

Asia-express Logistics Holdings Limited 亞洲速運物流控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 8620

First Quarterly Report 2021/2022



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*This report, for which the directors (collectively the “**Directors**” or individually a “**Director**”) of Asia-express Logistics Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”, “**we**”, “**our**” or “**us**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

*Unless otherwise defined herein, capitalised terms used in this report shall have the same meanings as those defined in the Prospectus of the Company dated 31 March 2020 (the “**Prospectus**”).*



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Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the three months ended 30 June 2021

	Notes	Three months ended 30 June	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	4	102,046	80,005
Other income		617	1,709
Other gains and losses		(36)	6
Employee benefits expenses		(13,460)	(9,746)
Dispatch labour costs		(30,441)	(28,158)
Transportation costs		(44,802)	(36,109)
Warehousing operating costs		(6,697)	(3,647)
Depreciation of property, plant and equipment		(1,801)	(1,435)
Depreciation of right-of-use assets		(3,336)	(2,152)
Other expenses		(2,874)	(1,866)
Finance costs		(539)	(550)
Share of results of an associate		12	35
Loss before tax		(1,311)	(1,908)
Income tax expense	5	—	—
Loss for the period	6	(1,311)	(1,908)
Other comprehensive income that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		255	1
Other comprehensive income for the period		255	1
Total comprehensive expense for the period		(1,056)	(1,907)
Loss for the period attributable to owners of the Company		(1,311)	(1,908)
Total comprehensive expense for the period attributable to owners of the Company		(1,056)	(1,907)
Loss per Share (HK cents)			
Basic	7	(0.27)	(0.41)

Unaudited Condensed Consolidated Statement of Changes in Equity

For the three months ended 30 June 2021

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Exchange reserve HK\$'000	Statutory reserve HK\$'000 (Note a)	Retained profits HK\$'000	Total HK\$'000
At 1 April 2020 (audited)	—*	3,882	1,876	(605)	2,431	33,992	41,576
Loss for the period	—	—	—	—	—	(1,908)	(1,908)
Other comprehensive income	—	—	—	1	—	—	1
Total comprehensive income for the period	—	—	—	1	—	(1,908)	(1,907)
Capitalisation issue	3,600	(3,600)	—	—	—	—	—
Issue of shares pursuant to the share offer	1,200	58,800	—	—	—	—	60,000
Share issuance costs	—	(21,778)	—	—	—	—	(21,778)
At 30 June 2020 (unaudited)	4,800	37,304	1,876	(604)	2,431	32,084	77,891
At 1 April 2021 (audited)	4,800	37,304	1,876	(70)	2,431	26,283	72,624
Loss for the period	—	—	—	—	—	(1,311)	(1,311)
Other comprehensive income	—	—	—	255	—	—	255
Total comprehensive income for the period	—	—	—	255	—	(1,311)	(1,056)
At 30 June 2021 (unaudited)	4,800	37,304	1,876	185	2,431	24,972	71,568

* Less than HK\$1,000

Notes:

- (a) Amount represents statutory reserve of the subsidiaries of the Company established in the People's Republic of China (the "PRC"). According to the relevant laws in the PRC, the subsidiaries in the PRC are required to transfer at least 10% of its net profit after taxation, as determined under the relevant accounting principles and financial regulations applicable to enterprises established in the PRC, to a non-distributable reserve fund until the reserve balance reaches 50% of its registered capital. The transfer to this reserve must be made before the distribution of a dividend to owners. Such reserve fund can be used to offset the previous years' losses, if any, and is non-distributable other than upon liquidation.



Notes to the Consolidated Financial Statements

For the three months ended 30 June 2021

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 2 January 2018 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares (the “Shares”) have been listed on GEM of the Stock Exchange on 20 April 2020 (the “Listing”). The addresses of the Company’s registered office and principal place of business in Hong Kong are Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands and Unit 1613–1615, Level 16, Tower 1 Metroplaza, 223 Hing Fong Road, Kwai Fong, Hong Kong, respectively.

The controlling shareholder of the Company is 3C Holding Limited, a company incorporated in the British Virgin Islands, and is owned as to 95% and 5% by Mr. Chan Le Bon (“Mr. LB Chan”) and Mr. Chan Yu, respectively.

