2024
ANNUAL REPORT

YesAsia Holdings Limited
(Incorporated in Hong Kong with limited liability)
Stock Code : 2209

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lau Kwok Chu (劉國柱) *(Chief Executive Officer)*
Ms. Chu Lai King (朱麗琼) *(Chairperson)*
Mr. Chu Kin Hang (朱健恒)

Non-executive Directors

Mr. Lui Pak Shing Michael (雷百成)
Mr. Hui Yat Yan Henry (許日昕)
Mr. Poon Chi Ho (潘智豪)

Independent Non-executive Directors

Mr. Chan Yu Cheong (陳汝昌)
Mr. Sin Pak Cheong Philip Charles (冼栢昌)
Mr. Wong Chee Chung (王子聰)

AUDIT COMMITTEE

Mr. Wong Chee Chung (王子聰) *(Chairman)*
Mr. Hui Yat Yan Henry (許日昕)
Mr. Sin Pak Cheong Philip Charles (冼栢昌)
Mr. Chan Yu Cheong (陳汝昌)

REMUNERATION COMMITTEE

Mr. Chan Yu Cheong (陳汝昌) *(Chairman)*
Mr. Poon Chi Ho (潘智豪)
Mr. Wong Chee Chung (王子聰)
Mr. Sin Pak Cheong Philip Charles (冼栢昌)

NOMINATION COMMITTEE

Mr. Sin Pak Cheong Philip Charles (冼栢昌) *(Chairman)*
Mr. Chu Kin Hang (朱健恒)
Mr. Chan Yu Cheong (陳汝昌)
Mr. Wong Chee Chung (王子聰)

COMPANY SECRETARY

Mr. Ng Sai Cheong (伍世昌)

AUTHORISED REPRESENTATIVES

Mr. Lau Kwok Chu (劉國柱)
Mr. Ng Sai Cheong (伍世昌)

AUDITOR

RSM Hong Kong
Certified Public Accountants
Registered Public Interest Entity Auditor
29th Floor
Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

HEAD OFFICE AND REGISTERED OFFICE IN HONG KONG

5/F., KC100, 100 Kwai Cheong Road
Kwai Chung, New Territories,
Hong Kong

LEGAL ADVISOR AS TO HONG KONG LAWS

Ronald Tong & Co.

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited

STOCK CODE

2209

CORPORATE WEBSITE

www.yesasiaholdings.com

SHOPPING WEBSITES

www.yesstyle.com
www.asianbeautywholesale.com
www.yesasia.com

"AGM"	annual general meeting of the Company
"AMR"	automated robot equipment used in the integrated system of hardware and software for warehouse and logistics management functions
"Articles"	Articles of Association of the Company
"*AsianBeautyWholesale*" or "*ABW*"	the Group's wholesale business of beauty products via the *www.AsianBeautyWholesale.com* and offline channels
"Audit Committee"	the audit committee of our Company
"Board" or "Board of Directors"	the board of directors of our Company
"CG Code"	Corporate Governance Code as amended from time to time contained in Appendix C1 to the Listing Rules
"CN Logistics"	CN Logistics International Holdings Limited (嘉泓物流國際控股有限公司) (a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2130))
"Code Provisions"	code provisions set out in the CG Code
"Companies Ordinance"	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Company", "our Company", "the Company" or "YesAsia Holdings"	YesAsia Holdings Limited (喆麗控股有限公司), a company incorporated with limited liability in Hong Kong on 11 March 2005, or, where the context requires (as the case may be), its predecessor, YesAsia.com, Inc. (formerly known as Asia CD, Inc.), a company incorporated in California, the United States on 18 December 1997, and except where the context indicates otherwise (i) our subsidiaries and (ii) with respect to the period before our Company became the holding company of our present subsidiaries, the business operated by our present subsidiaries or (as the case may be) their predecessors
"Comprehensively Sanctioned Countries"	any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions related laws or regulation
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules and, in the context of this annual report, refers to Mr. Lau and Ms. Chu

DEFINITIONS AND GLOSSARY

"Core Market"	US, UK, Australia and Canada
"Deed of Non-Competition"	a deed of non-competition undertaking dated 24 June 2021 provided by Mr. Lau and Ms. Chu (in their capacities as our Controlling Shareholders) in favour of our Company (for itself and as trustee for our subsidiaries) relating to certain non-competition undertakings given by Mr. Lau and Ms. Chu
"Directors" or "our Directors"	the directors of our Company
"EEA"	European Economic Area
"EU"	European Union
"Group", "our Group", "we" or "us"	our Company and its subsidiaries or, where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"HKT Group"	HKT Limited, together with its subsidiaries
"HKT Limited"	HKT Limited (a company the share stapled units of which that are jointly issued with the HKT Trust are listed on the Main Board of the Stock Exchange (Stock Code: 6823))
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"KOL"	key opinion leader, a person or an organization who has expert product knowledge and influence in a particular field, who is trusted by relevant interest groups and has significant effects on consumer behaviour, we define KOL as person or organization we facilitate collaboration with, who normally has more than 100,000 followers on social media platforms
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time

"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the GEM
"Mapletree Smart Robotics Warehouse"	the smart warehouse located at Mapletree Logistics Hub with approximately 147,468 square feet in Tsing Yi equipped with AMR
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules
"Mr. Chu"	Mr. Chu Kin Hang, brother-in-law of Mr. Lau and brother of Ms. Chu, an executive Director
"Mr. Lau"	Mr. Lau Kwok Chu, one of the founders of our Group, an executive Director, the chief executive officer and one of our Controlling Shareholders
"Ms. Chu"	Ms. Chu Lai King, one of the founders of our Group, an executive Director, Chairperson and one of our Controlling Shareholders
"Nomination Committee"	the nomination committee of the Board
"Non-Core Market"	Countries and regions except for the Core Market
"PCCW"	PCCW Limited (a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 0008))
"PCCW e-Ventures"	PCCW e-Ventures Limited, an indirectly wholly-owned subsidiary of PCCW, and held 39,704,030 shares of the Company, representing approximately 9.69% of the total number of issued shares of the Company as at 31 December 2024
"PCCW Group"	PCCW, together with its subsidiaries
"pp"	percentage point
"Pre-IPO Share Option Schemes"	YesAsia Holdings 2016 General Stock Option Plan approved and adopted by the Company on 30 June 2016, particulars of which are set out in "Report of the Directors" to this annual report
"Prior Year"	the year ended 31 December 2023

DEFINITIONS AND GLOSSARY

"Prospectus"	prospectus of the Company dated 28 June 2021
"Remuneration Committee"	the remuneration committee of our Company
"Reporting Year"	the year ended 31 December 2024
"Sanctioned Person(s)"	certain person(s) and entity(ies) listed on The US Department of Treasury's Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List or other restricted parties lists maintained by the US, the European Union, the United Nations or Australia
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share Option Schemes"	the Pre-IPO Share Option Schemes and the Post-IPO Share Option Scheme
"Share Split"	the subdivision of one Share of the Company into ten shares of the Company pursuant to the resolutions passed by the Shareholders on 9 June 2021
"Share(s)"	ordinary share(s) in the share capital of our Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"The First Founding Investor"	the first investor who provides the seed funding for a start-up company
"UK" or "U.K."	the United Kingdom
"US", "United States" or "U.S."	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
"US$" or "US Dollar"	United States dollar, the lawful currency of the United States
"*YesAsia*" or "*YesAsia Platform*"	the *YesAsia platform* with its website at *www.YesAsia.com*
"*YesStyle*" or "*YesStyle Platforms*"	the *YesStyle platforms*, which include the website at *www.YesStyle.com* and the *YesStyle* Mobile apps

The financial information contained in this five–year financial summary does not constitute the Company's statutory annual consolidated financial statements for any of the financial years ended 31 December 2024, 2023, 2022, 2021, and 2020, but is derived from those published audited consolidated financial statements and the Prospectus, and restated upon the adoption of the new or amended accounting standards and interpretations as appropriate. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

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

The Company's auditor has reported on these consolidated financial statements for all five years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under either sections 406(2), 407(2) or (3) of the Companies Ordinance.

	2024 ***US$'000***	2023 *US$'000*	2022 *US$'000*	2021 *US$'000*	2020 *US$'000*
Revenue	**345,782**	201,339	128,592	162,018	173,319
Profit/(loss) for the year	**19,042**	7,572	(6,782)	(2,065)	11,220
Total assets	**120,569**	74,485	63,722	69,887	63,377
Total liabilities	**(67,579)**	(39,431)	(36,585)	(33,600)	(40,923)
Net assets	**52,990**	35,054	27,137	36,287	22,454

KEY HIGHLIGHTS

	Year ended 31 December		
	2024 (Audited) *US$'000*	2023 (Audited) *US$'000*	Change *(%)*
Revenue	**345,782**	201,339	71.7%
Gross profit	**105,386**	62,698	68.1%
Gross profit margin[1]	**30.5%**	31.1%	(0.6pp)
Profit for the year	**19,042**	7,572	151.5%
Net profit margin[2]	**5.5%**	3.8%	1.7pp
Proposed final dividend	**HK7.5 cents**	HK5.0 cents	50.0%

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Net profit margin is calculated based on profit for the year divided by revenue and multiplied by 100%.

	Year ended 31 December		
	2024	2023	2022
Number of E-commerce platform customers *(YesStyle Platforms)*[1]	**2,258,000**	1,423,000	977,000
Number of customers *(AsianBeautyWholesale)*[2]	**5,800**	5,600	2,900
Average order size *(YesStyle Platforms)*[3] *(US$)*	**$66.2**	$64.9	$69.5
Average order size *(AsianBeautyWholesale)*[3] *(US$)*	**$2,064.2**	$1,555.0	$1,121.9
Acquisition cost per new customer *(YesStyle Platforms)*[4] *(US$)*	**$12.2**	$10.3	$12.6
Revenue generated by fashion and lifestyle products *(US$'000)*	**$24,563**	$35,213	$51,967
Revenue generated by beauty products *(US$'000)*	**$318,742**	$162,230	$69,568
Revenue generated by entertainment products *(US$'000)*	**$1,994**	$2,718	$5,308
Return rate *(YesStyle)*	**0.4%**	0.7%	1.2%
Return rate *(AsianBeautyWholesale)*	**0.7%**	0.6%	0.3%
Return rate *(YesAsia)*	**0.2%**	0.1%	0.2%

Notes:

(1) A person is considered as a customer of our *YesStyle Platforms* during a reporting period if the invoice of his/her/its order has been issued within the reporting period.

(2) A person is considered as a customer of our *AsianBeautyWholesale* (website and offline) during a reporting period if the invoice of such order has been issued within the reporting period.

(3) The average order size is equal to the total order amount divided by the number of orders (excluding canceled orders). Total order amount represents the amount paid by our customers for the value of products purchased, and before indirect tax payment, effects on foreign exchange, post-sale order refund and adjustments, and other accounting adjustments.

(4) This represents marketing and promotion fees incurred during the year divided by the number of new customers acquired across *YesStyle Platforms* during the same period. A new customer is a customer where first invoice of his/her/its first ever order has been issued within the reporting years. A guest visitor who made his/her purchase during different reporting periods without specific customer identification data is counted as a new customer for each of the reporting years.

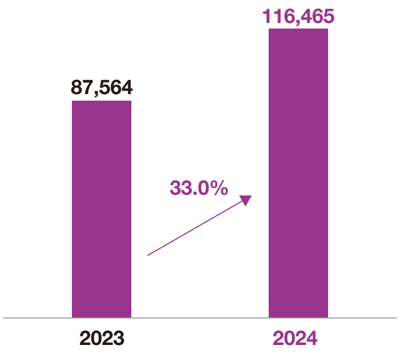
	Year ended 31 December		
YesStyle Platforms	**2024**	2023	2022
Number of *YesStyle* Mobile App downloads for the year *(Includes iOS and Android)*	**4,469,000**	4,043,000	1,103,000
Influencer Program expenses *(US$'000)*	**$5,932**	$3,247	$2,281
Revenue generated by the *YesStyle* Mobile App *(US$'000)*	**$129,732**	$70,018	$43,223
Revenue generated from influencers' referrals *(US$'000)*	**$73,287**	$40,422	$21,901

REVENUE BY REGIONS

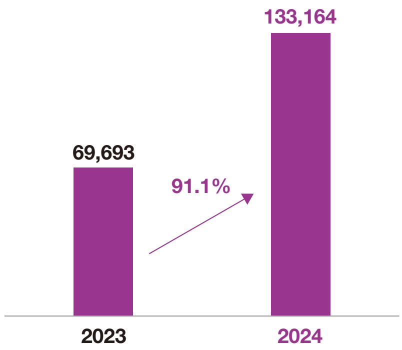
US$'000

The Group

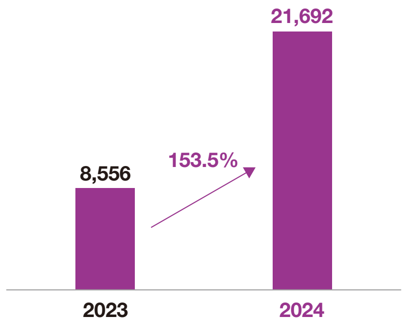
US



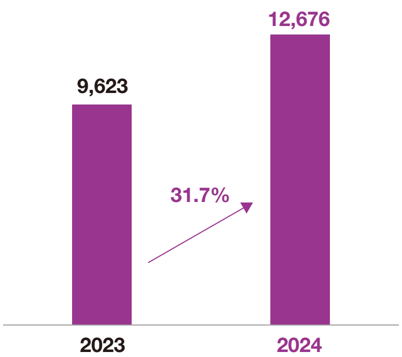
UK/EU/EEA/Switzerland



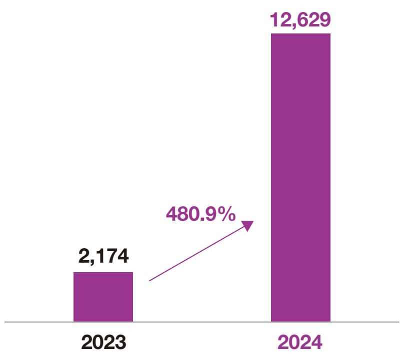
Middle East



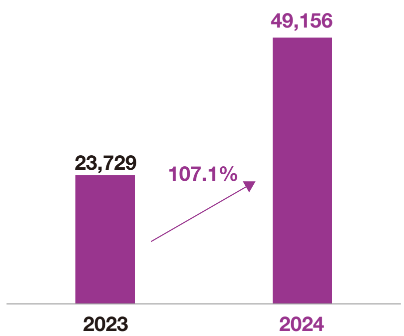
Oceania



Latin America



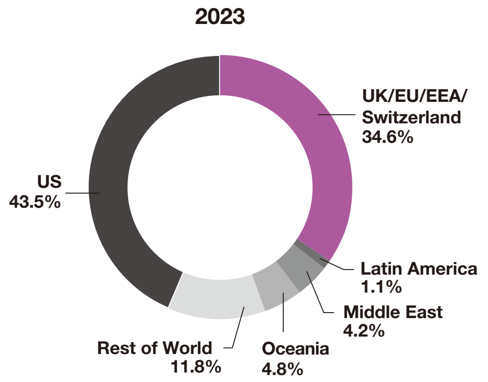
Rest of World

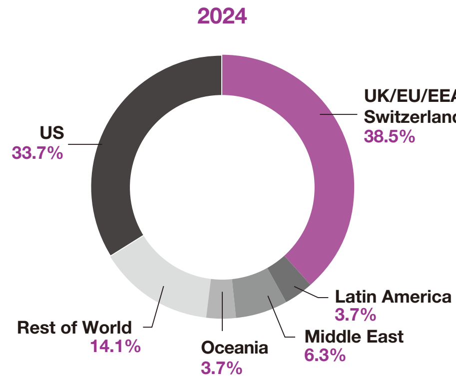


KEY HIGHLIGHTS

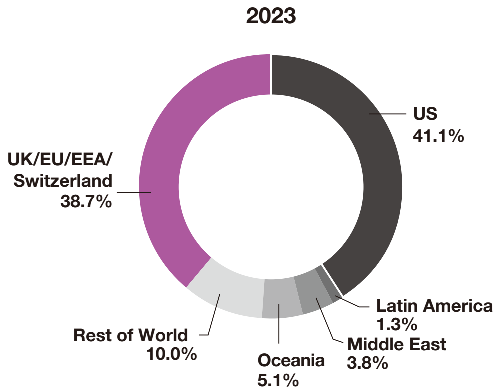
REVENUE BY REGIONS (continued)

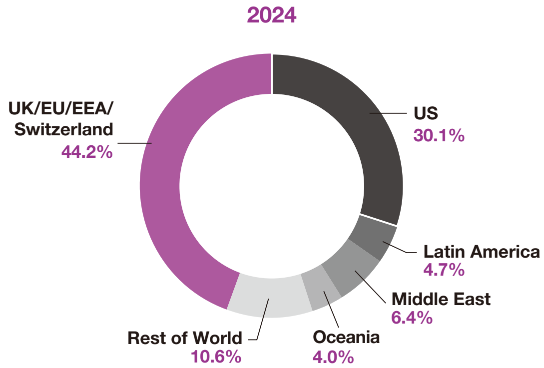
The Group



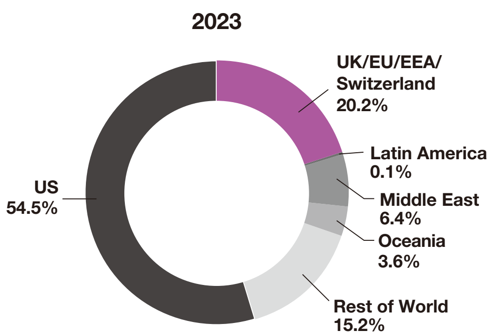


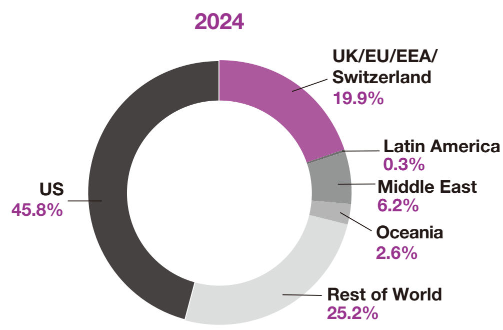
YesStyle Platforms





AsianBeautyWholesale





Dear Shareholders,

We are pleased to present to you the 2024 YesAsia Holdings Annual Report highlighting the Company's first-year successful implementation of the global expansion strategy. The fast business growth was contributed by both the *YesStyle* business-to-consumer ("**B2C**") business, and also the *AsianBeautyWholesale* business-to-business ("**B2B**") business.

REVENUE GROWTH AND PROFITABILITY

We are delighted to announce that in 2024, YesAsia Holdings achieved record high annual consolidated revenue of approximately US$345,782,000, representing remarkable growth of approximately 71.7% compared to the Prior Year's revenue of approximately US$201,339,000. It is also worth noting that the revenue growth in 2024 has accelerated from the 56.6% growth in 2023, which validated the success of our expansion strategy. Furthermore, the Group generated profit of approximately US$19,042,000 in 2024, which was an increase of approximately 151.5% of the profit we made in 2023. The net profit margin improves from approximately 3.8% in 2023 to approximately 5.5% in 2024.

THE START OF THE GLOBAL EXPANSION STRATEGY

Following the successful turnaround of the business and profitability in 2023, the Group has focused on implementing a new global expansion strategy in 2024. We leverage the partnership we have developed with many Korean beauty brands over the past 10 years to assist our business to expand into different countries and regions in the world. Our Group is the authorized distributor of over 400 Korean cosmetics companies and the authorization covers many countries and regions in the world.

The English-speaking countries of US, UK, Canada and Australia ("**Core Market**") have, for the most part throughout the 27 years of our Company's history, contributed the majority of our revenue. In 2024, recognizing the rising popularity of K-Beauty in many other parts of the world, the Group has deployed more resources to penetrate the "Non-Core Market", defined as all countries excluding US, UK, Canada and Australia. As a result, the revenue of "Non-Core Market" grew by approximately 117.0% in 2024, while the weighting of revenue of "Non-Core Market" has increased from approximately 39.7% of our Group's total revenue in 2023 to approximately 50.2% in 2024.

YesStyle, our flagship E-commerce platform offers 5 European languages, namely, French, German, Italian, Spanish and Dutch. Together with effective influencer and social media marketing, *YesStyle Platforms* enabled the Group to increase its EU revenue growth by approximately 91.3% in 2024.

The Spanish language offered by *YesStyle Platforms* also enabled our penetration into many Latin American countries with Spanish Language as their official language – in 2024, the Group experienced an outstanding revenue growth of approximately 536.1% in Latin America.

In August 2024, *YesStyle Platforms* also launched the Arabic language support. The new language support fueled the Middle East market, which experienced a revenue growth of approximately 178.0% in 2024.

THE OPPORTUNITY OF THE GLOBAL K-BEAUTY B2B MARKET

We started the *ABW* in 2017 to cater for global business customers looking to source beauty products from Asia. Riding on the soaring demand for K-Beauty products in the markets we serve, *ABW* has been experiencing extraordinary growth since 2023. On top of approximately 234.4% of revenue growth in 2023, *ABW* achieved another year of fast revenue growth of approximately 100.2% in 2024, bringing in approximately US$77,670,000 revenue.

