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亞洲能源物流
ASIA ENERGY
 Logistics

ASIA ENERGY LOGISTICS GROUP LIMITED

亞洲能源物流集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 351)

**ANNOUNCEMENT OF ANNUAL RESULTS
 FOR THE YEAR ENDED 31 DECEMBER 2024**

RESULTS

The board (the “Board”) of directors (the “Directors”) of Asia Energy Logistics Group Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2024, together with the comparative figures for the previous corresponding year, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (re-presented)
<u>Continuing operations</u>			
Revenue	5	48,142	94,628
Cost of revenue		(41,212)	(65,765)
Gross profit		6,930	28,863
Other income	6	1,772	1,775
Staff costs	7(b)	(21,140)	(29,828)
Depreciation		(5,861)	(7,088)
Legal and professional fees		(5,061)	(6,388)
Motor vehicles expenses		(1,396)	(2,769)
Research and development costs		(749)	(259)
Office expenses		(1,896)	(1,770)
Other administrative and operating expenses		(9,540)	(8,543)
Change in fair value of financial assets at FVPL		(7,249)	18,752
Loss on disposal of financial assets at FVPL	7(c)	(5,441)	(2,097)
Impairment loss on goodwill		(1,026)	–
Impairment loss on other receivables	12(b)	(1,337)	–
Amortisation of deferred day-one loss of the 2020 Convertible Bonds		–	(829)
Finance costs	7(a)	(429)	(2,969)

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000 (re-presented)
Loss before tax from continuing operations	7	(52,423)	(13,150)
Income tax expense	8	—	—
Loss for the year from continuing operations		(52,423)	(13,150)
<u>Discontinued operation</u>			
Profit for the year from discontinued operation	10	21,710	24,282
(Loss) Profit for the year		(30,713)	11,132
Other comprehensive loss			
Exchange difference arising on translation of financial statements of foreign operations which may be reclassified subsequently to profit or loss		(133)	(165)
		(133)	(165)
Total comprehensive (loss) income for the year		(30,846)	10,967
(Loss) Profit for the year attributable to owners of the Company:			
– from continuing operations		(51,895)	(11,606)
– from discontinued operation		21,710	24,282
		(30,185)	12,676
Loss for the year attributable to non-controlling interests:			
– from continuing operations		(528)	(1,544)
– from discontinued operation		—	—
		(528)	(1,544)
Total comprehensive (loss) income attributable to:			
– Owners of the Company		(30,310)	12,540
– Non-controlling interests		(536)	(1,573)
		(30,846)	10,967
(Loss) Earnings per share attributable to owners of the Company:			
Basic and diluted			
– from continuing operations (HK cents)		(2.60)	(0.60)
– from discontinued operation (HK cents)		1.09	1.26
	11	(1.51)	0.66

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property, plant and equipment		67,983	136,506
Intangible asset		1,000	1,000
Right-of-use assets		4,464	9,180
Goodwill		–	1,026
		<u>73,447</u>	<u>147,712</u>
Current assets			
Trade and other receivables	<i>12</i>	15,651	22,302
Financial assets at FVPL		20,825	35,418
Bank balances and cash		62,772	14,517
		<u>99,248</u>	<u>72,237</u>
Current liabilities			
Trade and other payables	<i>13</i>	5,349	9,739
Amount due to the ultimate holding company		–	7,000
Lease liabilities		3,362	5,018
		<u>8,711</u>	<u>21,757</u>
Net current assets		<u>90,537</u>	<u>50,480</u>
Total assets less current liabilities		<u>163,984</u>	<u>198,192</u>
Non-current liabilities			
Lease liabilities		<u>1,755</u>	<u>5,117</u>
NET ASSETS		<u>162,229</u>	<u>193,075</u>
Capital and reserves			
Share capital	<i>14</i>	1,981,158	1,981,158
Reserves		(1,818,929)	(1,789,279)
Equity attributable to owners of the Company		<u>162,229</u>	<u>191,879</u>
Non-controlling interests		–	<u>1,196</u>
TOTAL EQUITY		<u>162,229</u>	<u>193,075</u>

NOTES

1. CORPORATE INFORMATION

Asia Energy Logistics Group Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The Company’s registered office and its principal place of business is located at Suite 802-803, 8/F, One Pacific Place, 88 Queensway, Hong Kong. Its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The immediate and ultimate holding company of the Company is Oriental Solar Group Limited (“Oriental Solar”), a company incorporated in the British Virgin Islands and wholly-owned by Mr. Pang Yuet.

