

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Loco Hong Kong Holdings Limited

港銀控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 8162)

**QUARTERLY UPDATE ON BUSINESS PROGRESS;
AND
CONTINUED SUSPENSION OF TRADING**

This announcement is made by Loco Hong Kong Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company (the “**Announcements**”) dated 31 May 2023, 15 August 2023 and 15 November 2023 in relation to, among others, the resumption guidance for the resumption of trading in the Company’s shares (the “**Shares**”) set by the Hong Kong Stock Exchange and the quarterly update on the Group’s business progress.

Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

QUARTERLY UPDATE ON BUSINESS PROGRESS

The Group’s two main business segments, namely the Metal Business and the Education Management Services Business, were on track during the year ended 31 December 2023 (“**FY2023**”), and their performance continued to grow and maintained a steady and sustainable development trend.

Metal Business

Based on the information currently available to the Board, for FY2023, the Group has completed metal sales volume of approximately 729 million tones, and the sales contract amounts has exceeded HK\$10 billion (approximately HK\$10,706.8 million) representing a significant increase of approximately 30,934% (an increase of approximately 309 times) compared with the revenue of the Metal Business of approximately HK\$34.5 million for the year ended 31 December 2022 (“FY2022”), showing a significant increase in revenue scale. In addition, the Group is confident that the Metal Business segment will be able to achieve a net profit in 2023, laying a solid foundation for further sustainable development.

The main reasons for the increase in sales contract amount of the Metal Business were, on the one hand, the continuation of the recovery trend of the Metal Business in 2023 amidst the gradual normalization and resumption of global trade, and on the other hand, it was driven by the Group’s long-term layout accumulation and proactive efforts in successfully broadening the product varieties of the Metal Business and expanding international trades. In 2023, the Group has successfully established stable business relationships with a number of large state-owned enterprises, large comprehensive key enterprises in the PRC Mainland and international corporations. The number of customers in the Metal Business increased from 4 in 2022 to 9 in 2023. There is 1 additional new customer in January 2024, which brings the current total number of customers to 10 by now and such number is expected to continue to grow. These efforts have enabled the Group’s Metals Business to achieve materially significant improvement and growth in 2023.

In January 2024 alone, the Group has completed metal sales contract amounted to approximately not less than HK\$2,000 million.

The scope of the Metal Business includes bulk metal commodities trading, and the main products include London Metal Exchange delivery products, standard metals such as copper, aluminum, nickel and metal parts, and bulk commodities such as copper concentrates, iron ore and ferronickel.

Set out below is the background information of the Group’s customers during FY2023:–

Name of customer	The group/de facto controller that the customer belongs to	Nature of the group/ de facto controller that the customer belongs to
Vanding Innova SG Pte. Ltd.	A wholly-owned subsidiary of Wanxiang Group* (萬向集團公司), a large-scale key comprehensive enterprise in the PRC Mainland, which is one of China’s top 500 companies. Wanxiang Group has four companies listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange respectively in the PRC Mainland (Stock Codes: 000559, 000631, 000848 and 600371).	Large-scale key comprehensive enterprise in the PRC Mainland

Name of customer	The group/de facto controller that the customer belongs to	Nature of the group/ de facto controller that the customer belongs to
Xinglong SGP Pte. Ltd.	An international commodities trading company in Singapore, whose main products are standard metals such as copper, aluminum and nickel, as well as copper concentrate, iron ore, ferronickel and energy products.	International trading enterprise
Yancoal International (Singapore) Pte. Ltd. (“ Yancoal International ”)	Yancoal International and Rocklands are wholly-owned subsidiaries of Shandong Energy Group Co., Ltd. (“ Shandong Energy ”), a state-owned enterprise of Shandong Province, which is one of the world’s top 500 companies. Yancoal International is the overseas trading platform company of Shandong Energy’s energy trading sector.	Large-scale comprehensive state-owned enterprise in the PRC Mainland
Rocklands Richfield (Hong Kong) Limited (“ Rocklands ”)	Shandong Energy is also the controlling shareholder of Yankuang Energy Group Company Limited* (兗礦能源集團股份有限公司), a company listed on the Hong Kong Stock Exchange (Stock Code: 1171).	
Sichuan Cloud Port International (Hong Kong) Limited (“ SCPI ”)	A wholly-owned subsidiary of Sichuan Port and Shipping Investment Group Co., Ltd. (“ SPSI Group ”), a state-owned enterprise in Sichuan Province. SPSI Group is a large-scale comprehensive trading group in western PRC Mainland, and SCPI is the Hong Kong window company of SPSI Group.	Large-scale comprehensive state-owned enterprise in the PRC Mainland
Yunnan Tonghai Linhai Standard Parts Co., Ltd.* (雲南通海林海標件有限公司)	A supplier of hardware standard parts in Yunnan Province. The company has been operating for around 20 years. Its main downstream customers are transportation infrastructure state-owned enterprises and manufacturing enterprises in Yunnan Province.	Key medium-sized private- owned enterprise in the PRC Mainland