We set up a warehouse in US near Los Angeles in May 2023 to provide better logistics support to our US B2B customers. Since then, we have been increasing the warehouse inventory and scheduling monthly South Korean-US ocean shipments to serve the growing demand in the US. Similarly, in 2024, we have setup two additional warehouses, one in UK and the other in Germany, to assist our B2B business expansion in UK and Europe.

ABW has provided Asian beauty products and B2B support to over 5,800 business customers in 2024, many of whom are small to medium sized businesses. *ABW* also set up a new corporate sales team in November 2024 and, in January 2025, appointed a new Chief Executive Officer of *ABW* with extensive global B2B experience. We believe that our recent *ABW* team expansion shall enable us to extend our B2B support and services to larger corporate customers. For example, *ABW* recently entered into a strategic partnership with Kiokii Inc., a leading Asian beauty retain chain in Canada with 12 stores. *ABW* aims to forge new partnership with more retail chains across many of our overseas markets this year.

LOGISTICS UPDATE

We have continued to invest in our warehouse automation and fulfilment capability to further reduce fulfilment labour costs and improve order fulfilment performance. Our existing AMR warehouse in Goodman Interlink, Tsing Yi, has saved approximately US$6,593,000 in labour cost in 2024 which was attributable to the deployment of its 161 AMR. Total number of shipments also increased by an impressive approximate of 1.5 times in 2024 compared with the pre-AMR period of year 2022.

In order to support the anticipated increase in customer orders in the coming few years, the Group is setting up a second AMR warehouse in Mapletree Logistics Hub, Tsing Yi. More sizable than the first one, the second AMR warehouse is expected to be equipped with 240 AMRs. Its launch, scheduled for April 2025, shall double our fulfilment capacity.

DIVIDEND

The Board recommended the declaration of a final dividend payment of HK7.5 cents per Share to all Shareholders.

AWARDS AND RECOGNITIONS

Our leadership in e-commerce, and the soundness of our business are well recognized by the business community. In 2024, YesAsia Holdings was selected as one of the constituents of the MSCI Hong Kong Micro Cap Index, which is under the MSCI Global Cap Indexes. Assessments for the index are based on key factors, including minimum market capitalization, free float and liquidity, foreign inclusion factor requirement, and minimum length of trading requirement.

YesAsia Holdings Limited was also recognised by the 2024 Corporate Innovation Index (CII), a project by the Asia-Pacific Institute of Business (APIB) of The Chinese University of Hong Kong to recognize the achievements of Hong Kong enterprises in innovation leadership, business performance and business model enhancement. It also won the Cross-border Corporate – Outstanding Award at the 2024 Standard Chartered Corporate Achievement Award.

OUTLOOK

Looking forward, the era of global expansion for K-Beauty products will still be going strong for both Core and Non-Core Markets. The market value of K-Beauty products is expected to grow from US$13.59 billion in 2024 to US$25.98 billion in 2032.

To accelerate our expansion in Europe, which is home to over 40 countries, the Group has recently setup a new Berlin office to recruit marketing talents with European language capabilities. We believe that K-Beauty popularity has just started in many countries in Europe and we expect mainland Europe, as a region, will surpass US as the largest revenue source for the Company in 2025. *YesStyle* is well positioned to capitalize on the continuing growth when K-Beauty goes mainstream in Europe in the coming years.

YesStyle has recently launched a Spanish language Instagram account which attracted plenty of followers within a short period of time. We have also recruited Spanish-speaking content creators in Seoul to further promote K-Beauty brands, products, and skincare routines to the audience in Spain, as well as over 19 Spanish speaking countries and territories in Latin America.

We are confident that YesAsia Holdings will reach new heights in the coming year, even as global businesses brace themselves for increasing uncertainty in geopolitics and global trade relations. Our reliance on US revenue has also been reduced from approximately 43.5% in 2023 to approximately 33.7% in 2024 as we are expanding our business to many other countries and regions in the world. We will continue with this revenue diversification strategy in years to come.

Furthermore, we will deploy more resources to focus on the development of the B2B business. The success of the B2B expansion will help our company to tap into the growth of the offline retail market, which is several times the size of the online market. At the same time, the growth of our B2B business allows us to increase our purchase volume from suppliers and therefore helps to improve both our supply price and business margin.

In conclusion, we are proud to share YesAsia Holdings' outstanding accomplishments in 2024. We are ready to devote more resources to expanding our beauty focus strategy that was launched in early 2023. Determined to consolidate our B2C leadership and enhance our B2B business capabilities, we are confident in sustaining our growth and profitability as K-Beauty grows mainstream in more and more countries and regions in the world.

LETTER TO THE SHAREHOLDERS

We would like to express our gratitude to our shareholders for their continuous support of YesAsia Holdings and belief in our business expansion strategy. We would also like to extend our appreciation to our dedicated team members whose teamwork and innovation have been instrumental in overcoming numerous challenges, and capitalizing the promising market opportunities we are seeing.

Thank you once again for your trust and confidence in YesAsia Holdings.

Lastly, we would like to share a quote from Tao Te Ching, in Chapter 64, which emphasizes the importance of strategy and planning in developing and expanding our business:

"It is easy to sustain when there is good order and structure;
It is easy to contemplate when the issue is yet to arise;
Deal with the thing while it is still nothing;
Keep things in order before disorder sets in.
A terrace nine-story high
Rises from a pile of earth;
A journey of a thousand miles
Starts from beneath one's feet."

"其安易持，其未兆易謀。為之於未有，治之於未亂。九層之台，起於累土；千里之行，始於足下。"

We hope 2025 brings good health, happiness and many blessings to you and your families.

Priscilla CHU Lai King
Founder and Chairperson

Joshua LAU Kwok Chu
Founder and CEO

28 March 2025

BUSINESS OVERVIEW

The robust growth momentum of the Group continued well into 2024, during which its revenue reached another historical high. Revenue increased across all regions for both retail and wholesale business, with Europe overtaking the US as the major revenue growth driver.

During the Reporting Year:

– Revenue increased by about 71.7% to approximately US$345,782,000 (2023: US$201,339,000).

– Retail revenue from *YesStyle* and other platforms grew 67.4% to approximately US$265,635,000 (2023: US$158,655,000), while wholesale revenue rose 100.2% to approximately US$77,670,000 (2023: US$38,788,000). *AsianBeautyWholesale*, on the other hand, contributed to 22.5% of the Group's revenue in 2024 (2023: 19.3%).

– Net profit jumped 1.5 times to approximately US$19,042,000 (2023: US$7,572,000) when net profit margin reached 5.5% (2023: 3.8%).

Market diversification: Non-Core Market becoming the main revenue source

– Non-Core Market, defined as countries and regions except for the Core Market encompassing US, UK, Australia and Canada, made up approximately 50.2% of revenue in 2024, compared with approximately 39.7% in 2023.

– The growth of revenue from Non-Core Market has also been consistently outpacing the revenue growth of Core Market since 2023 (2024: approximately 117.0% (Non-Core Market) vs approximately 41.9% (Core Market), 2023: approximately 104.8% (Non-Core Market) vs approximately 35.6% (Core Market)).

– Amid across-the-board revenue growth, the distribution of revenue by market has changed. US, which has traditionally made up over half of the revenue, only accounted for approximately 33.7% (2023: 43.5%) of the Group's revenue in 2024, despite recording double-digit growth.

– Non-Core Market made up approximately 50.2% (2023: 39.7%) of the revenue in 2024 with Europe taking the lead; France and Germany contributed to 9.9% (2023: 8.5%) and 6.0% (2023: 6.3%) of the Group's revenue respectively.

– About 6.3% (2023: 4.2%) and 3.7% (2023: 1.1%) of the Group's 2024 revenue came from Middle East and Latin America respectively.

– Non-Core Market, especially Europe, will become increasingly prominent in the Group's portfolio, whereas US will still play an important role.

Building up Marketing Capabilities in Non-Core Markets

- To fuel the rapid expansion in Non-Core Market, the Group has focused on expanding its marketing capabilities in 40 European countries, 19 Spanish-speaking Latin American countries, and 25 Arabic speaking countries.

- In 2024 August, *YesStyle Platforms* launched an Arabic version of its website in addition to French, German, Spanish, Italian, Dutch, English and Chinese, boasting eight languages in total.

- It also sets a Berlin office in 2024 November and hired an on-the-ground marketing team with European and Arabic language capabilities.

- *YesStyle Platforms* was ranked the No.1 most visited platform by traffic for Asian beauty products in many major overseas markets, including;

Core Market	**Non-core Market**
US, UK, Canada, Australia	Europe: France, Germany, Italy, Netherlands, Spain, Poland, Greece and Belgium
	Latin America: Mexico, Chile and Peru
	Middle East: United Arab Emirates and Kingdom of Saudi Arabia

  In addition, *YesStyle* ranked among the top 10 beauty and cosmetic sites in the US. Notably, *YesStyle* is the only site in this ranking that focuses on Asian beauty products.

- *YesStyle Platforms* had approximately 17,400,000 (2023: 13,335,000) registered members as at 31 December 2024 with average monthly visits of approximately 15,667,000 times (2023: 10,935,000 times) during the Reporting Year.

- The number of product stock keeping unit (SKU) on *YesStyle Platforms* reduced to approximately 527,000 (2023: 745,000) as at 31 December 2024. The reduction in number of SKU aligns with our beauty focus strategy such that it improves our inventory management and operation efficiency.

- The cumulative number of *YesStyle* mobile app downloads rose by 37.7% to approximately 16,304,000 times (2023: 11,836,000 times) as at 31 December 2024.

- *YesStyle* successfully launched 3 mega sale campaigns, namely K-Beauty Festival Mega Sale, Anniversary Mega Sale and Black Friday Mega Sale in 2024 with sale quantity average uplift ranged from over 300% to over 2,000%.

Expansion in local and overseas logistic network

We have broadened our logistics network in Hong Kong, US, and Europe to provide faster and more competitively priced delivery worldwide, while strengthening our supply chain agility in face of changing international trade landscape.

i) *Hong Kong: a second autonomous mobile robotics (AMR) warehouse*

- The Group has invested in a second AMR warehouse to enlarge the scope of its smart warehouse solutions, which enable it to quickly, accurately satisfy any spike in shipment volume without incurring significant costs.

- The Mapletree Smart Robotics Warehouse, is set for commencement of operation in around April 2025. Boasting 147,468 sq. ft. in gross floor area with 240 AMRs, it will replace the existing AMR warehouse (137,525 sq. ft.) as the largest AMR warehouse in Hong Kong.

- The existing AMR warehouse in Goodman Interlink, Tsing Yi, is expected to achieved return on automation investment within three years since its launch in 2022 October, earlier than the original schedule. In 2024, it achieved approximately US$6,593,000 (2023: US$3,374,000) in labour cost saving. Its 161 AMRs managed over 10,000 shipments daily, achieving an impressive increase of approximately 1.5 times in total number of shipments compared to the pre-AMR year of 2022.

ii) *Overseas warehouses in UK, Germany, and US*

- In 2024 May, we set up a warehouse in Hahn, Germany, and in Sheffield, UK to offer speedy delivery service (1-3 days in UK; 1-7 days in EU) at a more competitive price.

- Like the Group's warehouse in California, US, the two new warehouses work in partnership with vendors, and are responsible for inventory management, order pick and pack, and fulfilment.

- The California warehouse provided direct shipment of 70 brands from South Korea to US in 2024.

B2B Business Expansion: AsianBeautyWholesale (ABW)

– The Group has set up a corporate sales team to facilitate wholesale orders, which are multiple times bigger than retail orders.

– Revenue from *ABW* grew to approximately US$77,670,000 (2023: US$38,788,000), contributing approximately 22.5% (2023: 19.3%) of the Group's total revenue.

– A*BW*'s number of customers, number of orders and average order size rose by approximately 4.3%, 48.5% and 32.7% respectively as compared to the Prior Year.

Social media marketing and AI-powered customer journey

The continued global boom in K-beauty market is driven by digital savvy, young customers who have a penchant for online marketplace, social-media platforms, and unique experiences. We were the first in the market to heavily invest in its social media marketing and AI technologies, which have contributed to our exponential growth over the past few years. For example, our aggressive *YesStyle* Influencer Program, which boasted approximately 403,000 (2023: 333,000) unique influencers in 2024, guaranteed both audiences reach and a steady stream of unique content.

Here is an overview of our social media and digital initiatives:

i) *KOLs, and YesStyle Influencer Program*

- During the Reporting Year, revenue generated from influencer referrals increased to approximately US$73,287,000 (2023: US$40,422,000), amounting to approximately 27.6% of the *YesStyle Platforms'* revenue (2023: 25.5%).

- The total number of unique influencers under *YesStyle* Influencer Program grew to approximately 403,000 in 2024 (2023: 333,000), plus approximately 1,500 KOLs.

- The success of these initiatives also enhanced the presence of *YesStyle* social media platforms. For example, as of end of 2024, *YesStyle* has approximately 1,600,000 Instagram ("**IG**") followers and 73,000,000 reel views, up approximately 23.1% and 98.4% respectively compared with 2023.

- Short-form videos have become increasingly popular. For 2024, the *YesStyle* marketing team has produced 360 videos on IG Reels, attracting approximately 73,000,000 views (2023: 318 videos and 36,801,000 views on IG reels).

- Popularity of *YesStyle* on TikTok boomed in 2024 with number of followers grew by 93.7% to approximately 734,000 as at the year end of 2024 (2023: 379,000) and the number of views surged by approximately 217.2% to approximately 29,887,000 as of 31 December 2024 (2023: 9,422,000).

- *YesStyle* introduced new comprehensive influencer account management services, including the strategic oversight of brand IG and TikTok influencer accounts during the Reporting Year. *YesStyle*'s expertise encompasses content creation, influencer recruitment for product seeding campaigns, identification of potential influencers, and ongoing influencer engagement to ensure optimal brand alignment and audience reach. As at 31 December 2024, 20 brands joined the program.

ii) *YesStyle Key Product Program*

- The Group was able to leverage its extensive logistics network and brand partnerships to dispatch real products to KOLs and influencers for product seeding.

- Promotion products enjoyed high visibility via *YesStyle* homepage (website and app), social media platforms, and product seeding campaigns among KOLs and influencers.

- In 2024, *YesStyle* achieved multi-fold increase in sales for promotion products, especially in mega sales campaigns that promoted collective buying.

iii) *AI-powered customer journey:*

- Powered by AI technology, our customer relationship management (CRM) system enhanced the relevance of customer journey by collecting and analysing customer data. It has successfully increased customer retention rate, and revenue from existing customers while reducing operational costs.

- Revenue facilitated by the CRM system increased to approximately US$58,351,000 during the Reporting Year (2023: US$26,023,000), representing an increase of approximately 124.2%.

- The number of *YesStyle* loyalty program members grew by approximately 34.2% to approximately 15,585,000 as at end of 2024 (2023: 11,617,000).

- *YesStyle* Student Program, targeting Generation Z students, reached approximately 169,000 members in 2024 (2023: 98,000), where revenue generated went up by approximately 46.6% to approximately US$7,543,000 (2023: US$5,145,000).

- There was also a 77.4% growth in active email opener counts, demonstrating the success of AI-generated electronic direct-marketing content based on data-driven insight.

Cost control

While we are investing into business development, cost control remains crucial to the e-commerce industry as it grapples with increased uncertainties that bring about both challenges and opportunities. As we develop our business agility and strength, we have been able to keep our expenses growth in line with our revenue growth:

– Our selling expenses, excluding payment gateway charges, amounted to approximately US$33,341,000 for 2024 (2023: US$18,719,000), representing an increase of approximately 78.1%, which is in line with the growth rate of the Group's revenue (approximately 71.7%) during the Reporting Year.

– Administrative staff costs (excluding directors' emoluments), on the other hand, rose approximately 34.5% to approximately US$22,530,000 for 2024 (2023: US$16,755,000), which was due to (i) expansion of headcount and (ii) bonus provisions amounted to approximately US$4,106,000 (2023: US$1,138,000) based on the Group's progressive bonus scheme with results in the Reporting Year far exceeded the targets set at the beginning of the Reporting Year.

PROSPECTS

We believe we are strategically positioned to navigate geopolitical complexities, and to continue to lead in both retail and wholesale sectors of the K-beauty e-commerce market around the world. For the way forward, we are going to align our strategies and operations with the following themes that should set the direction of our growth for the next few years.

Focus on Non-Core market

The international appetite for K-beauty products remains strong. From 2024 to 2032, the market value of K-beauty products is anticipated to almost double from US$13.59 billion to US$25.98 billion, representing a compound annual growth rate (CAGR) of 8.4% during the period.

South Korea continued to be the top country for beauty product imports into the US in 2024, surpassing French products. Nonetheless, the market size of European market is comparable to that of the US. In addition, the beauty market growth in the Middle East, Africa, and Latin America outperforms that of other regions.

Against this backdrop, we expect the growth in Non-Core Market to continue to outstrip Core Market. We will, therefore, continue to expand our multi-lingual marketing capabilities and logistic networks in Europe, Middle East and Latin America.

With the success in running campaigns in 2024, we will launch 9 seasonal campaigns including 3 mega sale, in 2025 to further drive *YesStyle* growth.

Expansion into global wholesale market

To capitalize on the soaring global demand for Asian beauty products, the Group is expanding into global wholesale market, aggressively forging partnerships with high-street retail chains to elevate Asian brands in the offline retail market, which is several times the size of online retail.

To capitalize on the soaring demand for Asian beauty products in North America, *ABW* has expanded its strategic course to actively engage with retailers, acknowledging the value of collaborative growth.

i) *Appointment of new ABW CEO*

The Group has appointed Howon Song ("**Mr. Song**") to become the new Chief Executive Officer of *ABW*, effective from 2025 January. With his expertise in K-Beauty industry and global B2B strategy, Mr. Song set up and lead dedicated teams in South Korea and Hong Kong to forge new partnerships for *ABW*. He will also optimize logistical operations, supervise B2B marketing strategies on a global scale, and raise the profile of K-beauty products among global retailers.

*ii) Partnership with Canadian beauty chain, Kiokii Inc. ("**Kiokii**")*

ABW and Kiokii is forging a strategic alliance to elevate the presence of Asian brands in the North American market. As an ally, *ABW* will play a vital role in the expansion plan of Kiokii by providing support in marketing strategies and utilizing big data analytics to help introduce new products to its shops.

Kiokii aims to grow the number of its stores from 12 to 25 by the end of 2025. It also plans to unveil its first flagship store in 2025 Q3 at American Dream, the second-largest mall in the US, with *ABW* supplying the latest seasonal Asian products.

The alliance marks *ABW*'s first formal entry into the offline retail market in North America. It also signifies a new era where *ABW* will leverage the combined global and local, as well as online and offline, expertise with its partners to expand its global footprints.

Business agility and resilience

Business agility will increasingly become an imperative in light of geopolitics and heightened tension in international trade relations, which could result in trade intervention policies. It is our strategic priority to build up the strength and agility of our supply chain.

Through prioritising the expansion of our wholesale business, and committing our resources to enhancing our logistics capabilities, we will strive to increase the economies of scale, where the increased bulk, volume and velocity of our shipment shall improve our bargaining power with suppliers.

On the other hand, the highly automated facilities in our Hong Kong warehouses, and our logistic network in US, UK and Europe will also enable us to make agile arrangements in response to global events. For example, we can choose to ship in bulk from South Korea to our US warehouse, and fulfil our orders locally to mitigate the impact of geographical and trade tensions.

Social media and digital marketing

To engage our digital savvy consumers, we will continue to expand our *YesStyle* Influencer program to provide appealing content and unique experience with brand products on various social media platforms. To cater for the global interest in South Korean culture, we plan to set up a studio in Korea in 2025, and recruit overseas influencers to produce videos on site for their followers.

FINANCIAL REVIEW

Revenue

Our revenue increased by approximately US$144,443,000 or 71.7% from approximately US$201,339,000 during the Prior Year to approximately US$345,782,000 during the Reporting Year. The increase was primarily attributable to the following:

- approximately US$106,980,000 or 67.4% increase in sales contributed by *YesStyle* and other platforms to approximately US$265,635,000 during the Reporting Year from approximately US$158,655,000 during the Prior Year;
- approximately US$38,882,000 or 100.2% increase in sales contributed by *AsianBeautyWholesale* to approximately US$77,670,000 during the Reporting Year from approximately US$38,788,000 during the Prior Year, offset by;
- approximately US$724,000 or 26.6% decrease in sales contributed by entertainment products to approximately US$1,994,000 during the Reporting Year from approximately US$2,718,000 during the Prior Year; and
- approximately US$695,000 or 59.0% decrease in income contributed by logistics services to approximately US$483,000 during the Reporting Year from approximately US$1,178,000 during the Prior Year.

