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KLN Logistics Group Limited

(Incorporated in the British Virgin Islands and continued into Bermuda
as an exempted company with limited liability)

Stock Code 636

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended 31 December 2025, together with comparative figures for the year ended 31 December 2024.

GROUP'S FINANCIAL HIGHLIGHTS* AND DIVIDEND

- Revenue dropped by 3% to HK\$56,336 million (2024: HK\$58,274 million).
- Core operating profit decreased by 4% to HK\$2,627 million (2024: HK\$2,725 million).
- Core net profit increased by 3% to HK\$1,396 million (2024: HK\$1,357 million).
- Profit attributable to the Shareholders was HK\$1,411 million, which represents an increase of 7% (2024: HK\$1,321 million).
- IL business recorded a segment profit of HK\$1,262 million (2024: HK\$1,251 million), which represents a slight increase of 1%.
- IFF business recorded a segment profit of HK\$1,874 million (2024: HK\$1,950 million), which represents a drop of 4%.
- Proposed final dividend of 16 HK cents per Share to be payable on or around Monday, 8 June 2026.

* For continuing operations only

CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 December	
		2025 HK\$'000	2024 HK\$'000
Continuing operations			
Revenue	2	56,335,842	58,274,404
Direct operating expenses	4	(50,444,966)	(52,627,332)
Gross profit		5,890,876	5,647,072
Other income and net gains	3	249,452	111,589
Administration expenses	4	(3,292,211)	(2,930,991)
Operating profit before fair value change of investment properties		2,848,117	2,827,670
Change in fair value of investment properties		(53,233)	(13,535)
Operating profit		2,794,884	2,814,135
Finance expenses	5	(502,715)	(625,153)
Share of results of associates and a joint venture		46,366	83,293
Profit before taxation		2,338,535	2,272,275
Taxation	6	(638,962)	(658,682)
Profit for the year from continuing operations		1,699,573	1,613,593
Discontinued operations:			
Profit for the year from discontinued operations	14	–	141,930
Profit for the year		1,699,573	1,755,523
Profit attributable to:			
Company's shareholders		1,410,926	1,541,524
From continuing operations		1,410,926	1,320,290
From discontinued operations		–	221,234
Non-controlling interests		283,781	188,259
From continuing operations		283,781	267,563
From discontinued operations		–	(79,304)
Holders of perpetual convertible securities		4,866	25,740
From continuing operations		4,866	25,740
From discontinued operations		–	–
		1,699,573	1,755,523
Earnings per share from continuing operations	8		
– Basic		HK\$0.78	HK\$0.73
– Diluted		HK\$0.78	HK\$0.73
Earnings per share from discontinued operations			
– Basic		HK\$Nil	HK\$0.12
– Diluted		HK\$Nil	HK\$0.12

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2025 HK\$'000	2024 HK\$'000
Profit for the year	1,699,573	1,755,523
Other comprehensive income/(loss)		
Items that will not be reclassified subsequently to profit or loss		
Defined benefit pension plans		
– Actuarial (loss)/gain	(3,976)	922
– Deferred income tax	795	133
Fair value change on financial assets at fair value through other comprehensive income	37,750	(156,568)
Fair value gain recognised upon the transfer from property, plant and equipment to investment properties, net of tax	69,046	29,752
Items that may be reclassified to profit or loss		
Net translation differences on foreign operations	1,030,665	(479,728)
Other comprehensive income/(loss) for the year (net of tax)	1,134,280	(605,489)
Total comprehensive income for the year	2,833,853	1,150,034
Total comprehensive income attributable to:		
Company's shareholders		
From continuing operations	2,510,795	635,966
From discontinued operations	–	359,760
Non-controlling interests	318,192	128,568
Holders of perpetual convertible securities	4,866	25,740
	2,833,853	1,150,034

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2025	2024
		HK\$'000	HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
		5,647,143	5,681,264
		2,984,430	2,518,568
		7,242,806	7,022,659
		3,105,697	2,850,160
		1,497,844	1,592,330
		357,768	299,899
		4,536	5,714
		165,053	223,055
		215,247	223,588
		21,220,524	20,417,237
Current assets			
		496	496
		348,013	322,723
	9	15,572,179	14,584,890
		151,053	314,586
		64,088	457,578
		1,112	1,744
		9,803	4,780
		83,839	20,500
		6,339,675	6,577,951
		22,570,258	22,285,248
Current liabilities			
		1,061,874	880,498
	10	10,833,990	10,821,919
		126,225	–
		126,709	6,329
		142,401	140,547
		350,651	562,134
		–	23,228
	11	3,327,627	2,916,725
	11	18,081	168,316
		15,987,558	15,519,696

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	As at 31 December	
		2025 HK\$'000	2024 HK\$'000
Non-current liabilities			
Loans from non-controlling interests		198,547	202,405
Long-term bank loans	11	5,496,812	5,904,173
Lease liabilities		1,426,473	1,397,015
Deferred taxation		419,515	508,776
Retirement benefit obligations		41,945	31,458
Other non-current liabilities	10	60,634	59,831
		7,643,926	8,103,658
ASSETS LESS LIABILITIES		20,159,298	19,079,131
EQUITY			
Capital and reserves attributable to the Company's shareholders			
Share capital		903,715	903,715
Share premium		4,074,218	4,074,218
Shares held for share award scheme		(37,221)	(43,955)
Retained profits and other reserves		12,777,874	11,047,675
		17,718,586	15,981,653
Perpetual convertible securities		–	774,101
Non-controlling interests		2,440,712	2,323,377
TOTAL EQUITY		20,159,298	19,079,131

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of logistics and freight forwarding services. The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

To align with the Group's strategy of focusing on its core business of integrated logistics and international freight forwarding, during the year ended 31 December 2024, the Group completed the distribution of special interim dividend by way of distribution in specie of all its shares held in KEX Express (Thailand) Public Company Limited ("KEX Express Thailand") and ceased certain express operations in Asia (together with KEX Express Thailand, "Express Operations"). These constituted discontinued operations ("Discontinued Operations") under HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the related financial information of the Discontinued Operations is required to be presented separately as discontinued operations of the Group in the consolidated financial statements for the year ended 31 December 2024. The results of the discontinued operations has been presented separately as one-line item below profit for the year from continuing operations as "discontinued operations". Further detail of the financial information of the Discontinued Operations are set out in note 14.