The Company and its subsidiaries are herein collectively referred to as the “Group”.

The financial information relating to the years ended 31 December 2024 and 2023 included in this preliminary announcement of annual results for the year ended 31 December 2024 does not constitute the Company’s statutory financial statements for those years but is derived therefrom. Further information relating to the statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (“Hong Kong Companies Ordinance”) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2023 to the Companies Registrar as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2024 in due course.

The Company’s auditor has reported on the consolidated financial statements of the Company for the years ended 31 December 2024 and 2023.

In respect of the years ended 31 December 2024 and 2023, the auditor’s reports:

- were not qualified or otherwise modified;
- did not refer to any matter to which the auditor drew attention by way of emphasis without qualifying the report; and
- did not contain a statement under section 406(2) or 407(2) or (3) of the Hong Kong Companies Ordinance.

2. BASIS OF PREPARATION

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

These consolidated financial statements are presented in Hong Kong dollar (“HK\$”) and all values are rounded to the nearest thousand unless otherwise indicated.

3. ADOPTION OF NEW/REVISED HKFRSs

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2023 consolidated financial statements except for the adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current year:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

Amendments to HKAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the consolidated statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HKAS 1: Non-current Liabilities with Covenants

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HK Interpretation 5: Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

This Interpretation is revised as a consequence of the above Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

The adoption of the amendments on this Interpretation does not have any significant impact on the consolidated financial statements.

Amendments to HKAS 7 and HKFRS 7: Supplier Finance Arrangements

The amendments introduce new disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HKFRS 16: Lease Liability in a Sale and Leaseback

The amendments require a seller-lessee to subsequently determine lease payments arising from a sale and leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

4. SEGMENT INFORMATION

The chief operating decision makers evaluate the performance of and allocate resources to operating segments based on the Group's internal reporting in respect of these segments. The Group's operating segments are structured and managed separately according to the nature of their businesses. The Group's reportable segments are as follows:

Continuing operations:

- (a) Telecommunications related business
- (b) Shipping and logistics
- (c) E-commerce trading business

Discontinued operation:

- (a) Shipping and logistics (in relation to the operations mentioned in note 10)

Segment results represent the results from each reportable segment without allocation of corporate income and expenses.

Year ended 31 December 2024	Continuing operations			Discontinued operation	Total
	Telecommunications related business <i>HK\$'000</i>	Shipping and logistics <i>HK\$'000</i>	E-commerce trading business <i>HK\$'000</i>	Shipping and logistics <i>HK\$'000</i>	
Segment revenue from external customers	<u>5,801</u>	<u>36,101</u>	<u>6,240</u>	<u>31,030</u>	<u>79,172</u>
Segment (loss) profit	<u>(4,118)</u>	<u>(13,467)</u>	<u>13</u>	<u>21,710</u>	4,138
Unallocated income					972
Change in fair value of financial assets at FVPL					(7,249)
Loss on disposal of financial assets at FVPL					(5,441)
Impairment loss on other receivables					(1,337)
Other unallocated corporate expenses					<u>(21,796)</u>
Loss for the year					<u><u>(30,713)</u></u>
Other segment information:					
Depreciation of property, plant and equipment <i>(note (a))</i>	(59)	(4,192)	-	(2,727)	(6,978)
Depreciation of right-of-use assets <i>(note (b))</i>	(455)	(1,281)	-	-	(1,736)
Finance costs <i>(note (c))</i>	(6)	(16)	-	-	(22)
Gain on disposal of the Vessel	-	-	-	4,508	4,508
Impairment loss on goodwill	(1,026)	-	-	-	(1,026)
Additions of property, plant and equipment	<u>-</u>	<u>(4,255)</u>	<u>-</u>	<u>-</u>	<u>(4,255)</u>

