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WORLD-LINK LOGISTICS (ASIA) HOLDING LIMITED

環宇物流(亞洲)控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6083)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “**Board**”) of World-Link Logistics (Asia) Holding Limited (the “**Company**”) and its subsidiaries collectively the “**Group**”) is pleased to announce that the consolidated financial results of the Group for the year ended 31 December 2024, together with the comparative figures for the year ended 31 December 2023. The financial information has been approved by the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
Revenue	3	351,375	331,204
Other net income		3,945	1,811
Employee benefits expenses		(65,727)	(63,749)
Depreciation of property, plant and equipment and right-of-use assets		(44,271)	(44,722)
Sub-contracting expenses		(32,717)	(31,926)
Operating lease rentals in respect of rented premises		(1,365)	(1,318)
Operating lease rentals in respect of plant, machinery and equipment		(906)	(660)
Cost of products sold		(171,049)	(149,755)
Other expenses		(14,391)	(15,737)
Profit from operations		24,894	25,148
Finance costs		(2,487)	(1,167)
Profit before taxation		22,407	23,981
Income tax expense	5	(3,836)	(3,936)
Profit for the year		18,571	20,045
Attributable to:			
Equity shareholders of the Company		18,972	20,025
Non-controlling interests		(401)	20
Profit for the year		18,571	20,045
Earnings per share (HK cents)			
Basic	6	3.78	3.99
Diluted		3.78	3.99

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property, plant and equipment		4,881	6,556
Right-of-use assets		63,876	23,755
Rental deposits		6,312	297
Deferred tax assets		2,835	2,399
		<u>77,904</u>	<u>33,007</u>
Current assets			
Inventories – finished goods		67,120	112,588
Trade and other receivables and contract assets	7	103,327	105,887
Tax recoverable		294	102
Rental deposits		184	7,184
Bank balances and cash		48,904	37,969
		<u>219,829</u>	<u>263,730</u>
Current liabilities			
Trade and other payables, accrued expenses and contract liabilities	8	111,940	142,754
Tax payable		1,667	966
Reinstatement provisions		–	499
Lease liabilities		40,032	23,458
Amounts due to non-controlling interests		506	506
Dividend payable		10,037	10,037
Bank borrowings		1,000	2,000
		<u>165,182</u>	<u>180,220</u>
Net current assets		<u>54,647</u>	<u>83,510</u>
Total assets less current liabilities		<u>132,551</u>	<u>116,517</u>
Non-current liabilities			
Reinstatement provisions		499	–
Long service payment obligation		1,496	1,437
Lease liabilities		23,805	1,809
		<u>25,800</u>	<u>3,246</u>
NET ASSETS		<u>106,751</u>	<u>113,271</u>
CAPITAL AND RESERVES			
Share capital	9	5,018	5,018
Reserves		100,840	106,959
Total equity attributable to equity shareholders of the Company		<u>105,858</u>	<u>111,977</u>
Non-controlling interests		893	1,294
TOTAL EQUITY		<u>106,751</u>	<u>113,271</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to equity shareholders of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Merger reserve	Retained profits	Total		
Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2023	5,018	66,139	10	35,840	107,007	2,254	109,261
Changes in equity for the year ended 31 December 2023:							
Profit and total comprehensive income for the year	-	-	-	20,025	20,025	20	20,045
Dividend approved in respect of previous year	10	-	-	(5,018)	(5,018)	-	(5,018)
Dividend declared in respect of the current year	10	-	-	(10,037)	(10,037)	-	(10,037)
Dividend paid to non-controlling interests	-	-	-	-	-	(980)	(980)
At 31 December 2023 and 1 January 2024	5,018	66,139	10	40,810	111,977	1,294	113,271
Changes in equity for the year ended 31 December 2024:							
Profit and total comprehensive income for the year	-	-	-	18,972	18,972	(401)	18,571
Dividend approved in respect of previous year	10	-	-	(10,037)	(10,037)	-	(10,037)
Dividend declared in respect of the current year	10	-	-	(15,054)	(15,054)	-	(15,054)
At 31 December 2024	5,018	66,139	10	34,691	105,858	893	106,751

NOTES TO THE ANNOUNCEMENT

For the year ended 31 December 2024

1. GENERAL

World-Link Logistics (Asia) Holding Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 27 July 2015 and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and the principal place of business of the Company are disclosed in the section “Corporate Information” in the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

The Company acts as an investment holding company. The Company and its subsidiaries (the “**Group**”) are principally engaged in the supply chain management service and full service distribution business.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

(a) Basis of preparation

The financial results set out in this announcement do not constitute the Group’s consolidated financial statements for the year ended 31 December 2024, but are derived from those financial statements.