The financial information and the related notes in respect of this results announcement of the Group's results for the year ended 31 December 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the auditor in this respect did not constitute an assurance engagement and consequently no assurance conclusion has been expressed by the auditor on this results announcement.

Shenzhen Mingde Holding Development Co., Ltd., a private company incorporated in the PRC, is the ultimate holding company.

These financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by HKICPA. In addition, these financial statements also comply with the applicable disclosure provisions of the Listing Rules.

(i) ADOPTION OF AMENDMENTS TO EXISTING STANDARDS

The following amendments to existing standards have been published that are effective for the accounting period of the Group beginning on 1 January 2025:

Amendments to HKAS 21 and HKFRS 1, 'Lack of Exchangeability'

In the current year, the Group has applied, for the first time, the above amendments to existing standards issued by the HKICPA. The adoption of the above amendments to existing standards had no material impact on the consolidated financial statements of the Group.

(II) NEW STANDARDS, AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATION WHICH ARE NOT YET EFFECTIVE

The Group has not yet adopted the following new standards, amendments to existing standards and interpretation that have been issued by the HKICPA but are not yet effective.

Amendments to HKFRS 7 and HKFRS 9, 'Classification and Measurement of Financial Instruments'¹

Annual Improvements to HKFRS Accounting Standards – Volume 11¹

Amendments to HKFRS 7 and HKFRS 9, 'Contracts Referencing Nature-dependent Electricity'¹

HKFRS 18, 'Presentation and Disclosure in Financial Statements'²

HKFRS 19, 'Subsidiaries without Public Accountability: Disclosures'²

Amendments to Hong Kong Interpretation 5, 'Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause'²

Amendments to HKFRS 10 and HKAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'³

¹ *Effective for annual periods beginning on or after 1 January 2026*

² *Effective for annual periods beginning on or after 1 January 2027*

³ *Effective date to be determined*

HKFRS 18 will replace HKAS 1, 'Presentation of financial statements', introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated income statement and providing management-defined performance measures within the consolidated financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for HKFRS 18, none of the above is expected to have a significant effect on the consolidated financial statements of the Group.

2. PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

An analysis of the Group's financial results by operating segment and geographical area for the year ended 31 December 2025, together with comparative figures for the year ended 31 December 2024, is as follows:

	For the year ended 31 December										
	Continuing operations								Discontinued operations after elimination		
	Integrated logistics		International freight forwarding		Elimination		Consolidation		2024 HK\$'000	Consolidation	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000		2025 HK\$'000	2024 HK\$'000
Revenue											
Turnover	14,011,166	14,448,877	42,324,676	43,825,527	-	-	56,335,842	58,274,404	548,169	56,335,842	58,822,573
Inter-segment revenue	2,516,569	1,329,943	7,130,314	6,532,003	(9,646,883)	(7,861,946)	-	-	-	-	-
	16,527,735	15,778,820	49,454,990	50,357,530	(9,646,883)	(7,861,946)	56,335,842	58,274,404	548,169	56,335,842	58,822,573
<i>Turnover by geographical area</i>											
Hong Kong	7,170,984	6,498,008	1,726,995	1,757,227	(1,335,084)	(1,013,475)	7,562,895	7,241,760	-	7,562,895	7,241,760
Chinese Mainland	5,748,923	6,063,954	15,335,585	16,012,327	(4,377,546)	(3,566,764)	16,706,962	18,509,517	-	16,706,962	18,509,517
Asia	3,419,286	3,039,975	6,725,643	7,303,541	(1,792,706)	(1,873,315)	8,352,223	8,470,201	548,169	8,352,223	9,018,370
Americas	-	-	14,172,178	15,812,695	(705,238)	(682,873)	13,466,940	15,129,822	-	13,466,940	15,129,822
EMEA	-	-	10,565,481	8,667,224	(1,296,591)	(672,108)	9,268,890	7,995,116	-	9,268,890	7,995,116
Oceania	188,542	176,883	929,108	804,516	(139,718)	(53,411)	977,932	927,988	-	977,932	927,988
	16,527,735	15,778,820	49,454,990	50,357,530	(9,646,883)	(7,861,946)	56,335,842	58,274,404	548,169	56,335,842	58,822,573
Segment profit/(loss) by geographical area											
Hong Kong	481,423	520,216	37,584	63,929	-	-	519,007	584,145	-	519,007	584,145
Chinese Mainland	312,556	351,799	716,336	668,170	-	-	1,028,892	1,019,969	-	1,028,892	1,019,969
Asia	439,500	357,881	345,020	321,502	-	-	784,520	679,383	(193,689)	784,520	485,694
Americas	-	-	382,985	611,530	-	-	382,985	611,530	-	382,985	611,530
EMEA	-	-	331,830	227,783	-	-	331,830	227,783	-	331,830	227,783
Oceania	28,456	20,786	59,923	57,727	-	-	88,379	78,513	-	88,379	78,513
	1,261,935	1,250,682	1,873,678	1,950,641	-	-	3,135,613	3,201,323	(193,689)	3,135,613	3,007,634
Less: Unallocated administration expenses							(508,933)	(476,548)	(5)	(508,933)	(476,553)
Core operating profit							2,626,680	2,724,775	(193,694)	2,626,680	2,531,081
Interest income							135,268	102,895	129	135,268	103,024
Finance expenses							(502,715)	(625,153)	(6,171)	(502,715)	(631,324)
Share of results of associates and a joint venture							46,366	83,293	-	46,366	83,293
Profit before taxation*							2,305,599	2,285,810	(199,736)	2,305,599	2,086,074
Taxation*							(624,795)	(662,162)	(2,647)	(624,795)	(664,809)
Profit for the year*							1,680,804	1,623,648	(202,383)	1,680,804	1,421,265
Non-controlling interests*							(284,418)	(266,897)	97,668	(284,418)	(169,229)
Core net profit							1,396,386	1,356,751	(104,715)	1,396,386	1,252,036
Change in fair value of investment properties							(53,233)	(13,535)	-	(53,233)	(13,535)
Deferred tax of change in fair value of investment properties							13,300	3,480	-	13,300	3,480
Less: Non-controlling interests' share of change in fair value of investment properties and its related deferred tax							637	(666)	-	637	(666)
Gain on disposal of IMS (net of tax)							58,702	-	-	58,702	-
Net gain on distribution (net of tax)/cessation of Express Operations							-	-	325,949	-	325,949
Profit attributable to Company's shareholders and holders of perpetual convertible securities							1,415,792	1,346,030	221,234	1,415,792	1,567,264
Holders of perpetual convertible securities							(4,866)	(25,740)	-	(4,866)	(25,740)
Profit attributable to Company's shareholders							1,410,926	1,320,290	221,234	1,410,926	1,541,524
Depreciation and amortisation	1,181,566	1,266,618	517,720	496,683	-	-	1,699,286	1,763,301	86,678	1,699,286	1,849,979

