WORLDGATE GLOBAL LOGISTICS LTD
盛良物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the main board of the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the "**Directors**") of WORLDGATE GLOBAL LOGISTICS LTD (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company and its subsidiaries (together the "**Group**"). 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.*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 RM'000	2023 RM'000
Revenue	4	**85,473**	116,351
Cost of sales		**(77,785)**	(108,738)
Gross profit		**7,688**	7,613
Other income and other net gain and loss	6	**4,001**	(6,228)
Fair value changes on financial assets at fair value through profit or loss		**(1,503)**	(1,570)
Net (provision)/reversal of impairment losses on trade and other receivables		**(83)**	1,259
Share of results of an associate		**(520)**	165
Selling and distribution costs		**(3,736)**	(6,946)
Administrative expenses		**(12,800)**	(14,540)
Finance costs	7	**(494)**	(508)
Loss before taxation		**(7,447)**	(20,755)
Income tax expense	8	**(29)**	(10)
Loss for the year	9	**(7,476)**	(20,765)
Other comprehensive (expense)/income:			
Item that will not be reclassified subsequently to profit or loss:			
Exchange differences arising on translation from functional currency to presentation currency		**(5,191)**	3,369
Item that may be reclassified subsequently to profit or loss:			
Reclassification adjustment for disposal of associate		**439**	–
Share of exchange difference of an associate		**–**	177
Other comprehensive (expense)/income for the year, net of income tax		**(4,752)**	3,546
Total comprehensive expense for the year		**(12,228)**	(17,219)

	Notes	**2024** ***RM'000***	2023 *RM'000*
Loss for the year attributable to:			
– Owners of the Company		**(6,180)**	(20,402)
– Non-controlling interests		**(1,296)**	(363)
		(7,476)	(20,765)
Total comprehensive expense for the year attributable to:			
– Owners of the Company		**(11,170)**	(16,877)
– Non-controlling interests		**(1,058)**	(342)
		(12,228)	(17,219)
		RM	*RM*
Loss per share	11		
– Basic and diluted		**(0.98 sen)**	(3.22 sen)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2024

	Notes	2024 RM'000	2023 RM'000
Non-current assets			
Property, plant and equipment		**2,047**	2,011
Right-of-use assets		**341**	320
Goodwill		**–**	–
Interest in an associate		**–**	7,096
Financial assets at fair value through profit or loss		**9,562**	2,171
		11,950	11,598
Current assets			
Inventories		**4,587**	4,920
Trade and other receivables	12	**22,701**	19,819
Financial assets at fair value through profit or loss		**433**	306
Tax recoverable		**225**	151
Cash and bank balances		**7,433**	21,681
		35,379	46,877
Current liabilities			
Trade and other payables	13	**14,858**	14,737
Contract liabilities		**1,996**	46
Bank borrowings and overdrafts		**2,902**	3,876
Tax payables		**75**	19
Lease liabilities		**1,188**	1,301
		21,019	19,979
Net current assets		**14,360**	26,898
Total assets less current liabilities		**26,310**	38,496

	Notes	**2024**	2023
		RM'000	*RM'000*
Non-current liabilities			
Bank borrowings		**1,646**	892
Lease liabilities		**423**	1,135
		2,069	2,027
Net assets		**24,241**	36,469
Capital and reserves			
Share capital		**33,712**	33,712
Reserves		**(8,626)**	2,544
Equity attributable to the owners of the Company		**25,086**	36,256
Non-controlling interests		**(845)**	213
Total equity		**24,241**	36,469

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. GENERAL INFORMATION

Worldgate Global Logistics Ltd (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on 18 February 2016 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company are listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 6 July 2016.

The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its principal place of business in Hong Kong, Malaysia and Vietnam are located at Unit 5D, Hang Cheong Factory Building, No. 1, Wing Ming Street, Kowloon, Hong Kong, No. 42, Jalan Puteri 2/2, Bandar Puteri Puchong, 47100 Puchong, Selangor Darul Ehsan, Malaysia and Lot 6, Dien Nam – Dien Ngoc Industrial Zone, Dien Ngoc Ward, Dien Ban Township, Quang Nam Province, Vietnam, respectively.

The Company is an investment holding company and the principal activities of its subsidiaries (together with the Company, collectively referred to as the "**Group**") are providing international freight forwarding and logistics services, with a primary focus on air/sea freight forwarding and related services, trucking and warehousing to customers worldwide in Malaysia and Hong Kong, trading of used mobile phones in Hong Kong and manufacturing and trading of plastic products in Vietnam.

The functional currency of the Company is Hong Kong dollar ("**HK$**"), while the consolidated financial statements are presented in Malaysian Ringgit ("**RM**"), which is the functional currency of some of the Company's major subsidiaries. The directors consider that it is more appropriate to adopt RM as the Group's and the Company's presentation currency. All values are rounded to the nearest thousand except when otherwise indicated.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Impacts on application of Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback

The Group has applied the amendments for the first time in the current year.

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of HKFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require a seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease.

According to the transitional provisions, the Group has applied the new accounting policy retrospectively to the sale and leaseback transactions entered into by the Group as the seller-lessee after the initial application of HKFRS 16. The application of the amendments has no material impact on the Company's financial position and performance.

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments")

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or noncurrent, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 Financial Instruments: Presentation.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

Impacts on application of Amendments to HKAS 7 and HKFRS 7 Supplier Finance Arrangements

The Group has applied the amendments for the first time in the current year.