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(b) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the financial statements.

(b) Changes in accounting policies

The HKICPA has issued the following amended HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current and amendments to HKAS 1, Presentation of financial statements – Non-current liabilities with covenants*
- Amendments to HKFRS 16, *Leases – Lease liability in a sale and leaseback*
- Amendments to HKAS 7, *Statement of cash flows and HKFRS 7, Financial instruments: Disclosures – Supplier finance arrangements*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Supply chain management service income	151,798	156,510
Full service distribution sales	199,577	174,694
	<u>351,375</u>	<u>331,204</u>

4. SEGMENT INFORMATION

The Group's operating segments are determined based on information reported to the chief operating decision maker of the Group (the executive directors of the Company who are also directors of all operating subsidiaries) (the "CODM"), for the purpose of resource allocation and performance assessment. The directors regularly review revenue and results analysis by (i) supply chain management service business; and (ii) full service distribution business. No operating segments have been aggregated in arriving at the reportable segments of the Group. No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM.

- Supply chain management service business This segment provides warehousing, transportation; value-added services; and customisation services. Currently the activities in this regard are primarily carried out in Hong Kong.

- Full service distribution business This segment provides wholesales and trading of goods. Currently the activities in this regard are primarily carried out in Hong Kong and Macau.

(a) **Segment revenue and results**

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below.

For the year ended 31 December 2024

	Supply chain management service business <i>HK\$'000</i>	Full service distribution business <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Total <i>HK\$'000</i>
Disaggregated by timing of revenue recognition					
Point in time	115,386	199,577	314,963	-	314,963
Overtime	36,412	-	36,412	-	36,412
Revenue					
Revenue from external customers	151,798	199,577	351,375	-	351,375
Inter-segment revenue	17,644	-	17,644	(17,644)	-
	<u>169,442</u>	<u>199,577</u>	<u>369,019</u>	<u>(17,644)</u>	<u>351,375</u>
Results					
Segment results	<u>23,002</u>	<u>443</u>			23,445
Unallocated corporate expenses					<u>(1,038)</u>
Profit before taxation					<u>22,407</u>

For the year ended 31 December 2023

	Supply chain management service business <i>HK\$'000</i>	Full service distribution business <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Total <i>HK\$'000</i>
Disaggregated by timing of revenue recognition					
Point in time	110,000	174,694	284,694	–	284,694
Overtime	46,510	–	46,510	–	46,510
Revenue					
Revenue from external customers	156,510	174,694	331,204	–	331,204
Inter-segment revenue	10,768	–	10,768	(10,768)	–
	<u>167,278</u>	<u>174,694</u>	<u>341,972</u>	<u>(10,768)</u>	<u>331,204</u>
Results					
Segment results	<u>23,026</u>	<u>1,958</u>			24,984
Unallocated corporate expenses					<u>(1,003)</u>
Profit before taxation					<u>23,981</u>

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment results represents profit earned from each segment without allocation of certain corporate income and expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(b) **Other segment information**

For the year ended 31 December 2024

	Supply chain management service business <i>HK\$'000</i>	Full service distribution business <i>HK\$'000</i>	Segment total <i>HK\$'000</i>
Additions to property, plant and equipment	1,712	26	1,738
Additions to right-of-use assets	79,645	1,818	81,463
Depreciation of property, plant and equipment included in the measure of segment results	2,842	392	3,234
Depreciation of right-of-use assets included in the measure of segment results	39,629	1,408	41,037

For the year ended 31 December 2023

	Supply chain management service business <i>HK\$'000</i>	Full service distribution business <i>HK\$'000</i>	Segment total <i>HK\$'000</i>
Additions to property, plant and equipment	1,646	1,063	2,709
Additions to right-of-use assets	2,441	1,524	3,965
Depreciation of property, plant and equipment included in the measure of segment results	3,050	249	3,299
Depreciation of right-of-use assets included in the measure of segment results	39,910	1,513	41,423

(c) **Geographical information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's plant, property and equipment and right-of-use assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of plant, property and equipment and right-of-use assets and the location of the operation to which they are allocated.