Year ended 31 December 2023 (re-presented)	Continuing operations			Discontinued operation	Total
	Telecommunications related business <i>HK\$'000</i>	Shipping and logistics <i>HK\$'000</i>	E-commerce trading business <i>HK\$'000</i>	Shipping and logistics <i>HK\$'000</i>	
Segment revenue from external customers	44,982	49,646	-	49,026	143,654
Segment (loss) profit	(3,158)	(4,718)	-	24,282	16,406
Unallocated income					189
Change in fair value of financial assets at FVPL					18,752
Loss on disposal of financial assets at FVPL					(2,097)
Other unallocated corporate expenses					(22,118)
Profit for the year					11,132
Other segment information:					
Depreciation of property, plant and equipment (<i>note (a)</i>)	(58)	(4,275)	-	(4,583)	(8,916)
Depreciation of right-of-use assets (<i>note (b)</i>)	(1,845)	(2,081)	-	-	(3,926)
Finance costs (<i>note (c)</i>)	(82)	(106)	-	-	(188)
Additions of property, plant and equipment	43	-	-	-	43

Note:

- (a) Depreciation of property, plant and equipment excluded from the measure of segment results during the years ended 31 December 2024 and 2023 amounted to approximately HK\$1,090,000 and HK\$454,000 respectively.
- (b) Depreciation of right-of-use assets excluded from the measure of segment results during the years ended 31 December 2024 and 2023 amounted to approximately HK\$2,976,000 and HK\$2,650,000 respectively.
- (c) Finance costs excluded from the measure of segment results during the years ended 31 December 2024 and 2023 amounted to approximately HK\$407,000 and HK\$2,781,000 respectively.

	2024	2023
	HK\$'000	HK\$'000
Assets		
Continuing operations		
Shipping and logistics	70,711	78,644
Telecommunications related business	6,042	13,236
Discontinued operation		
Shipping and logistics	—	77,040
Segment assets	76,753	168,920
Unallocated corporate assets	95,942	51,029
Consolidated total assets	172,695	219,949
Liabilities		
Continuing operations		
Shipping and logistics	1,988	4,173
Telecommunications related business	1,612	2,343
Discontinued operation		
Shipping and logistics	—	1,415
Segment liabilities	3,600	7,931
Other unallocated corporate liabilities	6,866	18,943
Consolidated total liabilities	10,466	26,874

Geographical information

As at 31 December 2024, apart from the vessel and goodwill, approximately HK\$7,207,000 (2023: HK\$12,555,000) and HK\$50,000 (2023: HK\$569,000) of the Group's non-current assets are located in Hong Kong and the PRC respectively.

Geographical segment information of the Group's revenue arising from provision of shipping and logistics service is not presented as the directors consider that the relevant services are carried out internationally, preclude a meaningful allocation of operating results to specific geographical segments.

Revenue information for the telecommunications related business and e-commerce trading business based on locations of customers is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
The PRC	<u><u>12,041</u></u>	<u><u>44,982</u></u>

Information about major customers

Revenue from customers individually accounting for 10% or more of the revenue of the Group is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (re-presented)
Continuing operations		
Customer A (Shipping and logistics segment)	22,233	49,646
Customer B (Shipping and logistics segment)	13,868	N/A
Customer C (E-commerce trading business)	6,240	N/A
Customer D (Telecommunications related business)	<u><u>N/A</u></u>	<u><u>23,224</u></u>
Discontinued operation		
Customer A (Shipping and logistics segment)	<u><u>31,030</u></u>	<u><u>49,026</u></u>

5. REVENUE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (re-presented)
Continuing operations		
<i>Operating lease income</i>		
Charter-hire income	<u>36,101</u>	<u>49,646</u>
 <i>Revenue from contract with customers within HKFRS 15</i>		
Telecommunications service income recognised over time	<u>5,801</u>	44,982
E-commerce trading income recognised at a point in time	<u>6,240</u>	–
	<u>12,041</u>	<u>44,982</u>
	<u><u>48,142</u></u>	<u><u>94,628</u></u>

The revenue from contracts with customers within HKFRS 15 is based on fixed price.

6. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (re-presented)
Continuing operations		
Bank interest income	823	150
Claims from insurance company	210	126
Exchange gain, net	57	194
Other subsidy income	–	556
Recharge of expenses to charter parties	218	234
Sundry income	<u>464</u>	<u>515</u>
	<u><u>1,772</u></u>	<u><u>1,775</u></u>

7. LOSS BEFORE TAX FROM CONTINUING OPERATIONS

This is stated after charging (crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
(a) Finance costs:		
Interest on other borrowings	30	573
Interest on the 2020 Convertible Bonds	–	1,908
Interest on lease liabilities	399	488
	<u>429</u>	<u>2,969</u>
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
(b) Staff costs (including directors' remuneration):		
Employee benefits expense	20,521	28,449
Contributions to defined contribution plans	619	1,379
	<u>21,140</u>	<u>29,828</u>
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (re-presented)
(c) Other items:		
Auditor's remuneration		
Annual audit	1,200	1,200
Non-annual audit	560	630
Cost of revenue (<i>note</i>)	41,212	65,765
Depreciation of property, plant and equipment	5,341	4,787
Depreciation of right-of-use assets	4,712	6,576
Exchange gain, net	(57)	(194)
Loss on disposal of financial assets at FVPL	5,441	2,097

Note: Cost of revenue from continuing operations includes depreciation of property, plant and equipment of approximately HK\$4,192,000 (2023: HK\$4,275,000) which amount is also included in the respective total amount disclosed separately in “depreciation of property, plant and equipment”.

Included in the cost of revenue was the cost of inventories of approximately HK\$6,227,000 (2023: HK\$Nil).

8. TAXATION

Hong Kong Profits Tax, if any, is calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for the year. The PRC enterprise income tax is provided at the rate of 25% (2023: 25%) on the estimated assessable profits of subsidiaries operating in the PRC.

No provision for income tax has been made as the Group entities either had no estimated assessable profits or incurred tax losses for the years ended 31 December 2024 and 2023.

9. DIVIDENDS

The directors do not recommend the payment of any dividend for the years ended 31 December 2024 and 2023.

10. DISCONTINUED OPERATION

Disposal of a vessel

On 23 May 2024, Lotus Gold Shipping Limited, an indirect wholly-owned subsidiary of the Company, entered into a memorandum of agreement with an independent third party buyer pursuant to which the Group has conditionally agreed to dispose of and the buyer conditionally agreed to acquire a vessel, M/V Clipper Panorama (the “Vessel”), with the cash consideration of US\$9,500,000 (equivalent to approximately HK\$74,100,000). The Vessel was delivered to the buyer on 20 August 2024.

The management considers that the disposal of the Vessel, which are previously grouped under shipping and logistics segment, constituted discontinued operation during the year ended 31 December 2024. Accordingly, certain comparative figures in the consolidated financial statements have been re-presented to separately reflect the results of the discontinued operation. The results and net cash flows of the discontinued operation are summarised as follows:

	From 1 January 2024 to 20 August 2024 HK\$'000	Year ended 31 December 2023 HK\$'000
Revenue	31,030	49,026
Cost of services	(14,208)	(25,048)
Other income	511	428
Operating costs	(131)	(124)
Profit before tax	17,202	24,282
Taxation	—	—
Profit after tax from discontinued operation	17,202	24,282
Gain on disposal of the Vessel	4,508	—
Profit attributable to discontinued operation	<u>21,710</u>	<u>24,282</u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net cash (outflows) inflows		
Operating activities	11,327	23,031
Investing activities	69,341	126
Financing activities	(82,545)	(23,469)
	<u> </u>	<u> </u>
Total cash outflows	<u>(1,877)</u>	<u>(312)</u>

11. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share of the Company is based on the following data:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (re-presented)
(Loss) Profit attributable to owners of the Company		
– Continuing operations	(51,895)	(11,606)
– Discontinued operation	21,710	24,282
	<u> </u>	<u> </u>
Weighted average number of ordinary shares for basic and diluted (loss) earnings per share	<u>1,994,975,244</u>	<u>1,924,290,312</u>
(Loss) Earnings per share		
Basic and diluted		
– Continuing operations (HK cents)	(2.60)	(0.60)
– Discontinued operation (HK cents)	1.09	1.26
	<u> </u>	<u> </u>
	<u>(1.51)</u>	<u>0.66</u>

Diluted (loss) earnings per share for the year ended 31 December 2024 is same as the basic (loss) earnings per share as there was no potential diluted ordinary shares outstanding during the year ended 31 December 2024.

The calculation of diluted (loss) earnings per share for the year ended 31 December 2023 did not assume the conversion of the Company's outstanding convertible instruments since the conversion would result in an anti-dilutive effect on basic (loss) earnings per share, therefore the diluted (loss) earnings per share was the same as basic (loss) earnings per share for the year ended 31 December 2023.

