19)
At 31 March	2,760	2,856

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:

	2025 HK\$'000	2024 HK\$'000
HK\$	31,569	35,904
Renminbi	19,386	31,556
US\$	5,307	388
Malaysian Ringgit	4,370	2,260
Singapore dollar	2,838	1,907
Philippines dollar	791	595
Others	485	145
	64,746	72,755



21 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 33.4(iv)** for policies on impairment of financial assets.

	2025 HK\$'000	2024 HK\$'000
Rental and utilities deposits	43,918	43,385
Other receivables and payment in advance	46,018	63,159
Prepayments	18,409	22,168
Other deposits	16,791	16,947
	125,136	145,659

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.

22 Time deposits, and 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.

	2025 HK\$'000	2024 HK\$'000
Time deposits		
Time deposits with maturity over three months	70,000	—
Cash and cash equivalents		
Short-term bank deposits	121,653	330,860
Cash at bank and on hand	179,445	126,897
Cash and cash equivalents as stated in consolidated cash flow statement	301,098	457,757
Total	371,098	457,757

22 Time deposits, and cash and cash equivalents (continued)

Time deposits, and cash and bank balances are denominated in the following currencies:

	2025 HK\$'000	2024 HK\$'000
HK\$	257,928	321,757
Malaysian Ringgit	34,607	34,070
US\$	22,935	38,948
Renminbi	20,565	25,615
Macau Pataca	15,481	11,875
Euro	10,010	10,165
Swiss Franc	5,388	4,766
Singapore dollar	2,874	9,604
Japanese Yen	1,294	940
Others	16	17
	371,098	457,757

As at 31 March 2025, the year-end effective interest rate on the time deposits over three months was 3.73% per annum. These deposits have an average maturity of 3 months. There were no such time deposits as of 31 March 2024.

The year-end effective interest rate on short-term bank deposits was 3.78% per annum (2024: 4.42% per annum). These deposits have an average maturity of 1.7 months (2024: 1.5 months).

As at 31 March 2025, total cash and bank balances denominated in Renminbi and Malaysian Ringgit of approximately HK\$52,829,000 (2024: HK\$57,382,000) were kept in Mainland China and Malaysia. The remittance of these funds out of Mainland China and Malaysia is subject to applicable foreign exchange restrictions imposed by the respective local governments.

23 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:

	2025 HK\$'000	2024 HK\$'000
Within 1 month	152,544	224,192
1 to 3 months	72,117	64,748
Over 3 months	13,965	17,708
	238,626	306,648

The carrying amounts of trade payables approximate their fair values.



23 Trade payables (continued)

Trade payables are denominated in the following currencies:

	2025 HK\$'000	2024 HK\$'000
HK\$	153,555	200,188
US\$	32,193	41,951
Malaysian Ringgit	20,090	14,225
Renminbi	11,476	28,170
Euro	7,731	9,380
South Korean Won	4,163	4,802
Japanese Yen	4,158	1,115
Swiss Franc	3,207	6,312
Singapore dollar	1,771	264
Macau Pataca	250	166
Others	32	75
	238,626	306,648

24 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.

24 Other payables and accruals (continued)

	2025 HK\$'000	2024 HK\$'000
Accrued staff costs	79,120	69,752
Valued-added tax and other tax payables	14,790	16,120
Accrued capital expenditure	14,560	14,981
Accrued reinstatement costs	14,244	13,894
Contract liabilities (Note 5(a))	10,887	15,325
Accrued advertising and promotion expenses	10,544	11,837
Accrued repair & maintenance	5,742	3,265
Accrued transportation expenses	4,297	4,250
Accrued utilities and telecommunication	2,915	4,139
Accrued rental related expenses	2,138	5,720
Other payables and accruals	37,782	34,503
	197,019	193,786

25 Retirement benefit obligations

(a) Retirement benefit obligations

	2025 HK\$'000	2024 HK\$'000
Retirement benefit obligations liability on: – long service payments (Note (b)(ii))	15,950	12,561

(b) Retirement benefit costs

	2025 HK\$'000	2024 HK\$'000
Retirement benefit costs charged to consolidated income statement:		
Retirement benefit costs (Note 9)		
– defined contribution plans (Note (i))	29,197	29,099
– long service payments (Note (ii))	2,014	960
	31,211	30,059
Retirement benefit costs debited/(credited) to other comprehensive income:		
– long service payments (Note (iii))	850	(709)