	Revenue from external customers		Specified non-current assets	
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong	281,269	221,427	66,117	27,482
Macau	70,106	109,777	2,640	2,829
	351,375	331,204	68,757	30,311

(d) **Information about major customers**

Revenue from customers of corresponding years contributing over 10% of the Group's revenue are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Customer A	43,091	46,521
Customer B	N/A*	34,366

* Revenue from this customer is accounted for less than 10% of the Group's revenue during the corresponding year.

5. INCOME TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
Provision for the year	4,360	4,315
Over-provision in respect of prior years	<u>(88)</u>	<u>(89)</u>
	<u>4,272</u>	<u>4,226</u>
Deferred tax		
Origination of temporary differences	<u>(436)</u>	<u>(290)</u>
	<u>3,836</u>	<u>3,936</u>

The provision for Hong Kong Profits Tax for 2024 is calculated at 16.5% (2023: 16.5%) of the estimated assessable profits for the year, taking into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2024/25, subject to a maximum reduction of HK\$1,500 for each business (2023: a maximum reduction of HK\$3,000 was granted for the year of assessment 2023/24 and was taken into account in calculating the provision for 2023). A subsidiary of the Group is eligible for 8.25% tax band of the first HK\$2,000,000 under the two-tiered tax regime introduced by the Hong Kong SAR Government.

The provision for Macau Complementary (Corporate) Tax for 2024 is calculated at 12.0% (2023: 12.0%) of the taxable income for the year, taking into account a tax incentive granted by the Macau SAR Government for the tax-free income threshold of MOP600,000 for the tax year 2024 (2023: MOP600,000). No provision for tax has been made for the subsidiary in Macau as the subsidiary does not have assessable profit for Macau Complementary Tax for 2024 and 2023.

6. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$18,972,000 (2023: HK\$20,025,000) and the weighted average of 501,843,000 ordinary shares (2023: 501,843,000) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2024 '000	2023 '000
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>501,843</u>	<u>501,843</u>

(b) Diluted earnings per share

For the years ended 31 December 2024 and 2023, diluted earnings per share equals basic earnings per share as there was no dilutive potential shares.

7. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	2024 HK\$'000	2023 HK\$'000
Trade receivables, net of loss allowance	98,120	100,993
Prepayments	988	1,381
Contract assets	1,184	1,859
Deposits and other receivables	<u>3,035</u>	<u>1,654</u>
	<u>103,327</u>	<u>105,887</u>

The Group allows a credit period ranging from 0 day to 120 days (2023: 0 day to 120 days) to its customers.

The following is an ageing analysis of trade receivables presented based on the invoice dates and net of loss allowance at the end of the reporting period.

	2024 HK\$'000	2023 HK\$'000
0 – 30 days	33,243	41,964
31 – 60 days	40,825	34,226
61 – 90 days	16,746	18,216
Over 90 days	<u>7,306</u>	<u>6,587</u>
	<u>98,120</u>	<u>100,993</u>

8. TRADE AND OTHER PAYABLES, ACCRUED EXPENSES AND CONTRACT LIABILITIES

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	101,536	131,766
Accrued employees' benefits	4,179	4,096
Accrued expenses	3,811	3,867
Other payables	2,328	2,087
Contract liabilities	86	938
	<u>111,940</u>	<u>142,754</u>

(a) Trade and other payables and accrued expenses

Credit periods granted by the creditors generally range from 0 to 190 days.

All of the trade and other payables and accrued expenses are expected to be settled within one year or are payable on demand. As at 31 December 2024, the ageing analysis of trade payables based on invoice date, is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 – 30 days	6,969	128,410
31 – 60 days	10,268	1,784
61 – 90 days	30,570	1,524
Over 90 days	53,729	48
	<u>101,536</u>	<u>131,766</u>

(b) Contract liabilities

The Group receives deposits from customers for sale of products. This amount is recognised as a contract liability until the sales are completed and the goods are delivered to the customers.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Balance at 1 January	938	2,899
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	(938)	(2,899)
Increase in contract liabilities as a result of receiving deposits from customers during the year in respect of sale of goods yet been delivered	86	938
Balance at 31 December	86	938

The contract liabilities as at 31 December 2024 are expected to be recognised as income within one year.

9. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Authorised		
At 1 January 2023, 31 December 2023 and 31 December 2024 of 1.0 HK cent	10,000,000	100,000
	Number of shares '000	Amount HK\$'000
Issued and fully paid:		
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	501,843	5,018
		<i>HK\$'000</i>
Shown in the consolidated statement of financial position		5,018

10. DIVIDEND

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Final dividend proposed after the end of the reporting period of 2.0 HK cents per ordinary share (2023: 2.0 HK cents per ordinary share)	10,037	10,037
Interim dividend declared of 1.0 HK cent per ordinary share (2023: Nil)	5,017	–
Special dividend declared of 2.0 HK cents per ordinary share (2023: 2.0 HK cents per ordinary share)	10,037	10,037
	<u>25,091</u>	<u>20,074</u>

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and/or paid during the year

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of 2.0 HK cents per ordinary share (2023: 1.0 HK cent per ordinary share)	10,037	5,018
Special dividend in respect of the previous financial year paid during the year, of 2.0 HK cents per ordinary share (2023: 3.0 HK cents per ordinary share)	10,037	15,056
	<u>20,074</u>	<u>20,074</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group is one of the well-established one-stop logistics service provider specializing in Fast Moving Consumer Goods (“**FMCG**”) and food and beverage (“**F&B**”), which include pet food. Most of our customers are leading multi-national enterprises and our services are tailored for their unique needs. In addition, the Group has entered into the full service distribution business since 2019, which covered both Hong Kong and Macau markets.

During 2024, the external economic environment was full of challenge with high uncertainty. According to the Report entitled “Gross Domestic Product (“**GDP**”) by Expenditure Component” released by the Census and Statistics Department of the Government of the Hong Kong Special Administrative Region (“**C&SD**”), the year-on-year rate of change in real terms of GDP for 2024 increased by 2.4%. Another publication entitled latest “Report on Monthly Survey of Retail Sales” released by C&SD, the value index of the total retail sales have decreased by 7.3% in value over that of 2023 as a whole.

The business environment in Macau was even worse than that of Hong Kong during 2024. According to the report entitled “Macao Economic Bulletin (Third Quarter)” issued by the Statistics and Census Service of the Government of Macao Special Administrative Region (“**SCSM**”), the year-on-year rate of change in real terms of GDP up to the third quarter of 2023 in Macau increased by 4.7%. However the retail sales turnover of consumption and prices dropped by 15.5% year-to-year changes up to the third quarter 2024. which indicates that the Macau local retail market was not in a good condition.

The Group was fighting under a difficult business environment during 2024 and it maintained a profit making position.

Achievement in 2024

To maintain the Group's sustainability growth under the changing business environment, the Group continues to look for new business partners and opportunities to achieve growth in sales. The Group plans to further expand its sales network and distribution brands by adopting fourth parties logistics ("4PL") service providers business strategies. During 2024, the Group has enlarged its distribution sales customer base and identified new partnership.

With the efforts and market recognition of transactions under the 4PL model in the past years, the Group has developed a foundation base and a strong sales and marketing team to welcome new challenges. During 2024, the Group has successfully started a new relationship with an Australian producer of biscuits and snack foods to serve as its distributor in both Hong Kong and Macau. In addition, the Group has reacted to the market needs for e-business by inputting more resources to the e-commerce distribution business. Even though it is only the initial stage of our e-business, the Group has overcome the new changes and developed special skillset for handling e-commerce logistics needs on top of the traditional distributor sales. The Group believes that e-commerce logistics could be the market trend which can create more potential business opportunities for further expansion.

The logistics backbone is the key success of the Group. Not only supporting the 4PL business integration, it provides flexibility and business strategy for the Group's overall business strategy planning. The Group's connections in both Hong Kong and Macau have provided a reliable logistics supply for both its customers and its distribution sales. Our tailor-made high quality customized service resulted in tight customer stickiness and satisfaction. The Group is able to retain its key customers and to capture new business opportunities. In addition, the Group has started to provide cold chain services to an existing customer, which further reinforces our bonding with our customers and the provision of total logistics solution package. All of these reflected the high quality and efficiency of the Group's services as well as the trust of its customers.