The principal activity of the Company is investment holding. The principal activities of the Group are the provision of air cargo terminal operation services, transportation services and warehousing and value-added services in Hong Kong and the PRC.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The quarterly financial information has been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules. The quarterly financial information does not include all the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by Hong Kong Institute of Certified Public Accountants (“HKICPA”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 March 2021 (the “2021 Financial Statements”). The principal accounting policies applied in preparing this quarterly financial information are set out in note 3 to the 2021 Financial Statements.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2021. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years. The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. REVENUE

Revenue represents the amounts received and receivable for services provided in the normal course of business.

An analysis of the Group’s revenue for the three months ended 30 June 2021 and 2020 is as follows:

	Three months ended 30 June	
	2021	2020
	HK\$’000	HK\$’000
	(unaudited)	(unaudited)
Air cargo terminal operation services		
— Ground handling	24,428	27,376
— Ancillary delivery	17,421	15,576
Transportation services	27,876	22,904
Warehousing and other value-added services	32,321	14,149
	102,046	80,005

5. INCOME TAX EXPENSE

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
The tax charge comprises:		
Hong Kong Profits Tax — current tax	—	—
PRC enterprise income tax — current tax	—	—
	—	—
Deferred tax	—	—
	—	—

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for both periods.

PRC enterprise income tax (“EIT”) is calculated at 25% of the estimated assessable profits for both periods. Pursuant to the relevant laws and regulations in the PRC, one of the Company’s PRC subsidiaries is entitled to 10% PRC EIT for both periods as the subsidiary is qualified as small entities for a reduced tax rate.

6. LOSS FOR THE PERIOD

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Loss for the period has been arrived at after charging:		
Auditor’s remuneration	150	125
Directors’ remuneration	388	783
Other staff costs:		
Salaries, discretionary bonuses and other benefits	12,529	9,276
Retirement benefits scheme contributions	543	444
Government grants from Employment Support Scheme	—	(757)
	13,460	9,746

7. LOSS PER SHARE

The calculation of the basic loss per Share is based on the following data:

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Loss:		
Loss for the period attributable to owners of the Company for the purpose of calculating basic loss per share	(1,311)	(1,908)
	2021	2020
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	480,000,000	460,219,780

The number of ordinary Shares for the purpose of calculating basic loss per Share for the relevant periods is based on the assumption that the Shares issued pursuant to the reorganisation and the capitalisation issue that took place on 17 April 2020, which is the issue of 359,999,782 Shares made upon capitalisation of certain sums standing to the credit of the share premium account of our Company, had been effective on 1 April 2019.

No diluted loss per Share for both periods was presented as there were no potential dilutive ordinary Shares in issue.

8. DIVIDENDS

No dividends were paid, declared or proposed during the three months ended 30 June 2021 (2020: Nil). The Directors resolved not to pay an interim dividend for the three months ended 30 June 2021 (2020: Nil).



Management Discussion and Analysis

BUSINESS REVIEW AND PROSPECTS

The Group is an established air cargo ground handling services provider in Hong Kong. Our air cargo ground handling services principally cover (i) air cargo terminal operation; (ii) transportation; and (iii) warehousing and other value-added services. We utilise our full suite of services to deliver integrated solutions to global express carriers, air cargo terminal operators, freight forwarders and corporates domestically and regionally. The Group has over 20 years of experience in the air cargo ground handling services industry with our headquarter located in Hong Kong.

During the period, the Group continued to implement its growing strategies and was actively seeking for new business opportunities. Our air freight container freight station warehouse (the “**Air Freight CFS Warehouse**”) in Hutchison Logistics Centre and the new warehouse located in ATL Logistics Centre, both situated in the center hub of Hong Kong logistics business, Kwai Chung, improved our logistics capability in providing a one stop logistics service including local transportation, warehousing and cargos-screening services to handle the strong demand for cargos-screening services from our existing customers and potential customers. Besides, we have successfully secured a new contract with one of our major customers for the coming three years, which allows us to continue to play an important role in the logistics industry.