* Excluding the change in fair value of investment properties and its related deferred tax, gain on disposal of IMS (net of tax) and net gain on distribution (net of tax)/cessation of Express Operations.

Management has determined the operating segments based on the reports reviewed by the executive directors. The executive directors assess the performance of the two principal activities in continuing operations of the Group, namely integrated logistics and international freight forwarding, in each geographical area.

As set out in note 1, the results of Express Operations, are presented under “Discontinued Operations” in the current segment analysis of operations. Further details of financial information of the discontinued operations are set out in note 14.

Integrated logistics segment derives revenue from provision of logistics services and sales of goods.

International freight forwarding segment derives revenue primarily from provision of freight forwarding services.

Segment revenue and profit derived from geographical areas are based on the geographical location of the operation.

The executive directors assess the performance of the operating segments by geographical area based on segment profit.

The executive directors also assess the performance of the Group based on core operating profit, which is the profit before taxation excluding interest income, finance expenses, share of results of associates and a joint venture, and also core net profit, which is the profit attributable to the Company’s shareholders before the after-tax effect of change in fair value of investment properties, gain on disposal of IMS (net of tax) and net gain on distribution (net of tax)/cessation of Express Operations.

In the following table, revenue of the Group from contracts with customers is disaggregated by timing of satisfaction of performance obligations. The table also includes a reconciliation to the segment information in respect of revenue of the Group that is disclosed in the operating segment note.

By operating segment	2025				2024			
	Revenue recognised at a point in time	Revenue recognised over time	Rental income	Total	Revenue recognised at a point in time	Revenue recognised over time	Rental income	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers								
Integrated logistics	1,904,049	11,978,358	128,759	14,011,166	1,517,366	12,822,783	108,728	14,448,877
International freight forwarding	-	42,324,676	-	42,324,676	-	43,825,527	-	43,825,527
Discontinued operations	-	-	-	-	-	548,169	-	548,169
	1,904,049	54,303,034	128,759	56,335,842	1,517,366	57,196,479	108,728	58,822,573

By geographical area	2025				2024			
	Revenue recognised at a point in time	Revenue recognised over time	Rental income	Total	Revenue recognised at a point in time	Revenue recognised over time	Rental income	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers								
- Hong Kong	1,754,525	5,808,370	-	7,562,895	1,312,810	5,928,950	-	7,241,760
- Chinese Mainland	130,032	16,498,436	78,494	16,706,962	179,813	18,245,283	84,421	18,509,517
- Asia	19,492	8,282,466	50,265	8,352,223	24,743	8,421,151	24,307	8,470,201
- Americas	-	13,466,940	-	13,466,940	-	15,129,822	-	15,129,822
- EMEA	-	9,268,890	-	9,268,890	-	7,995,116	-	7,995,116
- Oceania	-	977,932	-	977,932	-	927,988	-	927,988
Discontinued operations	-	-	-	-	-	548,169	-	548,169
	1,904,049	54,303,034	128,759	56,335,842	1,517,366	57,196,479	108,728	58,822,573

An analysis of the Group's non-current assets by geographical area is as follows:

	Segment non-current assets [#]	
	2025 HK\$'000	2024 HK\$'000
Hong Kong	1,887,210	1,790,217
Chinese Mainland	7,752,709	7,356,116
Asia	6,526,408	6,475,224
Americas	2,867,143	2,788,722
EMEA	1,421,958	1,293,973
Oceania	187,545	183,784
	20,642,973	19,888,036

[#] Other than financial assets at fair value through other comprehensive income, investment in convertible bonds and deferred taxation.

3. OTHER INCOME AND NET GAINS

	2025 HK\$'000	2024 HK\$'000
Continuing operations		
Interest income from banks	45,988	68,816
Interest income from associates	268	225
Interest income from a fellow subsidiary	420	8,114
Other interest income	88,592	25,740
Gain/(loss) on disposal of property, plant and equipment	12,451	(2,741)
Gain/(loss) on disposal of subsidiaries	86,169	(11,211)
Loss on disposal of an associate	–	(110)
Gain on disposal of business	14,363	–
Fair value change of financial assets at fair value through profit or loss	22	122
Gain on early termination of lease contracts	1,148	22,634
Dividend income from financial assets at fair value through other comprehensive income	31	–
	249,452	111,589

4. EXPENSES BY NATURE

Expenses from continuing operations included in direct operating expenses and administration expenses are analysed as follows:

	2025 HK\$'000	2024 HK\$'000
Continuing operations		
Auditors' remuneration	37,976	41,943
Business tax and other taxes	18,681	13,498
Cost of goods sold	1,580,926	1,251,170
Freight and transportation costs	43,174,283	45,859,735
Depreciation of property, plant and equipment	567,484	557,853
Depreciation of right-of-use assets	993,816	1,048,258
Amortisation of intangible assets	137,986	157,190
Provision for impairment of receivables	215,130	140,509
Reversal of provision for impairment of receivables	(49,805)	(33,351)
Rental expenses on land and buildings	483,410	466,877
Employee benefit expenses (note)	5,557,219	5,272,862

Note:

Government grants amounting to HK\$Nil (2024: HK\$199,000) have been recognised and deducted in employee benefit expenses for the year ended 31 December 2025.