Due to the adverse impact resulting from the weak retail market in Macau during 2024, the Group's sales from its Macau operation dropped. However, the Group believes that such downturn is temporary, and the Group will be able to rebound through additional brands distribution, extra product lines from existing vendors, better internal cost control and market recovery. To further upgrade the service scope and quality of service of its Macau operation, the Group has applied to the Macau operation the logistics solution technique adopted by the Hong Kong team. This enables the Group to capture more business opportunities and to inject more new brands of distribution sales in the Macau market.

The Group continues to manage its spending in a caution way. The Group has focused on inventory management and tightened its monitoring of the operation cashflow. The overall inventory level has been lowered which helps to reduce business risks and enables the Group to release more operation cashflow for other purposes. Even though the Group has suffered a drop in profit during the first half of 2024, the Group, with the earnest and strenuous effort of its employees, has successfully turnaround the situation and reduced the overall drop level in the net profit for the year ended 31 December 2024.

The Group is flattered with the trust from its customers. However, it will never forget to enhance its competitive power. The Group has acquired and retained several international quality assurance qualifications which include, but not limited to, ISO9001 management system and ISO22000 food safety management system. Quality assurance and technology are always our focuses to maintain high quality services. The Group's years of effort to maintain a world class standard exceeds our customers' requirements.

The Group welcomes Ms. Bibiana Lai Wing Ying to join the Board as an Independent Non-executive Director of the Company. This appointment helps to diversify the Board structure and to enhance the Group's corporate governance with reference to the global standard.

With our motto "Always Can Do", we are committed to provide reliable and professional logistics solutions to enhance efficiency and to gain a competitive advantage for our customers. We will continue to make our best effort to stay ahead of our competitors.

Financial Review

Revenue

The revenue of the Group increased by approximately 6.1% from approximately HK\$331.2 million for the year ended 31 December 2023 to approximately HK\$351.4 million for the year ended 31 December 2024. The Group's revenue growth mainly contributed by the full service distribution sales during the year ended 31 December 2024.

Other net income

Other net income comprised bank interest income and other miscellaneous income. Other net income amounted to HK\$1.8 million and HK\$3.9 million for the year ended 31 December 2023 and the year ended 31 December 2024 respectively. The increase is mainly due to the receipt of higher marketing and promotion support income in 2024.

Employee benefits expenses

Employee benefits expenses primarily consisted of wages and salaries, medical benefits, and other allowances and benefits. Our employee benefits expenses amounted to approximately HK\$65.7 million for the year ended 31 December 2024 (2023: HK\$63.7 million). The increase is mainly due to salary increment. Our Group had a total of 206 and 183 full-time employees as at 31 December 2023 and 31 December 2024 respectively. The Group paid higher salaries to attract and retain talents but managed to reduce headcounts after streamlining our services.

Other expenses

Other expenses mainly include other operating cost for the warehousing and value-added services, electricity, repairs and maintenance, consumables, entertainment, rates, office and store supplies. For the years ended 31 December 2023 and 2024, other expenses amounted to approximately HK\$15.7 million and HK\$14.4 million respectively. The decrease is mainly due to the reduction in transportation costs as a result of the decrease in the volume of the Macau operation, net-off by the increase in the miscellaneous expense for overall business growth.

Taxation

Income tax expense represents the provision of Hong Kong profits tax and Macau complementary tax calculated at 16.5% and 12.0% respectively of the estimated assessable profits during the year ended 31 December 2024. Both the Hong Kong SAR Government and the Macau SAR Government granted a reduction of profits tax for the year of assessment 2024-2025. Please refer to Note 5 to this announcement for details.

Profit and total comprehensive income for the year ended 31 December 2024

The Group recorded a net profit after tax of approximately HK\$18.6 million for the year ended 31 December 2024, representing a decrease of approximately 7.4% when compared to that for the year ended 31 December 2023. The decrease in the net profit after tax is mainly due to (i) the unfavourable local sales market in Macau, which resulted in the reduction of the volume of the overall distribution sales; (ii) increase in the staff cost since higher salaries are offered to attract and retain talents; (iii) operation loss from a non-wholly subsidiary; and (iv) increase in finance lease cost due to the high interest environment, which net off the increase in the profit generated from the Hong Kong's full services distribution sales.