25 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 Mainland China are members of state-managed retirement benefit schemes operated by the respective local government in Mainland China. 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 Employees Provident Fund, 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 2025 prepared by International Valuation Limited (2024: Roma Appraisals 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	
	2025 HK\$'000	2024 HK\$'000
At 1 April	12,561	12,660
Current service cost	1,463	424
Interest cost	551	536
Retirement benefit costs charged to consolidated income statement	2,014	960
Remeasurements:		
Actuarial gain – experience	(147)	(703)
Actuarial loss/(gain) – financial assumptions	1,711	(6)
Actuarial gain – demographic assumptions	(714)	–
Retirement benefit costs charged/(credited) to other comprehensive income	850	(709)
Benefits paid/(refunded) directly by the employer	525	(350)
At 31 March	15,950	12,561

26 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 33.8** for details on Share Options and Share Award Scheme.

	No. of shares	HK\$'000
Authorised shares of HK\$0.1 each		
At 1 April 2023, 31 March 2024 and 2025	8,000,000,000	800,000
Issued and fully paid shares of HK\$0.1 each		
At 1 April 2023, 31 March 2024 and 2025	3,103,189,458	310,319

(a) Share options

The 2012 Share Option Scheme was adopted on 23 August 2012 and 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 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; and (iii) the nominal value of a share of the Company. 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 Rules Governing the Listing of Securities on the Stock Exchange (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 grantee (the "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:



26 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 Group;
- (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 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 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; and (iii) the nominal value of a share of the Company. The Group has no obligation to repurchase or settle the options in cash.

During the year ended 31 March 2025, no share option was granted under the 2012 Share Option Scheme and 2022 Share Option Scheme (2024: Nil).

Movements in the number of share options outstanding are as follows:

	No. of share options year ended 31 March	
	2025	2024
At 1 April	300,000	3,209,000
Lapsed	–	(2,909,000)
At 31 March	300,000	300,000

26 Share capital (continued)

(a) Share options (continued)

The expiry dates and subscription prices of the share options outstanding as at 31 March 2025 and 2024 are set out as follows:

Expiry dates	Subscription price per Share (HK\$)	No. of share options outstanding as at 31 March	
		2025	2024
2012 Share Option Scheme			
12 April 2028	4.65	300,000	300,000
Weighted average remaining contractual life of options outstanding at end of the year		3.03 years	4.03 years

(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 operates for 15 years starting from 11 April 2014. The maximum number of shares which may be awarded to any selected employee under the Share Award Scheme shall not exceed 1% of the issued share capital 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, administrating and holding the Company's shares for the Share Award Scheme. The total number of shares to be awarded under the Share Award Scheme is limited to 5% of the issued share capital of the Company.

During the year ended 31 March 2025 and 31 March 2024, no share was acquired by the Company.

Movements in the number of awarded shares:

	Number of awarded shares year ended 31 March	
	2025	2024
At 1 April	295,000	200,000
Awarded (Note)	110,000	310,000
Vested	(165,000)	(215,000)
Lapsed	(95,000)	–
At 31 March	145,000	295,000

Note: The fair value of awarded shares was determined with reference to market price of the Company's shares at the grant date. Average fair value per share was HK\$0.73 (2024: HK\$0.82).



26 Share capital (continued)

(b) Share award (continued)

Details of the awarded shares outstanding as at 31 March 2025 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 2025
			Outstanding as at 1 April 2024	Awarded during the year	Vested during the year	Lapsed during the year	
8 February 2024	0.82	8 February 2024 to 6 August 2024	100,000	–	(100,000)	–	–
		8 February 2024 to 19 August 2025	50,000	–	(25,000)	–	25,000
		8 February 2024 to 19 September 2025	50,000	–	(25,000)	–	25,000
		8 February 2024 to 14 December 2025	50,000	–	–	(50,000)	–
		8 February 2024 to 21 February 2025	15,000	–	–	(15,000)	–
		8 February 2024 to 20 November 2025	30,000	–	(15,000)	–	15,000
16 July 2024	0.78	16 July 2024 to 15 March 2026	–	30,000	–	(30,000)	–
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
			295,000	110,000	(165,000)	(95,000)	145,000