5. FINANCE EXPENSES

	2025 HK\$'000	2024 HK\$'000
Continuing operations		
Interest expenses on bank loans, overdrafts and other finance costs	405,250	530,270
Interest expenses on lease liabilities	97,465	94,883
	502,715	625,153

6. TAXATION

	2025 HK\$'000	2024 HK\$'000
Continuing operations		
Hong Kong profits tax		
– Current	74,813	85,112
– Over provision in prior years	(1,055)	(9,385)
– Deferred	(23,229)	(39,479)
	50,529	36,248
Chinese Mainland taxation		
– Current	263,627	221,006
– Under provision in prior years	11,485	2,212
– Deferred	(20,246)	(34,348)
	254,866	188,870
Overseas taxation		
– Current	398,903	400,811
– (Over)/under provision in prior years	(26,300)	7,462
– Deferred	(39,036)	25,291
	333,567	433,564
	638,962	658,682

HONG KONG AND OVERSEAS PROFITS TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) for the year ended 31 December 2025 on the estimated assessable profit for the year. Income tax on the overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the overseas countries in which the Group operates.

PRC ENTERPRISE INCOME TAX

PRC enterprise income tax has been provided at the rate of 25% (2024: 25%) on the estimated assessable profit for the year.

OECD PILLAR TWO MODEL RULES

The Group is within the scope of the OECD Pillar Two Model Rules. In Hong Kong, the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 was enacted on 6 June 2025 to implement the Global Anti-Base Erosion (“GloBE”) rules, which comprises the income inclusion rule (“IIR”) and undertaxed profits rule (“UTPR”), as well as the Hong Kong minimum top-up tax (“HKMTT”). IIR and HKMTT apply to a fiscal year beginning on or after 1 January 2025, while the UTPR will take effect from a date to be specified by the Secretary for Financial Services and the Treasury at a later stage. For most of the jurisdiction where the Group has operations, the Pillar Two legislation had become effective on or before 1 January 2025. Under the Pillar Two legislation, the Group is liable to pay a top-up tax for difference between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate. The Group’s assessment indicates that the quantitative impact of the Pillar Two legislation is not material to the Group.

WITHHOLDING TAX ON DISTRIBUTED/UNDISTRIBUTED PROFITS

Withholding tax in the Group’s subsidiaries and associates and a joint venture is levied on profit distribution upon declaration/remittance and in respect of the undistributed earnings for the year at the rates of taxation prevailing in the Chinese Mainland and overseas countries.

The Group’s share of taxation from associates and a joint venture for the year ended 31 December 2025 is HK\$31,330,000 (2024: HK\$13,856,000) and included in the share of results of associates and a joint venture in the consolidated income statement.

7. DIVIDENDS

On 29 December 2023, the Directors declared a special interim dividend, to be effected by way of distribution in specie of 907,200,000 shares of KEX Express Thailand (representing approximately 52.1% of all issued shares of KEX Express Thailand) indirectly held by the Company to qualifying shareholders, subject to obtaining a waiver from the Securities and Exchange Commission, Thailand (the “Thai SEC”) in respect of its tender offer obligations arising out of the distribution. On 5 February 2024, the Company obtained a waiver from the Thai SEC in respect of its tender offer obligations arising out of the distribution, and that the condition to the distribution was satisfied and the distribution became unconditional. Dividend payable for distribution in specie was approximately HK\$983,215,000 right before the completion date, measured at fair value using the share price of KEX Express Thailand. On 26 March 2024, the distribution was completed, the assets and liabilities held for distribution (the corresponding share in net asset value, excluding non-controlling interests, of KEX Express Thailand was approximately HK\$330,897,000) and dividend payable for distribution in specie were derecognised. The difference between the carrying amount of the net assets distributed and the carrying amount of the dividend payable, net of transaction costs, is recognised in the discontinued operations in the profit or loss in accordance with HKFRS Accounting Standards.

A final dividend in respect of the year ended 31 December 2025 of 16 HK cents per share, amounting to a total dividend of HK\$289,189,000 is to be proposed at the annual general meeting on Thursday, 21 May 2026. These financial statements do not reflect this dividend payable.

	2025 HK\$'000	2024 HK\$'000
Interim dividend paid of 11 HK cents (2024: 10 HK cents) per ordinary share	198,817	180,743
Proposed final dividend of 16 HK cents (2024: 15 HK cents) per ordinary share	289,189	271,114
	488,006	451,857

8. EARNINGS PER SHARE

BASIC

Basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders from continuing operations and discontinued operations by the adjusted weighted average number of ordinary shares in issue during the year.

	2025	2024
Adjusted weighted average number of ordinary shares in issue	1,801,939,352	1,804,139,744
Profit attributable to the Company's shareholders (HK\$'000)		
From continuing operations	1,410,926	1,320,290
From discontinued operations	–	221,234
Basic earnings per share (HK\$)		
From continuing operations	0.78	0.73
From discontinued operations	–	0.12

DILUTED

Diluted earnings per share is calculated by dividing the profit attributable to the Company's shareholders from continuing operations and discontinued operations by the weighted average number of shares outstanding for the effects of all dilutive potential shares.

	2025	2024
Adjusted weighted average number of ordinary shares in issue	1,801,939,352	1,804,139,744
Adjustment for share awards	230,903	2,238,966
Adjustment for perpetual convertible securities	–	41,489,362
Weighted average number of shares for the purpose of calculating diluted earnings per share	1,802,170,255	1,847,868,072
Profit attributable to the Company's shareholders (HK\$'000)		
From continuing operations	1,410,926	1,320,290
Adjustment for profit attributable to holders of perpetual convertible securities	–	25,740
From continuing operations for the purpose of calculating diluted earnings per share	1,410,926	1,346,030
From discontinued operations	–	221,234
Diluted earnings per share (HK\$)		
From continuing operations	0.78	0.73
From discontinued operations	–	0.12

9. ACCOUNTS RECEIVABLE, PREPAYMENTS AND DEPOSITS

The Group has various credit policies for different business operations depending on the requirements of the markets and businesses. The ageing analysis of accounts receivables based on the date of the invoice and net of provision for impairment is as follows:

	2025 HK\$'000	2024 HK\$'000
Below 1 month	6,711,963	6,489,494
Between 1 month and 3 months	2,993,521	2,983,034
Over 3 months	1,004,998	986,133
Total accounts receivables, net	10,710,482	10,458,661
Prepayments, deposits and other receivables	4,861,697	4,126,229
	15,572,179	14,584,890