The following table sets forth the breakdown of our revenue by business segments:

	Year ended 31 December				
	2024		2023		
	US$'000	***As % of total revenue***	*US$'000*	*As % of total revenue*	*Change (%)*
Fashion & lifestyle and beauty products					
– *YesStyle* and other platforms	**265,635**	**76.8**	158,655	78.8	67.4
– *AsianBeautyWholesale*	**77,670**	**22.5**	38,788	19.3	100.2
	343,305	**99.3**	197,443	98.1	73.9
Entertainment products					
– *YesAsia Platform*	**1,994**	**0.6**	2,718	1.3	(26.6)
Logistics services	**483**	**0.1**	1,178	0.6	(59.0)
Total (Audited)	**345,782**	**100.0**	201,339	100.0	71.7

Cost of Sales

Cost of sales of the Group during the Reporting Year was approximately US$240,396,000, representing an increase of approximately US$101,755,000 or 73.4%, as compared to approximately US$138,641,000 during the Prior Year. However, product costs as percentage of revenue increased by approximately 1.7 percentage points to approximately 47.9% during the Reporting Year from approximately 46.2% in the Prior Year. This was mainly because of the increase in the weighting of revenue from wholesale B2B business which has a more modest markup.

	Year ended 31 December				
	2024		2023		
	US$'000	***As % of revenue***	*US$'000*	*As % of revenue*	*Change (%)*
Product costs	**165,641**	**47.9**	92,884	46.2	78.3
Freight charges	**72,953**	**21.1**	44,487	22.1	64.0
Packing materials	**1,671**	**0.5**	990	0.5	68.8
Direct labour cost	**131**	**–**	280	0.1	(53.2)
Total (Audited)	**240,396**	**69.5**	138,641	68.9	73.4

Gross Profit and Gross Margin

Gross profit of the Group during the Reporting Year was approximately US$105,386,000, representing an increase of approximately US$42,688,000 or 68.1% as compared to approximately US$62,698,000 for the Prior Year. The gross profit margin decreased by approximately 0.6 percentage points to approximately 30.5% (2023: 31.1%).

The following table sets forth the breakdown of our gross profit and gross profit margin by business segments:

	Year ended 31 December				
	2024		2023		
	US$'000	***Gross Profit Margin (%)***	*US$'000*	*Gross Profit Margin (%)*	*Change (%)*
Fashion & lifestyle and beauty products					
– *YesStyle* and other platforms	**91,569**	**34.5**	52,241	32.9	75.3
– *AsianBeautyWholesale*	**13,037**	**16.8**	8,969	23.1	45.4
	104,606	**30.5**	61,210	31.0	70.9
Entertainment products					
– *YesAsia Platform*	**431**	**21.6**	600	22.1	(28.2)
Logistics services	**349**	**72.3**	888	75.4	(60.7)
Total (Audited)	**105,386**	**30.5**	62,698	31.1	68.1

Other Income and Other Gains and Losses

Our other income and other gains and losses increased by approximately US$1,213,000 or 1,461.4% from approximately US$83,000 during the Prior Year to approximately US$1,296,000 during the Reporting Year. The increase was primarily attributable to the following:

- approximately US$1,337,000 increase in marketing income for marketing campaigns aimed at promotion of the brands of K-Beauty products suppliers;

- approximately US$83,000 or 53.5% increase in interest income from bank deposits;

offset by:

- the absence of compensation income for early termination of service agreement (2023: approximately US$219,000).

Selling Expenses

The Group's selling expenses during the Reporting Year were approximately US$42,121,000 (2023: US$23,908,000), representing an increase of approximately US$18,213,000 or 76.2% as compared to that for the Prior Year. Such increase was mainly attributable to the following:

- approximately US$9,177,000 or 95.6% increase in marketing and promotion fees due to further increase in beauty products-focused promotion;

- approximately US$3,713,000 or 121.3% increase in outsourced warehouse labour charges;

- approximately US$3,591,000 or 69.2% in payment gateway charges which was in line with the revenue growth;

- approximately US$948,000 or 174.9% increase in customs duties mainly due to increase in sales in regions such as Europe and Middle East; and

- approximately US$525,000 or 13.3% increase in warehouse wages.

With the increase in revenue and sales order volume during the Reporting Year, warehouse wages and outsourced warehouse labour charges (collectively "**warehouse labour cost**") in aggregate increased by approximately 60.4% as compared to the Prior Year. Nonetheless, warehouse labour cost as a percentage of revenue for the Reporting Year was approximately 3.3% (2023: 3.5%), reflecting continuous improvement in efficiency in our fulfillment process.

	Year ended 31 December				
	2024		2023		
	US$'000	**As % of revenue**	US$'000	As % of revenue	Change (%)
Marketing and promotion fees	**18,781**	**5.4**	9,604	4.8	95.6
Payment gateway charges	**8,780**	**2.5**	5,189	2.6	69.2
Outsourced warehouse labour charges	**6,773**	**2.0**	3,060	1.5	121.3
Warehouse wages	**4,484**	**1.3**	3,959	2.0	13.3
Customs duties	**1,490**	**0.4**	542	0.3	174.9
IT networking fee	**1,475**	**0.4**	1,412	0.7	4.5
Web content and translation fee	**213**	**0.1**	136	–	56.6
Outsourced fulfilment fee	**125**	**0.1**	6	–	1,983.3
Total (Audited)	**42,121**	**12.2**	23,908	11.9	76.2

Administrative Expenses

The Group's administrative expenses during the Reporting Year were approximately US$39,761,000 (2023: US$29,577,000), representing an increase by approximately US$10,184,000 or 34.4% as compared to that of 2023. Such increase was mainly attributable to the following:

- approximately US$5,775,000 or 34.5% increase in staff costs as the number of administrative employees increased from 357 as at 31 December 2023 to 416 as at 31 December 2024 and approximately US$4,106,000 of bonuses accrued (2023: US$1,138,000);

- approximately US$1,017,000 or 66.7% increase in net exchange losses, due to more payments settled by our payment gateway as a result of revenue increase during the Reporting Year;

- approximately US$1,012,000 or 22.0% increase in depreciation of right-of-use assets due to the newly leased office and warehouse in South Korea and Hong Kong respectively;

- approximately US$542,000 or 115.3% increase in other administrative expenses which was mainly driven by the renovations and upgrades to the air-conditioning systems in Hong Kong warehouses, elevated stock transportation costs between Hong Kong warehouses, additional interoffice travel expenses resulting from the establishment of new overseas offices, and fees associated with outsourced payroll services during the Reporting Year;

- US$539,000 or 71.9% increase in directors' remuneration during the Reporting Year mainly due to approximately US$514,000 increase in bonuses accrued during the Reporting Year;
- approximately US$369,000 or 100.5% increase in customer services expenses mainly due to expansion of outsourced customer service centre to cope with the increase in sales orders during the Reporting Year;
- approximately US$353,000 or 28.0% increase in rates and management fee during the Reporting Year due to commencement of lease in Mapletree Smart Robotics Warehouse;
- approximately US$277,000 or 34.5% increase in legal and professional fees mainly due to more legal services engaged to support our business and operation expansion around the world during the Reporting Year;
- approximately US$209,000 or 21.2% increase in utilities expenses for extending operation hours for our fulfillment centres in Hong Kong for increase in order volume; and
- approximately US$45,000 or 47.4% increase in operating lease charges due to increase in short term lease during the Reporting Year.

	Year ended 31 December				
	2024		2023		
	US$'000	***As % of revenue***	*US$'000*	*As % of revenue*	*Change (%)*
Staff costs	**22,530**	**6.5**	16,755	8.3	34.5
Depreciation of right-of-use assets	**5,606**	**1.6**	4,594	2.3	22.0
Exchange losses, net	**2,541**	**0.7**	1,524	0.8	66.7
Rates and management fee	**1,612**	**0.5**	1,259	0.6	28.0
Depreciation of property, plant and equipment	**1,498**	**0.4**	1,601	0.8	(6.4)
Directors' remuneration	**1,289**	**0.4**	750	0.4	71.9
Utilities expenses	**1,196**	**0.4**	987	0.5	21.2
Legal and professional fees	**1,080**	**0.3**	803	0.4	34.5
Customer services expenses	**736**	**0.2**	367	0.2	100.5
Staff training and recruitment expenses	**311**	**0.1**	209	0.1	48.8
Auditor's remuneration	**210**	**0.1**	163	0.1	28.8
Operating lease charges	**140**	**–**	95	–	47.4
Others	**1,012**	**0.3**	470	0.2	115.3
Total (Audited)	**39,761**	**11.5**	29,577	14.7	34.4

Finance Costs

The Group's finance costs for the Reporting Year were approximately US$1,300,000 (2023: US$1,218,000), representing an increase of approximately 6.7% as compared to that of the Prior Year, reflecting an increase in interest for bank borrowings for the Reporting Year.

Income Tax Expense

Income tax expense for the Reporting Year was approximately US$4,458,000 (2023: US$510,000). The income tax expense during the Reporting Year was mainly due to increase in operating profit generated as compared to that of the Prior Year and reduction in tax losses available for the Reporting Year.

Profit for the Year

As a result of the foregoing, the Group recorded a net profit of approximately US$19,042,000 for the Reporting Year, as compared with approximately US$7,572,000 during the Prior Year, represented an increase of approximately US$11,470,000 or 151.5%. The increase in net profit was mainly attributable to (i) an enhancement of *YesStyle Platforms'* marketing efforts to promote the sale of beauty products, and (ii) the expansion of *AsianBeautyWholesale* to serve more business-to-business (B2B) customers globally who are looking to source Asian beauty products.

CAPITAL EXPENDITURE

During the Reporting Year, the Group acquired plant and equipment of approximately US$323,000 (2023: US$754,000). The capital expenditure during the Reporting Year was mainly attributable to purchase of new equipments for Hong Kong warehouses, computer hardware and software during the Reporting Year.

LIQUIDITY AND CAPITAL RESOURCES

As of 31 December 2024, the Group's bank and cash balances amounted to approximately US$15,529,000 (2023: US$25,181,000), which were mainly denominated in US Dollar, Hong Kong Dollar, South Korean Won, Japanese Yen, British Pound Sterling and Euro.

As at 31 December 2024, the Group's bank and cash balances comprises (i) cash and cash equivalents of approximately US$15,448,000 (2023: US$25,088,000); and (ii) bank fixed deposits with original maturity beyond three months of approximately US$81,000 (2023: US$93,000).

Our cash and cash equivalents decreased by approximately US$9,640,000 during the Reporting Year, which was attributable to the net cash generated from operating activities of approximately US$1,949,000, offset by the net cash used in (i) investing activities of approximately US$3,099,000; (ii) financing activities of approximately US$7,511,000; and (iii) the negative effect of foreign exchange rate changes of approximately US$979,000 during the year ended 31 December 2024.

Net cash generated from operating activities during the year ended 31 December 2024 was mainly due to (i) approximately US$9,891,000 increase in trade and other payables and accruals; and (ii) approximately US$3,527,000 increase in contract liabilities, offset by (i) operating profit before working capital changes of approximately US$32,652,000; (ii) approximately US$34,417,000 increase in inventories; (iii) approximately US$4,114,000 increase in trade and other receivables; (iv) approximately US$3,159,000 increase in prepayments and deposits; (v) approximately US$1,196,000 income taxes paid; (vi) approximately US$1,091,000 interest paid for lease liabilities; (vii) approximately US$119,000 interest on bank borrowings; and (viii) approximately US$25,000 decrease in provisions.

The expansion in inventory level was in line with our development of B2B business and the setting up regional warehouse in the US and Europe.

Net cash used in investing activities during the year ended 31 December 2024 was mainly due to (i) approximately US$2,933,000 increase in deposit paid for property plant and equipment for setting up of Mapletree Smart Robotics Warehouse; (ii) approximately US$290,000 property, plant and equipment purchased during the Reporting Year which mainly included leasehold improvements and new equipment for the current AMR warehouse; and (iii) approximately US$100,000 deposit paid for investment in an associate, partially offset by (i) approximately US$212,000 interest received; and (ii) approximately US$12,000 decrease in non-pledged bank fixed deposits.

Net cash used in financing activities was mainly due to (i) approximately US$9,300,000 borrowings raised; and (ii) approximately US$2,026,000 of proceeds from issuance of shares during the Reporting Year, offset by (i) approximately US$9,300,000 of borrowings repaid; (ii) approximately US$5,452,000 repayment of principal elements of lease payments; (iii) approximately US$2,411,000 dividend paid; and (iv) approximately US$1,674,000 increase in pledged bank fixed deposits during the Reporting Year.

Our bank fixed deposits with original maturity beyond three months decreased by US$12,000 during the Reporting Year as compared to that in the Prior Year, to increase liquidity in supporting the Group's operation during the Reporting Year.

As at 31 December 2024, the Group had no bank borrowings outstanding (2023: Nil). The unutilised banking facilities as at 31 December 2024 amounted to approximately US$24,288,000 (2023: US$6,648,000).

We believe that our liquidity requirements and our expected source of funding in the coming year will be satisfied by using the cash generated from our operations and banking facilities available.

TREASURY AND FOREIGN EXCHANGE POLICIES

The Group's treasury management policy is to avoid any investment in highly-leveraged or speculative derivative products. The Group continued to be conservative in managing financial risk during the Reporting Year. Consistent with the aforesaid treasury objectives and policy, the Group undertakes treasury management activities with respect to its surplus cash assets. The selection criteria of investments include the relative risk profile involved, the liquidity of an investment, the after-tax-equivalent yield of an investment and investments that are not speculative in nature.

Most business transactions, assets and liabilities of the Group were denominated either in US Dollar, Hong Kong Dollar, South Korean Won, Japanese Yen, British Pound Sterling and Euro. The E-commerce customers of the Group generally settle their invoices using their designated currencies upon checkout via secure payment gateways, and the fund is generally transferred to the Group's account in Hong Kong Dollar and US Dollar upon currency conversion. As Hong Kong Dollar is pegged to US Dollar, our Group does not expect any significant movements in the exchange rate between US Dollars and Hong Kong Dollars. Besides, our Group has certain exposure to foreign currency risk as some of our business transactions, assets and liabilities are denominated in currencies (i.e. South Korean Won, Japanese Yen, British Pound Sterling, Renminbi and Euro, etc) other than the functional currency of our Group (i.e. US Dollar).

Currently, we do not have a formal foreign currency hedging policy. However, our management monitors foreign exchange exposure constantly and will consider to engage in derivatives markets or foreign exchange hedging measures to minimize the foreign exchange risk when it is foreseen to be significant.

GEARING RATIO

Our gearing ratio, calculated by total interest-bearing liabilities (including lease liabilities) divided by total equity, increased from approximately 34.8% as at 31 December 2023 to approximately 43.0% as at 31 December 2024, primarily due to the increase in lease liabilities for the Mapletree Smart Robotics Warehouse, which is set for operation in around April 2025.

CAPITAL COMMITMENTS

Save for those disclosed in note 37 to the consolidated financial statements, the Group did not have any significant capital commitments as at 31 December 2024.

SIGNIFICANT INVESTMENTS HELD

During the Reporting Year, we did not hold any significant investments, save for the 1,100,000 shares in CN Logistics, representing approximately 0.37% of the issued share capital of CN Logistics with a fair value amounted to approximately US$489,000 as at 31 December 2024 (2023: US$863,000). The investment represents approximately 0.4% of the total consolidated asset of the Group as at 31 December 2024 (2023: 1.2%). The aforementioned 1,100,000 shares in CN Logistics were subscribed by the Company at a total cash consideration of HK$10,120,000. The principal activity of CN Logistics is investment holding, and through its subsidiaries, principally engages in the provision of air freight forwarding services and distribution and logistics services in relation to fashion products and fine wine, primarily focusing on high-end fashion (including luxury and affordable luxury) products. CN Logistics is a strategic logistics partner of the Group for delivery of our customers' products to the US, Europe and other overseas markets.

As at 31 December 2024, the unrealised fair value loss of such investment was approximately US$374,000 due to the decrease in share price in CN Logistics during the Reporting Year from the carrying value as at 31 December 2023. We have received dividend of approximately US$4,000 from the investment during the Reporting Year. In view of the expected complementary effect and positive impact to the business of both CN Logistics and the Group through the strategic logistics partnership, the investment in CN Logistics is expected to be strategic and enable the Group to foster a closer business partnership with CN Logistics for a longer term and result in potential investment returns to the Shareholders.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Except as disclosed herein, as of the date of this report, the Group did not have any future plans for material investments or capital assets in the coming year.

MATERIAL ACQUISITIONS, DISPOSALS AND FUTURE PLANS FOR SUBSIDIARIES

During the year ended 31 December 2024 and as of the date of this report, we did not have any material acquisition or disposal of subsidiaries, associates and joint ventures nor any such future plans.

CHARGE ON ASSETS

As at 31 December 2024, the banking facilities of the Group mainly comprised revolving loans, term loans, corporate credit cards and letters of guarantee issued to the Group and the Group's suppliers, respectively for products purchased by the Group and securing the payments to the Group's suppliers respectively. The banking facilities were secured by the pledged bank fixed deposits of the Group which amounted to approximately US$2,931,000 as of 31 December 2024 (2023: US$1,257,000).

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2024, we had 520 employees (2023: 454 employees) based in Hong Kong, Japan, South Korea, UK and Germany.

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer employees and Directors competitive remuneration packages, which generally include basic wages, variable wages, bonuses and other benefits granted in accordance with their business performance. In order to promote overall operational efficiency, employee loyalty and employee retention, we provide our employees with technical and operational on-the-job training as well as talent development programs. Options may also be granted to employees of the Group under the Post-IPO Share Option Scheme at the sole discretion of the Board or its delegate(s).

CONTINGENT LIABILITIES

As at 31 December 2024, the Group did not have any material contingent liabilities (2023: Nil).

DEED OF NON-COMPETITION

Mr. Lau and Ms. Chu (in their capacities as the Controlling Shareholders) provided the Deed of Non-Competition with details as set out in the section headed “Relationship with Controlling Shareholders” and subsection headed “Deed of Non-Competition” of the Prospectus.

The Company has received duly signed written annual declarations dated 3 January 2025 from each of the Controlling Shareholders confirming that each of them had fully complied with their undertakings under the Deed of Non-Competition during the year ended 31 December 2024.

The independent non-executive Directors have reviewed such declarations regarding the compliance of the Deed of Non-Competition and were satisfied that the terms of the Deed of Non-Competition had been duly complied with and enforced during the year ended 31 December 2024.

TRANSACTIONS IN COMPREHENSIVELY SANCTIONED COUNTRIES OR WITH SANCTIONED PERSONS

During the Reporting Year, proper internal control and risk management measures relating to sanction laws, as disclosed in the Prospectus, had been implemented and the Group did not have any transactions in Comprehensively Sanctioned Countries or with Sanctioned Persons. In order to protect the interest of our Group from economic sanctions risks, we have adopted enhanced internal control and risk management measures including utilising the international sanctions databases to screen whether our business counterpart is listed on the U.S. Department of Treasury’s Office of Foreign Assets Control (“**OFAC**”), the U.S. Department of Commerce’s Bureau of Industry and Security (“**BIS**”) or other sanctions lists, with regular updates to the screening results to ensure the counterpart has not been newly added to any sanctions list. As of 31 December 2024, the Group did not anticipate any plans for any new activities in Comprehensively Sanctioned Countries or with Sanctioned Persons.

During the Reporting Year, the Group derived revenue from sales to non-sanctioned customers located in the regions below:

	For the year ended 31 December	
	2024	2023
	US$'000	US$'000
Afghanistan, Balkans[1], Belarus, Democratic Republic of the Congo, Egypt, Iraq, Lebanon, Libya, Mali, Myanmar, Somalia, Tunisia, Ukraine (excluding the Crimea, Kherson, Zaporizhzhaia and the so-called Donetsk People's Republic ("**DPR**") and so-called Luhansk People's Republic ("**LPR**") regions) and Zimbabwe	**5,438**	2,288
Hong Kong	**22,006**	9,265
Russia (excluding the Crimea, Kherson, Zaporizhzhaia and LPR/DPR regions)	**–**	–
Total	**27,444**	11,553

Note:

(1) Balkans include Albania, Bosnia And Herzegovina, Bulgaria, Croatia, Greece, Kosovo, North Macedonia, Montenegro, Romania Serbia, Slovenia and Turkiye (Turkey).

EXECUTIVE DIRECTORS

Mr. LAU Kwok Chu (劉國柱), aged 50, is our Executive Director, Chief Executive Officer and Co-Head of the YesStyle business unit. Mr. Lau has over 20 years of experience in E-commerce business and digital marketing. He co-founded our Group with Ms. Chu in December 1997. He has been our Director since 26 April 2005. Mr. Lau also serves as director of YesStyle.com Limited, YesAsia.com Limited, AsianBeautyWholesale (Hong Kong) Limited (formerly known as YesAsia Trading (Hong Kong) Limited) and a number of our subsidiaries. Prior to founding our Group, Mr. Lau served as an analyst within the Consumer Investment Management Division of the Goldman Sachs Group, Inc. from July 1996 to July 1998. Mr. Lau is the spouse of Ms. Chu and is the brother-in-law of Mr. Chu Kin Hang.

Mr. Lau obtained his bachelor's degree of arts in economics, conferred with distinction from Stanford University in California, the United States in June 1996. Mr. Lau received the Asia Pacific Entrepreneurship Award in the E-commerce category awarded by Enterprise Asia in September 2017.

