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# XIANGXING INTERNATIONAL HOLDING LIMITED

## 象興國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1732)

### ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “**Directors**”) of XiangXing International Holding Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024 together with the relevant comparative figures for the year ended 31 December 2023 as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2024*

	Note	2024 RMB'000	2023 RMB'000
<b>Revenue from contracts with customers</b>	3(a), 4	<b>232,677</b>	175,556
Cost of sales and services rendered		<u>(189,081)</u>	<u>(138,259)</u>
<b>Gross profit</b>		<b>43,596</b>	37,297
Other income	4	<b>1,677</b>	2,289
Other operating expenses		<b>(545)</b>	(708)
Administrative expenses		<b>(22,132)</b>	(19,830)
Impairment losses on trade and other receivables, net		<b>(6,303)</b>	(681)
Impairment losses on prepayment		<b>(13,111)</b>	—
Impairment losses on property, plant and equipment		<u><b>(1,587)</b></u>	<u>(522)</u>
<b>Profit from operations</b>		<b>1,595</b>	17,845
Finance costs	5(a)	<u><b>(69)</b></u>	<u>(240)</u>
<b>Profit before taxation</b>	5	<b>1,526</b>	17,605
Income tax	6	<u><b>(6,419)</b></u>	<u>(7,084)</u>
<b>(Loss)/profit for the year</b>		<u><u><b>(4,893)</b></u></u>	<u><u>10,521</u></u>

	<i>Note</i>	<b>2024</b> <b><i>RMB'000</i></b>	<b>2023</b> <b><i>RMB'000</i></b>
<b>Other comprehensive income for the year, net of income tax</b>			
Item that will not be reclassified to profit or loss:			
Exchange difference on translation from functional currency to presentation currency		<b>311</b>	1,294
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of operations outside the People's Republic of China ("PRC")		<u><b>(164)</b></u>	<u>352</u>
<b>Other comprehensive income for the year</b>		<u><b>147</b></u>	<u>1,646</u>
<b>Total comprehensive (loss)/income for the year</b>		<u><b>(4,746)</b></u>	<u>12,167</u>
<b>(Loss)/profit for the year attributable to:</b>			
Equity shareholders of the Company		<b>(4,694)</b>	10,937
Non-controlling interests		<u><b>(199)</b></u>	<u>(416)</u>
		<u><b>(4,893)</b></u>	<u>10,521</u>
<b>Total comprehensive (expenses)/income for the year attributable to:</b>			
Equity shareholders of the Company		<b>(4,547)</b>	12,583
Non-controlling interests		<u><b>(199)</b></u>	<u>(416)</u>
		<u><b>(4,746)</b></u>	<u>12,167</u>
		<b><i>RMB cents</i></b>	<b><i>RMB cents</i></b>
<b>(Loss)/earnings per share</b>	<b>8</b>		
Basic and diluted		<u><b>(0.38)</b></u>	<u>0.93</u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*At 31 December 2024*

	<i>Note</i>	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>30,364</b>	26,517
Intangible assets		<b>9</b>	30
Deposits paid for acquisition of property, plant and equipment	9	<b>—</b>	1,995
Deferred tax assets		<b>42</b>	76
		<b>30,415</b>	28,618
<b>Current assets</b>			
Inventories		<b>4,087</b>	4,248
Trade and other receivables	9	<b>160,033</b>	139,200
Cash and cash equivalents		<b>31,250</b>	49,794
		<b>195,370</b>	193,242
<b>Current liabilities</b>			
Trade and other payables	10	<b>18,019</b>	17,562
Lease liabilities		<b>929</b>	726
Income tax payable		<b>2,109</b>	2,247
		<b>21,057</b>	20,535
<b>Net current assets</b>		<b>174,313</b>	172,707
<b>Total assets less current liabilities</b>		<b>204,728</b>	201,325
<b>Non-current liabilities</b>			
Lease liabilities		<b>124</b>	677
		<b>124</b>	677
<b>Net assets</b>		<b>204,604</b>	200,648
<b>Capital and reserves</b>			
Share capital		<b>11,171</b>	10,428
Reserves		<b>192,128</b>	188,716
<b>Total equity attributable to equity shareholders of the Company</b>		<b>203,299</b>	199,144
<b>Non-controlling interests</b>		<b>1,305</b>	1,504
<b>Total equity</b>		<b>204,604</b>	200,648

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 22 September 2015 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidation and revised) of the Cayman Islands. The addresses of the Company's registered office and the principal place of business in Hong Kong are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Suite No. 2, 3rd Floor, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong respectively.

The Company was successfully transferred listing from GEM to the Main Board of The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) on 6 September 2019.

The functional currency of the Company and its principal subsidiaries in Hong Kong and the People's Republic of China (**"PRC"**) are Hong Kong dollars (**"HK\$"**) and Renminbi (**"RMB"**) respectively. The consolidated financial statements is presented in RMB as in the opinion of the directors of the Company, it presents more relevant information to the management who monitors the performance and financial position of the Group based on RMB.