10. ACCOUNTS PAYABLE, DEPOSITS RECEIVED AND ACCRUED CHARGES

The ageing analysis of accounts payables based on the date of the invoice is as follows:

	2025 HK\$'000	2024 HK\$'000
Below 1 month	3,880,277	3,177,254
Between 1 month and 3 months	1,106,075	1,197,673
Over 3 months	577,378	902,023
Total accounts payables	5,563,730	5,276,950
Deposits received, accrued charges and other payables	5,330,894	5,604,800
	10,894,624	10,881,750
Less: Non-current consideration payable for business combination	(60,634)	(59,831)
	10,833,990	10,821,919

11. BANK LOANS AND BANK OVERDRAFTS

	2025 HK\$'000	2024 HK\$'000
Bank loans:		
Non-current		
– unsecured	5,491,330	5,895,342
– secured	5,482	8,831
	5,496,812	5,904,173
Current		
– unsecured	3,191,083	2,788,102
– secured	136,544	128,623
	3,327,627	2,916,725
Total bank loans	8,824,439	8,820,898

	2025 HK\$'000	2024 HK\$'000
Bank overdrafts:		
Current		
– unsecured	15,667	167,627
– secured	2,414	689
Total bank overdrafts	18,081	168,316
Total bank loans and bank overdrafts	8,842,520	8,989,214

As at 31 December 2025, the Group's bank loans and bank overdrafts were repayable as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	3,345,708	3,085,041
Between 1 and 2 years	1,187,326	1,908,038
Between 3 and 5 years	4,227,865	3,904,279
Repayable within 5 years	8,760,899	8,897,358
Over 5 years	81,621	91,856
	8,842,520	8,989,214

12. COMMITMENTS

At 31 December 2025, the Group had capital commitments in respect of property, plant and equipment and purchase of business not provided for in these consolidated financial statements as follows:

	2025 HK\$'000	2024 HK\$'000
Contracted but not provided for	502,966	263,982

13. PLEDGE OF ASSETS

At 31 December 2025, the Group's total bank loans of HK\$8,824,439,000 (2024: HK\$8,820,898,000) included an aggregate amount of HK\$142,026,000 (2024: HK\$137,454,000) which is secured. The Group's total bank overdrafts of HK\$18,081,000 (2024: HK\$168,316,000) included an aggregate amount of HK\$2,414,000 (2024: HK\$689,000) which is secured. The securities provided for the secured banking facilities available to the Group are as follows:

- (i) legal charges over certain investment properties, leasehold land and land use rights, freehold land and buildings, warehouse and logistics centres and port facilities with an aggregate net book value of HK\$716,506,000 (2024: HK\$779,938,000);
- (ii) assignments of insurance proceeds of certain properties; and
- (iii) certain balances of restricted and pledged deposits.

14. DISCONTINUED OPERATIONS

Analysis of the results relating to the Discontinued Operations is presented below.

	2024 HK\$'000
Revenue	548,169
Direct operating expenses	(677,807)
Other income and net gains	953
Administration expenses	(64,880)
Finance expenses	(6,171)
Loss before taxation	(199,736)
Taxation	(2,647)
Loss after taxation	(202,383)
Net gain on distribution (net of tax)/cessation of Express Operations	
– Company's shareholders	325,949
– Non-controlling interests	18,364
Profit for the year from discontinued operations	141,930
Exchange differences on translation of discontinued operations	266,618
Other comprehensive income from discontinued operations	(529)

RESULTS OVERVIEW

The Group recorded a drop in revenue of 3% to HK\$56,336 million in 2025 (2024: HK\$58,274 million). Core operating profit decreased by 4% to HK\$2,627 million (2024: HK\$2,725 million). Core net profit increased by 3% year-on-year to HK\$1,396 million (2024: HK\$1,357 million). Profit attributable to the Shareholders was HK\$1,411 million (2024: HK\$1,321 million), which represents a year-on-year increase of 7%.

	2025 HK\$ million	2024* HK\$ million	
Segment profit			
IL	1,262	1,251	+1%
IFF	1,874	1,950	-4%
	3,136	3,201	
Unallocated administrative expenses and others	(509)	(476)	
Core operating profit	2,627	2,725	-4%
Core net profit	1,396	1,357	+3%
Changes in fair value of investment properties, net of deferred tax	(39)	(10)	
Gain on disposal of IMS	59	–	
Profit attributable to the Shareholders and holders of perpetual convertible securities, excluding results generated from discontinued operations	1,416	1,347	+5%
Profit attributable to holders of perpetual convertible securities	(5)	(26)	
Profit attributable to the Shareholders	1,411	1,321	+7%

* For continuing operations only

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

MARKET OVERVIEW

Global economic conditions stayed subdued in 2025 as policy uncertainty, elevated tariffs and persistent geopolitical tensions continued to weigh on worldwide growth. A series of major tariff actions kept the global policy environment highly unpredictable, dampening business confidence and slowing the normalisation of trade and investment flows. Although some measures were partially rolled back in 2025 2H, trade policy uncertainty remained elevated, causing corporations to reassess supply chains and adopt more conservative planning.

The global logistics industry also remained disrupted throughout the year. The Red Sea crisis and regional conflicts continued to affect major shipping routes, prolonging transit times and driving network detours. Multiple tariff announcements triggered rounds of front-loading, particularly ahead of mid-year tariff deadlines, followed by sharp slowdowns once new measures took effect. At the same time, supply chain realignment accelerated, with corporations shifting sourcing and production to South and Southeast Asia as global value chains reconfigured.

Against this backdrop, KLN Group navigated the full year with resilience and agility. Leveraging its diversified business portfolio, strong customer mix and solid presence in Asia, the Group continued to capture new business arising from global supply chain reshuffling and the international expansion of Chinese Mainland enterprises. This, together with disciplined cost management and operational adaptability, enabled the Group to record a 3% increase in core net profit in 2025 despite a 3% decrease in revenue, outperforming the industry average.