Looking forward, we will continue to utilise our existing industry knowledge to expand our core strengths and target to explore more business opportunities, with higher profit margin, and also continue to exercise careful cost control measures to strengthen our competitiveness in the logistics industry.



FINANCIAL REVIEW

Revenue

During the three months ended 30 June 2021, our overall revenue increased by approximately HK\$22.0 million or 27.5% from approximately HK\$80.0 million for the three months ended 30 June 2020 to approximately HK\$102.0 million for the three months ended 30 June 2021. The increase mainly contributed by the increase in revenue generated from the provision of warehousing and other value-added services by approximately HK\$18.2 million or 128.4% to approximately HK\$32.3 million for the three months ended 30 June 2021 as compared to that of approximately HK\$14.1 million for the three months ended 30 June 2020. Such increase was benefited from the business generated from the expanded operations of our Air Freight CFS Warehouse and our new warehouse located in ALT Logistics Centre during the period.

Other income

Other income decreased by approximately HK\$1.1 million or 63.9% to approximately HK\$0.6 million for the three months ended 30 June 2021 as compared to that of approximately HK\$1.7 million for the three months ended 30 June 2020. Other income for the three months ended 30 June 2021 represented mainly the subsidies from the “Pilot Subsidy Scheme for Third-party Logistics Service Providers”, launched by the Hong Kong Government on encouraging the adoption of technology by the logistics sector for enhancing efficiency and productivity of approximately HK\$0.5 million. Whereas, other income for the three months ended 30 June 2020 represented mainly the “One-off Subsidy” from the Anti-epidemic Fund established by the Hong Kong Government, to provide financial support to the transport trades in view of the severe impact of the COVID-19 pandemic, which amounted to approximately HK\$1.4 million.

Other gains and losses

Other gains and losses mainly represented exchange gain and loss. Our Group recorded other losses of approximately HK\$36,000 and other gains of approximately HK\$6,000 for the three months ended 30 June 2021 and 2020, respectively.

Employee benefits expenses

Employee benefits expenses consisted primarily of wages and salaries, retirement benefits scheme contributions and other allowances and benefits. The employee benefits expenses increased by approximately HK\$3.7 million or 38.1% from approximately HK\$9.7 million for the three months ended 30 June 2020 to approximately HK\$13.5 million for the three months ended 30 June 2021. Such increase was mainly due to: (i) the general increase in average wages; (ii) increase in headcount for providing warehousing and other value-added services; and (iii) there was Government grants from Employment Support Scheme of approximately HK\$0.8 million for the three months ended 30 June 2020 to offset the employee benefits expense, which was absent for the three months ended 30 June 2021.



Dispatch labour costs

The dispatch labour costs represented the amount paid to our dispatched work agencies for the provision of our air cargo ground handling services, warehousing services and other value-added services. It increased by approximately HK\$2.3 million or 8.1% to approximately HK\$30.4 million for the three months ended 30 June 2021 as compared to that of approximately HK\$28.2 million for the three months ended 30 June 2020. Such increase was mainly driven from the increase in need of manpower for the expanded operations of our Air Freight CFS Warehouse and our new warehouse located in ALT Logistics Centre to maintain the daily operation of warehousing and X-ray screening services to serve our new customers.

Depreciation of property, plant and equipment and right-of-use assets

For the three months ended 30 June 2021, the depreciation of property, plant and equipment and right-of-use assets amounted to approximately HK\$5.1 million, representing an increase of approximately HK\$1.6 million or 43.2% as compared to that of approximately HK\$3.6 million for the three months ended 30 June 2020. Such increase was consistent with the increase in property, plant and equipment and the lease liabilities of motor vehicles, machinery and warehouses for the expanded operation of our two warehouses in Kwai Chung during the three months ended 30 June 2021.

Transportation costs

Transportation costs increased by approximately HK\$8.7 million or 24.1% to approximately HK\$44.8 million for the three months ended 30 June 2021 as compared to that of approximately HK\$36.1 million for the three months ended 30 June 2020. Such increase was mainly due to the increased service fees paid to external transportation service providers during the three months ended 30 June 2021.