## 2. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (**"HKICPA"**) to the consolidated financial statements for the current accounting year for the first time, which are mandatorily effective for the Group's financial annual period beginning on or after 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the <b>"2020 Amendments"</b> )
Amendments to HKAS 1	Non-current Liabilities with Covenants (the <b>"2022 Amendments"</b> )
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

The Group has not applied any amendments to HKFRSs Accounting Standards that are not yet mandatorily effective for the current accounting period. The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## **Amendments to HKAS 1 Classification of Liabilities as Current or Non-current (the “2020 Amendments”) and Non-current Liabilities with Covenants (the “2022 Amendments”)**

The 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 non-current, 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 amendments clarify that;
  - (i) the classification should not be affected by management intentions or expectations to settle the liability within twelve months; and
  - (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met on or before the end of the reporting period, even if the lender does not test compliance until a later date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.
- clarify that 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 (“**HKAS 32**”).

The amendments also specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classifies liabilities arising from loan arrangements as non-current when the entity’s right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period. The disclosure includes 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.

The amendments have no material impact on the consolidated financial statements for the current and prior years.

### 3. SEGMENT REPORTING

The Group's operating segments are determined based on information reported to the chief operating decision maker of the Group (the directors of the Company who are also directors of all operating subsidiaries) (the "CODM"), for the purpose of resource allocation and performance assessment and focus on type of services performed and types of goods delivered. The CODM regularly review revenue and results analysis of the Group by the reportable operating segments below,

- Import and export agency services
- Container and stone blocks road freight forwarding services
- Intra-port ancillary services
- Intra-port container transportation services
- Trading of building materials and automobile accessories

No segment assets and liabilities are presented as the information is not regularly reported to the CODM for the purpose of resource allocation and assessment of performance.

In addition to receiving segment information concerning segment results, the CODM is provided with segment information concerning inter-segment sales, interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses, loss on disposal of property, plant and equipment and additions in non-current assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

**(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 CODM 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**

	Import and export agency services <i>RMB'000</i>	Container and stone blocks road freight forwarding services <i>RMB'000</i>	Intra-port ancillary services <i>RMB'000</i>	Intra-port container transportation services <i>RMB'000</i>	Trading of building materials and automobile accessories <i>RMB'000</i>	Total <i>RMB'000</i>
Disaggregated by timing of revenue recognition						
— Point in time	8,596	19,326	56,678	74,212	72,462	231,274
— Over time	—	—	—	—	1,403	1,403
Revenue from contracts with external customers	8,596	19,326	56,678	74,212	73,865	232,677
Inter-segment revenue	—	1,263	—	248	2,853	4,364
Reportable segment revenue	8,596	20,589	56,678	74,460	76,718	237,041
<b>Reconciliation:</b>						
Elimination of inter-segment revenue						(4,364)
Consolidated revenue ( <i>note 4</i> )						<u>232,677</u>
<b>Results</b>						
Segment results	3,361	(333)	20,068	16,162	4,338	43,596
Other income						1,677
Other operating expenses						(545)
Administrative expenses						(22,132)
Impairment losses on trade and other receivables, net						(6,303)
Impairment losses on prepayment						(13,111)
Impairment losses on property, plant and equipment						(1,587)
Finance costs						(69)
Consolidated profit before taxation						<u>1,526</u>

**For the year ended 31 December 2023**

	Import and export agency services <i>RMB'000</i>	Container and stone blocks road freight forwarding services <i>RMB'000</i>	Intra-port ancillary services <i>RMB'000</i>	Intra-port container transportation services <i>RMB'000</i>	Trading of building materials and automobile accessories <i>RMB'000</i>	Total <i>RMB'000</i>
Disaggregated by timing of revenue recognition						
— Point in time	5,705	19,380	54,507	81,065	13,496	174,153
— Over time	—	—	—	—	1,403	1,403
Revenue from contracts with external customers	5,705	19,380	54,507	81,065	14,899	175,556
Inter-segment revenue	—	—	—	—	5,159	5,159
Reportable segment revenue	5,705	19,380	54,507	81,065	20,058	180,715
<b>Reconciliation:</b>						
Elimination of inter-segment revenue						(5,159)
Consolidated revenue ( <i>note 4</i> )						<u>175,556</u>
<b>Results</b>						
Segment results	2,811	829	21,661	18,030	(6,034)	37,297
Other income						2,289
Other operating expenses						(708)
Administrative expenses						(19,830)
Impairment losses on trade receivables, net						(681)
Impairment losses on property, plant and equipment						(522)
Finance costs						(240)
Consolidated profit before taxation						<u>17,605</u>

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. Segment results represent profit earned from each segment without allocation of other income, other operating expenses, administrative expenses, impairment loss on trade and other receivables and finance costs. This is the measure reported to the CODM of the Group for the purpose of resource allocation and performance assessment.