INTEGRATED LOGISTICS

In 2025, the Group's IL business recorded a similar segment profit as prior year despite the difficult operating environment. The key markets of Hong Kong and the Chinese Mainland continued to face keen industry competition alongside significant shifts in consumption patterns. Nevertheless, the Group offset pressure on performance by capitalising on growth in other Asian markets and strengthening cost control measures across its network.

Hong Kong's IL business reported a 7% decrease in segment profit, due to market competition, shifting consumption patterns and rising price sensitivity among both visitors and local consumers. The city's retail and F&B sectors remained weak in 2025 as consumers gravitated towards more affordable, value-for-money brands and increasing numbers of residents crossed into the Greater Bay Area for lower-cost dining and shopping, reducing local demand. Although the division secured new customers and project wins in the construction, pharmaceutical and healthcare sectors, these gains were not sufficient to offset the broader slowdown. The relocation of key customers' operations to Qianhai, Shenzhen also weighed on performance.

In the Chinese Mainland, consumer sentiment stayed weak amid a sluggish economy. Heightened industry competition and continued partial or complete relocation of supply chains under the "China Plus One" strategy reduced domestic logistics activity. Meanwhile, consumption downgrading weighed on the demand for electronics, fashion and higher-end products. To mitigate pressure on business performance, the Group undertook rightsizing and streamlining efforts. This, together with the adoption of AI to optimise financial and operational processes, strengthened cost discipline. Nevertheless, after reflecting the impact of these actions, the IL division in the Chinese Mainland reported an 11% decline in segment profit.

In contrast, the IL division in the rest of Asia recorded a 23% increase in segment profit, representing the key growth driver in 2025. Tariff uncertainty and cost considerations accelerated corporations' shift of supply chain activities from the Chinese Mainland to neighbouring markets, particularly in South and Southeast Asia. Leveraging its solid presence and strategic assets in the region, the Group captured new businesses from stable market growth as well as satisfactory performance from KLN Seaport in Thailand.

INTERNATIONAL FREIGHT FORWARDING

Expectations of tighter trade measures and higher tariffs led many firms to accelerate orders, resulting in pronounced frontloading in 2025 1H as demand surged ahead of tariff deadlines. Market sentiment turned cautious starting in 2025 Q3 as uncertainty persisted, leaving overall growth subdued and competition among freight forwarders intense. Against this backdrop, KLN Group's IFF division prioritised maintaining stable volume and disciplined receivables management, resulting in a slight decline in volume and a 4% decrease in segment profit for 2025.

As the global No.1 Trans-Pacific NVOCC from Asia to the US, the IFF business was significantly affected by tariff volatility. Nonetheless, the division quickly capitalised on the demand surge that followed the temporary suspension of the elevated tariff by providing customers with secured space and expedited services. It also benefited from rising demand along alternative Asia-Europe and Intra-Asia corridors, which maintained more stable momentum amid global supply chain diversification.

Driven by the execution of the Engineering, Procurement and Construction (EPC) projects and the revival of the traditional industrial project logistics market, KLN Project business under the Group's IFF division recorded HK\$3.8 billion in revenue in 2025, contributing a significant segment profit in the EMEA region. The business undertakes EPC projects in the energy, power, renewables and construction sectors.

The joint venture between KLN Group and S.F. Holding, which provides ground handling services for international flights at Ezhou Airport in Central China, contributed HK\$387 million in revenue in 2025. With ground handling volume rising 75% year-on-year following the expansion of the international cargo terminal to 420,000 sq ft, air freight ancillary activities have become an important growth driver for the Group's IFF business in the Chinese Mainland. In addition, as the exclusive cargo General Sales Agent (GSA) for S.F. Airlines, the Group recorded double-digit growth in the number of flights and tonnage handled in 2025.

SUSTAINABILITY

KLN Group's commitment to sustainability is anchored in strategic investment in renewable energy solutions, its people, technology and long-term partnerships with its stakeholders. In 2025, the Group advanced its decarbonisation journey through the continued adoption of electric vehicles, installation of solar panels at warehouses, and pilot projects exploring sustainable fuels. Meanwhile, sustainability-related disclosures continue to be strengthened in line with the HKEX ESG Code. These efforts were externally recognised during the year, with the Group receiving upgrades in its ESG ratings, including an improvement to an AA rating under the MSCI ESG Rating and an A+ rating under the Hang Seng Corporate Sustainability Index Series, underscoring the effectiveness of its sustainability strategy, governance framework and disclosure quality.

People are the primary force driving the Group's continued growth. Through WE KARE, the Group not only fosters our people's well-being and inclusivity, but also extends care to their families and the community. Succession planning and professional training further reinforce organisational resilience and continuity, reflecting KLN Group's commitment to nurturing people and strengthening the broader talent pipeline. At the same time, technology is reshaping the way the Group delivers logistics solutions. Robotics, automation, and AI-powered analytics are driving efficiency and supporting long-term sustainability goals. Together, these initiatives position KLN Group to be at the forefront of delivering sustainable logistics solutions in action.

OUTLOOK

The business environment in 2026 is expected to remain volatile and complex, shaped by ongoing geopolitical rivalry and continued uncertainty over tariff-related policies. Notably, the escalation of geopolitical tensions in the Middle East since late February has intensified trade disruption, which may dampen global consumption demand and economic growth. These forces will keep reshaping global supply chains and trade routes, requiring logistics companies to closely monitor rapid shifts and adjust their service models accordingly. At the same time, industry competition is set to intensify further, as major e-commerce players deepen their integration of commerce and logistics, raising customer expectations for speed, flexibility and visibility.

For the IL segment, the Group will continue to build on the new customer gains and project wins secured in 2025 while pursuing new opportunities in emerging sectors. In Hong Kong, on top of new customers and project wins in the construction, pharmaceutical and healthcare sectors, the clean-energy logistics team established in 2025 Q4 is positioned to capture opportunities in this developing segment. In the Chinese Mainland, the independent customs operations ("sealing off") launched at the Hainan Free Trade Port in December 2025 are anticipated to unlock emerging potential. The Group will tap into the growing duty-free market demand by leveraging its logistics infrastructure in Hainan Province. Meanwhile, the Group's newer markets, including Sri Lanka and Mexico, are anticipated to contribute more meaningfully as they continue to scale and enhance operational capabilities.