Liquidity and Financial Resources

The Group's operation and investments are financed principally by cash generated from its business operations and bank borrowings. As at 31 December 2024, the Group had net current assets of approximately HK\$54.6 million (2023: approximately HK\$83.5 million), cash and cash equivalents and bank borrowings of approximately HK\$48.9 million (2023: HK\$38.0 million) and HK\$1.0 million (2023: HK\$2.0 million) as at 31 December 2024, respectively. The Directors have confirmed that the Group will have sufficient financial resources to meet its obligations as they fall due in the foreseeable future.

Gearing Ratio

As at 31 December 2024, the gearing ratio (calculated on the basis of total bank borrowings divided by total assets at the end of the year) of the Group was 0.01 (2023: 0.01).

Foreign Currency Risk

The Group's business activities are in Hong Kong and Macau and are denominated in Hong Kong dollars and Macau Patacas. Except for certain trade payables balance denominated in Swiss Franc which the Group has agreed a fixed exchange rate with the vendor, the Group currently does not have a foreign currency hedging policy. However, the Directors will continue to monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Capital Commitment

As at 31 December 2024, the Group did not have material capital commitments (2023: Nil).

Dividend

On 27 August 2024, the Board declared an Interim Dividend of 1.0 HK cent per share of the Company, amounting to approximately HK\$5,018,000 in aggregate. The Interim Dividend has been paid on Monday, 30 September 2024 to the shareholders of the Company (the "Shareholder(s)") whose names appear on the register of members of the Company on Wednesday, 11 September 2024.

On 2 December 2024, the Board declared a special dividend of 2.0 HK cents per share of the Company, amounting to approximately HK\$10,037,000 in total (the "**Special Dividend**"). The Special Dividend has been paid on Thursday, 2 January 2025 to the shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 19 December 2024.

The Board is pleased to announce that at the Board meeting held on 25 March 2025, a resolution has been passed to recommend the payment of a final dividend (the "**Final Dividend**") of 2.0 HK cents (2023: 2.0 HK cents) per share amounting to approximately HK\$10,037,000 in aggregate.

The Final Dividend has been recommended by the Board and is subject to approval by the shareholders of the Company in the forthcoming Annual General Meeting. The Final Dividend (if approved by the shareholders in the forthcoming Annual General Meeting) will be paid in cash on or around Monday, 2 July 2025 to the shareholders whose names appear on the register of members of the Company at the close of business on Friday, 13 June 2025, being the record date for determination of entitlements to the Final Dividend.

To determine the persons who are entitled to the proposed Final Dividend of 2.0 HK cents per share for the year ended 31 December 2024, the register of members of the Company will be closed from Wednesday, 11 June 2025 to Friday, 13 June 2025, both days inclusive, during which period no transfer of shares will be registered. In order for a shareholder to qualify for the Final Dividend, all transfer forms accompanied by relevant share certificates, must be lodged with Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 10 June 2025.

Capital Structure

The capital structure of the Group consists of equity attributable to the owners of the Company which comprise of issued share capital and reserves. The Directors will review the Group's capital structure regularly. As part of this review, the Director will consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through payment of dividends, issuance of new shares as well as issue of new debts and redemption of existing debts.

Charge on the Group's Assets and Contingent Liabilities

As at 31 December 2024, the Group has bank borrowings of approximately HK\$1.0 million (2023: HK\$2.0 million). Certain subsidiaries within the Group have banking facilities of HK\$25.0 million (2023: HK\$25.0 million), in which HK\$15.0 million (2023: HK\$15.0 million) and HK\$10.0 million (2023: HK\$10.0 million) are guaranteed by the Group and co-guaranteed by the Group and non-controlling interests, respectively.

The Group has no material contingent liabilities as at 31 December 2024 (2023: Nil).

Material Acquisitions and Disposal

On 20 June 2024, the Group has accepted and signed an offer for renewal of a tenancy agreement with the landlord, and subsequently entered into a formal agreement on 15 July 2024. Hence, the Group recognized an addition of right-of-use assets and lease liabilities of HK\$69 million respectively during the year ended 31 December 2024. For details, please refer to the announcements of the Company dated on 20 June 2024 and 4 July 2024 and the circular of the Company dated on 26 July 2024, respectively, regarding the major transaction in relation to offer for renewal of tenancy agreements.

Employees and Remuneration Policies

As at 31 December 2024, the Group employed 183 (31 December 2023: 206) full time employees. We determine the employee's remuneration based on factors such as qualification, duty, contributions and years of experience.