The amendments add a disclosure objective to HKAS 7 Statement of Cash Flows stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows.

In addition, HKFRS 7 Financial Instruments: Disclosures was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

In accordance with the transition provision, the entity is not required to disclose comparative information for any reporting periods presented before the beginning of the annual reporting period in the first year of application as well as the information required by HKAS 7:44 (b)(ii) and (b)(iii) above as at the beginning of the annual reporting period in which the entity first applies those amendments.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

		Effective for annual periods beginning on or after
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
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025

The directors anticipate that the application of all new and amendments to HKFRSs in issue but not yet effective will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4. REVENUE

(a) Disaggregation of revenue from contracts with customers

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Types of goods and services		
Recognised on over time basis:		
Air freight forwarding and related services	**10,851**	8,461
Sea freight forwarding and related services	**23,353**	16,688
Trucking and warehouse and related services	**2,537**	1,287
	36,741	26,436
Recognised on a point in time basis:		
Manufacturing and sale of plastic products	**18,975**	22,145
Trading of used mobile phones	**29,757**	67,770
	48,732	89,915
Revenue from contracts with customers	**85,473**	116,351

5. OPERATING SEGMENTS

The Group manages its businesses by business lines in a manner consistent with the way in which information is reported internally to the Group's Chief Operating Decision Maker ("**CODM**"), being the executive directors of the Company, for the purposes of resource allocation and performance assessment.

The Group has three (2023: three) reportable segments. The segments are managed separately because each segment offers different products and services and requires different strategies. The Group's reportable and operating segments are as follows:

– Freight forwarding and related services

– Trading of used mobile phones

– Manufacturing and sale of plastic products

The freight forwarding services, manufacturing and trading business are designated by the CODM as principal activities of the Group and they are separately reviewed and evaluated for management reporting purpose.

No operating segments have been aggregated to form the reportable segments.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment loss, which is measure of adjusted loss before taxation. The adjusted loss before taxation is measured consistently with the Group's loss before taxation, but share of results of an associate and fair value changes on financial assets at FVTPL, gain on deemed disposal of interest in an associate, dividend income and unallocated corporate expenses, being central administrative costs, are excluded from such measurement.

Segment assets include all current and non-current assets with the exception of financial assets at FVTPL, interest in an associate and unallocated corporate assets. Segment liabilities include all current and non-current liabilities with the exception of unallocated corporate liabilities.

(a) Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Year ended 31 December							
	Freight forwarding and related services		**Trading of used mobile phones**		**Manufacturing and sale of plastic products**		**Total**	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	RM'000	*RM'000*	***RM'000***	*RM'000*	***RM'000***	*RM'000*	***RM'000***	*RM'000*
Revenue from external customers	**36,741**	26,436	**29,757**	67,770	**18,975**	22,145	**85,473**	116,351
Reportable segment loss	**(794)**	(7,057)	**(3,173)**	(5,758)	**(1,735)**	(6,299)	**(5,702)**	(19,114)
Other information:								
Amounts included in the measure of segment profit or loss:								
Interest income	**156**	208	**81**	–	**1**	–	**238**	208
Finance costs	**(247)**	(276)	**–**	–	**(247)**	(232)	**(494)**	(508)
Depreciation of property, plant and equipment	**(28)**	(270)	**–**	(532)	**(66)**	(896)	**(94)**	(1,698)
Depreciation of right-of-use assets	**(189)**	(1,161)	**–**	–	**(22)**	(12)	**(211)**	(1,173)
Gain/(loss) on disposal of property, plant and equipment	**339**	(58)	**–**	–	**–**	–	**339**	(58)
Net reversal/(provision) of impairment losses on trade and other receivables	**(25)**	1,135	**(8)**	(284)	**(50)**	408	**(83)**	1,259
Impairment losses on property, plant and equipment	**–**	(1,069)	**–**	(814)	**(457)**	(4,254)	**457**	(6,137)
Impairment losses on right-of-use assets	**–**	(2,116)	**–**	–	**(32)**	(293)	**(32)**	(2,409)
Impairment on goodwill	**–**	–	**–**	–	**–**	(1,019)	**–**	(1,019)
Income tax expense	**(10)**	(10)	**–**	–	**(19)**	–	**(29)**	(10)
Reportable segment assets	**14,629**	16,375	**7,615**	5,060	**10,106**	10,987	**32,350**	32,422
Amounts included in the measure of segment assets:								
Additions to non-current assets:								
– Property, plant and equipment	**94**	243	**–**	679	**648**	1,233	**742**	2,155
– Right-of-use assets	**240**	29	**–**	–	**54**	–	**294**	29
	334	272	**–**	679	**702**	1,233	**1,036**	2,184
Reportable segment liabilities	**(8,314)**	(6,598)	**(1,961)**	(281)	**(11,414)**	(13,620)	**(21,689)**	(20,499)

No inter-segment revenue was noted during the year ended 31 December 2024 and 2023.