Global freight markets in 2026 are set to remain volatile with modest air-cargo growth and fluctuating ocean rates as trade flows are being reshaped under ongoing tariff and geopolitical pressures. Capacity growth in both air and ocean markets will also add to competitive pressure, intensifying the focus on efficiency, reliability and diversified routing options. Against this backdrop, the Group's IFF business will continue to emphasise lane diversification, multimodal flexibility and disciplined volume and receivables management. As trade patterns continue to fragment in 2026, KLN Group, with its network strength, secured capacity and ability to offer alternative routing solutions, is well-positioned to support customers, safeguard service reliability and pursue growth selectively in a still uncertain environment.

Despite these headwinds, the global logistics market continues to offer evolving opportunities. Demand for complete supply chain solutions with agility and innovation and through partnership is expanding as corporations rethink their sourcing strategies and diversify production footprints. This creates significant room for logistics players with global solutions, regional strength and sector expertise to support customers' growth and success. Building on the AI-enabled process optimisation achieved in 2025, the Group will continue advancing its digital operating model through the global rollout of standard operating systems, enhanced data quality and wider AI adoption across IL and IFF to sharpen accuracy, strengthen cost discipline and drive further productivity gains.

To fulfil its long-term purpose and stay ahead in a rapidly changing logistics landscape, the Group launched the KLN 2.0 transformation in 2025 Q4, with its implementation to be accelerated in 2026. The transformation provides a clear path to scale faster, strengthen core capabilities and build complementary partnerships, enabling the Group to serve multinational corporations with greater integration, consistency and strategic relevance.

Under the new KLN 2.0 initiative, KLN Group is focused on doubling its business scale by driving rapid growth across network coverage, customer base and shipment volume in the near term. To facilitate this expansion, the Group is building a customer-centric global supply chain powerhouse underpinned by industry-specific solutions to win business with more global companies. The move will also increase the Group's share of business with existing customers, thus enhancing its economies of scale quickly and its competitiveness in the long term.

In the medium term, the Group will upgrade and scale its service capabilities globally to distinguish itself as one of the top 10 global supply chain players. This will include developing a more resilient network, deepening industry expertise and expanding capacity in key markets and sectors to support global customers. The Group will also deploy integrated technology platforms, improve data-driven visibility and enhance process consistency to deliver reliable, high-performance logistics solutions and support sustainable growth across major markets.

In the long term, the Group aims to firmly establish itself as a global top 5 industry player, defined not only by scale but also by innovation, ecosystem leadership and sustainable value creation. The Group will continue strengthening its stakeholder ecosystem – balancing the needs of shareholders, employees, partners, society, government and the environment, with the customer at the centre. As regulatory expectations and customer requirements evolve, the Group will remain committed to industry-leading compliance, transparent communication and high standards of governance, safety and sustainability.

FINANCIAL REVIEW

The Group has centralised financing policies which apply to all business units within the network. The policies are reviewed on a periodical basis along with the change in market situation and financial position of the Group.

Most of the Group's assets and liabilities are denominated in different functional currencies of the overseas subsidiaries' respective countries. The Group generally does not enter into foreign exchange hedges in respect of its long-term equity investments in overseas subsidiaries, associates and a joint venture. For the foreign currency exposure arising from business activities, certain subsidiaries used forward contracts to hedge their foreign exchange exposure from trading transactions during the year, the amount of which was insignificant to the Group. The Group will continue to closely monitor its foreign exchange position and if necessary, hedge its foreign exchange exposure by entering into appropriate hedging instruments. As at 31 December 2025, total foreign currency borrowings amounted to the equivalent of HK\$3,721 million (including HK\$2,877 million denominated in Renminbi and HK\$321 million denominated in SGD), which represented approximately 42% of the Group's total bank loans of HK\$8,824 million.

Out of the Group's total bank loans as at 31 December 2025, HK\$3,328 million (representing approximately 38%) was repayable within one year, HK\$1,187 million (representing approximately 13%) in the second year, HK\$4,228 million (representing approximately 48%) in the third to fifth years and HK\$81 million (representing approximately 1%) over five years. The Group maintains most of its bank loans on an unsecured basis, with unsecured debt accounting for approximately 98% of total bank loans. In relation to the secured bank loans of HK\$142 million as at 31 December 2025, the securities provided include legal charges over certain non-current assets with aggregate net book value of HK\$717 million, assignments of insurance proceeds of certain properties, and certain balances of restricted and pledged deposits. A majority of the bank loans were borrowed at floating interest rates and were not held for hedging purposes.

As at 31 December 2025, the gearing ratio for the Group was 49.9% (31 December 2024: 53.6%). The ratio was calculated as total bank loans and overdrafts, divided by equity attributable to the Shareholders and holders of perpetual convertible securities.

As at 31 December 2025, the Group had total undrawn bank loan and overdraft facilities of HK\$9,848 million which may be used to fund material capital expenditure. The Group will also continue to secure financing as and when the need arises.

As at 31 December 2025, the Group had no material contingent liabilities.

STAFF AND REMUNERATION POLICIES

As at 31 December 2025, the Group had approximately 18,600 employees. The remuneration to employees includes salaries maintained at competitive levels while bonuses are granted on a discretionary basis. The Group provides training to its staff to enhance technical and product knowledge. The Group's remuneration policies are formulated based on the performance of individual employees. Other employee benefits include provident fund, insurance, medical, sponsorship for educational or training programmes and share award scheme.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CG CODE

The Company has applied the principles and code provisions as set out in Part 2 of the CG Code and its corporate governance practices are based on such principles and code provisions. The Directors consider that for the year ended 31 December 2025, the Company has complied with the code provisions as set out in Part 2 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the year ended 31 December 2025.

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

On 10 December 2024, the Company (as the issuer) and SF Holding HK (as the seller) entered into the purchase contract, pursuant to which the Company has agreed to purchase, and SF Holding HK has agreed to sell, the Convertible Securities at the consideration of HK\$744,500,000 in cash. Please refer to the announcement of the Company dated 10 December 2024 and the circular of the Company dated 7 January 2025 for further details. The completion of the repurchase of Convertible Securities took place on 27 January 2025. Following the completion, the Company has cancelled all the Convertible Securities and the rights attaching thereto.