**(b) Other segment information**

**For the year ended 31 December 2024**

	Import and export agency services <i>RMB'000</i>	Container and stone blocks road freight forwarding services <i>RMB'000</i>	Intra-port ancillary services <i>RMB'000</i>	Intra-port container transportation services <i>RMB'000</i>	Trading of building materials and automobile accessories <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Addition to non-current assets	—	6	—	13,253	—	528	13,787
Interest income from bank deposit	—	(215)	—	(16)	(29)	(375)	(635)
Interest expenses	—	54	—	—	—	15	69
Depreciation	—	2,282	—	4,057	1,594	263	8,196
Amortisation	—	13	—	—	8	—	21
Impairment losses recognised/(reversed) on trade and other receivables, net	—	(364)	—	(7)	6,674	—	6,303
Impairment losses on prepayment	—	—	—	—	13,111	—	13,111
Impairment losses recognised/(reversed) on property, plant and equipment	—	1,592	—	517	(522)	—	1,587
Loss on disposal of property, plant and equipment	—	(49)	—	(21)	(6)	—	(76)
	<u>—</u>	<u>(49)</u>	<u>—</u>	<u>(21)</u>	<u>(6)</u>	<u>—</u>	<u>(76)</u>

**For the year ended 31 December 2023**

	Import and export agency services <i>RMB'000</i>	Container and stone blocks road freight forwarding services <i>RMB'000</i>	Intra-port ancillary services <i>RMB'000</i>	Intra-port container transportation services <i>RMB'000</i>	Trading of building materials and automobile accessories <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Addition to non-current assets	—	1,091	—	282	30	516	1,919
Interest income from bank deposit	—	(287)	—	(17)	(107)	(347)	(758)
Interest expenses	—	111	—	104	—	25	240
Depreciation	—	2,644	—	3,322	1,664	430	8,060
Amortisation	—	14	—	—	9	—	23
Impairment losses recognised/(reversed) on trade receivables, net	—	792	—	(159)	48	—	681
Impairment losses on property, plant and equipment	—	—	—	—	522	—	522
(Gain)/loss on disposal of property, plant and equipment	—	(31)	—	(1)	53	—	21
	<u>—</u>	<u>(31)</u>	<u>—</u>	<u>(1)</u>	<u>53</u>	<u>—</u>	<u>21</u>

(c) **Major customers**

	<b>2024</b> <b><i>RMB'000</i></b>	<b>2023</b> <b><i>RMB'000</i></b>
Customer A ( <i>note i</i> )	<b>93,533</b>	93,558
Customer B ( <i>note ii, iii</i> )	<b>64,167</b>	N/A
Customer C ( <i>note i</i> )	<b>35,901</b>	37,024

*Note:*

- (i) Revenue from container and stone blocks road freight forwarding services, intra-port ancillary services and intra-port container transportation services.
- (ii) Revenue from trading of building materials.
- (iii) The corresponding revenue did not contribute over 10% of the total revenue of the Group for the year 2023.

Revenues from each of the above customers A, B and C included sales to a group of entities which are known to be under common control with these customers.

(d) **Geographical information**

An analysis of the Group's revenue from external customers and non-current assets by geographical location has not been presented as the Group's operating activities are principally carried out in the PRC (the place of domicile of the Group). No geographical information for other country is of a significant size to be reported separately.

An analysis of the Group's financial performance of its business activities carried out in the PRC is as follows:

	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <b>RMB'000</b>
<b>Revenue from contracts with customers</b>	<b>232,108</b>	175,556
Cost of sales and services rendered	<u>(189,081)</u>	<u>(138,259)</u>
<b>Gross profit</b>	<b>43,027</b>	37,297
Other income	<b>1,303</b>	1,942
Other operating expenses	<b>(545)</b>	(708)
Administrative expenses	<b>(17,550)</b>	(15,960)
Impairment losses on trade and other receivables, net	<b>(6,303)</b>	(681)
Impairment losses on prepayment	<b>(13,111)</b>	—
Impairment losses on property, plant and equipment	<u>(1,587)</u>	<u>(522)</u>
<b>Profit from operations</b>	<b>5,234</b>	21,368
Finance costs	<u>(54)</u>	<u>(215)</u>
<b>Profit before taxation</b>	<b><u>5,180</u></b>	<b><u>21,153</u></b>

Reconciliation between profit before taxation from business activities in the PRC and profit before taxation in the consolidated statement of profit or loss and other comprehensive income is as follows:

	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <b>RMB'000</b>
Profit before taxation from business activities in the PRC	<b>5,180</b>	21,153
Other income	<b>374</b>	347
Administrative expenses outside the PRC	<u>(4,013)</u>	<u>(3,870)</u>
<b>Profit from operations</b>	<b>1,541</b>	17,630
Finance costs	<u>(15)</u>	<u>(25)</u>
<b>Profit before taxation</b>	<b><u>1,526</u></b>	<b><u>17,605</u></b>

#### 4. REVENUE AND OTHER INCOME

The principal activities of the Group are provision of import and export agency services, container and stone blocks road freight forwarding services, intra-port ancillary services, intra-port container transportation services and trading of building materials and automobile accessories.

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Import and export agency services income	8,596	5,705
Container and stone blocks road freight forwarding services income	19,326	19,380
Intra-port ancillary services income	56,678	54,507
Intra-port container transportation services income	74,212	81,065
Trading of building materials and automobile accessories	73,865	14,899
	<hr/>	<hr/>
<b>Total revenue</b>	<b>232,677</b>	<b>175,556</b>
	<hr/> <hr/>	<hr/> <hr/>
Interest income on financial assets measured at amortised cost		
— bank interest income	635	758
Subsidy income	—	56
Government grants	349	191
Loss on disposal of property, plant and equipment	(76)	(21)
Written off of intangible assets	—	3
Rental income	1	217
Net foreign exchange gain	39	85
VAT refund	—	758
Sundry income	729	242
	<hr/>	<hr/>
<b>Total other income</b>	<b>1,677</b>	<b>2,289</b>
	<hr/> <hr/>	<hr/> <hr/>

All sales contracts with customers within the scope of HKFRS 15 are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these contracts for the remaining unsatisfied performance obligations is not disclosed.