Reconciliations of reportable segment profit or loss and segment assets and liabilities are as follows:

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Segment profit or loss		
Reportable segment loss	**(5,702)**	(19,114)
Unallocated amounts:		
Fair value changes on financial assets at FVTPL	**(1,630)**	(1,570)
Share of results of an associate	**(520)**	165
Gain on deemed disposal of interest in an associate	**3,086**	3,408
Unallocated corporate expenses, net	**(2,681)**	(3,644)
Loss before taxation	**(7,447)**	(20,755)
Segment assets		
Total assets of reportable segments	**32,350**	32,422
Financial assets at FVTPL	**9,995**	2,477
Interest in an associate	**–**	7,096
Unallocated corporate assets	**4,984**	16,480
Consolidated total assets	**47,329**	58,475
Segment liabilities		
Total liabilities of reportable segments	**(21,689)**	(20,499)
Unallocated corporate liabilities	**(1,399)**	(1,507)
Consolidated total liabilities	**(23,088)**	(22,006)

(b) Geographic information

Information about the Group's revenue from external customers is presented based on the location of the operation of subsidiaries that earned the revenue. For revenue from cross-border logistic services, it is presented based on the location where the contract is negotiated and effected.

The following table provides an analysis of the Group's revenue from external customers and non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2024	2023	**2024**	2023
	RM'000	*RM'000*	***RM'000***	*RM'000*
Malaysia (place of domicile)	**36,685**	26,373	**4,589**	2,331
Vietnam	**18,975**	22,145	**168**	–
The People's Republic of China ("**PRC**"), including Hong Kong	**29,813**	67,833	**–**	–
Total	**85,473**	116,351	**4,757**	2,331

Note: Non-current assets exclude interest in an associate, goodwill and financial assets at fair value through profit or loss.

(c) Information about major customers

Revenue from customer during the year contributing over 10% of the total revenue of the Group is as follows:

	2024	2023
	RM'000	*RM'000*
Customer A[1]	**16,094**	40,458
Customer B[1]	**10,962**	2,867

1 Revenue relating to trading of used mobile phones.

6. OTHER INCOME AND OTHER NET GAIN AND LOSS

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Other income		
Bank interest income	**538**	863
Dividend income	**19**	–
Rental income	**–**	74
Others	**193**	101
Gain/(loss) on disposal of property, plant and equipment and right-of-use assets	**339**	(58)
Gain on deemed disposal of an associate	**3,086**	3,408
Impairment loss on property, plant and equipment	**(529)**	(6,137)
Impairment loss on right-of-use assets	**(32)**	(2,409)
Impairment loss on goodwill	**–**	(1,019)
Other net gain and loss		
Exchange difference, net	**357**	(1,107)
Insurance claim and compensation	**–**	8
Sale of scrapped products and samples, net	**30**	48
	4,001	(6,228)

7. FINANCE COSTS

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Interest on bank overdrafts	**54**	36
Interest on bank borrowings	**270**	259
Interest on lease liabilities	**170**	213
	494	508

8. INCOME TAX EXPENSE

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Current income tax		
– Hong Kong	**–**	–
– Malaysia	**10**	9
– Vietnam	**–**	–
	10	9
Under provision in prior years:		
– Malaysia income tax	**–**	1
– Vietnam corporate income tax	**19**	–
Deferred tax expense	**–**	–
Income tax expense	**29**	10

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly, is not subject to income tax in the Cayman Islands.

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity are taxed at 8.25%, and profits above HK$2 million are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Malaysia income tax is calculated at the statutory rate of 24% (2023: 24%) of the estimated taxable profit for the year. Certain subsidiaries incorporated in Malaysia enjoy tax rate of 17% (2023: 17%) on the first RM500,000 and remaining balance of the estimated taxable profit at tax rate of 24% (2023: 24%).

Vietnam income tax is calculated at the statutory rate of 20% of the estimated taxable profits for the year. No provision for Vietnam income tax has been made as the Group did not generate assessable profits for the year ended 31 December 2023.

No provision for Hong Kong Profits tax has been made as the Group did not generate assessable profits for the years ended 31 December 2024 and 2023.

9. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Auditor's remuneration		
– audit services	**326**	397
– other services	**36**	–
Depreciation of property, plant and equipment	**94**	1,698
Depreciation of right-of-use assets	**211**	1,173
Expense on short-term lease	**138**	180
Costs of inventories purchased for resale	**26,566**	61,760
Costs of materials consumed	**14,502**	17,292
Staff costs (including directors' remuneration)		
– Wages, fee and salaries	**16,002**	14,020
– Welfare and other benefits	**347**	1,674
– Contributions to defined contribution plans	**1,005**	939
	17,354	16,633

10. DIVIDENDS

The board of directors does not recommend payment of any dividend for the year ended 31 December 2024 (2023: nil).

11. LOSS PER SHARE

	Year ended 31 December	
	2024	2023
	RM'000	*RM'000*
Loss for the year attributable to the owners of the Company	**(6,180)**	(20,402)

Number of shares

	Year ended 31 December	
	2024	2023
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**633,600,000**	633,600,000

No adjustment is made in arriving at diluted loss per share for both 2024 and 2023 were presented as there were no potential ordinary shares in issue for both 2024 and 2023.

12. TRADE AND OTHER RECEIVABLES

	2024	2023
	RM'000	*RM'000*
Trade receivables arising from contract with customers	**22,330**	20,816
Less: Allowance for credit losses	**(6,631)**	(6,798)
	15,699	14,018
Prepayments and deposits	**2,928**	1,856
Other receivables	**4,074**	3,945
Total trade and other receivables	**22,701**	19,819

The Group did not hold any collateral as security or other credit enhancements over the trade receivables. The average credit period granted to trade debtors ranging from 30 to 60 days from the invoice date.

The following is an ageing analysis of the trade receivables presented based on the invoice date is as follows:

	2024	2023
	RM'000	*RM'000*
Within 1 month	**11,200**	9,637
1 to 2 months	**3,782**	1,830
2 to 3 months	**901**	565
Over 3 months	**6,447**	8,784
	22,330	20,816

As at 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate gross carrying amounts of approximately RM8,611,000 (2023: RM13,946,000) which are past due at the end of the reporting period.