Save as disclosed in this announcement, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares) during the year ended 31 December 2025.

AUDIT AND COMPLIANCE COMMITTEE

The Company has established ACC with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph A.2 as well as paragraph D.3 of Part 2 of the CG Code. ACC consists of two Independent Non-executive Directors, being Ms WONG Yu Pok Marina and Mr LAI Sau Cheong Simon and one Non-executive Director, being Ms OOI Bee Ti. The chairman of ACC is Ms WONG Yu Pok Marina, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

ACC has considered and reviewed the annual results and the accounting principles and practices adopted by the Group and discussed matters in relation to internal control and financial reporting with the management and the independent auditor. ACC considers that the annual financial results for the year ended 31 December 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2025

There were no important events affecting the Group which have occurred since 31 December 2025.

ANNUAL GENERAL MEETING

The annual general meeting of the Company for the year ended 31 December 2025 is scheduled to be held on Thursday, 21 May 2026 at 2:30 p.m. A notice convening the annual general meeting will be issued and disseminated to the Shareholders in due course.

CLOSURE OF REGISTERS OF MEMBERS

The Registers of Members will be closed from Monday, 18 May 2026 to Thursday, 21 May 2026 in order to determine the identity of the Shareholders who are entitled to attend and vote at the forthcoming annual general meeting to be held on Thursday, 21 May 2026. The record date for ascertaining right to attend the forthcoming annual general meeting is Thursday, 21 May 2026. All share transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Friday, 15 May 2026 .

The Registers of Members will also be closed on Thursday, 28 May 2026 in order to determine the entitlement of the Shareholders to the final dividend. The record date for the proposed final dividend is Thursday, 28 May 2026. All share transfers accompanied by the relevant share certificates and transfer forms must be lodged with Tricor Investor Services Limited, at the above address before 4:30 p.m. on Wednesday, 27 May 2026. The final dividend is payable on or around Monday, 8 June 2026 to the Shareholders whose names appear on the Registers of Members on Thursday, 28 May 2026, subject to the consideration and approval of the Shareholders at the forthcoming annual general meeting of the Company.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.kln.com).

The annual report for the year containing all the information required by Appendix D2 to the Listing Rules will be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITIONS

“1H”	first half
“2H”	second half
“ACC”	the audit and compliance committee of the Company
“AI”	artificial intelligence
“Asia”	Asia continent, for the purpose of this announcement only, excludes Greater China and Middle East
“Board”	the board of Directors
“CG Code”	the Corporate Governance Code contained in Appendix C1 to the Listing Rules
“Chinese Mainland”	the PRC and, for the purpose of this announcement only, excludes Hong Kong, Macau and Taiwan
“Company” or “KLN”	KLN Logistics Group Limited (formerly Kerry Logistics Network Limited), incorporated in the British Virgin Islands and continued into Bermuda to become an exempted company with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 636)
“Controlling Shareholder(s)”	shall have the meaning ascribed to it under the Listing Rules
“Convertible Securities”	the 3.30% unlisted perpetual convertible securities in the aggregate principal amount of HK\$780,000,000 issued by the Company
“Director(s)”	director(s) of the Company
“EMEA”	Europe, Middle East and Africa
“ESG”	environmental, social and governance
“ESG Code”	the Environmental, Social and Governance Reporting Code contained in Appendix C2 to the Listing Rules
“F&B”	food and beverage
“Greater China”	for the purpose of this announcement only, the Chinese Mainland, Hong Kong, Macau and Taiwan
“Group” or “KLN Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKAS”	Hong Kong Accounting Standards

“HKEX”	The Hong Kong Exchanges and Clearing Limited
“HKFRS”	Hong Kong Financial Reporting Standards
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“IFF”	international freight forwarding
“IL”	integrated logistics
“IMS”	Shanghai Shunjia Chemical Co., Ltd.* (上海順嘉化工有限責任公司) (formerly Kerry IMS Chemical Storage and Transport (Shanghai) Co., Ltd.* (嘉里化工儲運(上海)有限公司)), a limited liability company established in the PRC
“KEX Express Thailand”	KEX Express (Thailand) Public Company Limited, a public company with limited liability registered in Thailand, which was formerly listed on The Stock Exchange of Thailand (stock symbol: KEX) and is a subsidiary of S.F. Holding
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Macau”	Macao Special Administrative Region of the PRC
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“NVOCC”	non-vessel operating common carrier
“Oceania”	for the purpose of this announcement only, Australia and New Zealand
“Ordinary Share(s)” or “Share(s)”	share(s) of nominal value of HK\$0.50 each of the Company, or, if there has been a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary share capital of the Company
“PRC”	the People’s Republic of China
“Q3”	third quarter
“Q4”	fourth quarter
“Registers of Members”	registers of members of the Company

* For identification purpose only

“S.F. Holding”	S.F. Holding Co., Ltd., a joint stock company established in the PRC with limited liability, the domestic ordinary shares of which are listed on the Shenzhen Stock Exchange (stock code: 002352.SZ) and the overseas listed foreign ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 06936), is a subsidiary of Shenzhen Mingde
“SF Holding HK”	SF Holding (HK) Limited, an indirect wholly-owned subsidiary of S.F. Holding
“SGD”	Singapore dollars, the lawful currency of Singapore
“Shareholders”	the holders of the Shares
“Shenzhen Mingde”	Shenzhen Mingde Holding Development Co., Ltd., one of the Controlling Shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	shall have the meaning ascribed to it under the Listing Rules
“United States” or “US”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“%”	per cent

By Order of the Board
WANG Wei
Chairman

Hong Kong, 30 March 2026

As at the date of this announcement, the Directors of the Company are:

Chairman, Non-executive Director:
Mr WANG Wei

Vice Chairman, Non-executive Director:
Mr KUOK Khoon Hua

Executive Directors:
Mr CHEUNG Ping Chuen Vicky, Mr CHENG Chi Wai and Mr HO Chit

Non-executive Directors:
Ms CHEN Keren and Ms OOI Bee Ti

Independent Non-executive Directors:
Dr CHEUNG Wai Man, Mr LAI Sau Cheong Simon, Mr TAN Chuen Yan Paul and Ms WONG Yu Pok Marina