Ms. CHU Lai King (朱麗琼), aged 53, is our Executive Director, Chairperson and Vice President of Operations. Ms. Chu has over 20 years of experience in E-commerce, logistics and operations. She co-founded our Group with Mr. Lau in December 1997. She has been our Director since 26 April 2005. Ms. Chu also serves as director of YesStyle.com Limited, YesAsia.com Limited and a number of our subsidiaries. Prior to founding our Group, Ms. Chu served as a programmer analyst with Municipal Resource Consultants in California from May 1993 to July 1998. Ms. Chu is the spouse of Mr. Lau and is the sister of Mr. Chu Kin Hang.

Ms. Chu obtained her bachelor's degree of science, majoring in business administration in computer application and option systems and a master's degree in business administration from the California State University in Fresno, the United States in December 1992 and August 1997 respectively.

Mr. Chu Kin Hang (朱健恒), aged 50, is our Executive Director and Vice President of Content. He joined our Group in May 1998, serving as our Design Manager until March 2003. He was re-designated as our Design and Production Director from April 2003 to March 2015. Mr. Chu has been serving as our Vice President of Content since April 2015.

Mr. Chu obtained his bachelor of engineering majoring in electronics engineering from the Chinese University of Hong Kong in Hong Kong in December 1998.

Mr. Chu is the brother-in-law of Mr. Lau and brother of Ms. Chu.

NON-EXECUTIVE DIRECTORS

Mr. LUI Pak Shing Michael (雷百成) ("Mr. Lui"), aged 59, is our Non-executive Director. He has been designated as The First Founding Investor of the Company since 1998. He has been a Director since 2006. Prior to joining our Group, Mr. Lui served as president from July 1995 to July 2012 and as director from July 1979 to July 2012 with Tang Fat Enterprises Company Inc. Mr. Lui also served as special projects superintendent from May 1987 to December 1992 with American Realty and Construction Inc.

Mr. Lui obtained his bachelor's degree of science in business administration from the University of San Francisco in the United States in December 1985.

Mr. HUI Yat Yan Henry (許日昕) ("Mr. Hui"), aged 59, is our Non-executive Director. He has been our Director since 22 March 2007. He is currently serving as senior vice president of the business development unit of PCCW since November 2011. He was the chief financial officer of Cascade Limited, a wholly-owned subsidiary of the PCCW Group and in charge of financial and accounting function of the international projects unit of the PCCW Group from August 2006 to November 2011. He joined the ventures unit of Pacific Century Cyber Works Limited (now known as PCCW Limited) since March 2000. Mr. Hui also serves as a director in a number of subsidiaries in the PCCW Group and HKT Limited.

Prior to joining the PCCW Group, Mr. Hui served as a direct investment manager from July 1997 to December 1998 and as China retail fund manager from December 1998 to March 2000 with AIG Investment Corporation (Asia) Ltd. Prior to his career as a financier, Mr. Hui served as a system engineer with Asia Satellite Telecommunications Company Limited from March 1993 to April 1995. Mr. Hui also served as an associate engineer with IBM from February 1990 to March 1993.

Mr. Hui obtained his bachelor's degree of science with special honors, majoring in Electrical and Computer Engineering from the University of Colorado in the United States in December 1989 and his master's degree with academic excellence in business administration from the University of Illinois in the United States in May 1997. He was a member of Tau Beta Pi and Beta Gama Sigma, an honor society for engineering and business, since April 1988 and November 1996 respectively.

Mr. POON Chi Ho (潘智豪) ("Mr. Poon"), aged 57, is our Non-executive Director. He has been our Director since 25 June 2009. Mr. Poon joined the PCCW Group as a management trainee in August 1989 and has been serving as the Chief Financial Officer of HKT Limited since May 2022. He also holds a number of positions within the PCCW Group, including as director in a number of subsidiaries in both the PCCW Group and the HKT Group.

Mr. Poon obtained his bachelor's degree in business studies from the Hong Kong Polytechnic University in Hong Kong in November 1989. He also obtained his associate membership with the Hong Kong Society of Accountants since December 1995.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Yu Cheong (陳汝昌) ("Mr. Chan"), aged 44, has been appointed as an Independent Non-executive Director of our Company on 17 August 2020. Mr. Chan is currently serving as director with a number of companies, namely, Resonance Capital Ltd. since September 2016, Youth Arch Foundation Ltd. from September 2016 to September 2022, Visual Squares Ltd. since April 2011 and Savantas Policy Institute Ltd. since April 2009. He also served on the Enterprise Support Scheme Assessment Panel under the Innovation and Technology Commission of the Hong Kong Government from July 2015 to June 2021. Prior to returning to Hong Kong in 2010, Mr. Chan worked as a software engineer in a number of technology companies in Silicon Valley, including Google from December 2004 to July 2010 and Neopath Networks (acquired by Cisco Systems in April 2007) from August 2003 to December 2004.

Mr. Chan obtained his bachelor's degree of science in computer science, conferred with distinction, and master's degree of science in computer science from Stanford University in California, the United States in April 2003. Mr. Chan received the Frederick Emmons Terman Engineering Scholastic Award for being the top five percent of the undergraduate senior engineering class.

Mr. SIN Pak Cheong Philip Charles (冼栢昌) ("Mr. Sin"), aged 49, has been appointed as an Independent Non-executive Director of our Company effective on 17 August 2020. Mr. Sin is currently serving as head of capital markets and corporate development of Belief BioMed Limited since April 2022. He was previously chief financial officer of HiFiBiO Therapeutics from November 2020 to August 2021. Mr. Sin was managing director of Orient Securities Investment Bank Co. Ltd. (formerly Citi Orient Securities Company Limited) from March 2013 to November 2020. Mr. Sin was director of Greater China investment banking with Citigroup Global Markets Asia Limited ("**Citigroup**") from September 2009 to February 2013. Prior to his work with Citigroup, he also served in various roles for UBS Group AG (a company listed on NYSE (Ticker: UBS) and SIX Swiss Exchange (Symbol: UBSG)), Deutsche Bank AG (a company listed on NYSE (Ticker: DB) and BER (Symbol: DBK)), Morgan Stanley Asia Ltd. and Chase Securities Inc..

Mr. Sin obtained his bachelors of arts degree in economics and Asian studies conferred with magna cum laude from Dartmouth College in the United States in June 1997.

Mr. WONG Chee Chung (王子聰) ("Mr. Wong"), aged 48, has been appointed as an Independent Non-executive Director of our Company on 17 August 2020. Mr. Wong is currently serving as an executive director with Agenda Corp Limited since April 2018 and with Double U Limited since April 2016. Mr. Wong is also an audit director at a CPA firm called Wong Chee Chung CPA. Prior to that, Mr. Wong had been working in PricewaterhouseCoopers in its Hong Kong office for about eight years and its London office for about two years.

Mr. Wong obtained his bachelor of business administration in accounting and finance from the University of Hong Kong in December 1998 and master of science in financial analysis from the Hong Kong University of Science and Technology in June 2015. Mr. Wong has been a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants since July 2014 and October 2009 respectively.

SENIOR MANAGEMENT

Mr. WAN Siu Chung (溫兆聰) ("Mr. Wan"), aged 48, is our Vice President of Information Technology. He joined our Group in June 2000 as our Programmer until August 2001. He held multiple positions within our Group including, System Analyst, Application Manager, Development Manager, Information Technology Operation Support Director and Director of Information Technology from September 2001 until March 2018.

Mr. Wan obtained his bachelor of science degree from the Chinese University of Hong Kong in Hong Kong in December 2000 and his master of business administration from the Chinese University of Hong Kong in Hong Kong in December 2010. Mr. Wan obtained his certificate as a project management professional from the Project Management Institute in the United States in January 2014 and his Information Technology Infrastructure Library (ITIL) foundation certificate in IT service management from Axelos and EXIN through attending online courses in December 2016.

Ms. KIM In Sook ("Ms. Kim"), aged 60, is our Vice President of Business Development. She is also serving as General Manager of our South Korean Office. She joined our Group in August 2001. Ms. Kim has held multiple positions within our Group including Korean Product Manager, Senior Product Manager, Product Director and Deputy General Manager of the South Korean Office from April 2002 to April 2018. Prior to joining our Group, Ms. Kim served as an interpreter for DLiA Consortium from October 2000 to March 2001. Ms. Kim also served as an export manager with Taewon International Corp., a footwear export and import company, in their Hong Kong office from August 1995 to August 1996 and their Seoul office from April 1988 to July 1995.

Ms. Kim obtained her bachelor's degree in English studies from the Portsmouth University in the United Kingdom in June 1998 and her master's degree of science in tourism management and marketing from the Bournemouth University in the United Kingdom in March 2000.

Mr. Erik HOHMANN ("Mr. Hohmann"), aged 50, is the Vice President of Marketing of our Company. He joined our Group in April 2018, serving as Marketing Director until March 2019. Prior to joining our Group, he served as the director of marketing and sales at Milkyway Distribution Ltd., a global E-commerce company in Hong Kong from January 2018 to April 2018. Mr. Hohmann also served as the general manager at Wild At Heart Limited, a digital marketing agency in Hong Kong from January 2016 to January 2018. He served as the head of E.U. sales and marketing for MedicAnimal Ltd., an E-commerce pet healthcare product retailer based in London from February 2011 to September 2015. He joined DFS Air Navigation services in Germany as senior business development manager from January 2005 to February 2011. He also served as investment manager for BLS Venture Capital in Berlin from April 2002 to December 2004. Mr. Hohmann served as an assistant to the general manager at TFG Venture Capital in Berlin from February 2000 to March 2002. He worked at Landes Bank in Berlin from August 1992 to March 1995.

Mr. Hohmann obtained his Diplom-Kaufmann in business administration from Humboldt University in Berlin, Germany in January 2002.

Mr. NG Sai Cheong (伍世昌) ("Mr. Ng"), aged 48, is our Chief Financial Officer and Company Secretary. He joined our Group in December 2018. Prior to joining our Group, Mr. Ng held multiple senior management with Kwan On Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1559)) from August 2012 to December 2018, including as financial controller from August 2012 to February 2018, and with his last positions as the chief financial officer and company secretary. Mr. Ng joined Top Express Holdings Limited as accounting manager between September 2009 and April 2012 and his last position was as chief financial officer. Mr. Ng joined Beauty China Holdings Limited (a company formerly listed on the Singapore Exchange (Stock Code: B15.SG)), as accounting manager from October 2003 to October 2007 and he served as assistant financial controller from October 2007 to August 2009. Mr. Ng served as a senior accountant and staff accountant in the Assurance and Advisory Business Services department of Ernst & Young Hong Kong from October 2002 to September 2003 and February 2001 to September 2002, respectively. Mr. Ng also served as an auditor with Charles Chan, Ip & Fung CPA Limited from April 2000 to February 2001. Mr. Ng served as an audit graduate and subsequently as a semi-senior auditor with Lee Sik Wai & Co, Certified Public Accountants in Hong Kong from June 1998 to April 2000.

Mr. Ng served as an independent non-executive director of Royal Catering Group Holdings Company Limited (a company listed on GEM of the Hong Kong Stock Exchange (Stock Code: 8300)) from August 2018 to November 2023. Mr. Ng has been serving as executive director of Indigo Star Holdings Limited (a company listed on GEM of the Hong Kong Stock Exchange (Stock Code: 8373)) from April 2017 to May 2024.

Mr. Ng obtained his bachelor of business administration degree in accounting from The Hong Kong University of Science and Technology in Hong Kong in November 1998 and his master of corporate governance degree from Hong Kong Metropolitan University in June 2007. He has been an associate of The Hong Kong Chartered Governance Institute since September 2007, an associate of The Hong Kong Institute of Certified Public Accountants from March 2003 to February 2022 and a fellow member of the Association of Chartered Certified Accountants since July 2020.

Ms. FUNG Man Yee Joyce (馮敏儀) ("Ms. Fung"), aged 49, is our Vice President of Consumer Business and Co-Head of the *YesStyle* business unit. She joined our Group in October 2020. Prior to joining our Group, Ms. Fung served as vice president, operations for K11 Concepts Limited (a member of New World Development Company Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 17)) from August 2019 to February 2020. Ms. Fung rejoined and held multiple senior management roles with the Lane Crawford Joyce Group from April 2016 to May 2019, including chief commercial officer of ImagineX Management Company Limited and chief operating officer of Walton Brown (Hong Kong) Limited. From August 2010 to April 2015, Ms. Fung was executive director of the corporate finance department and investment management division of Goldman Sachs (Asia) L.L.C.. Ms. Fung also served as the group chief financial officer and strategic planning of John Hardy International Limited from September 2008 to May 2010. Ms. Fung also served as the corporate development director of the Lane Crawford Joyce Group from September 2006 to August 2008. Ms. Fung also held various investment banking roles at Goldman Sachs (Asia) L.L.C. and Credit Suisse (formerly known as Donaldson, Lufkin & Jenrette) in Hong Kong, London and New York between 1997 and 2006.

Ms. Fung obtained her bachelors of science in economics with magna cum laude honors from the Wharton School at the University of Pennsylvania in the United States in May 1997. Ms. Fung obtained her master in business administration degree from the Harvard Business School in the United States in June 2002.

Ms. TSANG Sau Lin, Joely (曾秀蓮) ("Ms. Tsang"), aged 56, is the Human Resources and Administration Director. She joined our Group in 2018 as the Senior Manager, Human Resources & Administration from 2018 to 2022 and was promoted to Director in 2022. Prior to joining our Group, Ms. Tsang served as Senior Manager, Human Resources Policies & Processes for Galaxy Entertainment Group from 2014 to 2018, a company that owns and operates hotels and casinos in Macau through its subsidiary, Galaxy Casino S.A. She was responsible for designing and developing HR-related policies and processes for operations encompassing over 26,000 employees in Hong Kong and Macau. Ms. Tsang also served in Adidas Group, Asia Pacific as an HR officer and progressed to Mobility Manager from 2007 to 2013, the company is a German athletic apparel and footwear corporation headquartered in Herzogenaurach, Bavaria, Germany. It is the largest sportswear manufacturer in Europe and the second largest globally. She oversaw compensation analyses based on local market conditions, facilitated training and development programs, implemented the performance appraisal process, standardized overseas assignments, and ensured compliance with Hong Kong and its respective laws and requirements. She worked at Targus Group International from 2001 to 2007 as HR and Administration Manager, overseeing the HR operations of the businesses in Asia Pacific. The company is a multinational mobile computing accessories company that designs, manufactures, and sells computer accessories.

Ms. Tsang attended a Bachelor of Business Administration study from the Open University of Hong Kong in 1996 and her Diploma in Human Resources Management from the Hong Kong Management Association in 2007.

The Board is pleased to present the Corporate Governance Report of the Company for the year ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles and the Code Provisions set out in the CG Code as amended from time to time contained in Appendix C1 to the Listing Rules. During the year ended 31 December 2024, the Company has complied with the Code Provisions as set out in the CG Code apart from the deviation from Code Provision D.2.5 of the CG Code.

Under Code Provision D.2.5, issuers should have an internal audit function.

The Group does not have an internal audit function and the Board is of the view that there is no immediate need to set up an internal audit function within the Group having reviewed the size, nature and complexity of the Group's business during the Reporting Year. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations. The situation will be reviewed by the Board on an annual basis.

Save as disclosed above, none of the Directors is aware of any information which would reasonably indicate that the Company had not, throughout the year ended 31 December 2024, fully complied with the Code Provisions.

THE BOARD

(i) Responsibilities

The Board is accountable to Shareholders for the long-term performance of the Company and is responsible for the overall leadership of the Group. The Board steers and oversees the management of the Company including establishing the strategic direction of the Company, setting the long-term objectives of the Company, monitoring the performance of the management, protecting and maximising the interests of the Company and Shareholders, reviewing, considering and approving the annual budget, management results and performance update against annual budget, together with business reports from the management.

The Board has delegated an executive committee, comprising all Executive Directors, with authority and responsibility for day-to-day operations and administration of the Company.

All Directors have full and timely access to all relevant information as well as advice and services of the Company Secretary, with a view to ensuring that the Board procedures and all applicable law, rules and regulations, are followed. Upon making request to the Board, all Directors may obtain independent professional advice at the Company's expense for carrying out their functions.

The Company has arranged appropriate directors' and officers' liability insurance cover in respect of legal action against the Directors.

(ii) Board Composition

The Board currently comprises nine Directors with three Executive Directors, three Non-executive Directors and three Independent Non-executive Directors. The composition of the Board during the year ended 31 December 2024 and up to the date of this report is as follows:

Executive Directors
Ms. Chu Lai King *(Chairperson and Vice President of Operations)*
Mr. Lau Kwok Chu *(Chief Executive Officer)*
Mr. Chu Kin Hang *(Vice President of Content)*

Non-executive Directors
Mr. Hui Yat Yan Henry
Mr. Lui Pak Shing Michael
Mr. Poon Chi Ho

Independent Non-executive Directors
Mr. Chan Yu Cheong
Mr. Sin Pak Cheong Philip Charles
Mr. Wong Chee Chung

The biographical information and relationships of the Directors are set out in the section of "Directors and Senior Management" on pages 33 to 38 of this annual report.

Save as disclosed in the Directors' biographies set out in the section headed "Directors and Senior Management" in this annual report, none of the Directors and senior management of the Group have any personal relationship (including financial, business, family or other material or relevant relationship) with any other Director and senior management of the Group, including the chief executive and the Chairperson.

The Company has maintained on the websites of the Stock Exchange and the Company (*https://www.yesasiaholdings.com*) an updated list of its Directors identifying their roles and functions. Independent Non-executive Directors are also identified as such in all corporate communications that disclose the names of the Directors.

(iii) Chairperson and Chief Executive Officer

Code Provision C.2.1 stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. According to the current structure of the Board, the positions of the Chairman and Chief Executive Officer of the Group are held by separate individuals to ensure effective segregation of duties and a balance of power and authority.

Ms. Chu Lai King, the Chairperson, is primarily responsible for leadership of the Board and overall strategic direction of the Group. Mr. Lau Kwok Chu, the Executive Director and Chief Executive Officer of the Group, is primarily responsible for overall strategic planning and management of the Group and, in the meantime, he is also responsible for the day-to-day management as well as the business direction of the Hong Kong and international business operations of the Group.

(iv) Independent Non-Executive Directors

During the year ended 31 December 2024, the Board has at all times met the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

During the year ended 31 December 2024, the Company has also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

Pursuant to Rule 3.13 of the Listing Rules, each of the Independent Non-executive Directors has provided the Company with a written confirmation of his independence and the Company considers all of the Independent Non-executive Directors to be independent.

(v) Appointment, Re-election and Removal of Directors

Each of the executive Directors has entered into a service agreement with the Company for a term of three years, which are subject to termination following their respective terms.

Each of the non-executive Directors has entered into a service agreement with the Company for a term of three years, which are subject to termination following their respective terms.

Each of the independent non-executive Directors was engaged on a letter of appointment for a term of three years and shall be subject to retirement by rotation once every three years.

Under the Articles, the Board may from time to time appoint a Director either to fill a casual vacancy or as an addition to the existing Board. Any such new Director shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the following annual general meeting of the Company (in the case of an addition to the existing Board), and shall then be eligible for re-election. Every Director, including Independent Non-executive Directors, is subject to retirement by rotation and re-election at least once every three years. One-third of the Directors must retire from office at each annual general meeting and their re-election is subject to the approval of shareholders of the Company.

(vi) Board Meetings and General Meetings

Code provision C.5.1 provides that the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals. Board meetings (include regular meetings as defined in the CG Code and other Board meetings) will be held from time to time when necessary. During the Reporting Year, the Board held seven regular Board meetings and one general meeting. The Company put in place effective mechanisms to ensure independent views and input are available to the Board. The Board has conducted an annual review on such mechanisms in 2024 and is of the view that the mechanisms have been properly implemented and are effective. In particular, the Company plans Board and Board committees meeting schedules for the year in advance, so as to facilitate active attendance and participation by Board members in the meetings. Board members, especially independent non-executive Directors, are welcome and are encouraged to raise enquiries, suggestions and views during the meetings. The Board also reviewed and considered the following key features or mechanisms under the Board and governance structure are effective in ensuring the independent views and input are provided to the Board:

– Since Listing, the Company has been steered by the Board, comprising a majority of non-executive Directors and independent non-executive Directors; and

– Majority of the members of all governance – related committees comprise of independent non-executive Directors.

Due notice and Board papers of regular Board meetings were given to all Directors prior to the meeting in accordance with the Articles and the CG Code. For the sake of flexibility, the Board holds meeting whenever necessary. In addition to these regular Board meetings, senior management of the Group provided to Directors the information on the activities and developments in the business of the Group from time to time and, when required, resolutions in writing were passed by the Board. In addition, the Board has established the Audit Committee, the Remuneration Committee, and the Nomination Committee to oversee particular aspects of the Company's affairs.