13. TRADE AND OTHER PAYABLES

The ageing analysis of trade payables of the Group based on the invoice date are as follows:

	2024	2023
	RM'000	*RM'000*
Within 1 month	**4,345**	3,921
1 to 2 months	**1,757**	2,144
2 to 3 months	**178**	478
More than 3 months but less than 12 months	**2,477**	5,299
	8,757	11,842
Accruals	**2,143**	1,651
Other payables	**3,958**	1,244
Total trade and other payables	**14,858**	14,737

Trade and other payables are non-interest bearing. The Group is normally granted credit terms ranging from 0 to 30 days from the invoice date.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Integrated Logistics Services Business

The Group offers a comprehensive and wide range of services to meet its customers' needs, including air/sea freight forwarding and related services, trucking and warehousing related services. In addition, the Group provides value-added services such as supply chain management services including pick & pack, distribution and stock & inventory report, security escort services and tracking services. These services are complementary to one another, and provide customers a wide range of services with cost savings. Although the freight forwarding industry in Malaysia is highly fragmented and competitive, in particular, we directly and indirectly compete with other integrated logistics service providers on a local, regional and international basis in the form of pricing, range of services provided, information technology and network of customer, the Group implement logistics service in Hong Kong with the intention to strengthen the market position. The Group closely monitor the market situations and make necessary adjustments to its strategies and operations.

Our integrated logistics services can be broadly categorised into (1) air freight forwarding and related services; (2) sea freight forwarding and related services; and (3) trucking and warehousing and related services.

1. Air Freight Forwarding and Related Services

During the Financial Year, the air freight services was resuming steadily from Covid-19 pandemic. The revenue from the air freight services was accounted for approximately RM10.9 million (2023: RM8.5 million), representing an increase of about 28.2% as compared to that of last year. Revenue from air freight services mainly consists of fee of import and export air freight cargo space, customs clearance, local trucking and haulage to and from seaport and customers/warehouses, other services related to air freight. Such revenue is mainly driven by the volume of goods, type of services provided, type of cargo, among other factors.

The shipment volume of the Group's air freight forwarding and related services for the year ended 31 December 2024 and 2023 is set out in the table as below:

	For the year ended 31 December	
	2024	2023
	'000 kg	*'000 kg*
Air freight shipment volume		
(a) Export	**1,585**	2,057
(b) Import	**1,672**	1,063

2. *Sea Freight Forwarding and Related Services*

During the Financial Year, the revenue from the sea freight services was the largest source of income which accounted for approximately RM23.4 million (2023: RM16.7 million). Revenue from sea freight services increased by about 40.1% as compared to that of last year. Revenue from sea freight services mainly consists of fee of import and export sea freight cargo space, customs clearance, local trucking and haulage to and from seaport and customers/warehouses, other services related to sea freight. Such revenue is driven by the volume of goods, type of services provided, type of cargo, among other factors.

The shipment volume in TEU of the Group's sea freight forwarding and related services for the year ended 31 December 2024 and 2023 is set out in the table as below:

	For the year ended 31 December	
	2024	2023
	TEU	*TEU*
Sea freight shipment volume		
(a) Export	**4,764**	4,362
(b) Import	**5,388**	4,052

3. *Trucking and Warehousing and Related Services*

(i) Trucking and Related Services

The Group's trucking and related services can be divided into two categories: (i) supporting service for its freight forwarding business; and (ii) service which does not involve sea freight or air freight.

Majority of the transportation revenue was from the supporting services for the Group's freight forwarding business including income from haulage and trucking services. Such revenue has been taken into account as part of the revenue generated from the air/sea freight forwarding services provided by the Group.

During the Financial Year, the revenue from the trucking and related services accounted for approximately RM2.5 million (2023: RM1.3 million). Revenue from trucking and related services increased by about 92.3% as compared to that of last year. Revenue from such services mainly consists of delivery fee for trucking services for both Hong Kong and Malaysia. Such revenue is mainly driven by the volume of goods delivered, and the numbers of trips and types of customers served, among other factors.

(ii) Warehousing and Related Services

The Group's warehousing business mainly serves a supporting role for its freight forwarding services. The Group's warehousing services provided in Port Klang mainly consisted of general warehousing services. The warehousing services provided in Kuala Lumpur and Penang airports mainly served as temporary storages of goods for the Group's international air freight business. Therefore, revenue from the Group's warehouse business only accounted for an insignificant portion of less than 1% (2023: less than 1%) of the Group's total revenue for the Financial Year.

Manufacturing and Trading of Plastic Products

Revenue from manufacturing and trading of plastic products mainly consists of (i) manufacturing plastic products and accessories for industrial and civil equipment, (ii) producing molds related to plastic products, and (iii) trading of plastic products and accessories.

During the Financial Year, the Group recorded a revenue from the manufacturing and trading of plastic products approximately RM19.0 million (2023: RM22.1 million), representing approximately 22.2% (2023: 19.0%) of our total revenue. The segment loss before taxation was approximately RM1.7 million (2023: RM6.3 million). The Board is of the view that the manufacturing and trading of plastic products will diversify the income stream of the Company.