* 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:

	2025 HK\$'000	2024 HK\$'000
Expenses recognised by share award scheme	133	115

27 Reserves

	Share premium HK\$'000	Shares held under the Share Award Scheme HK\$'000	Capital redemption reserve HK\$'000	Employee share-based compensation reserve HK\$'000	Translation reserve HK\$'000	Hedging Reserve HK\$'000	Accumulated losses HK\$'000	Total 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 gains 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

	Share premium HK\$'000	Shares held under the Share Award Scheme HK\$'000	Capital redemption reserve HK\$'000	Employee share-based compensation reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2023	1,412,707	(3,756)	11,783	11,053	(53,801)	(647,124)	730,862
Profit for the year	-	-	-	-	-	218,883	218,883
Other comprehensive income/(loss):							
Actuarial gains on retirement benefit obligations	-	-	-	-	-	709	709
Currency translation differences of foreign subsidiaries recorded in translation reserve	-	-	-	-	(8,983)	-	(8,983)
Total comprehensive income for the year	-	-	-	-	(8,983)	219,592	210,609
Share award scheme:							
Value of employee services	-	-	-	115	-	-	115
Vesting of shares under share award scheme	-	908	-	(633)	-	(275)	-
Employee share option scheme:							
Lapse of share options	-	-	-	(6,328)	-	6,328	-
Unclaimed dividends forfeited	-	-	-	-	-	184	184
Total transactions with owners, recognised directly in equity	-	908	-	(6,846)	-	6,237	299
At 31 March 2024	1,412,707	(2,848)	11,783	4,207	(62,784)	(421,295)	941,770



28 Cash flow information

(a) Cash generated from operations

	2025 HK\$'000	2024 HK\$'000
Profit for the year	76,973	218,883
Adjustments for:		
– Income tax expense	14,941	47,864
– Depreciation of property, plant and equipment	62,175	63,834
– Depreciation of right-of-use assets	336,564	312,815
– Write-off of property, plant and equipment	252	59
– Write-off of prepayment	3,132	–
– Impairment of property, plant and equipment	400	–
– Gains on disposal of property, plant and equipment (Note 28(b))	–	(187)
– (Reversal of provision)/provision for slow moving inventories and shrinkage	(3,680)	3,739
– Share-based payment	133	115
– Gain on derecognition of lease liabilities and right-of-use assets	(2,501)	–
– Finance costs	28,579	27,399
– Finance income	(14,161)	(9,012)
	502,807	665,509
Changes in working capital:		
– Inventories	42,541	(41,047)
– Trade receivables	8,009	(7,048)
– Other receivables, deposits and prepayments	19,407	(4,729)
– Trade payables	(68,022)	(23,070)
– Other payables, accruals and retirement benefit obligations	7,496	(8,132)
Cash generated from operations	512,238	581,483

(b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	2025 HK\$'000	2024 HK\$'000
Net book amount (Note 15)	–	33
Gains on disposal of property, plant and equipment	–	187
Proceeds from disposal of property, plant and equipment	–	220

(c) The liabilities arising from financing activities represented borrowings and lease liabilities. For details of movement in lease liabilities, see Note 16(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.

29 Commitments

Capital commitments in respect of acquisition of property, plant and equipment

	2025 HK\$'000	2024 HK\$'000
Contracted but not provided for	7,773	11,862

30 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

	2025 HK\$'000	2024 HK\$'000
Sale of goods to entities owned by the immediate family member of an executive director	1,455	1,572
Purchase of goods from entities owned by the immediate family member of an executive director	739	2,065
Rental paid to an entity wholly owned by executive directors	–	900

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:

	2025 HK\$'000	2024 HK\$'000
Salaries, bonuses, housing allowances, other allowances and benefits-in-kind	38,284	36,267
Retirement benefit costs	1,214	1,125
Share-based payment	133	115
	39,631	37,507



30 Significant related party transactions (continued)

(c) Interest of directors

None of the directors received any termination benefits during the year ended 31 March 2025 (2024: Nil). During the year ended 31 March 2025, the Group did not pay consideration to any third parties for making available directors' services (2024: Nil). As at 31 March 2025, there were no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected entities (2024: 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 (2024: Nil).