During the year ended 31 December 2024, the attendance records of the Directors at the Board meetings and general meeting are set out below:

Directors	Attendance/ Number of general meetings held	Attendance/ Number of regular board meetings held
Executive Directors		
Ms. Chu Lai King	1/1	7/7
Mr. Lau Kwok Chu	1/1	7/7
Mr. Chu Kin Hang	1/1	7/7
Non-executive Directors		
Mr. Hui Yat Yan Henry	1/1	6/7
Mr. Lui Pak Shing Michael	1/1	7/7
Mr. Poon Chi Ho	1/1	7/7
Independent Non-executive Directors		
Mr. Chan Yu Cheong	1/1	7/7
Mr. Sin Pak Cheong Philip Charles	1/1	7/7
Mr. Wong Chee Chung	1/1	7/7

Notices of not less than 14 days will be given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and Board committee meetings, reasonable notice will be generally given.

Board papers together with all appropriate, complete and reliable information are generally sent to all Directors at least three days before each regular Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

The company secretary of the Company is responsible to keep the minutes of all Board and committees meetings. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

(vii) Board Diversity Policy

The Company has adopted a board diversity policy (the "**Board Diversity Policy**") which sets out the approach to achieve and maintain an appropriate balance of diversity perspectives of the Board that are relevant to the business growth. According to the Board Diversity Policy, the Company seeks to achieve diversity of the Board through the consideration of a number of factors when selecting candidates to the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The existing members of the Board were appointed after taking into account the aforesaid factors. All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Company aims to maintain an appropriate balance of diverse perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered. As at 31 December 2024, the overall workforce of the Group consisted of 155 (29.8%) male and 365 (70.2%) female employees. Further details on the gender ratio of the Group together with other relevant data are set out under the section headed "Fair Recruitment" of the Environmental, Social and Governance Report of the Company for the year ended 31 December 2024. The Nomination Committee will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on the Board and in the workforce.

During the Reporting Year and as at the date of this annual report, the Board comprises eight male members and one female members and thus has a female representation exceeding 11%. The Nomination Committee considered that the Board is sufficiently diverse in terms of gender, age, cultural and education background, knowledge and professional experience. It reflects an appropriate mix of skills and experience that suits the Group's strategy and business.

(viii) Remuneration of Directors and Senior Management

The Company is not aware of any arrangement under which a director has waived or agreed to waive any emoluments. Details of the remuneration of the members of the Board for the year ended 31 December 2024 are set out in note 15 to the consolidated financial statements in this annual report.

The remuneration of the senior management members of the Company who are not members of the Board by band during the year ended 31 December 2024 are set out below:

Remuneration Band	Number of Individuals
HK$1,000,001 to HK$1,500,000	–
HK$1,500,001 to HK$2,000,000	3
HK$2,000,001 to HK$2,500,000	–
HK$2,500,001 to HK$3,000,000	–
HK$3,000,001 to HK$3,500,000	1

(ix) Continuous Professional Development of Directors

The Directors should participate in continuous professional development to develop and refresh their knowledge and skills pursuant to Code Provision C.1.4. The Company would provide a comprehensive induction package covering the summary of the responsibilities and liabilities of a director of a Hong Kong listed company, the Company's constitutional documents and A Guide on Directors' Duties issued by the Companies Registry to each newly-appointed Director to ensure that he/she is sufficiently aware of his/her responsibilities and obligations under the Listing Rules and other regulatory requirements.

The company secretary of the Company reports from time to time the latest changes and development of the Listing Rules, corporate governance practices and other regulatory regime to the Directors with written materials, as well as organises seminars on the professional knowledge and latest development of regulatory requirements related to director's duties and responsibilities.

All Directors are encouraged to participate in continuous professional development activities at the Company's expense to develop and refresh their knowledge and skills. All the Directors confirmed and provided the relevant training record that they had complied with Code Provision C.1.4 by making use of above arrangements during the Reporting Year as follows:

	Directors' training by topics		
Name of Directors	**Updates on rules and regulations relating to listed companies**	**Corporate governance**	**Ethics and code of conduct**
Executive Directors			
Ms. Chu Lai King	✓	✓	✓
Mr. Lau Kwok Chu	✓	✓	✓
Mr. Chu Kin Hang	✓	✓	✓
Non-executive Directors			
Mr. Hui Yat Yan Henry	✓	✓	✓
Mr. Lui Pak Shing Michael	✓	✓	✓
Mr. Poon Chi Ho	✓	✓	✓
	✓	✓	✓
Independent Non-executive Directors			
Mr. Chan Yu Cheong	✓	✓	✓
Mr. Sin Pak Cheong Philip Charles	✓	✓	✓
Mr. Wong Chee Chung	✓	✓	✓

BOARD COMMITTEES

The Board has established three committees namely, the Audit Committee, the Remuneration Committee and the Nomination Committee (collectively the "**Board Committees**"), each of which has been delegated responsibilities and reports back to the Board. The roles and functions of these committees are set out in their respective terms of reference. The terms of reference of each of these committees will be reviewed from time to time to ensure that they continue to meet the needs of the Company and to ensure compliance with the CG Code where applicable. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the Company's website (*https://www.yesasiaholdings.com*) and the Stock Exchange's website, and are available to Shareholders upon request.

(i) Audit Committee

The Board established its Audit Committee on 17 August 2020 with specific written terms of reference setting out the committee's authority and duties. The Audit Committee consists of four members including one Non-executive Director and three Independent Non-executive Directors, namely, Mr. Hui Yat Yan Henry (Non-executive Director), Mr. Chan Yu Cheong, Mr. Sin Pak Cheong Philip Charles and Mr. Wong Chee Chung (Independent Non-executive Directors). Mr. Wong Chee Chung is the Chairman of the Audit Committee. The Audit Committee is provided with sufficient resources to discharge its duties.

The Board has adopted a terms of reference of the Audit Committee in compliance with the CG Code, which is available on the websites of the Company and the Stock Exchange.

The main duties of the Audit Committee are to make recommendation to the Board on the appointment, re-appointment and removal of the external auditor, to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process and to discuss with the external auditor the nature and scope of the audit. It is also responsible for reviewing: (i) the interim and annual financial statements before submission to the Board and (ii) the Company's financial reporting, internal control and risk management systems and the internal and external audit functions (where appropriate). It also needs to discuss problems and reservations arising from the interim and final audits and to consider the major findings of internal investigations and management's response.

The Audit Committee shall meet at least twice per year according to its terms of reference. The number of meetings held during the year ended 31 December 2024, with details of attendance are set out below:

Audit Committee members	**Attendance/ Number of meetings held**
Mr. Wong Chee Chung *(Chairman)*	5/5
Mr. Chan Yu Cheong	5/5
Mr. Sin Pak Cheong Philip Charles	5/5
Mr. Hui Yat Yan Henry	5/5

During the year ended 31 December 2024, the Audit Committee had considered, reviewed and discussed areas of concerns during the audit process, the compliance of company policies, risk management and the internal control procedures of the Group, and had approved the audited consolidated financial statements for the year ended 31 December 2023 and the unaudited interim financial statements for the six months ended 30 June 2024, and selection of the external auditors. The Audit Committee also reviewed and confirmed the independence of RSM Hong Kong Certified Public Accountants, the external auditors of the Company.

(ii) Remuneration Committee

The Board established its Remuneration Committee on 17 August 2020 with specific written terms of reference setting out the committee's authority and duties.

The Remuneration Committee consists of four members including one Non-executive Director and three Independent Non-executive Directors, namely, Mr. Poon Chi Ho (Non-executive Director), Mr. Chan Yu Cheong, Mr. Sin Pak Cheong Philip Charles and Mr. Wong Chee Chung (Independent Non-executive Directors). Mr. Chan Yu Cheong is the Chairman of the Remuneration Committee. The Remuneration Committee is provided with sufficient resources to discharge its duties.

The Board has adopted a terms of reference of the Remuneration Committee in compliance with the CG Code, which is available on the websites of the Company and the Stock Exchange.

The Company has adopted the model set out in Code Provision E.1.2(c)(i) of the CG Code as its Remuneration Committee model under which the Remuneration Committee shall make recommendations to the Board on the remuneration packages of individual executive directors and senior management.

The major responsibilities of the Remuneration Committee are to make recommendation to the Board on the Company's policies and structure for remuneration of the Directors and senior management of the Company and review and approve the management's remuneration proposals with reference to the Board's corporate goal and objective. The Remuneration Committee shall determine the individual remuneration package of each executive Director (including the Chairperson), non-executive Director and senior management including benefits in kind and pension rights (including allocation of share options) and compensation payments (including any compensation payable for loss or termination of their office or appointment) subject to the contractual terms, if any. The Remuneration Committee also ensures that no Director or any of his associates is involved in deciding his own remuneration.

The Remuneration Committee shall meet at least once per year according to its terms of reference. The number of Remuneration Committee meetings held during the year ended 31 December 2024, with details of attendance are set out below:

Remuneration Committee members	**Attendance/ Number of meetings held**
Mr. Chan Yu Cheong *(Chairman)*	3/3
Mr. Poon Chi Ho	3/3
Mr. Wong Chee Chung	3/3
Mr. Sin Pak Cheong Philip Charles	3/3

During the year ended 31 December 2024, the Remuneration Committee reviewed the existing remuneration policy and structure, assessed the performance of each Director and approved the terms of executive Directors' service contracts for the Reporting Year.

Material matters relating to the Share Option Schemes that were reviewed and approved by the Remuneration Committee during the Reporting Year are set out below:

– Grant of 309,000 Options carrying rights to subscribe for a maximum of an aggregate of 3,090,000 Shares to 4 senior managers and 68 employees of the Group on 26 April 2024; and

– Grant of 65,000 Options carrying rights to subscribe for a maximum of an aggregate of 650,000 Shares to 5 employees of the Group on 29 July 2024.

– Grant of 15,000 Options carrying rights to subscribe for a maximum of an aggregate of 150,000 Shares to 3 employees of the Group on 20 December 2024.

(iii) Nomination Committee

The Board has adopted a terms of reference of the Nomination Committee in compliance with the CG Code, which is available on the websites of the Company and the Stock Exchange.

The Nomination Committee currently consists of four members including one executive Director and three independent non-executive Directors, namely, Mr. Chu Kin Hang (executive Director), Mr. Chan Yu Cheong, Mr. Sin Pak Cheong Philip Charles and Mr. Wong Chee Chung (Independent Non-executive Directors). Mr. Sin Pak Cheong Philip Charles is the Chairman of the Nomination Committee. The Nomination Committee is provided with sufficient resources to discharge its duties.

The main duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board on a regular basis, assist the Board in maintaining a board skills matrix and to identify individuals suitably qualified to become Board members. It is also responsible for assessing the independence of independent non-executive Directors, making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors and supporting the Company's regular evaluation of the Board's performance.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Company has adopted a nomination policy, in evaluating and selecting any candidate for directorship. The Nomination Committee utilizes various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. In addition, the Nomination Committee will consider director candidates properly submitted by the Shareholders. The Nomination Committee would consider criteria including, among other things, character and integrity, qualifications (cultural and educational background, professional qualifications, skills, knowledge and experience and diversity aspects under the board diversity policy), any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity, and willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s). The evaluation of director candidates may include, without limitation, review of resume and job history; personal interviews; verification of professional and personal references; and performance of background and independence checks. The Board will consider the recommendations by the Nomination Committee and is responsible for designating the director candidate(s) to be considered by the Shareholders for their election at the general meeting of the Company, or appointing the suitable candidate to act as director to fill the Board vacancies subject to compliance of the constitutional documents of the Company and the applicable laws, rules and regulations. All appointments of directors should be confirmed by letter of appointment and/or service contract setting out the key terms and conditions of the appointment of the directors.

The Company sees increasing diversity at the Board level as an essential element in attaining its strategic objectives and achieving sustainable and balanced development for the Group. During the Reporting Year, one out of nine Board of Directors was female. The Board will continue to take opportunities to increase the proportion of female members over time as and when suitable candidates are identified.

The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship with a ranking of the candidates (if applicable) by order of preference based on the needs of the Company and reference check of each candidate. In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting. The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

The Nomination Committee shall meet at least once per year according to its terms of reference, during which matters such as structure, size and composition of the Board were discussed. The Nomination Committee considered that an appropriate balance of diversity of the Board is maintained during the Reporting Year. The number of Nomination Committee meetings held during the year ended 31 December 2024, with details of attendance are set out below:

Nomination Committee members	Attendance/ Number of meetings held
Mr. Sin Pak Cheong Philip Charles *(Chairman)*	3/3
Mr. Chan Yu Cheong	3/3
Mr. Wong Chee Chung	3/3
Mr. Chu Kin Hang	3/3

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the Code Provision A.2.1 of the CG Code:

a. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

b. to review and monitor the training and continuous professional development of Directors and senior management;

c. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

d. to develop, review and monitor the code of conduct and compliance manual applicable to talents and Directors; and

e. to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledged their responsibility for preparing the financial statements of the Group for the year ended 31 December 2024.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, announcements relating to disclosure of inside information and other disclosures required under the Listing Rules and other statutory and regulatory requirements. The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Group's financial statements, which are put to the Board for approval. The Board shall ensure that the financial statements of the Group are prepared to give a true and fair view and on a going concern basis under the statutory requirements and applicable financial reporting standards.

The statement by the auditor of the Company and the Group regarding its reporting responsibilities and opinion on the financial statements of the Company and the Group for the year ended 31 December 2024 is set out in the "Independent Auditor's Report" on pages 80 to 85 of this annual report.

AUDITOR'S REMUNERATION

The remuneration paid and payable to the external auditor of the Company, RSM Hong Kong, and its network firm, and the nature of services are set out as follows:

Type of services rendered	**For the year ended 31 December 2024 (US$'000)**
Audit Services	
– Annual audit	194
Non-audit services	16
Total	210

COMPANY SECRETARY

All Directors have access to the advice and services of the company secretary of the Company, who reports to the Chairperson on board governance matters, and is responsible for ensuring that Board procedures are followed and also facilitating communications among Directors as well as with Shareholders and management.

Mr. Ng Sai Cheong is the company secretary during the Reporting Year and had complied with the professional training requirements of no less than 15 hours to update his skills and knowledge under Rule 3.29 of the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensures that the Group has established and maintained appropriate and effective risk management and internal control systems. A sound risk management and internal control system aims to reduce the risks faced by the Group in the process of achieving various business goals and to provide reasonable but not absolute guarantees for the realization of business goals.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resources, qualifications, experience and training of staff and external advisors of the Group's accounting and financial reporting departments. The Company convened meetings with the Audit Committee periodically to discuss financial, operational and compliance controls and risk management functions. Moreover, the Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The management of the Group is responsible for designing, maintaining, implementing and monitoring the risk management and internal control systems to ensure adequate control is in place to safeguard the Group's assets and stakeholder's interest. Management also assists the Board in the implementation of the Group's policies, procedures and controls by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

Our Board has established the risk and compliance committee ("Risk and Compliance Committee"), which comprises Mr. Lau, Ms. Chu and Mr. Chu, all of whom are executive Directors. The Risk and Compliance Committee oversees our environmental, social and governance ("ESG") performance, management approach and strategy. The Risk and Compliance Committee is responsible for establishing, adopting, and reviewing our ESG policies, and evaluates ESG-related risks (including risks to the Group's businesses) on an annual basis.

The Group has formulated the internal control manual of the Group to govern the policies and procedures of the Group's risk management and internal control. Furthermore, the Group periodically reviewed the Company's policies and procedures, code of business conduct, corruption and conflicts of interest policy and whistleblowing policy. The Board would perform annual review on any significant change of business environment and establish procedures to respond to the risks resulting from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses and adverse impact to our business and protect the Shareholders' interests.

The management would identify the risks associated with the business of the Group by considering both internal and external factors and events which include politics, economy, technology, environmental, social and staff. Each of the risks has been assessed and prioritised based on their relevant impact and chance of occurrence. The relevant risk management strategies would be applied to each type of risks according to the assessment results. Types of risk management strategies are listed as follow:

– Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risk;

– Risk avoidance: change business process or objective so as to avoid risk;

– Risk sharing and diversification: diversify the effect of risk or allocate to different locations or products or markets;

– Risk transfer: transfer ownership and liability to a third party.

The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimize the adverse impact resulting from the risks. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

BT Corporate Governance Limited ("BTCGL") has been appointed to review the effectiveness of the internal control systems of the Group, including financial, operational and compliance risks and the respective risk mitigation activities, during the Reporting Year.

BTCGL has prepared the internal audit report and presented to the Group's management and operational teams for their attention and appropriate actions. Remedial actions have been developed collaboratively by the Group's management and operational teams to rectify the control weaknesses identified.

The Group does not have an internal audit function and the Board is of the view that there is no immediate need to set up an internal audit function within the Group having reviewed the size, nature and complexity of the Group's business during the Reporting Year. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations. The situation will be reviewed by the Board on an annual basis.

The risk management and internal control systems are reviewed annually. During the Reporting Year, the Board completed the review of the Group's risk management and internal control systems and concluded them to be effective and adequate. The Board and management also reviewed the adequacy of the resources, qualifications, and experience of the staff in the accounting and financial reporting functions of the Group, as well as the adequacy of the training courses and related budgets received by the staff and were satisfied with the results.

WHISTLEBLOWING POLICY

The Group has adopted arrangements to facilitate employees and other stakeholders to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee shall review such arrangements regularly and ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.

INSIDE INFORMATION POLICY

The Company is aware of and strictly complies with the requirements of the applicable laws, regulations and guidelines, including the obligations to disclose inside information under the SFO and the Listing Rules, and the Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission, at the time when the relevant businesses are transacted. The Group has established the authority and accountability, as well as the handling and dissemination procedures in relation to inside information, and has communicated to all relevant personnel and provided them with specific training in respect of the implementation of the continuous disclosure policy.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a model code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard as set out in the Model Code.

The Company has made specific enquiries with all Directors and all of them confirmed that they have complied with the required standards set out in the Model Code during the Reporting Year.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company is committed to safeguarding shareholders' interests and believes that effective communication with shareholders and other stakeholders is essential for enhancing investor relations and investor understanding of the business performance and strategies of the Group.

The Board adopted the Shareholders Communication Policy on 8 July 2021 and revised it on 29 December 2023. The policy aims to set out the provisions with the objective of ensuring that the shareholders of the Company and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders of the Company to exercise their rights in an informed manner and to allow shareholders of the Company and potential investors to engage actively with the Company.

The Audit Committee, on behalf of the Board, also conducted a review of the implementation and effectiveness of the Shareholders Communication Policy. Having considered the multiple channels of communication and engagement in place as set out in below, the Audit Committee is satisfied that the Shareholders Communication Policy has been properly implemented during the Reporting Year and is effective.

Information Disclosure on the Company's Website

To promote effective communication, the Company maintains a website at *https://www.yesasiaholdings.com,* where information and updates on the Company's financial information, corporate governance practices, biographical information of the Board and other information are available for public access.

General Meetings with Shareholders

According to Article 54 of the Articles, any one or more Shareholders representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings of the Company may request the Board to call a general meeting of the Company. Such request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The Board, if required to call a general meeting under Article 54, must call a meeting within 21 days after the date on which they become subject to the requirement.

DIVIDEND POLICY

The Board adopted a dividend policy that set outs the approach and principles of the Company in declaration of dividend.

In considering whether to declare any dividend, the Board shall consider factors in all aspects including the operating results, cash flow, financial condition and capital requirements of the Group and the interests of the Shareholders. The proposal of payment and determination of the amount of any dividend is made at the discretion of the Board, taking into account factors including the Company's prevailing and expected results of operations and profitability, liquidity position, capital requirements, market condition, as well as business objectives and investment opportunities. The Board will review the dividend policy based on the Group's upcoming investment opportunities and development plans from time to time.

SHAREHOLDERS' RIGHTS

Set out below is a summary of certain rights of the Shareholders as required to be disclosed pursuant to the mandatory disclosure requirement under Paragraph K of the CG Code:

Convening a Special General Meeting by Shareholders

Section 566 of Companies Ordinance provides that shareholder(s) holding at the date of the deposit of the requisition not less than 5% of the total voting rights of all the shareholders of the Company and carrying the right of voting at general meeting of the Company, may request the Board, to convene a general meeting. The request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request must be authenticated by the relevant shareholder(s) and sent to the Company in hard copy form or in electronic form.

Procedures for putting forward proposals at general meetings by shareholders

Section 615 of Companies Ordinance provides that (i) shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company who have a right to vote on the resolution at the annual general meeting; or (ii) at least 50 shareholders who have a right to vote on the resolution at the annual general meeting may request the Company to circulate a notice of a resolution for consideration at the annual general meeting.

The request must identify the resolution to be moved at the annual general meeting and must be authenticated by the relevant shareholder(s) and sent to the Company in hardcopy form or in electronic form not later than six weeks before the relevant annual general meeting to which the requests relate; or if later, the time at which notice is given of that meeting.

Procedures for directing shareholders' enquiries to the Board

Shareholders and investors who intend to put forward their enquiries about the Company to the Board could send their enquiries to the headquarters of the Company at 5/F, KC100, 100 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong (email address: ir@yesasiaholdings.com).

Changes to the contact details above will be communicated through the Company's website at *https://www.yesasiaholdings.com*, which also contains information and updates on the Group's business developments and operations, as well as press releases and financial information.

CONSTITUTIONAL DOCUMENTS

The Company adopted the Articles on 13 March 2021. During the year ended 31 December 2024, no amendment had been made to the constitutional documents of the Company including the said Articles.