Trading of Used Mobile Phones Business

During the Financial Year, the Group recorded a revenue from the trading of used mobile phones of approximately RM29.8 million (2023: RM67.8 million), representing approximately 34.8% (2023: 58.2%) of our total revenue. The segment loss before taxation was approximately RM3.2 million (2023: RM5.8 million). The Board is of the view that the trading of used mobile phones will diversify the income stream of the Company.

Logistics Business in Hong Kong

During the Financial Year, the Group recorded a revenue from the logistic services in Hong Kong of approximately RM0.06 million (2023: RM0.06 million), representing approximately 0.1% (2023: 0.1%) of our total revenue. The Company realize that trading of used mobile phones can generate both revenue from trading and logistics business which has broaden the revenue base. The Board considers that the Group's logistics business in Hong Kong will financially benefit the Company so as to make positive impacts on the internal growth of the Company's business and operations in the forthcoming years.

FUTURE PROSPECTS AND OUTLOOK

The Group aims to strengthen its position as an integrated logistics solutions service provider in both Hong Kong and Malaysia. The Directors believe that an optimistic outlook on the resilience of the industry and the robustness of its own business. The market has endured its trough, and the Group has largely overcome the major challenges it previously encountered, gradually setting itself on the right track and is prepared to forge ahead. In the upcoming year, the Group will remain committed to the strategic objectives that it set previously, focusing on sustainable development, and operational excellence, while continuously optimising corporate assets and financial health. In terms of market positioning, we aim to strengthen our competitive position and seize emerging market opportunities through focusing on our advantages, and believe that the Group will emerge stronger from the current challenges and deliver long-term value to our shareholders.

The Board is of the view that the logistics business will broaden its revenue base. It is expected that it may also improve the capital usage efficiency of the Company and generate additional investment returns on the idle funds of the Company. The Board is of view that manufacturing and trading of plastic products and trading of used mobile phones provides an opportunity to further diversify the Group's business and will expand and create synergy effect with the Group's existing business.

On 21 March 2025, the Company announced to acquire V Sing Global Limited (together with its subsidies, "V Sing Group") by issuing 318,000,000 consideration shares of the Company. V Sing Group are engaged in the operation of global AI-driven social entertainment music platform and solution provider known as "VSING" and transforms physical venues into dynamic performance hubs. We believe the acquisition allows the Group to tap into the business of digital entertainment technology in view of its growing popularity worldwide and provides new revenue stream of the Group.

FINANCIAL REVIEW

Integrated Logistics Services Business

Revenue

The Group's total revenue from the integrated logistic service amounted to approximately RM36.7 million and RM26.4 million for the year ended 31 December 2024 and 2023. For the Financial Year, approximately 12.7% and 27.3% of the Group's revenue was attributable to air freight and sea freight services respectively. For the year ended 31 December 2023, approximately 7.3% and 14.3% of the Group's turnover was attributable to air freight and sea freight services respectively.

Revenue from the integrated logistics services for the Financial Year increased by approximately 39.0% or approximately RM10.3 million as compared to that of the previous year. The increase was mainly contributed from sea freight services which increased by 39.9% as compared with the last year where the worldwide logistics business has been gradually resumed.

Cost of Sales

Major components of the cost of sales were freight charges of cargo spaces. The Group obtains cargo space from international airlines and shipping liners, their agents/overseas freight forwarders at the rate depending on freight destination and volume/weight, among other factors. The Group charges its customers based on the cost quoted by the suppliers plus a reasonable profit margin.

In line with the increase in revenue, the cost of sales for the Financial Year increased by approximately 38.3% or RM9.3 million as compared to that of the previous year.

Gross Profit and Gross Profit Margin

The gross profit increased by approximately 47.6% from RM2.1 million for the year ended 31 December 2023 to RM3.1 million for the Financial Year. It was mainly due to the revenue generated from logistic services for the year ended 31 December 2024 is RM36.7 million compared to RM26.4 million for the year ended 31 December 2023. With the combined effects of revenue and cost of sales, the Group's gross profit margin of integrated logistics services increased to 8.4% for the year ended 31 December 2024 from 7.8% for the year ended 31 December 2023.

Manufacturing and Trading of Plastic Products

Revenue

The Group's total revenue from manufacturing and trading of plastic products amounted to approximately RM19.0 million for the year ended 31 December 2024 (2023: RM22.1 million).

Cost of Sales

For the manufacturing and trading of plastic products, the cost of sales amounted to approximately RM17.5 million for the year ended 31 December 2024 (2023: RM20.1 million).

Gross Profit and Gross Profit Margin

The gross profit of the manufacturing and trading of plastic products amounted to approximately RM1.5 million (2023: RM2.0 million) and the gross profit margin is approximately 7.9% (2023: 9.2%) for the year ended 31 December 2024.

Trading of Used Mobile Phones

Revenue

The Group's total revenue from the trading of mobile phone phones amounted to approximately RM29.7 million for the year ended 31 December 2024 (2023: RM67.8 million).

Cost of Sales

For the trading of used mobile phones, the cost of sales amounted to approximately RM26.7 million for the year ended 31 December 2024 (2023: RM64.3 million).

Gross Profit and Gross Profit Margin

The gross profit of the trading of used mobile phones amounted to approximately RM3.0 million (2023: RM3.5 million) and the gross profit margin is approximately 10.1% (2023: 5.2%) for the year ended 31 December 2024.

Administrative Expenses

The administrative expenses were RM12.8 million and RM14.5 million for the Financial Year and the year ended 31 December 2023. The administrative expenses mainly consist of staff cost, expense on short-term leases and depreciation of property, plant and equipment.