## 5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

### (a) Finance costs

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest on bank loans and overdraft	—	104
Interest on lease liabilities	<u>69</u>	<u>136</u>
Total interest expense on financial liabilities not at fair value through profit or loss	<u><u>69</u></u>	<u><u>240</u></u>

### (b) Employee benefits expenses (including directors' emoluments)

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Salaries, wages and other benefits	80,072	79,895
Retirement benefit scheme contributions	12,435	11,190
Staff welfare	<u>299</u>	<u>137</u>
	<u><u>92,806</u></u>	<u><u>91,222</u></u>

### (c) Other items

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Auditor's remuneration		
— audit service	614	623
— non-audit service	150	135
Amortisation of intangible assets	21	23
Depreciation		
— owned property, plant and equipment	7,442	6,967
— right-of-use assets	754	1,093
Total depreciation and amortisation	8,196	8,060
Cost of inventories	78,204	37,659
Loss on disposal of property, plant and equipment	76	21
Written off of intangible assets	—	3
Impairment losses on trade and other receivables, net	6,303	681
Impairment losses on prepayment	13,111	—
Impairment losses on property, plant and equipment	1,587	522
Net foreign exchange gain	<u><u>(39)</u></u>	<u><u>(85)</u></u>

## 6. INCOME TAX

- (a) Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	2024 RMB'000	2023 RMB'000
<b>Current tax — PRC Enterprise Income Tax (the “EIT”)</b>		
Provision for the year	6,101	7,042
Under-provision in respect of prior years	284	118
	<u>6,385</u>	<u>7,160</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	34	(76)
	<u>6,419</u>	<u>7,084</u>

*Notes:*

- (i) The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.
- (ii) No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in or derived from Hong Kong during the reporting periods.
- (iii) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (iv) Provision for the EIT during the reporting periods was made based on the estimated assessable profits calculated in accordance with the relevant income tax laws and regulations applicable to the subsidiaries operated in the PRC.

Under the Law of the PRC on EIT (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, except for three subsidiaries (2023: four subsidiaries) which are qualified as Small Low-Profit Enterprises in the PRC and entitled to a concessionary tax rate of 5% (2023: 5%).

## 7. DIVIDENDS

No dividend has been paid or declared by the Company during the year ended 31 December 2024 nor has any dividend been proposed since the end of the reporting period (2023: Nil).

## 8. (LOSS)/EARNINGS PER SHARE

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

The calculation of the basic (loss)/earnings per share attributable to owners of the Company is based on the following data:

	2024 RMB'000	2023 RMB'000
<b>Earnings</b>		
(Loss)/profit for the year attributable to owners of the Company for the purpose of basic (loss)/earnings per share	<u>(4,694)</u>	<u>10,937</u>
	<b>2024 Number of shares</b>	<b>2023 Number of shares</b>
<b>Ordinary shares</b>		
Weighted-average number of ordinary shares in issue:		
Issued ordinary share at 1 January	<b>1,200,000,000</b>	1,000,000,000
Effect of shares issued upon placing	<u><b>43,934,426</b></u>	<u>181,917,808</u>
Weighted average number of ordinary shares	<u><b>1,243,934,426</b></u>	<u><b>1,181,917,808</b></u>

### (b) Diluted Earnings Per Share

There were no dilutive potential ordinary shares in issue during both years, and diluted earnings per share is the same as basic (loss)/earnings per share.

## 9. TRADE AND OTHER RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	152,124	114,241
Less: Allowance for credit losses	<u>(26,159)</u>	<u>(19,856)</u>
	<u>125,965</u>	<u>94,385</u>
Prepayment	29,805	41,537
Deposits	2,563	4,551
Other receivables	644	577
Other tax recoverable	<u>1,056</u>	<u>145</u>
	<u>4,263</u>	<u>5,273</u>
	<u><u>160,033</u></u>	<u><u>141,195</u></u>
Analysed as:		
Non-current	—	1,995
Current	<u>160,033</u>	<u>139,200</u>
	<u><u>160,033</u></u>	<u><u>141,195</u></u>

### Notes:

- (a) All of the trade and other receivables are expected to be recovered or recognised as expense within one year.
- (b) During the years ended 31 December 2024 and 2023, the Group allows credit periods ranging from 30 to 180 days to its customers. Before accepting any new customer, the Group assesses the potential customer's credit quality. Credit term granted to customers is reviewed regularly.