The Directors submit herewith their annual report together with the audited consolidated financial statements for the year ended 31 December 2024.

RESULTS AND DIVIDEND

The results of the Group for the Reporting Year and the status of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 86 to 160.

The Directors recommended the payment of a final dividend of HK7.5 cents per Share for the year ended 31 December 2024 (2023: HK5.0 cents), totalling approximately US$3,965,000 (2023: US$2,579,000), based on the number of shares of 409,712,466 as at 31 December 2024. The final dividend is subject to the approval of the Shareholders at the forthcoming AGM of the Company.

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results, assets and liabilities of the Group for the past five financial years is set out on page 7.

BORROWINGS

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

SHARE CAPITAL

Details of movements in the share capital of the Company during the Reporting Year are set out in note 29 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the Reporting Year are set out in note 31 to the consolidated financial statements and the consolidated statement of changes in equity on page 89.

DISTRIBUTABLE RESERVES

As at 31 December 2024, the Company had retained earnings of approximately US$74,000 available for distribution, as computed in accordance with provisions of sections 291, 297 and 299 of the Companies Ordinance (2023: US$3,297,000).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Particulars and principal activities the Company's principal subsidiaries are set out in note 35 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report relating to the Share Option Schemes, no equity-linked agreement has been entered into during the Reporting Year or subsisted at the end of the Reporting Year.

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

During the Reporting Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities, save for the grant of 389,000 options of the Company under the Post-IPO Share Option Scheme (each option of the Company shall entitle the holder to subscribe for 10 Shares).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Reporting Year are set out in note 18 to the consolidated financial statements.

CHARITABLE DONATION

The Group made approximately US$1,000 cash charitable donation during the Reporting Year (2023: US$10,000).

COMPLIANCE WITH LAWS AND REGULATIONS

The Group mainly carries out its businesses in Hong Kong. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong that have a significant impact on the Group during the year ended 31 December 2024.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in the annual report, the Company does not have any disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

BUSINESS REVIEW AND PERFORMANCE

Business Review

The business overview and an analysis of the Group's performance for the Reporting Year, which includes an analysis of the Group's performance using financial key performance indicators and an indication of likely future developments in the Group's business, is set out in the paragraph headed "Management Discussion and Analysis" on pages 15 to 32 of this report. Those review and discussions form part of this report of the Directors.

Principal Risks and Uncertainties

The E-commerce industry is highly competitive and the Group may not compete successfully against new and existing competitors, which may materially and adversely affect the Group's financial conditions and results of operations

The E-commerce industry is subject to intense competition, which is particularly true with respect to the Group's core business, being the online retail of fashion & lifestyle, beauty and entertainment products. The Group faces a variety of competitive challenges, including:

- sourcing products efficiently and economically;
- identifying new and emerging brands and maintaining relationships with those brands or their business partners;
- competing for and retaining high quality suppliers;
- pricing of products competitively;
- facilitate efficient and economic warehousing, fulfillment and delivery arrangement;
- maintaining the quality of services;
- anticipating and responding quickly to changing consumer demands and preferences;
- developing new features to enhance the customer experience on the Group's platforms;
- international markets expansion;
- acquiring new customers and retaining existing customers;
- conducting effective marketing activities and maintaining favorable recognition of the Group's brands, websites and products; and
- navigating the rapidly evolving IT system.

If the Group cannot properly address these challenges, the Group's business and prospects would be materially and adversely affected. In addition, factors beyond the Group's control such as imposition of or increase in taxes or tariffs, fluctuations of exchange rates or general economic downturns could also lower the Group's profitability under the competition pressure.

As a mitigating measure, the Group continues to launch new marketing initiatives to recruit new members and enhance the shopping experience for customers and loyalty by deployment of a new customer relationship management system. With the use of data analytics, the Group can provide more customized content that helps the Group to expand customers base.

The Group uses third-party couriers to deliver orders. If these couriers fail to provide reliable delivery services at commercially acceptable terms, the Group's business and reputation may be materially and adversely affected.

The Group delivers goods through major local and international courier companies. Interruptions to or failures in these third parties' delivery services could inhibit the timely or proper delivery of the goods to customers. Service rates with these third party service providers may fluctuate. If these third-party couriers fail to deliver the goods in time or at all, or at uncompetitive costs, the Group may not be able to find alternative delivery companies to provide delivery services in a timely and cost efficient manner, or at all. If the goods are not delivered in proper condition or on a timely basis to our customers under a reasonable cost, the Group's business, prospects or results of operations could be materially and adversely affected.

As a mitigating measure, on 29 November 2021, the Group entered into a memorandum of understanding with CN Logistics, pursuant to which CN Logistics would offer logistics services for the Group's delivery of products in the United States and Europe and other overseas markets at charging rates which are expected to be at least 10% lower than the best available quotation by other independent service providers received and maintained by the Group on a regular basis. The Group believes the cooperation would enable the Group to offer more shipping options to customers and to attract more traffic to the online platforms maintained by the Group.

The financial risk factors are set out in note 6 to the consolidated financial statements.

Key Relationships with Employees, Customers and Suppliers

The Group has always paid great attention to and maintained a good business relationship with its suppliers of products and services, and has been providing, quality professional and customer-oriented services for its regional markets and customers. Suppliers and customers are good business partners creating value for the Group. The Group also values the knowledge and skills of its employees, and continues to provide favourable career development opportunities for its employees.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the environmental protection principle for delivering sustainable value to our stakeholders and have set out various initiatives aiming at the control of paper waste during our operations. The Group has not noted any material non-compliance with the relevant laws and regulations in relation to its business covering health and safety, workplace conditions, employment and the environment aspects during the Reporting Year. The Group has established its environmental, social and governance policies which set forth environmental protection measures, social responsibility principles and internal governance policies, and the Board has reviewed and confirmed its satisfaction with the implementation effectiveness and performance of such policies during the Reporting Year. The environmental, social and governance report of the Company for the year ended 31 December 2024 is available on the Company's website at *https://www.yesasiaholdings.com* and the Hong Kong Exchanges and Clearing Limited's website at *https://www.hkexnews.hk*. Going forward, the Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the Group's daily operation and continue to promote environmental practices and social sustainability.

The Company acknowledges the significant contributions by its stakeholders (including our employees, customers, suppliers, Shareholders and the communities) for progressing towards a sustainable development, and values their feedbacks and opinions to guide our management strategy on pertinent sustainability matters. To ensure transparent communication with our stakeholders, the Company has implemented whistleblowing channels as an integral part of its corporate governance and stakeholder engagement framework. Furthermore, the Company has established various communication channels to facilitate effective engagement with diverse stakeholders and gain insight into their expectations regarding the Company's long-term growth trajectory.

EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors, chief executive and the five highest paid individuals of the Group are set out in note 14(b) and 15(a) to the consolidated financial statements.

DIRECTORS

The Directors of the Company during the Reporting Year and up to the date of this report were:

Executive Directors

Mr. Lau Kwok Chu (劉國柱) *(Chief Executive Officer)*
Ms. Chu Lai King (朱麗琼) *(Chairperson)*
Mr. Chu Kin Hang (朱健恒)

Non-executive Directors

Mr. Lui Pak Shing Michael (雷百成)
Mr. Hui Yat Yan Henry (許日昕)
Mr. Poon Chi Ho (潘智豪)

Independent Non-executive Directors

Mr. Chan Yu Cheong (陳汝昌)
Mr. Sin Pak Cheong Philip Charles (冼栢昌)
Mr. Wong Chee Chung (王子聰)

Biographical details of Directors and senior management of the Company are set out on pages 33 to 38. The Company has not been advised by its Directors of any change in the information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules since its last update to Shareholders.

The following is the list of directors of the Company's subsidiaries during the Reporting Year and up to the date of this report:

Mr. Lau Kwok Chu
Ms. Chu Lai King
Mr. Chan Cheuk Wing
Mr. Chao Chie Hua (Resigned on 19 February 2024)
Ms. Fung Man Yee Joyce (Appointed on 19 February 2024)
Mr. Erik Hohmann (Appointed on 5 March 2024)
Mr. Ng Sai Cheong (Appointed on 11 September 2024)
Mr. Song Howon (Appointed on 31 December 2024)

RE-ELECTION OF DIRECTORS

Pursuant to Article 99 of the Articles of the Company, and with recommendation of the Nomination Committee, Ms. Chu Lai King, Mr. Chu Kin Hang, Mr. Poon Chi Ho and Mr. Sin Pak Cheong Philip Charles will retire from office by rotation and, being eligible, will offer themselves for re-election at the forthcoming AGM.

Directors' service contracts

None of the Directors being proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensations, other than statutory compensation.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Year or at any time during the Reporting Year.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors or their respective associates had an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group during the Reporting Year.

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which the Group's Controlling Shareholders had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Year or at any time during the Reporting Year.

No contracts of significance for the provision of services to the Company or any of its subsidiaries by a Controlling Shareholder or its subsidiaries subsisted at the end of the Reporting Year or at any time during the Reporting Year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of 31 December 2024, interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Interests in Shares or underlying Shares

Name of Director	Capacity	Nature of interest	Number of Shares	Approximate percentage of the issued share capital of the Company (%)
Mr. Lau Kwok Chu (劉國柱)[1]	Beneficial interest	Long position	124,670,980	30.43%
	Interest of Spouse	Long position	29,935,550	7.31%
Ms. Chu Lai King (朱麗琼)[1]	Beneficial interest	Long position	29,935,550	7.31%
	Interest of Spouse	Long position	124,670,980	30.43%
Mr. Chu Kin Hang (朱健恒)[2]	Beneficial interest	Long position	4,692,120	1.15%
Mr. Lui Pak Shing Michael (雷百成)[3]	Beneficial interest	Long position	31,456,210	7.68%
Mr. Hui Yat Yan Henry (許日昕)[4]	Beneficial interest	Long position	100,000	0.02%
Mr. Poon Chi Ho (潘智豪)[5]	Beneficial interest	Long position	100,000	0.02%
Mr. Chan Yu Cheong (陳汝昌)[6]	Beneficial interest	Long position	100,000	0.02%
Mr. Sin Pak Cheong Philip Charles (冼栢昌)[7]	Beneficial interest	Long position	100,000	0.02%
Mr. Wong Chee Chung (王子聰)[8]	Beneficial interest	Long position	100,000	0.02%

Notes:

(1) As at 31 December 2024, Mr. Lau directly held 124,570,980 Shares, and held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 100,000 Shares respectively.

As at 31 December 2024, Ms. Chu directly held 29,835,550 Shares, and held options under the Post-IPO Share Option Scheme which entitled her to subscribe for 100,000 Shares respectively.

As Mr. Lau is the spouse of Ms. Chu and vice versa, and they are each deemed under the SFO to be interested in the Shares directly held by each other, they are therefore both interested in the combined number of Shares (being 154,606,530 Shares as at 31 December 2024, representing approximately 37.74% of the issued share capital of the Company as at 31 December 2024).

(2) Mr. Chu Kin Hang is the brother of Ms. Chu and brother-in-law of Mr. Lau. As at 31 December 2024, Mr. Chu directly held 4,592,120 Shares, and held options under the Post-IPO Share Option Scheme which entitled him to subscribe 100,000 Shares.

(3) As at 31 December 2024, Mr. Lui Pak Shing Michael directly held 31,356,210 Shares, and held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 100,000 Shares.

(4) As at 31 December 2024, Mr. Hui Yat Yan Henry directly held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 100,000 Shares.

(5) As at 31 December 2024, Mr. Poon Chi Ho directly held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 100,000 Shares.

(6) As at 31 December 2024, Mr. Chan Yu Cheong directly held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 100,000 Shares.

(7) As at 31 December 2024, Mr. Sin Pak Cheong Philip Charles directly held 37,500 Shares, and held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 62,500 Shares.

(8) As at 31 December 2024, Mr. Wong Chee Chung directly held options under the Post-IPO Share Option Scheme which entitled him to subscribe for 100,000 Shares.

Mr. Lau Kwok Chu holds one share, representing 10% of the issued share capital of YesAsia.com Limited as a trustee for the Company, which is the beneficial owner of the shares in YesAsia.com Limited held by Mr. Lau. YesAsia.com Limited was incorporated on 7 December 1998 and was subject to the requirement for a minimum of two shareholders set out in the predecessor Companies Ordinance (Cap. 32 of the Laws of Hong Kong). Mr. Lau Kwok Chu holds the share in YesAsia.com Limited upon trust for the Company for nominee shareholding purpose.

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

As of 31 December 2024, to the best knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholder	Capacity	Nature of interest	Number of Shares	Approximate percentage of the issued share capital of the Company (%)
PCCW e-Ventures Limited(1)	Beneficial interest	Long Position	39,704,030	9.69%
CyberWorks Ventures Limited(1)	Interest in controlled corporation	Long Position	39,704,030	9.69%
PCCW Limited(1)(3)	Interest in controlled corporation	Long Position	39,704,030	9.69%
Stonepath Group, Inc.(2)	Beneficial interest	Long Position	26,000,000	6.35%

Notes:

(1) PCCW e-Ventures Limited is held as to 50% by CyberWorks Ventures Limited and 50% by PCCW Nominees Limited (acting as a bare trustee for and on behalf of CyberWorks Ventures Limited as the beneficiary). CyberWorks Ventures Limited is a wholly-owned subsidiary of PCCW Limited (being a company listed on the Main Board of the Stock Exchange with stock code 0008). Therefore, each of CyberWorks Ventures Limited and PCCW Limited is deemed to be interested in the 39,704,030 Shares held by PCCW e-Ventures Limited for the purpose of Part XV of the SFO.

(2) Stonepath Group, Inc., is a US company incorporated in the State of Delaware, directly held 26,000,000 Shares. As far as our Directors are aware, Stonepath Group, Inc. is held by various shareholders, and none of which is deemed to be interested in the Shares held by Stonepath Group, Inc. for the purpose of Part XV of the SFO.

(3) As at 31 December 2024, the following Directors were directors/employees of a company who had an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

(a) Mr. HUI Yat Yan Henry served as senior vice president of the business development unit of PCCW and served as a director in a number of subsidiaries in the PCCW Group and HKT Limited.

(b) Mr. POON Chi Ho held a number of positions within the PCCW Group, including as director in a number of subsidiaries in both the PCCW Group and the HKT Group.

Save as disclosed above, as of 31 December 2024, the Company is not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SHARE OPTION SCHEMES

2016 Share Option Scheme

The Company adopted a share option scheme on 30 June 2016 ("**2016 Share Option Scheme**") for the purpose of enabling the Company to attract and retain qualified employees of providing them with an opportunity for investment in the Company. The Company may grant options under the 2016 Share Option Scheme only to employees of the Company. As the Company became listed on the Stock Exchange on 9 July 2021, no further options can be granted under the 2016 Share Option Scheme.

However, the terms of the 2016 Share Option Scheme allow the options to have a maximum exercise period of ten (10) years from the date of grant of the respective options and the all outstanding options granted prior to the expiration of the scheme would remain effective, and the expiration of the 2016 Share Option Scheme would not result in the termination of any options already granted.

There is no maximum entitlement of each participant specified under the 2016 Share Option Scheme. The exercise price of options granted under the 2016 Share Option Scheme shall be determined by the Board but shall not be less than 85% of the fair market value of the Shares as at the grant date.

Following the Share Split which took effect on 9 June 2021, each grantee shall receive 10 Shares for exercising each outstanding option granted under the 2016 Share Option Scheme.

Movements of the share options under the 2016 Share Option Scheme during the Reporting Year are as follows:

Name of category/ participant	Outstanding as at 1 January 2024	Granted during the Reporting Year	Exercised during the Reporting Year	Cancelled during the Reporting Year	Lapsed during the Reporting Year	**Outstanding as at 31 December 2024**	Date of grant	Vesting period	Exercise period	Exercise price per option *US$*
Executive Directors										
Lau Kwok Chu	80,000	–	(80,000)[1]	–	–	**-**	28 July 2016	28 July 2016 to 28 July 2020	28 July 2017 to 28 July 2026	0.80
	180,000	–	(180,000)[1]	–	–	**-**	15 August 2019	15 August 2019 to 15 August 2023	15 August 2020 to 15 August 2029	1.55
Chu Lai King	60,000	–	(60,000)[1]	–	–	**-**	28 July 2016	28 July 2016 to 28 July 2020	28 July 2017 to 28 July 2026	0.80
Subtotal	320,000	–	(320,000)	–	–	**-**				
Other Employees*										
Chu Pui King (Associate of Director – Sister of Ms. Chu Lai King and Mr. Chu Kin Hang)	3,000	–	–	–	–	**3,000**	23 April 2020	23 April 2020 to 23 April 2024	23 April 2021 to 23 April 2030	2.01
2 Grantees	2,451	–	–	–	–	**2,451**	28 July 2016	28 July 2016 to 28 July 2020	28 July 2017 to 28 July 2026	0.80
Nil Grantee	625	–	(625)[1]	–	–	**-**	27 April 2017	1 April 2017 to 1 April 2021	1 April 2018 to 27 April 2027	0.80
Nil Grantee	1,250	–	(1,250)[1]	–	–	**-**	10 August 2017	1 August 2017 to 1 August 2021	1 August 2018 to 10 August 2027	0.80
Nil Grantee	1,875	–	(1,875)[1]	–	–	**-**	27 April 2018	1 November 2017 to 1 November 2021	1 November 2018 to 27 April 2028	1.20

Name of category/ participant	Outstanding as at 1 January 2024	Granted during the Reporting Year	Exercised during the Reporting Year	Cancelled during the Reporting Year	Lapsed during the Reporting Year	**Outstanding as at 31 December 2024**	Date of grant	Vesting period	Exercise period	Exercise price per option *US$*
Nil Grantee	625	–	(625)[1]	–	–	**-**	27 April 2018	1 December 2017 to 1 December 2021	1 December 2018 to 27 April 2028	1.20
Nil Grantee	3,200	–	(3,200)[1]	–	–	**-**	27 April 2018	1 January 2018 to 1 January 2022	1 January 2019 to 27 April 2028	1.20
5 Grantees	36,538	–	(14,375)[1]	–	–	**22,163**	27 April 2018	1 April 2018 to 1 April 2022	1 April 2019 to 27 April 2028	1.20
Nil Grantee	6,250	–	(6,250)[1]	–	–	**-**	27 April 2018	1 May 2018 to 1 May 2022	1 May 2019 to 27 April 2028	1.20
2 Grantees	37,500	–	(15,625)[1]	–	–	**21,875**	26 July 2018	1 April 2018 to 1 April 2022	1 April 2019 to 26 July 2028	1.20
Nil Grantee	15,625	–	(15,625)[1]	–	–	**-**	26 July 2018	1 May 2018 to 1 May 2022	1 May 2019 to 26 July 2028	1.20
3 Grantees	78,175	–	(46,866)[1]	–	–	**31,309**	24 January 2019	1 January 2019 to 1 January 2023	1 January 2020 to 24 January 2029	1.20
13 Grantees	73,443	–	(50,634)[1]	–	–	**22,809**	25 April 2019	25 April 2019 to 25 April 2023	25 April 2020 to 25 April 2029	1.55
2 Grantees	33,000	–	(23,350)[1]	–	–	**9,650**	15 August 2019	15 August 2019 to 15 August 2023	15 August 2020 to 15 August 2029	1.55
2 Grantees	133,200	–	(93,300)[1]	–	–	**39,900**	6 February 2020	6 February 2020 to 6 February 2024	6 February 2021 to 6 February 2030	1.55

Name of category/ participant	Outstanding as at 1 January 2024	Granted during the Reporting Year	Exercised during the Reporting Year	Cancelled during the Reporting Year	Lapsed during the Reporting Year	**Outstanding as at 31 December 2024**	Date of grant	Vesting period	Exercise period	Exercise price per option *US$*
19 Grantees	245,000	–	(128,500)[1]	–	–	**116,500**	23 April 2020	23 April 2020 to 23 April 2024	23 April 2021 to 23 April 2030	2.01
1 Grantee	50,000	–	(15,000)[1]	(20,000)	–	**15,000**	30 July 2020	30 July 2020 to 30 July 2024	30 July 2021 to 30 July 2030	2.01
14 Grantees	240,000	–	(145,024)[1]	–	–	**94,976**	29 October 2020	29 October 2020 to 29 October 2024	29 October 2021 to 29 October 2030	2.01
11 Grantees	140,000	–	(53,550)[1]	(10,000)	–	**76,450**	28 January 2021	28 January 2021 to 28 January 2025	28 January 2022 to 28 January 2031	2.01
67 Grantees	418,000	–	(174,575)[1]	(13,250)	–	**230,175**	29 April 2021	29 April 2021 to 29 April 2025	29 April 2022 to 29 April 2031	2.01
Subtotal	1,519,757	–	(790,249)	(43,250)	–	**686,258**				
Total	1,839,757	–	(1,110,249)	(43,250)	–	**686,258**				

* Represents number of grantees as at 31 December 2024.

As at 1 January 2024, the total number of Shares of the Company that could be issued upon exercise of all outstanding options granted under the 2016 Share Option Scheme were 18,397,570 Shares, which represented about 4.63% of the total number of issued Shares of the Company as at 1 January 2024. As at 31 December 2024, the total number of Shares of the Company that could be issued upon exercise of all outstanding options granted under the 2016 Share Option Scheme were 6,862,580 Shares, which represented about 1.67% of the total number of issued Shares of the Company as at 31 December 2024.