Finance Costs

Finance costs represent interest on bank overdrafts, bank borrowings and lease liabilities. During the Financial Year, the Group's financial cost amounted to approximately RM0.5 million (2023: RM0.5 million).

Income Tax Expense

During the Financial Year, the Group recorded income tax expense of approximately RM0.03 million (2023: tax expense RM0.01 million).

Malaysia income tax is calculated at the statutory rate of 24% (2023: 24%) of the estimated taxable profit for the year. Certain subsidiaries incorporated in Malaysia enjoy tax rate of 17% (2023: 17%) on the first RM500,000 and remaining balance of the estimated taxable profit at tax rate of 24% (2023: 24%).

Loss for the Year and Loss per Share

The Group recorded a loss of approximately RM6.2 million for the Financial Year (2023: RM20.4 million). The Group's loss per share for the Financial Year was RM0.98 sen (2023: restated RM3.22 sen).

Liquidity, Financial Resources and Capital Structure

As at 31 December 2024,

(a) the Group's net current assets was approximately RM14.4 million (2023: RM26.9 million) and the Group had cash and bank balance of approximately RM7.4 million (2023: RM21.7 million);

(b) the Group had bank borrowings and overdrafts and lease liabilities of approximately RM4.5 million (2023: RM4.8 million) and RM1.6 million (2023: RM2.4 million), respectively;

(c) the Group's current ratio was approximately 1.7 times (2023: 2.3 times). The gearing ratio is calculated by dividing total debt by total equity at the end of the respective years. The Group's gearing ratio was approximately 25.4% (2023: 19.8%); and

(d) the Group's total equity attributable to owners of the Company amounted to RM25.1 million (2023: RM36.3 million). The equity of the Company mainly comprises share capital and reserves.

Dividends

The Board does not recommend the payment of a final dividend for the Financial Year (2023: nil).

Significant Investments Held by the Group

During the Financial Year, there was no significant investment held by the Group.

Material Acquisitions and Disposals of Subsidiaries and Associates

During the Financial Year, except for the reorganization of the Group's associate which was considered as a deemed disposal of an assoicate, there was no material acquisitions and disposals of subsidiaries and associates.

Capital Commitments

As at 31 December 2024, the Group did not have any significant capital commitments for purchase of property, plant and equipment.

Contingent Liabilities

As at 31 December 2024, bank guarantees of RM383,000 (2023: RM383,000) of the Group were issued to suppliers for operational requirements. The Directors do not consider probable that a claim will be made against the Group under these guarantees.

As at 31 December 2024 and 2023, the Company issued corporate guarantee to a bank in respect of bank borrowings and banking facilities granted to a subsidiary.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various types of risks, including operational risks, market risks, liquidity risks, credit risks and regulatory risks. The Directors have established a set of risk management policies and measures to identify, evaluate and manage risks arising from its operations.

The following are the primary risks that may materially and adversely affect the Group's business, financial condition and results of operation and its risk management measures.

Key risks related to the Group's businesses and to the industries in which the Group operates include:

1. Risk of failing to renew its licenses

The logistics services in Malaysia are regulated by specific legislations regulating freight forwarding or customs clearance, warehousing, and transportation. To undertake such business, various registrations, approvals and licenses are required to be obtained from regulatory authorities in Malaysia. In providing integrated logistics services in Malaysia, the Group has obtained various permissions, certificates, licenses and approvals, including customs agent license, approval to carry out commercial activity in a free commercial zone, operator's license for group vehicles, business and advertisement license and pioneer status certificate. The Group may face difficulty in providing its integrated logistics services if it fails to renew or obtain its licenses and permissions.

The Group has subcontracted its customs clearance and part of its transportation business to subcontractors. Should the Group fail to renew relevant licenses, it can subcontract relevant services to these existing subcontractors.

2. Risk of cargo hijacking, theft and damages

Risks of cargo hijacking and theft incidents are inherent to the nature of the Group's integrated logistics services business. Future terrorist or extremist attacks, or the threat of such attacks, and cargo hijacking may increase the costs of the Group's operations and reduce demand for the Group's services.

The Group has adopted risk management measures such as Global Positioning System (a space-based global navigation satellite system that provides location and time information anywhere on earth), and paid security escort services. The Group also maintains insurance policies against loss and damage to its customers' cargo. There is a limitation of liability for loss and damage of cargo during transportation set by relevant freight associations.

3. Risk of being fined for illicit goods transported by its customers

Overseas freight forwarders may pass referral businesses or subcontract local sub-parts of their shipments to the Group whereby the Group has no control over, and no comprehension of the customers' nature or the goods they carry other than as declared in relevant declaration forms.

The Group has performed background checks on new customers and will file a police report for any unclaimed and/or suspicious cargo. In order to discharge its liability, the Group will ensure that the security seal of the cargo remained intact to maintain the integrity of the cargo during the course of transportation.

4. Risk of increase in freight and transportation cost

The Group incurs significant costs in procuring cargo space from airlines and ocean carriers, as well as providing or arranging for land transportation services overseas. Freight costs are significantly affected by a variety of factors, including fuel prices, exchange rate, the imposition of, or increases in, import or export taxes, the supply of cargo space, market conditions and other factors, many of which are beyond the Group's control.

The Group prices its services on a cost-plus basis, by reference to the types of services provided, costs of cargo spaces, fees of third party service providers etc. It is expected that this risk is mitigated by passing on the cost to the customers whenever possible.