- (c) At the end of the reporting period, the ageing analysis of trade receivables based on the date of revenue recognition and net of loss allowances, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0–30 days	20,372	18,397
31–60 days	7,031	8,828
61–90 days	10,782	4,651
91–180 days	23,810	3,183
181–360 days	6,797	2,762
Over 360 days	57,173	56,564
	<u>125,965</u>	<u>94,385</u>

- (d) The Group does not hold any collateral over trade and other receivables.
- (e) For the years ended 31 December 2024 and 2023, no trade receivable has been written off.
- (f) Impairment loss on prepayment recognised during the year were mainly due to two suppliers of the Group. A court in the PRC (the “**PRC Court**”) has initiated debt pre-reorganisation procedures in relation to a petition for bankruptcy reorganisation of these two suppliers with the PRC Court. Subsequent to the end of the reporting period, the PRC Court approved the bankruptcy reorganisation plan of the two suppliers to continue its operation. The management performed impairment assessment on the prepayment made to the suppliers and impairment losses of approximately RMB13,111,000 was recognised.

## 10. TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables ( <i>note b</i> )	5,217	5,289
Accruals and other payables	4,657	4,378
Salary payables	7,088	6,751
Financial liabilities measured at amortised cost	16,962	16,418
Other tax payables	1,007	1,093
Contract liabilities — Billings in advance of performance ( <i>note c</i> )	50	51
	<u>18,019</u>	<u>17,562</u>

*Notes:*

- (a) All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

- (b) The ageing analysis of trade payables presented based on invoice date as at the end of the reporting period, is as follows:

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
0-60 days	<b>3,061</b>	2,839
61-90 days	<b>440</b>	760
91-180 days	<b>389</b>	1,156
Over 180 days	<b>1,327</b>	534
	<u><b>5,217</b></u>	<u>5,289</u>

The credit terms granted by the suppliers were generally ranging from 0 to 120 days. The directors of the Company consider that the carrying amounts of trade payables approximate to their fair values.

- (c) When the Group receives a deposit before the provision of services or delivery of goods, this will give rise to contract liabilities at the start of a contract, until the revenue recognised exceeds the amount of the deposit. The amount of the deposit, if any, is negotiated on a case by case basis with customers.

There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in prior year.

#### **Movements in contract liabilities**

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Balance at 1 January	<b>51</b>	491
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	<b>(1)</b>	(441)
Increase in contract liabilities as a result of billing in advance to customers	<u>—</u>	<u>1</u>
Balance at 31 December	<u><b>50</b></u>	<u>51</u>

All of the contract liabilities are expected to be recognised as income within one year.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Founded in 1999, the Group is principally engaged in provision of intra-port services, logistics services and supply chain operations in the area of Xiamen, Quanzhou, Wuhan and Chengdu of mainland China. Among them:

- Intra-port services consist of (i) intra-port ancillary services and (ii) intra-port container transportation services;
- Logistics services consist of (i) import and export agency services and (ii) road freight forwarding services; and
- Supply chain operations consist of (i) trading of building materials and (ii) trading of automobile accessories.

## **BUSINESS REVIEW**

Amid a complex and ever-changing domestic and international market environment, particularly under heightened challenges faced by traditional industries, the Group strived to overcome a series of adverse impacts, including market instability, rapid technological advancements driving market shifts, and shortages of frontline technical personnel. Significant efforts were devoted to expanding the supply chain operation business, achieving a year-on-year increase of approximately 5.0 times in supply chain turnover and a 32.5% year-on-year growth in the Group's annual revenue.

However, the expansion of supply chain operations also intensified pressure on accounts receivable, necessitating the Group to balance between market development and timely receivables recovery. Intra-port services remain the Group's most critical core business. Over the past year, we collaborated closely with clients to enhance safety protocols, improve production efficiency, and ensure prompt emergency response, aiming to solidify our market reputation in challenging conditions. Furthermore, to align with technological progress and sustainability trends, the Group prioritized green development and smart production initiatives, such as deploying additional electric tractors for intra-port transportation and advancing feasibility studies on autonomous driving solutions.

## **PROSPECTS**

Looking ahead, the Group will focus on the following aspects in year 2025:

1. Continue to strengthen management, continuously optimize production processes, improve production efficiency, and better meet the needs of the market and customers;
2. Closely monitor domestic infrastructure and real estate markets while emphasizing disciplined receivables recovery in supply chain operation business (mainly of sand and gravel supply);
3. Replace outdated fuel-powered tractors with electric alternatives on a broader scale;

4. Actively track the application of autonomous driving in intra-port transportation projects and intervene when appropriate;
5. Strengthen communication with port and terminal operators to secure new collaborative opportunities.

The Group will continue to adhere to the business philosophy of “Built from Integrity and Grow with Quality” and provide excellent services to its existing customers and expand its business, for greater returns to its shareholders. The Group will keep the shareholders of the Company informed of the latest developments of the Group in a timely manner.

## FINANCIAL REVIEW

### Revenue

For the year ended 31 December 2024, the Group’s revenue amounted to approximately RMB232,677,000, representing an increase of approximately 32.5% from approximately RMB175,556,000 for the year ended 31 December 2023.

For the year ended 31 December 2024, the operating volume and revenue of each major business segment of the Group are as follows:

#### 1) *Intra-port related services*

		Operating volume comparison	For the year ended 31 December		
Classification		Unit	2024	2023	Change (%)
Intra-port ancillary services	Containers	TEU ( <i>Note</i> )	<b>4,008,184</b>	3,889,024	3.1%
	General cargo	Tonnes	<b>1,197,037</b>	994,538	20.4%
Intra-port container services	Containers transportation	TEU ( <i>Note</i> )	<b>3,661,645</b>	3,718,533	(1.5)%

*Note:* twenty-foot equivalent unit, a standard unit of measurement of the volume of a container with a length of twenty feet, height of eight feet and six inches and width of eight feet (“TEU”).