The default vesting schedule of the 2016 Share Option Scheme is as follows: (i) 25% of all the options granted will become vested on the first anniversary of the vesting start date as specified in the option agreement and (ii) 6.25% of the options granted will become vested as at the end of each three month period after the vesting start date.

The total proceeds of approximately US$1,816,000 received from exercised share options under 2016 Share Option Scheme during the Reporting Year was fully used for general working capital of the Company by the end of the Reporting Year.

Please refer to Notes 32 to the consolidated financial statements for the accounting standard and policy adopted and the methodology and assumptions used in the calculation of the fair value of Options granted.

Note:

(1) During the year ended 31 December 2024, i) the exercise date; ii) the number of exercised options under the 2016 Share Option Scheme; and iii) the weighted average closing prices of Shares immediately before the exercise date are as follows:

Exercise date	**Number of exercised options**	**The weighted average closing prices of Shares immediately before the exercise date**
5 June 2024	29,800	HK$1.07
24 June 2024	186,248	HK$2.99
17 July 2024	137,250	HK$3.46
24 July 2024	153,737	HK$4.15
29 July 2024	7,250	HK$4.49
31 July 2024	49,699	HK$4.56
7 August 2024	5,419	HK$4.32
14 August 2024	13,562	HK$4.19
19 August 2024	4,000	HK$4.35
21 August 2024	8,900	HK$4.56
28 August 2024	2,437	HK$4.58
4 September 2024	26,350	HK$4.66
9 September 2024	324,125	HK$5.23
11 September 2024	75,523	HK$5.89
25 September 2024	28,705	HK$6.45
9 October 2024	5,500	HK$5.82
23 October 2024	1,919	HK$5.52
30 October 2024	4,669	HK$4.91
6 November 2024	2,769	HK$4.84
13 November 2024	3,700	HK$4.57
18 November 2024	16,812	HK$4.02
11 December 2024	11,041	HK$4.41
18 December 2024	10,834	HK$4.86
Total:	**1,110,249**	

Post-IPO Share Option Scheme

A post-IPO share option scheme was adopted by the Company on 13 March 2021, which was conditional upon the listing of the Shares on the Stock Exchange and came into effect on 9 July 2021 (the "**Post-IPO Share Option Scheme**"). The Post-IPO Share Option Scheme shall be valid and effective for the period of ten years from the date of the listing of the Shares on the Stock Exchange until 8 July 2031. The purpose of the Post-IPO Share Option Scheme is to advance the interests of the Company and its shareholders by enabling the Company to attract and retain qualified employees or directors of the Company and/or its subsidiaries through providing them with an opportunity for investment in the shares of the Company. Participants to the Post-IPO Share Option Scheme include any individual, being an employee or director of the Company and/or the Company's subsidiaries who the Board or its delegate(s) considers, in their sole discretion, to have contributed or will contribute to the business performance of the Group. However, no individual who is a resident in a place where the grant, acceptance or exercise of options pursuant to the Post-IPO Share Option Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual from the grant or offer of such options.

The total number of Shares which may be issued upon exercise of all options that could be granted under the Post-IPO Share Option Scheme is 39,539,079, being 10% of the Shares in issue on the date the Shares commence trading on the Stock Exchange (the "**Option Scheme Mandate Limit**") (excluding any Shares which may be issued pursuant to the exercise of the outstanding options granted under the Pre-IPO Share Option Schemes). Options which have lapsed in accordance with the terms of the rules of the Post-IPO Share Option Scheme (or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Option Scheme Mandate Limit.

Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Post-IPO Share Option Scheme and any other share option scheme(s) of the Company to each selected participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of Shares in issue (the "**Individual Limit**"). Any further grant of options to a selected participant which would result in the aggregate number of Shares issued and to be issued upon exercise of all options granted and to be granted to such selected participant (including exercised, canceled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to separate approval of the Shareholders (with such selected participant and his close associates abstaining from voting). There was no option granted under such circumstances during the Reporting Year.

Following the Share Split which took effect on 9 June 2021, each grantee shall receive 10 Shares for exercising each outstanding option granted under the Post-IPO Share Option Scheme.

The subscription price, being the amount payable for each Share to be subscribed for under an option, in the event of the option being exercised shall be determined by the Board but shall be not less than the greater of:

(i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant;

(ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and

(iii) the nominal value of a Share on the date of grant.

An option is personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest in favor of or enter into any agreement with any other person over or in relation to any option.

Each grant of options to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) must first be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of options).

In addition, where any grant of options to a substantial shareholder or an independent non-executive Director of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, canceled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(i) representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and

(ii) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, in excess of HK$5,000,000 (or such other higher amount as may from time to time be specified by the Stock Exchange),

such further grant of options must also be first approved by the Shareholders (voting by way of poll) in a general meeting. In obtaining the approval, the Company shall send a circular to the Shareholders in accordance with and containing such information as is required under the Listing Rules. All core connected persons of the Company shall abstain from voting at such general meeting, except that any core connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular to be sent to the Shareholders in connection therewith. There was no option granted under such circumstances during the Reporting Year.

During the Reporting Year, 389,000 options carrying rights to subscribe for a maximum of 3,890,000 Shares have been granted by the Company under the Post-IPO Share Option Scheme. Movements of the share options under the Post-IPO Share Option Scheme during the Reporting Year are as follows:

Name of category/ participant	Outstanding as at 1 January 2024	Granted during the Reporting Year	Exercised during the Reporting Year	Cancelled during the Reporting Year	Lapsed during the Reporting Year	**Outstanding as at 30 June 2024**	Date of grant	Vesting period	Exercise period	Exercise price per option *HK$*	Closing share price immediately before the date of grant *HK$*	Fair value at the date of grant for options granted during the Reporting Year *US$'000*
Executive Directors												
Lau Kwok Chu	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Chu Lai King	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Chu Kin Hang	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Subtotal	30,000	–	–	–	–	**30,000**						
Non-Executive Directors												
Lui Pak Shing Michael	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Hui Yat Yan Henry	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Poon Chi Ho	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Subtotal	30,000	–	–	–	–	**30,000**						
Independent Non-Executive Directors												
Chan Yu Cheong	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Sin Pak Cheong Philip Charles	10,000	–	(3,750)[(4)]	–	–	**6,250**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Wong Chee Chung	10,000	–	–	–	–	**10,000**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
Subtotal	30,000	–	(3,750)	–	–	**26,250**						

Name of category/ participant	Outstanding as at 1 January 2024	Granted during the Reporting Year	Exercised during the Reporting Year	Cancelled during the Reporting Year	Lapsed during the Reporting Year	**Outstanding as at 30 June 2024**	Date of grant	Vesting period	Exercise period	Exercise price per option *HK$*	Closing share price immediately before the date of grant *HK$*	Fair value at the date of grant for options granted during the Reporting Year *US$'000*
Other Employees*												
3 Grantees	35,000	-	(21,200)[4]	-	-	**13,800**	30 August 2021	30 August 2021 to 29 August 2025	30 August 2022 to 29 August 2031	24.48	2.16	
2 Grantees	10,000	-	(3,750)[4]	-	-	**6,250**	29 October 2021	29 October 2021 to 28 October 2025	29 October 2022 to 28 October 2031	14.28	1.40	
57 Grantees	195,500	-	(62,606)[4]	(15,000)	-	**117,894**	21 April 2022	21 April 2022 to 20 April 2026	21 April 2023 to 20 April 2032	11.60	1.16	
6 Grantees	40,000	-	(18,075)[4]	-	-	**21,925**	31 October 2022	31 October 2022 to 30 October 2026	31 October 2023 to 30 October 2032	5.80	0.56	
69 Grantees	196,000	-	(39,225)[4]	-	-	**156,775**	21 April 2023	21 April 2023 to 20 April 2027	21 April 2024 to 20 April 2033	5.10	0.52	
3 Grantees	25,000	-	-	-	-	**25,000**	27 October 2023	27 October 2023 to 26 October 2027	27 October 2024 to 26 October 2033	4.70	0.47	
69 Grantees	-	309,000[1]	-	(15,000)	-	**294,000**	26 April 2024	26 April 2024 to 25 April 2028	26 April 2025 to 25 April 2034	7.90	0.79	98
5 Grantees	-	65,000[2]	-	-	-	**65,000**	29 July 2024	29 July 2024 to 28 July 2028	29 July 2025 to 28 July 2034	49.4	4.94	180
3 Grantees	-	15,000[3]	-	-	-	**15,000**	20 December 2024	20 December 2024 to 19 December 2028	20 December 2025 to 19 December 2034	46.8	4.68	37
Subtotal	501,500	389,000	(144,856)	(30,000)	-	**715,644**						315
Total	591,500	389,000	(148,606)	(30,000)	-	**801,894**						315

* Represents number of grantees as at 31 December 2024.

Notes:

(1) On 26 April 2024, 309,000 options were granted under Post-IPO Share Option Scheme at nil consideration and the total estimated fair value of these options on the date of grant was approximately US$98,000. Please refer the Note 32 to the consolidated financial statements for the accounting policy adopted for share options. The Share closing price immediately before the date of grant of the aforementioned 309,000 options was HK$0.75.

(2) On 29 July 2024, 65,000 options were granted under Post-IPO Share Option Scheme at nil consideration and the total estimated fair value of these options on the date of grant was approximately US$180,000. Please refer the Note 32 to the consolidated financial statements for the accounting policy adopted for share options. The Share closing price immediately before the date of grant of the aforementioned 65,000 options was HK$4.94.

(3) On 20 December 2024, 15,000 options were granted under Post-IPO Share Option Scheme at nil consideration and the total estimated fair value of these options on the date of grant was approximately US$37,000. Please refer the Note 32 to the consolidated financial statements for the accounting policy adopted for share options. The Share closing price immediately before the date of grant of the aforementioned 15,000 options was HK$4.19.

(4) During the year ended 31 December 2024, i) the exercise date; ii) the number of exercised options under the Post-IPO Share Option Scheme; and iii) the weighted average closing prices of Shares immediately before the exercise date are as follows:

Exercise date	**Number of exercised options**	**The weighted average closing prices of Shares immediately before the exercise date**
8 May 2024	200	HK$0.79
5 June 2024	9,575	HK$1.07
6 June 2024	2,400	HK$1.19
24 June 2024	33,500	HK$2.99
17 July 2024	28,950	HK$3.46
24 July 2024	25,763	HK$4.15
31 July 2024	14,869	HK$4.56
7 August 2024	2,037	HK$4.32
14 August 2024	3,500	HK$4.19
21 August 2024	4,513	HK$4.56
28 August 2024	1,200	HK$4.58
4 September 2024	1,400	HK$4.66
11 September 2024	6,031	HK$5.89
25 September 2024	312	HK$6.45
9 October 2024	5,000	HK$5.82
14 October 2024	875	HK$5.85
23 October 2024	2,357	HK$5.52
30 October 2024	1,575	HK$4.91
6 November 2024	1,637	HK$4.84
20 November 2024	300	HK$3.88
4 December 2024	1,200	HK$3.89
11 December 2024	1,000	HK$4.41
18 December 2024	412	HK$4.86
Total:	**148,606**	

As at 1 January 2024, the total number of shares of the Company that could be issued upon exercise of all outstanding options granted under the Post-IPO Share Option Scheme were 5,915,000 shares, which represented about 1.49% of the total number of issued shares of the Company as at 1 January 2024. As at 31 December 2024, the total number of shares of the Company that could be issued upon exercise of all outstanding options granted under the Post-IPO Share Option Scheme were 8,018,940 shares, which represented about 1.96% of the total number of issued shares of the Company as at 31 December 2024.

The default vesting schedule of the Post-IPO Share Option Scheme is as follows: (i) 25% of all the options granted will become vested on the first anniversary of the vesting start date as specified in the option agreement and (ii) 6.25% of the options granted will become vested as at the end of each three month period after the vesting start date.

The total proceeds of approximately US$210,000 received from exercised share options under Post-IPO Share Option Scheme during the Reporting Year was fully used for general working capital of the Company by the end of the Reporting Year.

Please refer to Notes 32 to the consolidated financial statements for the accounting standard and policy adopted and the methodology and assumptions used in the calculation of the fair value of Options granted.

Further details of the Share Option Schemes are set out as follows:

	2016 Share Option Scheme	**Post-IPO Share Option Scheme**
Number of Options available for grant		
As at 1 January 2024	–	3,362,407
As at 31 December 2024	–	3,003,407
Number of Shares that may be issued in respect of Options granted during the Reporting Year divided by the weighted average number of Shares during the Reporting Year[2]	–	0.35%
Remaining life of the option scheme as at 31 December 2024	–[1]	6.52 years
As at the date of annual report		
Total number of Shares available for issue under the option scheme in respect of Options granted	5,813,634	1,652,773
% of the total number of issued Shares	1.42%	0.40%
Total number of Shares available for issue upon exercise of all share options that could be granted	–[1]	10,134,079
% of the total number of issued Shares	–	2.47%

(1) As the Company became listed on the Stock Exchange on 9 July 2021, no further options can be granted under the 2016 Share Option Scheme.

(2) Please refer to Note 17 to the consolidated financial statements for the weighted average number of Shares during the Reporting Year.

According to the terms of the Share Option Schemes, the exercise period of the share options granted under the Share Option Schemes is determinable by the Board (or by a committee appointed by the Board which consists of two or more members of the Board) and ends on a date which is not later than ten years from the date of grant of the relevant share options. The Share Option Schemes do not specify any minimum holding period for which an option must be held before it can be exercised. There is no performance target attached to the vesting or exercise of the options granted under the Share Option Schemes.

The Share Option Schemes do not demand payment on application or acceptance of the option. The Company has not adopted any share award scheme during the Reporting Year and up to the date of this report.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the Reporting Year.

PERMITTED INDEMNITY PROVISIONS

During the Reporting Year and up to the date of this report, there was or is permitted indemnity provision in the Articles in force. The Company has maintained Directors' and officers' liability insurance throughout the Reporting Year and up to the date of this report, which provides appropriate cover for certain legal actions brought against its Directors and officers arising out of corporate activities.

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Year, the largest customer accounted for approximately 0.3% (2023: 0.5%) of the Group's total revenue. The five largest customers accounted for approximately 1.1% (2023: 1.6%) of the Group's total revenue for the Reporting Year.

The Group's five largest suppliers together accounted for approximately 42.2% (2023: 38.8%) of the Group's total purchase for the Reporting Year. The largest supplier accounted for approximately 11.4% (2023: 12.6%) of the total purchase of the Group for the Reporting Year.

To the best knowledge of the Directors, neither the Directors, their associates, nor any Shareholders, who, to the knowledge of the Directors, owned more than 5% of the Company's issued voting shares, had any beneficial interest in any of aforementioned customers or suppliers during the Reporting Year.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' duties, responsibilities and performance and the results of the Group.

MATERIAL LITIGATION

During the Reporting Year, the Group was not involved in any material litigation or arbitration, nor were the Directors aware of any material litigation or claims that were pending or threatened against the Group.

AUDITOR

The financial statements have been audited by RSM Hong Kong who shall retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM.

EMOLUMENT POLICY

The Remuneration Committee is set up for reviewing the Group's emolument policy and structure for all remunerations of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices. The remunerations of the Directors are determined with reference to the economic situation, the market conditions, the responsibilities and duties assumed by each Director as well as their individual performance.

The Company has adopted the Post-IPO Share Option Scheme in 2021 to provide long-term incentives for key employees, including Directors. The vesting schedule for the Options granted under the Post-IPO Share Option Scheme acts as both a retention and risk management tool and is as follows:

(1) 25% of all the Options granted will become vested on the first anniversary of the vesting start date;

(2) 6.25% of the Options granted will become vested as at the end of each three-month period after the first anniversary of the vesting start date, such that all of the Options with the same vesting start date shall become vested on the fourth anniversary of the vesting start date.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Company has maintained sufficient public float as required under the Listing Rules during the Reporting Year and up to the date of this report.

EVENTS AFTER THE REPORTING DATE

Events after the reporting date are set out in note 38 to the consolidated financial statements.

CLOSURE OF REGISTER OF MEMBERS

In relation to the AGM

The forthcoming AGM is scheduled to be held on Friday, 20 June 2025. For ascertaining shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 16 June 2025 to Friday, 20 June 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 13 June 2025.

In relation to the proposed final dividend

The Board has resolved to recommend the payment of a final dividend of HK7.5 cents per Share in cash for the year ended 31 December 2024 to shareholders whose names appear on the register of members of the Company on 3 July 2025, Thursday, subject to the approval of the shareholders of the Company at the AGM. For ascertaining shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from 27 June 2025, Friday, to 3 July 2025, Thursday (both dates inclusive), during which no transfer of Shares will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by no later than 4:30 p.m. on 26 June 2025, Thursday.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express gratitude to our employees for their contribution and dedication to the Group, and our Shareholders, customers and business partners for their continuous support.

On Behalf of the Board
Chu Lai King
Chairperson

Hong Kong, 28 March 2025

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TO THE MEMBERS OF
YESASIA HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of YesAsia Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 86 to 160, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter we identified is:

Key audit matter	How our audit addressed the key audit matter
Recognition of revenue generated from self-operated online platform We identified recognition of revenue generated from self-operated online platform as a key audit matter as the relevant sales transactions were conducted through the Group's self-operated online platform from receiving the sales orders to arranging the delivery and the total revenue amount and volume involved are significant. The recognition of such revenue is highly dependent on data flow accuracy of and the IT controls over the online platform. Hence, it gives rise to an inherent risk that such revenue could be misstated or subject to manipulation. The Group's revenue generated from self-operated online platform is recognised when the ordered goods are delivered or picked up, being the time when customers obtain control over the goods. The accounting policy for revenue recognition and related performance obligations are disclosed in Note 4(m) and Note 8 to the consolidated financial statements, respectively. For the year ended 31 December 2024, revenue generated from self-operated online platform amounted to US$344,114,000, represented 99.5% of the Group's total revenue, which is set out in Note 8 to the consolidated financial statements.	Our procedures in relation to the recognition of revenue generated from self-operated online platform included: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls which govern such revenue recognition; • Engaging our internal IT specialists to obtain an understanding of and assessing the design, implementation and operating effectiveness of general IT controls for relevant IT applications and IT application controls which govern such revenue recognition; • Engaging our internal IT specialists to assist us in testing the data flow accuracy and assessing the operating effectiveness of those IT application controls which are relevant to the recognition of revenue; • Understanding the terms of delivery of the sales orders and assessing whether the management of the Group recognised the revenue in accordance with the Group's accounting policy and when Group's performance obligations are satisfactorily fulfilled;

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Recognition of revenue generated from self-operated online platform (continued)	Our procedures in relation to the recognition of revenue generated from self-operated online platform included: (continued) • Checking the supporting documents for recognition of the revenue including sales invoices, goods delivery notes and/or evidence of the customers' acknowledgement of receipt of the goods on the self-operated online platform, on a sample basis; • Obtaining audit confirmations to confirm the sales transaction amounts from customers, on a sample basis, and performing alternative procedures for unreturned confirmations; and • Performing data analysis to identity unusual pattern and fluctuation of revenue generated from self-operated online platform and obtaining explanation from the management of the Group together with checking the relevant supporting documents.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Ng Wai Kwun.