OTHER INFORMATION

Scope of work of KPMG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

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

At no time during the year, did the Company nor any of its subsidiaries purchase, sell or redeem any of the Company's listed securities.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code for Securities Transactions By Directors of Listed Issuers in Appendix C3 of the Listing Rules. The Company, having made specific enquiry of all the Directors, is not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the year ended 31 December 2024.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 December 2024, the Directors and their associates and chief executives had the following interests or short positions in shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”):

Interests in the Company

Name of Director and Chief Executive	Capacity	Number of shares held/interested			Percentage of Company's issued share capital
		Personal interests	Other interests	Total interests	
Mr. Yeung Kwong Fat (Note 1, 2)	Interest in a controlled corporation; and beneficial owner	15,112,000	82,088,000	97,200,000	19.37%
Mr. Lee Kam Hung (Note 1, 3)	Interest in a controlled corporation; and beneficial owner	3,968,000	143,796,000	147,764,000	29.44%
Mr. Luk Yau Chi, Desmond (Note 1, 4)	Interest in a controlled corporation; and beneficial owner	5,852,000	76,060,000	81,912,000	16.32%
Mr. Jung Chi Pan Peter (Note 5)	Beneficial owner	64,000	–	64,000	0.01%
Mr. Mak Tung Sang (Note 6)	Beneficial owner	64,000	–	64,000	0.01%

Notes:

- As Mr. Yeung, Mr. Lee and Mr. Luk no longer intend to be bound by the acting in concert arrangement with each other for the purpose of family wealth and estate planning regarding their respective interests in the Company, they have on 9 July 2018 entered into a deed of termination (the “Termination Deed”) to terminate the acting in concert arrangement under the Confirmatory Deed. Please refer to the announcement published by the Company on 9 July 2018 for details.
- 97,200,000 Shares in which Mr. Yeung is interested consist of (i) 82,088,000 Shares held by Orange Blossom International Limited, a company wholly owned by Mr. Yeung, in which Mr. Yeung is deemed to be interested under the SFO, and (ii) 15,112,000 Shares are directly held by Mr. Yeung.

3. 147,764,000 Shares in which Mr. Lee is interested consist of (i) 143,796,000 Shares held by Best Matrix Global Limited, a company wholly owned by Mr. Lee, in which Mr. Lee is deemed to be interested under the SFO, and (ii) 3,968,000 Shares are directly held by Mr. Lee.
4. 81,912,000 Shares in which Mr. Luk is interested consist of (i) 76,060,000 Shares held by Leader Speed Limited, a company wholly owned by Mr. Luk, in which Mr. Luk is deemed to be interested under the SFO, and (ii) 5,852,000 Shares are directly held by Mr. Luk.
5. 64,000 Shares are directly held by Mr. Jung.
6. 64,000 Shares are directly held by Mr. Mak.

INTERESTS IN ASSOCIATED CORPORATION(S) OF THE COMPANY

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Number of shares	Percentage of shareholding
Mr. Yeung	Orange Blossom International Limited	Beneficial interests	1	100%
Mr. Lee	Best Matrix Global Limited	Beneficial interests	1	100%
Mr. Luk	Leader Speed Limited	Beneficial interests	1	100%

Save as disclosed above, as at 31 December 2024, none of the Directors and chief executive of the Company had any interests and short positions in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO) or (ii) which were required to be recorded in the register required to be kept by the Company under Section 352 of the SFO or (iii) which were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 31 December 2024, the following persons (other than Directors or Chief Executives of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of shareholder	Capacity	Number of Shares/ underlying Shares held/ interested	Percentage of Company's issued share capital
Best Matrix Global Limited (<i>Note 1</i>)	Beneficial owner	143,796,000	28.65%
Leader Speed Limited (<i>Note 1</i>)	Beneficial owner	76,060,000	15.16%
Orange Blossom International Limited (<i>Note 1</i>)	Beneficial owner	82,088,000	16.36%
Ms. Law Wai Yee (<i>Note 2</i>)	Interest of spouse	97,200,000	19.37%
Ms. Chan Pik Shan (<i>Note 3</i>)	Interest of spouse	147,764,000	29.44%
Ms. Wong Soo Fung (<i>Note 4</i>)	Interest of spouse	81,912,000	16.32%
Ms. Chan Ka Man (<i>Note 5</i>)	Interest of spouse	64,000	0.01%
Ms. Wong Shuk Ling Janine (<i>Note 6</i>)	Interest of spouse	64,000	0.01%