		Revenue comparison		
Classification	Unit	For the year ended 31 December		Change (%)
		2024	2023	
Intra-port ancillary services	<i>RMB'000</i>	<b>56,678</b>	54,507	4.0%
Intra-port container transportation services	<i>RMB'000</i>	<b>74,212</b>	81,065	(8.5)%
Total		<b>130,890</b>	135,572	(3.5)%

Due to the inclusion of data from the Wuhan project, the Group completed over 4 million TEUs of container logistics service operations in 2024, representing a year-on-year increase of 3.1%. However, as autonomous vehicles replaced a larger proportion of manned vehicles in intra-port transportation services compared to previous years, the total volume of intra-port transportation services completed by the Group in 2024 still experienced a 1.5% decline compared to 2023. Additionally, because the unit price of intra-port transportation is higher than that of intra-port logistics, the revenue from intra-port services in 2024 decreased by 3.5% year-on-year.

## 2) *Logistics related services*

		Operating volume comparison		
Classification	Unit	For the year ended 31 December		Change (%)
		2024	2023	
Road freight services	Loaded containers Unit	<b>12,075</b>	10,225	18.1%
	Empty containers Unit	<b>147,645</b>	125,714	17.4%
	General cargos Tonnes	<b>1,219,590</b>	1,174,094	3.9%
Import and export agency services	Unit	<b>7,544</b>	8,137	(7.3)%

Revenue comparison				
Classification	Unit	For the year ended 31 December		Change (%)
		2024	2023	
Road freight services	<i>RMB'000</i>	<b>19,326</b>	19,380	(0.3)%
Import and export agency services	<i>RMB'000</i>	<b>8,596</b>	5,705	50.7%
Total	<i>RMB'000</i>	<b>27,922</b>	25,085	11.3%

In terms of loaded containers and empty containers, the Group undertook a larger proportion of short-haul transportation business, resulting in year-on-year growth rates of 18.1% and 17.4% for loaded containers and empty containers, respectively, in 2024. The significant growth in building materials transportation volume within the Chengdu supply chain operation business offset the decline in stone transportation volume in Quanzhou, driving an overall 3.9% increase in general cargo transportation. Due to a reduction in imported leather quantities and the termination of domestic trade agency services, the Group's agency service business declined by 7.3% in 2024. The overall revenue from logistics services increased by 11.3%.

### 3) *Supply chain operations*

Operating volume comparison				
Classification	Unit	For the year ended 31 December		Change (%)
		2024	2023	
Trading of heavy-duty auto parts and tires	Unit	<b>54,622</b>	71,931	(24.1)%
Trading of building materials	Tonnes	<b>417,108</b>	113,155	268.6%
Disinfection services	Unit	—	35	(100.0)%

Revenue comparison				
Classification	Unit	For the year ended 31 December		Change (%)
		2024	2023	
Trading of heavy-duty auto parts and tires	<i>RMB'000</i>	<b>1,696</b>	1,492	13.7%
Trading of building materials	<i>RMB'000</i>	<b>72,169</b>	13,407	438.3%
Total	<i>RMB'000</i>	<b>73,865</b>	14,899	395.8%

Due to the improvement in the market conditions in the Sichuan-Chongqing region, the Group intensified its efforts to expand the building materials supply chain operation business, achieving a year-on-year growth of 268.6% in building materials trade volume in 2024. As the demand for disinfection services weakened in the post-pandemic period, the Group evaluated and subsequently closed the related business, resulting in no such operations in 2024. The overall revenue from the supply chain business increased by 395.8%.

### **Staff Costs**

Staff costs mainly included salaries, wages and other staff benefits. For the year ended 31 December 2024, the Group's staff cost was approximately RMB92,806,000 (for the year ended 31 December 2023: approximately RMB91,222,000).

### **Administrative Expenses**

Administrative expenses mainly included staff costs (including directors' emoluments), depreciation and auditors' remuneration. For the year ended 31 December 2024, the Group's administrative expenses amounted to approximately RMB21,132,000 (for the year ended 31 December 2023: approximately RMB19,830,000).

### **Impairment losses on trade and other receivables, net**

The Group measures loss allowances for trade receivables individually or at an amount equal to lifetime expected credit losses ("ECL") which is calculated using a provision matrix. As the Group's historical credit loss experience indicates significantly different loss patterns for different customer segments, the loss allowance based on past due status is further distinguished between the Group's different customer bases. For other receivables, the Directors make periodic individual assessment on their recoverability based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. For the year ended 31 December 2024, provision of impairment loss on trade and other receivables of approximately RMB19,414,000 (2023: RMB681,000) was recognised.

### **Impairment losses on prepayment**

Expected loss rates are based on actual loss experience of prepayment over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the year over which the historical data have been collected, current conditions and the Group's view of economic conditions over the expected lives of the prepayment. The increase in days past due over 90 days and identified default in some specific customers resulted in an increase in impairment losses on prepayment of approximately RMB13,111,000 for the year ended 31 December 2024 (2023: Nil).