5. Risk of over dependent on the information technology

The Group's integrated logistics services is highly dependent on information technology and currently uses three systems and one software to manage its customs declaration, operation, payroll and accounting, respectively. Our information systems allow customers to log in to track and trace their cargo, and monitor the level of inventory they have placed for storage at the Group's warehouses. The hardware or software failure relating to IT systems could significantly disrupt customer workflows and cause economic losses for which the Group could be held liable and which could damage its reputation.

The Group has in place a disaster recovery plan covering the critical application analysis, recovery timing and damage assessment and server for external backup.

6. **Risk of handling goods contain dangerous or chemical substances**

Type of substances classified as dangerous goods include explosives, flammable liquids and gases, corrosives, chemically reactive or acutely toxic substances. Products such as handphone, notebooks with batteries, ink are also considered by the industry as dangerous goods. It is required by the industry that only companies with at least 2 licences holders who have attended the dangerous goods regulation course and passed the examination can handle goods contain dangerous or chemical substances for export.

The Group has more than 2 licences holders, therefore, it is eligible to handle the dangerous goods. The Group has standard procedures for its employees to follow in handling of dangerous goods. Further, the Group will only transport dangerous goods if the Group obtained confirmation from airlines/shipping liners that such goods are acceptable to them.

FOREIGN CURRENCY RISK

The Group derives a significant portion of its revenue in USD from international operations. While the Group's local customers and local suppliers settle with the Group in RM and EUR, quotes from suppliers are usually made in USD and EUR for shipping cargo space. Normally, the Group's receipt in USD and EUR are more than its payment in USD and EUR. In other words, the Group is accumulating USD and EUR. The management will monitor foreign currency exposure of the Group and will consider undertaking foreign exchange hedging activities to reduce the impact of foreign exchange rate movements on the Group's operating result.

As at 31 December 2024 and 2023, the Group did not enter into any foreign currency forward contracts. However, the management will monitor the foreign currency exposure and will consider hedging significant foreign currency exposure if necessary.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group has a total of 498 (2023: 380) full-time employees. The total employee remuneration including remuneration of the Directors for the Financial Year amounted to RM17.4 million (2023: RM16.6 million).

The Group recognises that its success is dependent on its employees. The Group recruits its employees based on their industry experience and interpersonal skills. The Company regularly reviews and determines the remuneration and compensation packages of the Directors and senior management. The Company regularly provides discretionary bonuses to its senior management and key employees as incentive.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

1. Placing of new shares under general mandate

On 12 February 2025, the Company and Grand Moore Capital Limited as the Placing Agent entered into the Placing Agreement pursuant to which the Company appointed the Placing Agent to place, on a best-effort basis and subject to the fulfillment of the condition precedent to the Placing, a maximum of 126,720,000 Placing Shares to not less than six independent Placees at a price of HK$0.1 per Placing Share.

The completion of the Placing took place on 28 February 2025. An aggregate of 126,720,000 Placing Shares, representing approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares, had been successfully placed to not less than six Placees at the Placing Price of HK$0.1 per Placing Share. The aggregate nominal value of the Placing Shares was HK$12,672,000.

The net proceeds from the Placing, after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing, were approximately HK$12.3 million. The Company intended to apply approximately 40% of the net proceeds, in the approximate amount of HK$5 million, for the manufacturing and sale of plastic product in Vietnam and approximately 60% of the net proceeds, in the approximate amount of HK$7.3 million, for general working capital of the Group. Further details of the Placing were set out in the announcements of the Company dated 12 February 2025 and 28 February 2025. Capitalized terms used herein shall have the same meanings as defined in the announcement of the Company dated 12 February 2025.

2. Proposed Major Transaction

On 21 March 2025, the Company entered into the sale and purchase agreement to acquire the entire issued share capital of V Sing Global Limited for an aggregate consideration of HK$50,000,000 (the "**Acquisition**"). The consideration shall be satisfied by way of allotment and issue of a total of 318,000,000 new shares of the Company (the "**Shares**") at the issue price of HK$0.157 per Share, credited as fully paid. The Acquisition constitutes a major transaction of the Company. The completion of the Acquisition is subject to the fulfillment of certain conditions precedent and therefore the Acquisition may or may not proceed. Further details of the Acquisition were set out in the announcement of the Company dated 21 March 2025.

Save as disclosed above, the Board is not aware of any significant event requiring disclosure that has been taken place subsequent to 31 December 2024 and up to the date of this announcement.

USE OF PROCEEDS FROM SHARE PLACINGS

Rights Issue

On 9 November 2021, the Company approved and implemented the rights issue on the basis of three Rights Shares for every one existing Share at the Subscription Price of HK$0.11 per Rights Share (the "**Rights Issue**"), to raise up to approximately HK$51.9 million (net of expenses) by issuing up to 475,200,000 Rights Shares to the Qualifying Shareholders. The planned use of proceeds was solely for working capital for the expansion of logistics services in Hong Kong.

On 5 January 2023, the Board considered that it would be in the interests of the Company and its shareholders as a whole to change of the use of proceeds by reallocating approximately HK$26.1 million which was originally allocated for the expansion of logistics services business in Hong Kong towards HK$19.1 million as working capital and HK$7.0 million as investment purpose. Details as disclosed in the Company's announcement dated 5 January 2023 in relation to, amongst other things, the change in use of proceeds from Rights Issue.