Name of customer	The group/de facto controller that the customer belongs to	Nature of the group/de facto controller that the customer belongs to
Chengdu Zhonghuan Fulin Trading Co., Ltd.* (成都中環福霖商貿有限公司) (“ Zhonghuan Fulin ”)	Zhonghuan Fulin is one of the largest hardware, electromechanical standard parts supply chain enterprises in Sichuan Province, and is a national hardware and electromechanical information collection unit in the PRC Mainland. Zhonghuan Fulin has been operating for more than 20 years and has more than 1,000 downstream end customers.	Key private-owned enterprise in its industry in the PRC Mainland
Sichuan Jianyang Sanhe Standard Parts Co., Ltd.* (四川省簡陽三和標準件有限公司)	A hardware standard parts supplier in Jianyang City, Sichuan Province. The company has been operating for more than 20 years. Its main downstream customers are transportation infrastructure enterprises and manufacturing enterprises in Sichuan Province.	Medium-sized private-owned enterprise in the PRC Mainland
Zall International Commerce (Singapore) Pte. Ltd.	A wholly-owned subsidiary of Zall Smart Commerce Group Ltd. (“ Zall Smart Commerce ”), which is one of China’s top 500 companies and a large-scale comprehensive digital supply chain platform company. Zall Smart Commerce is also a company listed on the Hong Kong Stock Exchange (Stock Code: 2098).	Company listed on the Hong Kong Stock Exchange

The Group’s new customer in January 2024:

Whamet Resources Pte. Ltd.	A Singapore international metal trading company, which is mainly engaged in the trade of steel products and the import and export of steel raw materials (iron ore, etc.).	International trading enterprise
----------------------------	--	----------------------------------

Education Management Services Business

Based on the information currently available to the Board, the Group expects the revenue of the Education Management Services Business to be approximately HK\$33.7 million for FY2023. Compared with the revenue of the Education Management Services Business for FY2022 of approximately HK\$13.8 million, it represents a significant increase of approximately 144% (an increase of approximately 1.44 times). The increase in revenue was mainly attributable to the Group's ability to capture the growth in demand and maintain the stable and sustainable development of the Education Management Services Business during FY2023 as education and teaching and extracurricular courses and activities gradually returned to normal in the PRC Mainland.

The Education Management Services Business is mainly committed to providing comprehensive education management and consulting services to various educational institutions in Chengdu, Sichuan Province, the PRC Mainland, focusing on arts, physical education and humanities well-rounded education management services. During FY2023, the 9 customers of the Education Management Services Business included 4 arts and physical education and training institutions, 2 kindergartens, 2 humanistic well-rounded natural experience education providers and 1 educational textbook and book distributor. In the fourth quarter of 2023, the Group secured a humanistic well-rounded natural experience education provider as a new customer.

The Company is in the process of finalising the consolidated results of the Group for FY2023. Shareholders and potential investors are advised to refer to the annual results announcement of the Company for FY2023, which is expected to be published by the end of March 2024, for details of the performance of the Group.

UPDATE ON PROGRESS OF RESUMPTION

As mentioned above, the Group's performance has shown significant improvement during FY2023. The Company is committed to working towards the resumption of trading in the Shares and its strategy of cautious and organic improvement and expansion of its core business and exploring of suitable opportunities and will take appropriate steps to demonstrate its compliance with the matters set out in the resumption guidance. Further announcements will be made as and when appropriate to update the Shareholders and the market on the progress and any material development.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares has been suspended with effect from 9:00 a.m. on Tuesday, 16 May 2023 and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. In the event of any doubt, Shareholders and potential investors of the Company should seek professional advice from professionals or financial consultants.

By order of the Board of
Loco Hong Kong Holdings Limited
Wang Wendong
Chief Executive Officer

Hong Kong, 15 February 2024

As at the date of this announcement, the executive Directors are Mr. Zhang Siyuan (Chairman of the Board), Mr. Wang Wendong and Mr. Fung Chi Kin; and the independent non-executive Directors are Mr. Zhou Tianshu, Ms. Wu Liyan and Ms. Wong Susan Chui San.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Announcements” page of the Hong Kong Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its publication and will be available on the Company’s website at www.locohkholdings.com.

** For identification purposes only.*