## **Taxation**

Under the current laws of the Cayman Islands and the British Virgin Islands (“**BVI**”), the Group is not subject to income tax or capital gains tax in the Cayman Islands and the BVI. Additionally, dividend payments made by the Group are not subject to withholding tax in the Cayman Islands or the BVI.

No Hong Kong profits tax has been provided for as the Group did not have any assessable profit in Hong Kong for the year.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiary is 25% for both 2023 and 2024, except for three subsidiaries (2023: four) which are qualified as small Low-Profit Enterprises in the PRC and are entitled to a concessionary tax rate of 5% (2023: 5%).

For the year ended 31 December 2024, income tax expense was approximately RMB6,419,000 (for the year ended 31 December 2023: approximately RMB7,084,000).

## **(Loss)/Profit for the year**

For the year ended 31 December 2024, the Group’s loss for the year was approximately RMB4,893,000 (for the year ended 31 December 2023: profit for the year of approximately RMB10,521,000). The year-on-year decrease was mainly due to the withdrawal of impairment of accounts receivable.

## **Liquidity and Financial Resources**

The operation of the Group is mainly financed by the cash generated from its self-owned business operations. As at 31 December 2024, the net current assets of the Group amounted to approximately RMB174,313,000 (31 December 2023: approximately RMB172,707,000) and cash and cash equivalents as at 31 December 2024 amounted to approximately 31,250,000 (31 December 2023: approximately RMB49,794,000).

As at 31 December 2024, the Group did not have any bank loan (31 December 2023: nil).

## **Currency Risk**

The functional currency of the Group’s operating subsidiaries is Renminbi as substantially the Group’s revenue is in Renminbi. The Group does not expect any significant currency risk which might materially affect the Group’s results of operations.

## **Capital Commitments**

As at 31 December 2024, the Group had no capital commitment (31 December 2023: nil).



## Capital Structure

For the year ended 31 December 2024, the Company's capital structure remained unchanged. The capital structure of the Group comprised equity interest attributable to the owners of the Company (including issued share capital and reserves). The Directors regularly review the capital structure of the Group. As part of the review, the Directors consider the cost of capital and the associated risks of various types of capital.

## Material Acquisitions and Disposals

For the year ended 31 December 2024, the Group did not have any material acquisitions or disposals of subsidiaries.

## Employees and Remuneration Policy

As at 31 December 2024, the Group employed 856 (31 December 2023: 846) employees. Remuneration of employees is determined with reference to factors such as qualification, responsibility, contribution and experiences.

## Use of Proceeds

The net proceeds from the public offer of the shares of the Company on GEM were approximately HK\$40.2 million (the “**Net Proceeds**”). As disclosed in the Prospectus, the Company originally intended to use the Net Proceeds: (i) for investing in container-related handling equipment to replace the relevant existing equipment which are operating beyond their estimated life span and to assist in the expansion of the Group's business (the “**Investment in Container-related Handling Equipment**”); and (ii) for the development of empty container stacking yard (the “**Development for Empty Container Stacking Yard**”).

As disclosed in the Announcement of the Company dated 16 September 2021, an approximate amount of HK\$6.7 million of the Net Proceeds was fully utilised for the Investment in Container-related Handling Equipment; whereas an approximate amount of HK\$33.5 million, which were intended to be used for the Development for Empty Container Stacking Yard, was still unutilised as at 16 September 2021 as a result of the prolonged delay of authority approval in relation to the Group's purchase of a suitable parcel of land for the Development for Empty Container Stacking Yard. To better utilise the Group's resources, the Board resolved on 16 September 2021 to reallocate an amount of approximately HK\$18.0 million out of the unutilised amount for the development of intra-port ancillary services and intra-port container transportation services in Wuhan city, the PRC, and an amount of approximately HK\$15.5 million for the purchase of electric tractors (the “**First Change in Use of Proceeds**”).

With reference to the actual utilisation of the Use of Proceeds since the change in use of proceeds on 16 September 2021 and after considering that: (i) the development of intra-port ancillary services and intra-port container transportation services in Wuhan city, the PRC, may take longer than originally anticipated, and (ii) the greater demand of electric tractors, the Board has resolved on 29 July 2022, to further relocate all remaining unutilised Net Proceeds for the purchase of electric tractors (the “**Second Change in Use of Proceeds**”).

The table below sets forth the unutilised Net Proceeds as at 1 January 2024, the utilised Net Proceeds for the year, the unutilised Net Proceeds as at 31 December 2024, and the expected timeline for fully utilising the unutilised Net Proceeds.

Purposes	Unutilised	Utilised	Unutilised	Expected
	Net Proceeds as at 31 December 2023 and 1 January 2024 <i>HK\$' million</i> <i>(approximately)</i>	Net Proceeds for the year <i>HK\$' million</i> <i>(approximately)</i>	Net Proceeds as at 31 December 2024 <i>HK\$' million</i> <i>(approximately)</i>	timeline for fully utilising the unutilised Net Proceeds <i>(Note)</i>
Purchase of electric tractors	23.7	15.1	8.6	On or before 31 December 2025
Total:	<u>23.7</u>	<u>15.1</u>	<u>8.6</u>	

*Note:* The expected timeline for fully utilising the unutilised Net Proceeds is determined on the basis of the Group's best estimate of future market conditions, and is subject to change depending on the market conditions and developments at the relevant times.