Warehousing operating costs

Warehousing operating costs increased by approximately HK\$3.1 million or 83.6% to approximately HK\$6.7 million for the three months ended 30 June 2021 as compared to that of approximately HK\$3.6 million for the three months ended 30 June 2020. Such increase was mainly due to the increased expenses incurred from the expanded operation of our Air Freight CFS Warehouse and our new warehouse located in ATL Logistics Centre, driven by the increased business generated from new customers in warehousing and other value-added services segments.



Other Expenses

Our other expenses mainly included utilities expenses, insurance, professional fees and other miscellaneous operating expenses. It increased by approximately HK\$1.0 million or 54.0% to approximately HK\$2.9 million for the three months ended 30 June 2021 as compared to that of approximately HK\$1.9 million for the three months ended 30 June 2020, which was primarily due to the increased insurance expenses and professional fees incurred during the period. For the three months ended 30 June 2021, the Group has also donated HK\$230,000 to certain charitable organisations (2020: nil).

Finance costs

Our finance costs remained relatively stable at approximately HK\$0.5 million and HK\$0.6 million for the three months ended 30 June 2021 and 2020, respectively.

Income tax expenses

There were no assessable profit for the three months ended 30 June 2021 and 30 June 2020.

Loss for the period

For the three months ended 30 June 2021, our Group recorded a net loss of approximately HK\$1.3 million (for the three months ended 30 June 2020: approximately HK\$1.9 million). The decrease in net loss for the three months ended 30 June 2021 was mainly due to the expanded operations of our Air Freight CFS Warehouse and the new warehouse located in ATL Logistics Centre that led to an increase in revenue generated from warehousing and other value-added services as compared to that for the three months ended 30 June 2020.

Use of proceeds

Based on the offer price of HK\$0.5 per offer share, the net proceeds from the Listing, after deducting the underwriting commission and other estimated expenses, amounted to approximately HK\$17.8 million. The Group intended to apply such net proceeds in accordance with the purposes set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus. During the three months ended 30 June 2021, the Group has applied the net proceeds as follows:

	Unutilised amount as at 31 March 2021	Utilised amount during three months ended 30 June 2021	Unutilised amount as at 30 June 2021
	HK\$'000	HK\$'000	HK\$'000
Expansion and upgrading of our transportation fleet	3,325	680	2,645
Expansion of our labour force	105	53	52
Acquisition of x-ray screening systems	2,508	227	2,281
Investment in and upgrading of our information technology systems	2,993	102	2,891
Total	8,931	1,062	7,869

The unutilised net proceeds from the Listing are placed in the bank accounts of the Group in Hong Kong.

Disclosure of Additional Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2021, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests in the Company

Long positions in the ordinary Shares

Name of Director/ chief executive	Capacity/Nature of interest	Number of Shares held <i>(Note i)</i>	Approximate percentage of the Company's issued share capital
Mr. LB Chan	Interest in a controlled corporation <i>(Note ii)</i>	330,120,000	68.8%
Mr. Choy Wing Hang, William ("Mr. William Choy")	Interest in a controlled corporation <i>(Note iii)</i>	29,880,000	6.2%

Notes:

- (i) All interests in the Shares are in long position.
- (ii) The Shares are owned by 3C Holding Limited. The entire issued share capital of 3C Holding Limited is owned as to 95% by Mr. LB Chan and as to 5% by Mr. Chan Yu, respectively. Mr. LB Chan is deemed to be interested in such number of Shares held by 3C Holding Limited.
- (iii) Diligent City Limited owns approximately 6.2% of the entire issued share capital of the Company. Mr. William Choy is deemed to be interested in such number of Shares held by Diligent City Limited as Mr. William Choy owns 100% of Diligent City Limited.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2021, so far as the Directors are aware, the following persons (other than the Director and the chief executive of the Company) had or deemed or taken to have an interest and/or short position in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register of interests required to be kept by the Company under section 336 of the SFO:

Long positions in the ordinary Shares

Name of shareholder	Capacity/Nature of interest	Number of Shares held (Note i)	Approximate percentage of the Company's issued share capital
3C Holding Limited	Beneficial owner	330,120,000	68.8%
Diligent City Limited	Beneficial owner	29,880,000	6.2%
Ms. Leung Song	Interest of spouse (Note ii)	29,880,000	6.2%

Notes:

- (i) All interests in the Shares are in long position.
- (ii) Ms. Leung Song is the spouse of Mr. William Choy. Ms. Leung Song is deemed to be interested in the same number of Shares in which Mr. William Choy is deemed to be interested in under the SFO.