12. TRADE AND OTHER RECEIVABLES

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables			
Service income receivables	<i>12(a)</i>	<u>407</u>	<u>2,921</u>
Other receivables			
Other debtors	<i>12(b)</i>	4,383	6,928
Deposits		1,005	1,719
Deposit for vessel operation	<i>12(c)</i>	354	12,529
Other receivable from a regulated securities broker	<i>12(d)</i>	9,903	–
Prepayments		<u>936</u>	<u>1,207</u>
		16,581	22,383
Less:			
Loss allowance on other receivables	<i>12(b)</i>	<u>(1,337)</u>	<u>(3,002)</u>
		<u>15,244</u>	<u>19,381</u>
		<u>15,651</u>	<u>22,302</u>

12(a) Trade receivables

As at 31 December 2024, all trade receivables aged within 30 to 90 days (2023: 30 to 90 days), based on the invoice date.

12(b) Other debtors

As at 31 December 2024, a balance of HK\$1,337,000 carries interest at interest rate of 10% per annum, is unsecured and past due over 60 days (2023: a balance of HK\$1,137,000 carried interest at interest rate of 10% per annum, was unsecured and repayable in April 2024). The management considers such balance is credit-impaired and an allowance of HK\$1,337,000 (2023: HK\$Nil) has been made during the year. The remaining balances are interest-free, unsecured and repayable on demand.

The Group considered that the amount due from a debtor with carrying amount of HK\$3,002,000 has been past due over 4 years and the possibility of recoverability is low. Accordingly, the amount due from this debtor of HK\$3,002,000 and the allowance for ECL of HK\$3,002,000 recognised in previous years was written off during the year and was not subject to enforcement activities.

12(c) Deposit for vessel operation

The balances represent the monies deposited in designated bank accounts of a vessel management company for daily operating use. The Group is the beneficiaries of these designated bank accounts. The balances are unsecured, repayable on demand and bearing interest at floating daily bank deposit rates.

12(d) Other receivable from a regulated securities broker

The balance represents, the cash balance maintained in a regulated securities broker of HK\$9,903,000 (2023: HK\$Nil). All cash balance was subsequently deposited into the bank account held by the Group.

13. TRADE AND OTHER PAYABLES

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	<i>13(a)</i>	<u>701</u>	<u>2,409</u>
Other payables			
Accruals and other payables		3,770	3,774
Receipts in advance		878	1,624
Other borrowings from a regulated securities broker	<i>13(b)</i>	<u>–</u>	<u>1,932</u>
		<u>4,648</u>	<u>7,330</u>
		<u>5,349</u>	<u>9,739</u>

13(a) Trade payables

The credit period of trade payables is normally within 90 days (2023: 90 days). As at 31 December 2024 and 2023, all trade payables was aged within 30 days, based on the invoice date.

13(b) Other borrowings from a regulated securities broker

As at 31 December 2023, the other borrowings from a regulated securities broker were secured by securities listed in Hong Kong of HK\$35,418,000 and repayable on demand, bore interest at rate of 10% per annum.

14. SHARE CAPITAL

	2024		2023	
	Number of shares	HK\$'000	Number of shares	HK\$'000
Issued and fully paid:				
At beginning of the year	1,994,975,244	1,981,158	1,694,975,244	1,906,379
Conversion of the 2020 Convertible Bonds	—	—	300,000,000	74,779
At end of the year	<u>1,994,975,244</u>	<u>1,981,158</u>	<u>1,994,975,244</u>	<u>1,981,158</u>

BUSINESS REVIEW

During the year under review, the Group was principally engaged in the (i) shipping and logistics business; (ii) telecommunications related business and (iii) e-commerce trading business in The People's Republic of China (the "PRC").

Continuing Operations

Shipping and Logistics

The Group currently operates one dry bulk carrier trading worldwide. The total carrying capacity of the Group's dry bulk fleet is about 32,000 dwt (2023: about 32,000 dwt).

Except for the drydock period, the vessel of the Group was under full employment throughout the year under review.

The Group entered into charter contract with the charterer at a new charter rate which is significantly lower than the previous rate and the charter contract has become effective since July 2024.