## Placing

On 7 June 2024, the Company entered into the placing agreement with a placing agent pursuant to which the placing agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six placees who and whose ultimate beneficial owners shall be independent third parties to subscribe for up to 80,000,000 placing shares at the placing price of HK\$0.12 per placing share during the period from the date of the placing agreement up to 14 June 2024. The placing was completed on 14 June 2024 in accordance with the terms and conditions of the placing agreement. A total of 80,000,000 placing shares were allotted and issued to not less than six placees at the placing price of HK\$0.12 per placing share. The gross proceeds from the placing amounted to HK\$9,600,000, and the net proceeds arising from the placing amounted to approximately HK\$9,200,000. For details, please refer to the announcements issued by the Company on 7 and 14 June 2024 respectively. For the year ended 31 December 2024, the net proceeds from the placing of HK\$9,200,000 has been fully applied for general working purpose of the Group.

## Charges on the Group's Assets and Contingent Liabilities

As at 31 December 2024, the Group's lease liabilities arisen from the purchase of motor vehicles were secured by motor vehicles with carrying amounts of RMBnil (2023: nil).

As at 31 December 2024, the Group did not have any contingent liabilities.

## **CORPORATE GOVERNANCE**

The Company has adopted and complied with all the codes provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the year ended 31 December 2024.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

The Group has made specific enquiries of all Directors and all Directors have confirmed that they have been complying with the requirements under the Model Code for the year ended 31 December 2024.

As far as the Group is aware, the Directors and employees of the Group have not breached the requirements under the Model Code.

## **DIVIDEND**

No final dividend for the year ended 31 December 2024 is proposed by the Board (2023: Nil).

## **PURCHASE, REDEMPTION OR SALE OF 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.

## **COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS**

During the year under review, the Company has complied with all relevant laws and regulations which include the Companies Law of the Cayman Islands and the Listing Rules and maintained good relationship with its customers, employees and investors.

## **EVENTS AFTER END OF REPORTING PERIOD**

There were no significant event which had material effect on the Group subsequent to the end of the reporting period of the Company and up to the date of this announcement.

## AUDIT COMMITTEE

The Board has complied with the provisions of the CG Code and that the audit committee of the Company (the “**Audited Committee**”) was established on 13 February 2017. Pursuant to Rule 3.21 of the Listing Rules, the Audit Committee consists of three independent non-executive directors, namely Mr. Cheng Siu Shan, Ms. Li Zhao and Mr. Lin Guoquan. Mr. Cheng Siu Shan is the chairman of the Audit Committee and has professional qualifications and experience in accounting and financial management as stipulated in the Listing Rules. For the financial year ended 31 December 2024, the Audit Committee has performed its main duties, including (1) review and advise on the Group’s annual and half-yearly reports and results announcements, the relevant accounting principles and practices adopted by the Group; (2) review the risk management and internal control procedures adopted by the Group, the internal control review report, and providing suggestions and comments thereon; (3) review the effectiveness of the internal audit function and provide suggestions and comments thereon; (4) ensure that the Directors and staff have received sufficient and relevant trainings and have complied with the corporate governance practices and code of conducts of the Group; and (5) discuss and confirm with chief executive officer and senior management that the Group has complied with applicable laws and regulations, in all material aspects.

## ANNUAL GENERAL MEETING

The annual general meeting (“**AGM**”) of the Company will be held on 24 June 2025 at 3:00 p.m. A notice convening the AGM will be published and despatched to the shareholders of the Company in the manner required by the Listing Rules in due course.

## CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 19 June 2025 to 24 June 2025, both days inclusive for the entitlement to attend the AGM, during such period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM of the Company, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road Hong Kong, not later than 4:30 p.m. on 18 June 2025.

## **REVIEW OF FINANCIAL STATEMENTS AND SCOPE OF WORK OF THE AUDITOR**

The Group's audited financial statements for the year ended 31 December 2024 has been reviewed by the Audit Committee, which is of the opinion that such statements comply with applicable accounting standards, the Listing Rules and other legal requirements, and that adequate disclosures have been made.

The financial figures in this announcement of the Group's results for the year ended 31 December 2024 have been compared by the Group's auditor, Crowe (HK) CPA Limited ("Crowe"), to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2024 and the amounts were found to be in agreement. The work performed by Crowe in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Crowe on this results announcement.

## **PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the websites of the Stock Exchange and the Company. The 2024 Annual Report and Notice of AGM of the Company will be despatched to the shareholders of the Company according to the manner in which they have elected to receive corporate communications of the Company and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**XiangXing International Holding Limited**  
**Cheng Youguo**  
*Chairman*

Hong Kong, 31 March 2025

*As at the date of this announcement, the executive Directors are Mr. Cheng Youguo and Mr. Qiu Changwu; and the independent non-executive Directors are Mr. Cheng Siu Shan, Ms. Li Zhao and Mr. Lin Guoquan.*