As of 17 September 2024, the Board further considered that it would be in the interests of the Company and its shareholders as a whole to further change of the use of proceeds by reallocating approximately HK$5.0 million for the investment purposes towards the manufacturing and trading of plastic products in Vietnam. Details as disclosed in the Company's announcement dated 17 September 2024 in relation to, amongst other things, further change in use of proceeds from Rights Issue.

Set out below are details of the planned use of the net proceeds, the further changes of use of net proceeds, actual use of proceeds during the year ended 31 December 2024 and the remaining balance after the further changes of use of net proceeds as at 31 December 2024.

	Planned use of net proceeds *HK$'000*	Further changes of use of net proceeds *HK$'000*	Actual use of proceeds during the year ended 31 December 2024 *HK$'000*	Remaining balance after further changes of use of proceeds as at 31 December 2024 *HK$'000*
Working capital for the expansion of logistics service in Hong Kong	51,942.0	25,875.2	25,875.2	–
Working Capital	–	19,066.8	19,066.8	–
Investment purpose	–	2,000.0	2,000.0	–
Manufacturing and trading of plastic products in Vietnam	–	5,000	5,000	–
	51,942.0	51,942.0	51,942.0	–

The analysis of the actual use of net proceeds as at 31 December 2024 are set out below:

		Equivalent *RM'000*	*HK$'000*
1.	Purchases of raw materials	2,930.5	5,000.0
2.	Investment	1,172.2	2,000.0
3.	Salary	8,059.1	13,750.4
4.	Administrative expenses	2,373.2	4,049.2
5.	Professional fee	3,235.0	5,519.5
6.	Postage & courier charges	2,826.4	4,822.3
7.	Logistics services	8,791.5	15,000.0
8.	Repair and maintenance	1,055.3	1,800.6
Total		30,443.2	51,942.0

As at 31 December 2024, all the net proceeds from Right Issues has been fully utilized.

OTHER INFORMATION

SHARE OPTION SCHEME

The Company has adopted the share option scheme ("**Share Option Scheme**"), which was approved by written resolutions passed by the shareholders of the Company (the "**Shareholders**") on 17 June 2016. Under the terms of Share Option Scheme, the Board may in its absolute discretion specify such conditions as it thinks fit when granting an option to an eligible person (including, without limitation, as to any minimum period an option must have been held or the minimum period of service or relationship with any member of the Group to be achieved before an option can be exercised (or any part thereof), to the extent of the option which can be exercised at any material time, or any performance criteria which must be satisfied by the eligible person, the Company, and its subsidiaries, before an option may be exercised).

The purpose of the Share Option Scheme is to advance the interests of the Company and the Shareholders by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

The Share Option Scheme is valid and effective for a period of ten years commencing on the date of adoption of the Share Option Scheme. The total number of Shares available for issue under the Share Option Scheme was 8,000,000, representing approximately 1.05% of issued share capital of the Company as at the date of this announcement. As at 1 January 2024 and 31 December 2024, the total number of Share Options available for grant under the Share Option Scheme was 8,000,000. Since the Share Option Scheme came into effect, no share options were granted, exercised or cancelled by the Company.

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

During the Financial Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

COMPETING INTERESTS

As confirmed by the Directors, Controlling Shareholders and their respective close associates, none of them has any interests in any business, apart from the business operated by members of the Group, which competes or is likely to compete, directly or indirectly, with the business of the Group during the Financial Year.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transaction on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the Financial Year.

CONSTITUTIONAL DOCUMENTS

During the Financial Year, the Company has made changes to its Articles of Association (the "**Articles**") for the purpose of, among others, (i) to bring the Articles in line with the amendments to the GEM Listing Rules and the applicable laws of the Cayman Islands, in particular in relation to the expanded paperless regime requiring the publication of corporate communications by electronic means; and (ii) introducing minor house-keeping amendments to the Articles for the purpose of clarifying existing practices and making consequential amendments in line with the aforesaid proposed amendments to the Articles. The adoption of the third amended and restated memorandum and articles of association of the Company was approved by the Shareholders at the Company's annual general meeting held on 7 June 2024. An up-to-date version of the Articles is available on the Company's website and the Stock Exchange's website.

CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the GEM Listing Rules. Throughout the Financial Year and up to the date of this announcement, the Company has complied with all applicable code provisions as set out in the CG Code.

AUDIT COMMITTEE

The Company established the audit committee of the Company (the "**Audit Committee**") on 17 June 2016 with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and the CG Code. The Audit Committee comprises all independent non-executive Directors, namely Ms. Wong Hoi Yan, Audrey, Mr. Ma Kin Hung and Ms. Cheung Choi Hung. Ms. Wong Hoi Yan, Audrey is the chairman of the Audit Committee. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and dismissal of the external auditor, review the financial statements and information and provide advice in respect of financial reporting and oversee the internal control procedures of the Company.

The Group's annual results for the year ended 31 December 2024 have been reviewed by the Audit Committee, which was of the opinion that the preparation of the annual results have complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements and that adequate disclosures have been made.

By order of the Board
WORLDGATE GLOBAL LOGISTICS LTD
Lai Kwok Hei
Chairman

Hong Kong, 31 March 2025

As at the date of this announcement, the executive Directors are Mr. LAI Kwok Hei and Mr. CHAN Kin Ho Philip and the independent non-executive Directors are Ms. WONG Hoi Yan Audrey, Mr. MA Kin Hung and Ms. CHEUNG Choi Hung.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange website at http://www.hkexnews.hk for a minimum period of seven days from the date of its publication and on the Company's website at http://www.worldgate.com.hk.