Notes:

- As Mr. Yeung, Mr. Lee and Mr. Luk no longer intend to be bound by the acting in concert arrangement with each other for the purpose of family wealth and estate planning regarding their respective interests in the Company, they have on 9 July 2018 entered into a deed of termination (the "**Termination Deed**") to terminate the acting in concert arrangement under the Confirmatory Deed. Please refer to the announcement published by the Company on 9 July 2018 for details.
- Ms. Law Wai Yee is the spouse of Mr. Yeung and is deemed, or taken to be, interested in Shares in which Mr. Yeung has interest under the SFO.
- Ms. Chan Pik Shan is the spouse of Mr. Lee and is deemed, or taken to be, interested in Shares in which Mr. Lee has interest under the SFO.

4. Ms. Wong Soo Fung is the spouse of Mr. Luk and is deemed, or taken to be, interested in Shares in which Mr. Luk has interest under the SFO.
5. Ms. Chan Ka Man is the spouse of Mr. Jung and is deemed, or taken to be, interested in Shares in which Mr. Jung has interest under the SFO.
6. Ms. Wong Shuk Ling, Janine is the spouse of Mr. Mak and is deemed, or taken to be, interested in Shares in which Mr. Mak has interest under the SFO.

All the interests disclosed above represent long positions in the shares and underlying shares of the Company.

Save as disclosed herein, the Company has not been notified of any other person (other than a Director or a chief executive of the Company) who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31 December 2024.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2024 was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance, to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of 31 December 2024 or at any time during the year ended 31 December 2024.

COMPETING INTEREST

For the year ended 31 December 2024, the Directors are not aware of any business or interest of the Directors, the Controlling Shareholders, and their respective associates (as defined under the Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest.

CORPORATE GOVERNANCE PRACTICES

The Directors consider that incorporating the core elements of good corporate governance in the management structure and internal control procedures of the Group would help to balance the interest of the shareholders, customers and employees of the Company. The Board has adopted the principles and the code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Listing Rules to ensure that the Group’s business activities and decision making processes are regulated in a proper and prudent manner. In accordance with the requirements of the Listing Rules, the Company has established an Audit Committee, a Nomination Committee and a Remuneration Committee with specific written terms of reference.

Except for the deviation from CG Code provision C.2.1, the Company’s corporate governance practices have complied with the CG Code. CG Code provision C.2.1 stipulates that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Yeung Kwong Fat (“**Mr. Yeung**”) is the Chairman and the Chief Executive Officer of our Company. In view of Mr. Yeung being one of the co-founders of our Group and has been operating and managing World-Link Roadway System Company Limited and World-Link Packing House Company Limited since 1994 and 2009 respectively, our Board believes that it is in the best interest of our Group to have Mr. Yeung taking up both roles for effective management and business development. Therefore our Directors consider that the deviation from the CG Code provision C.2.1 is appropriate in such circumstance.

The Board believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high-caliber individuals, with three of them being Independent Non-executive Directors.

AUDIT COMMITTEE

The board has established an audit committee (the “**Audit Committee**”) on 16 December 2015, which operates under terms of reference approved by the Board. It is the Board’s responsibility to ensure that an effective internal control and risk management framework exists within the entity. This includes internal controls, risk management to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated to the Audit Committee the responsibility for the initial establishment and the maintenance of a framework of internal controls, risk management and ethical standards for the Group’s management. The Audit Committee currently comprises three Independent Non-executive Directors, namely Ms Lai, Bibiana Wing Ying, Mr. Jung Chi Pan Peter and Mr. Mak Tung Sang. Ms. Lai, Bibiana Wing Ying is the chairman of the Audit Committee. The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2024.

By Order of the Board
World-Link Logistics (Asia) Holding Limited
Yeung Kwong Fat
Chairman

Hong Kong, 25 March 2025

As at the date of this announcement, the Executive Directors are Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi Desmond; and the Independent Non-executive Directors are Ms Lai, Bibiana Wing Ying, Mr. Jung Chi Pan, Peter and Mr. Mak Tung Sang.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.