31 Principal subsidiaries

Particulars of the principal subsidiaries at 31 March 2025 and 2024:

Name	Place of incorporation/ establishment and kind of legal entity (Country/Region)	Principal activities and place of operation (if different from place of incorporation)	Particulars of issued share capital/paid up share capital	Direct/indirect interest held
Base Sun Investment Limited	Hong Kong, limited liability company	Property holding	Ordinary HK\$100 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%

31 Principal subsidiaries (continued)

Name	Place of incorporation/ establishment and kind of legal entity (Country/Region)	Principal activities and place of operation (if different from place of incorporation)	Particulars of issued share capital/paid up share capital	Direct/indirect 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.	Malaysia, limited liability company	Trading and retailing of cosmetic products	Ordinary RM1	100%
Matford Trading Limited	Hong Kong, limited liability company	Property holding	Ordinary HK\$100 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 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 Deferred HK\$2	100%



31 Principal subsidiaries (continued)

Name	Place of incorporation/ establishment and kind of legal entity (Country/Region)	Principal activities and place of operation (if different from place of incorporation)	Particulars of issued share capital/paid up share capital	Direct/indirect 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	CHF555,000	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 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%

31 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, People's Republic of China.

32 Statement of financial position and reserve movement of the Company

Statement of financial position of the Company

	2025 HK\$'000	2024 HK\$'000
ASSETS		
Non-current assets		
Investments in and amounts due from subsidiaries	1,965,358	2,171,808
Other assets	750	750
	1,966,108	2,172,558
Current assets		
Other receivables, deposits and prepayments	997	676
Time deposits	15,000	–
Cash and cash equivalents	10,066	441
	26,063	1,117
LIABILITIES		
Current liabilities		
Other payables and accruals	256	408
Net current assets	25,807	709
Total assets less current liabilities	1,991,915	2,173,267
EQUITY		
Capital and reserves		
Share capital	310,319	310,319
Reserves	1,681,596	1,862,948
Total equity	1,991,915	2,173,267

The statement of financial position of the Company was approved by the Board on 19 June 2025 and was signed on its behalf.

KWOK Siu Ming Simon
Chairman and CEO

KWOK LAW Kwai Chun Eleanor
Vice-chairman



32 Statement of financial position and reserve movement of the Company (continued)

Reserve movement of the Company

	Share premium HK\$'000	Shares held under the Share Award Scheme HK\$'000	Capital redemption reserve HK\$'000	Employee share-based compensation reserve HK\$'000	Retained earnings HK\$'000	Total 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, 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

	Share premium HK\$'000	Shares held under the Share Award Scheme HK\$'000	Capital redemption reserve HK\$'000	Employee share-based compensation reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 April 2023	1,412,707	(3,756)	11,783	11,053	433,547	1,865,334
Loss and total comprehensive loss for the year	–	–	–	–	(2,685)	(2,685)
Share award scheme:						
Value of employee services	–	–	–	115	–	115
Vesting of shares under share award scheme	–	908	–	(633)	(275)	–
Employee share option scheme:						
Lapse of share options	–	–	–	(6,328)	6,328	–
Unclaimed dividends forfeited	–	–	–	–	184	184
Total transactions with owners, recognised directly in equity	–	908	–	(6,846)	6,237	299
At 31 March 2024	1,412,707	(2,848)	11,783	4,207	437,099	1,862,948

33 Summary of other potentially material accounting policies

33.1 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.

33.2 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.

33.3 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.

33.4 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.



33 Summary of other potentially material accounting policies (continued)

33.4 Financial assets (continued)

(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/(losses) – net" together with foreign exchange gains and losses.

(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 20 for further details.

33.5 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.

33.6 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 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/(losses) – net".

33 Summary of other potentially material accounting policies (continued)

33.6 Foreign currency translation (continued)

(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, or a disposal involving loss of joint control over a joint venture 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.

33.7 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 33.7(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.



33 Summary of other potentially material accounting policies (continued)

33.7 Employee benefits (continued)

(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. 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.

33.8 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 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).

33 Summary of other potentially material accounting policies (continued)

33.8 Share-based payment (continued)

(i) Equity-settled share-based payment transactions (continued)

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.