For the year under review, the Group recorded a revenue of approximately HK\$36,101,000 (2023: approximately HK\$49,646,000), representing a decrease of approximately 27% as compared to the corresponding period of 2023. The gross profit was approximately HK\$6,545,000 (2023: approximately HK\$23,691,000), representing a decrease of approximately 72% as compared to the same period of 2023. The decrease in revenue and gross profit was mainly affected by the decrease in charter rate of the vessel as aforesaid.

Telecommunications Related Business

The telecommunications related business of the Group are mainly provision of SMS services and 5G communication network solution. For the year under review, the Group recorded a revenue of approximately HK\$5,801,000 (2023: approximately HK\$44,982,000), representing a decrease of approximately 87% as compared to the corresponding period of 2023. The decrease in revenue was due to some customers transitioning from using SMS services to other mobile apps for communication.

The gross profit was approximately HK\$371,000 (2023: approximately HK\$5,172,000), representing a decrease of approximately 93% as compared to the corresponding period of 2023. The decrease in gross profit was mainly due to decrease in revenue as aforesaid.

E-commerce Trading Business

The Group has commenced the e-commerce trading business in the PRC in the fourth quarter of 2024. For the year under review, the Group recorded a revenue of approximately HK\$6,240,000 and a gross profit of approximately HK\$13,000.

Discontinued Operation

On 23 May 2024, the Group and a purchaser, independent third party, entered into the memorandum of agreement pursuant to which the Group conditionally agreed to sell and the purchaser conditionally agreed to purchase the vessel at the consideration of US\$9,500,000 (equivalent to approximately HK\$74,100,000). The disposal was then completed in August 2024. Accordingly, the result of the vessel was presented as discontinued operation for the years ended 31 December 2024 and 2023.

PROSPECTS

Shipping and Logistics

The dry bulk shipping market, a critical component of global trade, is facing significant challenges and opportunities in light of new US tariffs and evolving geopolitical dynamics.

The imposition of new tariffs by the United States has reverberated throughout the dry bulk shipping market, affecting the flow of goods and altering trade patterns. These tariffs can potentially disrupt established supply chains, leading to shifts in demand for shipping services and creating uncertainties for market participants.

Geopolitical developments introduce uncertainties that impact shipping operations and market stability and disrupt maritime traffic, leading to delays, increased costs, and potential risks for cargo shipments.

Considering the above risks, the Group has taken various measures to reduce its operating costs and maintain its profitability. The Company will be in close watch of the market conditions.

Telecommunications Related Business

The traditional SMS business is facing significant challenges due to its customers' shifting operational environment and recent regulatory changes. Some customers have transitioned from using SMS service to other mobile apps for communication. Facing with growing uncertainties and unpredictable factors, the Group's telecommunications business is encountering more obstacles. The Company will carefully promote its business development and cooperation while exploring new customer bases.

E-commerce Trading Business

China is the world's largest e-commerce market. In recent years, the e-commerce industry has developed rapidly and has become a core driving force for economic growth and consumption upgrades. Despite competition in China's e-commerce market is becoming increasingly fierce, product price is becoming increasingly fierce, and the marketing model of the e-commerce market is constantly evolving and innovating, we believe that continuous innovation and maintaining product quality can maintain our competitiveness in the market.

The Directors will continuously look for suitable investments opportunities which will bring in synergy with and positive contributions to the existing businesses.

FINANCIAL REVIEW

For the year under review, the revenue from continuing operations of the Group was approximately HK\$48,142,000 (2023: approximately HK\$94,628,000), representing a decrease of approximately 49% as compared to 2023. The decrease in revenue was mainly contributed by the renewal of charter contracts of the vessel at a lower charter rate and a decrease in the revenue of telecommunication related business.

The Group recorded a loss for the year under review of approximately HK\$30,713,000 (2023: profit of approximately HK\$11,132,000) representing a decrease of approximately 376% as compared to 2023. The increase in loss was mainly attributable to (i) a decrease in the profit of shipping and logistics business which is resulted from a lower renewal charter rate of the vessel, which is disclosed in the section headed “Business Review”, (ii) disposal of the vessel, and (iii) the change in fair value of financial assets at fair value through profit or loss.

For the year under review, the basic and diluted loss per share from continuing operations was HK2.60 cents (2023: HK0.60 cents) whilst the basic and diluted earnings per share from discontinued operation was HK1.09 cents (2023: HK1.26 cents).