Save as disclosed above, as at 30 June 2021, the Company has not been notified of any other persons (other than the Director or the chief executive of the Company) or entities who had or deemed or taken to have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the “Share Option Scheme”) on 27 March 2020. For the principal terms of the Share Option Scheme, please refer to the paragraph headed “Other Information — 15. Share Option Scheme” in Appendix IV to the Prospectus. Up to the date of this report, no share option has been granted, lapsed, exercised or cancelled by the Company pursuant to the Share Option Scheme.



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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 30 June 2021.

DIRECTORS' INTERESTS IN CONTRACTS

For the three months ended 30 June 2021, no Director had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party.

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' COMPETING INTERESTS

For the three months ended 30 June 2021, save as disclosed in the annual report 2021, none of the Directors or substantial shareholders of the Company or any of their respective close associates (as defined under the GEM Listing Rules) has interest or engaged in any business that compete or may compete with the business of the Group, or have any other conflict of interests with the Group.

DIRECTORS' SECURITIES TRANSACTIONS


The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**"). The Company, having made specific enquiry of all the Directors, is not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the three months ended 30 June 2021.

CORPORATE GOVERNANCE

The Directors consider that during the three months ended 30 June 2021, the Company has applied the principles and complied with all the applicable code provisions set out in Appendix 15 – Corporate Governance Code to the GEM Listing Rules.

COMPLIANCE ADVISER'S INTEREST

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed South China Capital Limited ("**South China**") as the compliance adviser of the Company from the date of the Listing. The appointment of South China has been terminated on 31 August 2020. Upon the termination of the appointment with South China, the Company has appointed Giraffe Capital Limited ("**Giraffe**") as its new compliance adviser with effect from 1 September 2020. For further details, please refer to the announcement of the Company in relation to the change of compliance adviser dated 1 September 2020.



As notified by Giraffe, save for the compliance adviser agreement entered into between the Company and Giraffe, neither Giraffe nor any of its directors, employees or close associates (as defined under the GEM Listing Rules) had any interest in the Company or any member of the Group (including interest in the securities of the Company or any member of the Group, and options or rights to subscribe for such securities) during the three months ended 30 June 2021, which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established an audit committee (the “**Audit Committee**”) with written terms of reference aligned with the provision of the code provisions set out in Appendix 15 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the Audit Committee comprises Mr. Fu Lui (Chairman), Mr. Chan Chi Ho and Ms. Chui Sin Heng, all of whom are independent non-executive Directors. The Audit Committee had reviewed the accounting principles and practices adopted by the Group and are of the view that the unaudited first quarterly report has been prepared in compliance with the applicable accounting standard, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made. The condensed consolidated financial results of the Group for the three months ended 30 June 2021 are unaudited, but have been reviewed by the Audit Committee.

DIVIDEND

No dividend has been paid or declared by the Company, or by any of the companies now comprising the Group during the three months ended 30 June 2021.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisition or disposal of subsidiaries or associates during the three months ended 30 June 2021.

EVENT AFTER REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has been taken place after the three months ended 30 June 2021 and up to the date of this report.



PUBLICATION OF FIRST QUARTERLY REPORT

This first quarterly report is published on the Company's website (www.asia-expresslogs.com) and the website of the Stock Exchange (www.hkexnews.hk). The 2021/2022 first quarterly report of the Company containing all the information required by the GEM Listing Rules will be despatched to the shareholders of the Company pursuant to Rule 18.03 of the GEM Listing Rules.

On behalf of the Board

Mr. Chan Le Bon

Chairman

Hong Kong, 13 August 2021

As at the date of this report, the executive Directors are Mr. Chan Le Bon and Mr. Chan Yu; the non-executive Director is Mr. Choy Wing Hang William; and the independent non-executive Directors are Mr. Fu Lui, Mr. Chan Chi Ho and Ms. Chui Sin Heng.