Liquidity, Financial Resources and Gearing Ratio

As at 31 December 2024, the Group had:

1. Cash and bank balances of approximately HK\$62,772,000 (2023: approximately HK\$14,517,000);
2. Non-bank borrowings representing other borrowings from a regulated securities broker of approximately HK\$Nil (2023: approximately HK\$1,932,000);
3. Total equity attributable to owners of the Company of approximately HK\$162,229,000 (2023: approximately HK\$191,879,000);
4. Net current assets of approximately HK\$90,537,000 (2023: approximately HK\$50,480,000);
5. Current ratio (being current assets over current liabilities) of approximately 1,139% (2023: approximately 332%); and
6. Gearing ratio (being total debt divided by total equity) of approximately 6% (2023: approximately 14%).

Share Capital

As at 31 December 2024, there were 1,994,975,244 shares in issue (2023: 1,994,975,244 shares).

Capital Commitments

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

Exposure to Fluctuation in Exchange Rates

The Group's assets, liabilities and transactions are mainly denominated either in US dollar, Hong Kong dollar or Renminbi. As the exchange rate of the US dollar to Hong Kong dollar is relatively stable due to the Hong Kong dollar is pegged to the US dollar, the Directors consider that the Group's currency exchange risk is within the acceptable range. Therefore, no hedging devices or other alternatives have been implemented.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year under review.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the best of knowledge of the Directors, the percentage of the shares in the public's hands exceeded 25% throughout the year as required under the Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain a high standard of corporate governance practices and procedures to safeguard the interests of the shareholders and enhance the performance of the Group. The Company has adopted and applied the code provisions as set out in the Corporate Governance Code, Appendix C1 to the Listing Rule (the "CG Code").

During the year ended 31 December 2024, the Company complied with the applicable CG Code and principles, save for the deviations specified and explained below.

Code Provision C.2.1

The post of chief executive of the Company has remained vacant since March 2009. The duties of chief executive had been performed by other executive directors. As there is a clear division of responsibilities of each director, the vacancy of the post of chief executive did not have any material impact on the operations of the Group. Nevertheless, the Board will review the current structure from time to time and if a candidate with suitable knowledge, skill and experience is identified, the Board will make an appointment to fill the post of chief executive as appropriate.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “Model Code”) as the Company’s code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry, all Directors confirmed that they have complied with the Model Code throughout the year ended 31 December 2024.

DIVIDENDS

The Directors do not recommend the payment of any dividend for the year ended 31 December 2024 (2023: Nil).

SCOPE OF WORK OF FORVIS MAZARS CPA LIMITED

The figures in respect of the Company’s consolidated statements of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group’s auditor, Forvis Mazars CPA Limited (“Forvis Mazars”), to the amounts set out in the Company’s draft consolidated financial statements for the year ended 31 December 2024. The work performed by Forvis Mazars in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Forvis Mazars on this announcement.

AUDIT COMMITTEE

The Company has an audit committee which was established with written terms of reference in compliance with the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process, the risk management policies and internal control system of the Group. The audit committee currently comprises three independent non-executive directors of the Company, namely, Mr. Ng Kwun Wan, Mr. Wong Cheuk Bun and Mr. Hon Ming Sang.

The consolidated financial statements of the Group for the year ended 31 December 2024 have been reviewed by the audit committee.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the “AGM”) will be held on 23 May 2025. Details of the AGM are set out in the notice of the AGM which constitutes part of the circular is to be sent to the Company’s shareholders together with the annual report. Notice of the AGM and the proxy form will also be available on websites of both The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company.

For the purpose of determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 19 May 2025 to Friday, 23 May 2025 (both days inclusive), during which the period no transfer of shares will be registered. In order to be entitled to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 16 May 2025.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.aelg.com.hk>). The annual report of the Company for the year ended 31 December 2024 will be despatched to the shareholders and made available for review on the same websites in due course.

By Order of the Board
Asia Energy Logistics Group Limited
Pang Yuet
Chairman and Executive Director

Hong Kong, 14 March 2025

As at the date of this announcement, the executive directors of the Company are Mr. Pang Yuet (Chairman), Mr. Sun Peng and Mr. Wang Jizhuo; the non-executive director of the Company is Ms. Liu Siyuan; and the independent non-executive directors of the Company are Mr. Ng Kwun Wan, Mr. Wong Cheuk Bun and Mr. Hon Ming Sang.