RSM Hong Kong
Certified Public Accountants

28 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Note	**2024** ***US$'000***	2023 *US$'000*
Revenue	8	**345,782**	201,339
Cost of sales		**(240,396)**	(138,641)
Gross profit		**105,386**	62,698
Other income and other gains and losses	9	**1,296**	83
Selling expenses		**(42,121)**	(23,908)
Administrative expenses		**(39,761)**	(29,577)
Reversal of impairment losses for trade receivables		**–**	4
Profit from operations		**24,800**	9,300
Finance costs	11	**(1,300)**	(1,218)
Profit before tax		**23,500**	8,082
Income tax expense	12	**(4,458)**	(510)
Profit for the year	13	**19,042**	7,572
Attributable to:			
Owners of the Company		**19,055**	7,573
Non-controlling interests		**(13)**	(1)
		19,042	7,572
Earnings per share	17		
Basic (US cents per share)		**4.74**	1.91
Diluted (US cents per share)		**4.60**	1.91

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	2024 *US$'000*	2023 *US$'000*
Profit for the year		**19,042**	7,572
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
Remeasurement gains on defined benefit obligations		**10**	–
Item that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(786)**	21
Other comprehensive income for the year, net of tax		**(776)**	21
Total comprehensive income for the year		**18,266**	7,593
Attributable to:			
Owners of the Company		**18,279**	7,594
Non-controlling interests		**(13)**	(1)
		18,266	7,593

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Note	2024 US$'000	2023 US$'000
Non-current assets			
Property, plant and equipment	18	**3,143**	4,320
Right-of-use assets	19	**21,669**	10,595
Financial assets at fair value through profit or loss ("FVTPL")	20	**1,397**	1,732
Prepayments and deposits	22	**4,857**	1,623
Total non-current assets		**31,066**	18,270
Current assets			
Inventories		**55,097**	20,849
Trade and other receivables	21	**9,971**	5,857
Prepayments and deposits	22	**5,969**	3,018
Current tax assets		**6**	53
Pledged bank fixed deposits	23(a)	**2,931**	1,257
Bank and cash balances	23	**15,529**	25,181
Total current assets		**89,503**	56,215
Current liabilities			
Trade and other payables and accruals	24	**22,665**	12,606
Contract liabilities	25	**16,262**	12,735
Provisions	26	**392**	371
Lease liabilities	27	**8,146**	4,715
Current tax liabilities		**3,517**	434
Total current liabilities		**50,982**	30,861
Net current assets		**38,521**	25,354
Total assets less current liabilities		**69,587**	43,624
Non-current liabilities			
Provisions	26	**1,939**	1,101
Lease liabilities	27	**14,658**	7,469
Total non-current liabilities		**16,597**	8,570
Net assets		**52,990**	35,054
Capital and reserves			
Share capital	29	**24,182**	20,640
Reserves	31	**28,822**	14,415
Equity attributable to owners of the Company		**53,004**	35,055
Non-controlling interests		**(14)**	(1)
Total equity		**52,990**	35,054

Approved by the Board of Directors on 28 March 2025 and are signed on its behalf by:

Mr. LAU Kwok Chu　　　　Ms. CHU Lai King

	Attributable to shareholders of the Company								
	Share capital US$'000 (Note 29)	Share-based payment reserve US$'000 (Note 31(c)(i))	Capital reserve US$'000 (Note 31(c)(ii))	Merger reserve US$'000 (Note 31(c)(iii))	Foreign currency translation reserve US$'000 (Note 31(c)(iv))	(Accumulated losses)/ retained earnings US$'000	Sub-total US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 January 2023	20,494	2,562	14,342	2,271	(66)	(12,466)	27,137	–	27,137
Profit for the year	–	–	–	–	–	7,573	7,573	(1)	7,572
Other comprehensive income	–	–	–	–	21	–	21	–	21
Total comprehensive income for the year	–	–	–	–	21	7,573	7,594	(1)	7,593
Issue of shares under share option schemes *(Note 29)*	146	(54)	–	–	–	–	92	–	92
Recognition of share-based payments *(Note 32)*	–	232	–	–	–	–	232	–	232
Changes in equity for the year	146	178	–	–	21	7,573	7,918	(1)	7,917
At 31 December 2023 and 1 January 2024	20,640	2,740	14,342	2,271	(45)	(4,893)	35,055	(1)	35,054
Profit for the year	**-**	**-**	**-**	**-**	**-**	**19,055**	**19,055**	**(13)**	**19,042**
Other comprehensive income	**-**	**-**	**-**	**-**	**(786)**	**10**	**(776)**	**-**	**(776)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(786)**	**19,065**	**18,279**	**(13)**	**18,266**
Issue of shares under share option schemes *(Note 29)*	**3,542**	**(1,516)**	**-**	**-**	**-**	**-**	**2,026**	**-**	**2,026**
Dividend paid *(Note 16)*	**-**	**-**	**-**	**-**	**-**	**(2,579)**	**(2,579)**	**-**	**(2,579)**
Recognition of share-based payments *(Note 32)*	**-**	**223**	**-**	**-**	**-**	**-**	**223**	**-**	**223**
Forfeiture of share options *(Note 32)*	**-**	**(77)**	**-**	**-**	**-**	**77**	**-**	**-**	**-**
Changes in equity for the year	**3,542**	**(1,370)**	**-**	**-**	**(786)**	**16,563**	**17,949**	**(13)**	**17,936**
At 31 December 2024	**24,182**	**1,370**	**14,342**	**2,271**	**(831)**	**11,670**	**53,004**	**(14)**	**52,990**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Note	2024 US$'000	2023 US$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**23,500**	8,082
Adjustments for:			
Write down of inventories, net	13	**169**	268
Interest income	9	**(238)**	(155)
Depreciation of property, plant and equipment	13, 18	**1,498**	1,601
Depreciation of right-of-use assets	13, 19	**5,606**	4,594
Equity-settled share-based payments	14	**223**	232
Fair value loss on financial assets at FVTPL	9	**335**	294
Finance costs	11	**1,300**	1,218
Property, plant and equipment written off	9	**–**	101
Reversal of impairment losses for trade and other receivables		**–**	(4)
(Reversal of unused provision)/provision for sales return	26	**(13)**	24
Provision/(reversal of unused provision) for employee benefits, net	26	**280**	(458)
Reversal of unused provision for reinstatement costs	26	**(8)**	(8)
Operating profit before working capital changes		**32,652**	15,789
Increase in inventories		**(34,417)**	(9,220)
Increase in trade and other receivables		**(4,114)**	(2,682)
Increase in prepayments and deposits		**(3,159)**	(233)
Increase in trade and other payables and accruals		**9,891**	2,959
Increase in contract liabilities		**3,527**	3,344
Decrease in provisions		**(25)**	(195)
Cash generated from operations		**4,355**	9,762
Income taxes (paid)/refunded		**(1,196)**	374
Interest on bank borrowings	11	**(119)**	–
Interest on lease liabilities	11	**(1,091)**	(1,144)
Net cash generated from operating activities		**1,949**	8,992

	Note	2024 US$'000	2023 US$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in non-pledged bank fixed deposits	23(a)(ii)	**12**	2,028
Decrease in restricted bank balances		**–**	17
Interest received		**212**	123
Deposit paid for an investment in an associate		**(100)**	–
Deposit paid for property plant and equipment		**(2,933)**	(33)
Purchases of property, plant and equipment	18	**(290)**	(754)
Net cash (used in)/generated from investing activities		**(3,099)**	1,381
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings raised		**9,300**	–
Repayment of borrowings		**(9,300)**	–
Principal elements of lease payments	33(a)	**(5,452)**	(3,966)
Proceeds from issuance of shares	29	**2,026**	92
(Increase)/decrease in pledged bank fixed deposits		**(1,674)**	1,922
Dividend paid		**(2,411)**	–
Net cash used in financing activities		**(7,511)**	(1,952)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(8,661)**	8,421
Effect of foreign exchange rate changes		**(979)**	8
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**25,088**	16,659
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**15,448**	25,088
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Bank and cash balances		**15,529**	25,181
Less: Bank fixed deposits with original maturity beyond three months	23(a)(ii)	**(81)**	(93)
		15,448	25,088

1. GENERAL INFORMATION

YesAsia Holdings Limited (the "Company") was incorporated in Hong Kong with limited liability. The address of its registered office and principal place of business is 5/F, KC100, 100 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong.

The shares of the Company were listed on Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing") on 9 July 2021 (the "Listing Date").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in Note 35 to the consolidated financial statements. The Company and its subsidiaries are collectively referred to as the "Group".

These consolidated financial statements are presented in United State dollars ("US$") and all values are rounded to the nearest thousand (US$'000), unless otherwise stated.

In the opinion of the directors of the Company, the Company has no ultimate holding company. Mr. Lau Kwok Chu and Ms. Chu Lai King are the ultimate controlling parties of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and with the requirements of the Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 to the consolidated financial statements provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HKFRSs AND CHANGE IN ACCOUNTING POLICY

(a) *Application of new and revised HKFRSs*

The Group has applied the following amendments to HKFRSs and interpretation issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (“HK Int 5”) (Revised)	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

The application of the amendments and interpretation listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) *Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) – Long Service Payment (“LSP”) offsetting mechanism in Hong Kong*

The Group has several subsidiaries operating in Hong Kong which are obliged to pay LSP to employees under certain circumstances. Meanwhile, the Group makes mandatory MPF contributions to the trustee who administers the assets held in a trust solely for the retirement benefits of each individual employee. Offsetting of LSP against an employee’s accrued retirement benefits derived from employers’ MPF contributions was allowed under the Employment Ordinance (Cap. 57). In June 2022, the Government of the Hong Kong Special Administrative Region gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”) which abolishes the use of the accrued benefits derived from employers’ mandatory MPF contributions to offset severance payment and LSP (the “Abolition”). The Abolition will officially take effect on 1 May 2025 (the “Transition Date”). In addition, under the Amendment Ordinance, the last month’s salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition Date.

3. ADOPTION OF NEW AND REVISED HKFRSs AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

(b) Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund ("MPF") – Long Service Payment ("LSP") offsetting mechanism in Hong Kong (Continued)

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" which provides guidance for the accounting for the offsetting mechanism and the impact arising from abolition of the MPF-LSP offsetting mechanism in Hong Kong. In light of this, the Group has implemented the guidance published by the HKICPA in connection with the LSP obligation retrospectively so as to provide more reliable and more relevant information about the effects of the offsetting mechanism and the Abolition.

The Group considered the accrued benefits arising from employer MPF contributions that have been vested with the employee and which could be used to offset the employee's LSP benefits as a deemed contribution by the employee towards the LSP. Historically, the Group has been applying the practical expedient in paragraph 93(b) of HKAS 19 to account for the deemed employee contributions as a reduction of the service cost in the period in which the related service is rendered.

Based on the HKICPA's guidance, as a result of the Abolition, these contributions are no longer considered "linked solely to the employee's service in that period" since the mandatory employer MPF contributions after the Transition Date can still be used to offset the pre-transition LSP obligation. Therefore, it would not be appropriate to view the contributions as "independent of the number of years of service" and the practical expedient in paragraph 93(b) of HKAS 19 is no longer applicable. Instead, these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit applying paragraph 93(a) of HKAS 19.

The Abolition of the offsetting mechanism did not have a material impact on the Group's opening balance of equity at 1 January 2023, and the profit or loss and basic and diluted earnings per share for the year ended 31 December 2023. Therefore, the comparative figures as of and for the year ended 31 December 2023, and the opening balance as at 1 January 2023 have not been restated. Alternatively, the Group has recognised a cumulative catch-up adjustment of US$60,000 for the year ended 31 December 2024 with the corresponding adjustment to the LSP obligation as included in Note 26 to the consolidated financial statements.

Impact on the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024:

	Increase /(decrease) in *US$'000*
Administrative expenses	**70**
Profit for year and the profit attributable to owners of the Company	**(70)**
Other comprehensive income	**10**
Total comprehensive income for the year and the total comprehensive income attributable to owners of the Company	**(60)**

The change of accounting policy did not have impact on the Group's cash flow. The impact to the basic and diluted earnings per share for the year ended 31 December 2024 was below US0.01 cent per share.

3. ADOPTION OF NEW AND REVISED HKFRSs AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

(c) *Revised HKFRSs in issue but not yet effective*

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new standards and amendments to standards and interpretation, which are not effective for the year ended 31 December 2024 and which have not been adopted in these financial statements. The Group has not early applied the following which may be relevant to the Group:

	Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1 – Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company are in the process of making an assessment of what the impacts of these new standards, amendments to standards and interpretation that are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the adoption of HKFRS 18 – Presentation and Disclosure in Financial Statements.

3. ADOPTION OF NEW AND REVISED HKFRSs AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

(c) Revised HKFRSs in issue but not yet effective (Continued)

HKFRS 18 "Presentation and Disclosure in Financial Statements"

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 this new HKFRS Accounting Standard will not impact the recognition or measurement of items in the consolidated financial statements, it introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, and (ii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. certain financial instruments that are measured at fair value).

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Group's accounting policies. The area involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5 to the consolidated financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

(b) Separate financial statements

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). Cost includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividend received or receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in US$, which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the entity initially recognises such non-monetary assets or liabilities. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all foreign operations (none of which has the currency of hyperinflationary economy) that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

– Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

– Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Property, plant and equipment

Property, plant and equipment are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Leasehold improvements	Over the lease term
Furniture and fixtures	5 years
Computer software and equipment	3–5 years
Motor vehicles	5 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(e) Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Leases (Continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the individual lessee, which does not have recent third-party financing, and

- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the individual lessee uses that rate as a starting point to determine the incremental borrowing rate.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Leases (Continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

When the Group obtains ownership of the underlying leased assets at the end of the lease term, upon exercising purchase options, the cost of the relevant right-of-use assets and the related accumulated depreciation are transferred to property, plant and equipment.

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis and comprises costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see Note 4(m)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 4(j)).

(h) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt investments

Debt investments held by the Group are classified into one of the following measurement categories:

– amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

– Fair value through other comprehensive income ("FVTOCI") – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses ("ECL"), interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

– FVTPL, if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI, are recognised in profit or loss as other income.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less allowance for credit losses.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL.

(l) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(i) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(ii) Equity instruments

An equity instrument is any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the E-commerce transactions and offline wholesale of products, stated net of value added taxes, sales taxes, returns, rebates and discounts.

Revenue is recognised when specific criteria have been met for the Group's activity described below:

(i) Sale of goods – E-commerce transactions

The Group sells products through E-commerce platforms. Revenue from the sale of goods is recognised on a trade date basis when the relevant transactions are executed and there is no unfulfilled obligation that affect the customer's acceptance of the goods sold. Payment of the transaction price is due immediately when the customer purchases the goods. As part of the Group's ordinary activities for the E-commerce transactions, discount coupons and credit points are issued and granted to customers, and the receipts in respect of which are deferred and recognised as "contract liabilities" on the consolidated statement of financial position. Any non-redeemed discount coupons and points are referred to as breakage. An expected breakage amount in receipts in advance is determined by historical experience and is recognised as revenue in proportion to the pattern of redemptions by the customers.

The Group estimates the sales return provision based on accumulated historical experience.

(ii) Sale of goods – Offline wholesale

Sales are recognised when control of the products has transferred, being at the point the goods have been shipped in accordance with the terms of contract, to the wholesaler. The wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that affects the wholesaler's acceptance of the products.

The goods are often sold with sales discounts. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, if any. No element of financing is deemed present.

(iii) Customer loyalty programme

The Group operates a customer loyalty programme, where certain customers accumulate points for purchases made which entitle them to purchase goods at certain discounts on future purchases. The customer loyalty programme gives rise to a separate performance obligation because it provides a material right to the customer and allocates a portion of the transaction price to the loyalty credits awarded to customers based on the relative stand-alone selling price. The amount allocated to the loyalty programme is recognised as a contract liability, and revenue is recognised when the rewards are redeemed or expire.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Revenue and other income (Continued)

Revenue is recognised when specific criteria have been met for the Group's activity described below: (Continued)

(iv) Others

Shipping revenue is recognised over time when the service is performed.

Income from store credits is recognised when the store credit is expired and unused.

Logistic income generated from logistics and ancillary services are recognised over time when the services are performed.

Dividend income is recognised when the shareholders' rights to receive payment are established.

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

(n) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Employee benefits (Continued)

(ii) Pension obligations – defined contribution plans

Hong Kong

The Group contributes to defined contribution MPF Scheme under the Mandatory Provident Fund Schemes Ordinance in Hong Kong, for those employees who are eligible to participate in the MPF Scheme. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

Korea

The Group and the employees in Korea are required to participate in a National Pension Scheme which is a defined contribution plan operated by the local municipal government. The contributions are charged to profit or loss as they become payable in accordance with the rules of the National Pension Scheme.

United Kingdom

The Group participates in a defined contribution scheme in the United Kingdom. The Group pays contributions to workplace pension schemes on a mandatory, contractual or voluntary basis, calculated as a percentage of employees' basic salaries. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

(iii) Post employment benefits

Hong Kong

The Group has a defined benefit plan for LSP under the Hong Kong Employment Ordinance.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. For LSP obligations, the estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

The calculation of defined benefit obligation is performed by a qualified actuary using the projected unit credit method. Remeasurements arising from defined benefit plans, which comprise actuarial gains and losses, and the effect of any asset ceiling (excluding interest), are recognised immediately in other comprehensive income. Net interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Employee benefits (Continued)

(iii) Post employment benefits (Continued)

Korea

Under Guarantee of Workers' Retirement Benefits Act in Korea, an employee is entitled to receive severance payment at the rate of 30 days' average wages for each continuous year of service. Average wages are calculated by using wages for the 3 months preceding termination and includes variable income for the past 3 months and bonus from past 12 months. Employees who have served less than 1 year service are not entitled to severance payment.

United Kingdom

Under Employment Rights Act 1996 in the United Kingdom, an employee is entitled to statutory redundancy pay if the employee has been employed for 2 years or more. Redundancy pay is calculated in accordance to age of the employee and the length of service which is capped at 20 years.

(iv) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

(o) Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees.

Equity-settled share-based payments are measured at the fair value (excluding the effect of non-market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

When the share options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium respectively.

(p) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(q) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(q) Taxation (Continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to right-of-use assets and lease liabilities separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the asset and settle the liability simultaneously.

(r) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated pro rata amongst the assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of financial assets

The Group recognises a loss allowance for ECL on trade and other receivables, pledged bank fixed deposits and bank and cash balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

– an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

– significant deterioration in external market indicators of credit risk for a particular financial instrument;

– existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

– an actual or expected significant deterioration in the operating results of the debtor;

– significant increases in credit risk on other financial instruments of the same debtor; or

– an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) the financial instrument has a low risk of default,

(ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

– when there is a breach of financial covenants by the counterparty; or

– information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of financial assets (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

– significant financial difficulty of the issuer or the counterparty;

– a breach of contract, such as a default or past due event;

– the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;

– it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Impairment of financial assets (Continued)

Measurement and recognition of ECL (Continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

(t) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(u) Events after the reporting period

Events after the reporting period that provide additional information about the Group’s position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

In applying the Group's accounting policies, which are described in Note 4, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

Determining the lease term

In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation.

The management considers the relevant facts and circumstances that there is no economic incentive for the Group to exercise the extension options and therefore the Group is not reasonably certain to exercise the option upon entering the lease agreements. Refer to Note 19 for further information.

The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in the future years. During the current financial year, no lease term has been reassessed.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowance for slow-moving inventories and net realisable value of inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/writeback in the period in which such estimate has been changed. As at 31 December 2024, the carrying amount of inventories was US$55,097,000 (net of allowance for inventories of US$955,000) (2023: US$20,849,000 (net of allowance for inventories of US$786,000)).

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, price risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in currencies other than the functional currency of the Group entities such as Hong Kong Dollars ("HK$"), Canadian dollar ("CAD"), Mexican Peso ("MXN") and Euro ("EUR"). As US$ is pegged to HK$, the Group does not expect any significant movements in the US$/HK$ exchange rate.

The Group currently does not have a formal foreign currency hedging policy but will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The following table indicates the approximate change in the Group's profit for the year in response to reasonably possible changes in the foreign exchange rates of CAD, MXN and EUR to which the Group has significant exposure at the end of the reporting period. The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the reporting period has been determined based on the exchange rate fluctuation at the beginning and the end of the year.

	Increase/ (decrease) in foreign exchange	Effect on profit for the year *US$'000*
At 31 December 2024		
CAD	**(7%)/7%**	**(48)/48**
MXN	**(15%)/15%**	**(44)/44**
EUR	**(4%)/4%**	**(16)/16**
At 31 December 2023		
CAD	2%/(2%)	5/(5)
MXN	12%/(12%)	18/(18)
EUR	3%/(3%)	17/(17)

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency risk (Continued)

The sensitivity analysis of the Group's exposure to currency risk at the reporting date has been determined based on the hypothetical changes in foreign exchange rates which are commensurate with historical fluctuation during the years ended 31 December 2024 and 2023. The assumed changes represent management's assessment of reasonably possible changes in foreign exchange rates over the year until the next reporting date.

(b) Price risk

The Group is exposed to equity price risk through its investment in listed equity security. The management manages this exposure by investing solely on equity security operating in logistic sector quoted on Hong Kong Exchanges and Clearing Limited.

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices had been 10% higher/lower (2023: 10% higher/lower), profit after tax for the year ended 31 December 2024 would increase/decrease by US$49,000 (2023: increase/decrease by US$86,000). This is solely due to the change in fair value of the share price.

(c) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities including deposits with banks and financial institutions. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

No significant credit risk has been identified for the E-commerce business, as customers are generally required to pay in advance through third-party payment platforms before the delivery of goods. These platforms typically settle the amounts received, net of handling charges, within one month after the trade date. The receivables from third-party payment platforms represent payments that are pending settlement. Management has implemented a credit policy and continuously monitors exposures to credit risks. Given that these receivables are from reputable third-party payment platforms with no history of defaults, the directors consider the credit risk to be minimal, and no impairment has been recognised for these receivables.

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit risk (Continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate or locate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. The Group's largest customer shared nearly 8.2% (2023: 7.7%) of the trade receivables at the end of each reporting period. The Group has policies and procedures to monitor the collection of the trade receivables to limit the exposure to the non-recovery of the receivables and there is no recent history of default for the Group's largest customer.

Individual credit evaluations are performed on all wholesale and logistic customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables for customers are due within 180 days from the date of invoice. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECL, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. The ECL rate of trade receivables as at 31 December 2024 and 2023 is less than 1%. As at 31 December 2024, loss allowance accounted for in respect of trade receivables during the year is US$1,000 (2023: US$1,000).

(d) Liquidity risk

The Group's policy is to regularly monitor its current and expected liquidity requirements, its compliance with lending covenants and its relationship with its bankers to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's non-derivative financial liabilities is as follows:

	On demand or within 1 year *US$'000*	Between 1 and 2 years *US$'000*	Between 2 and 5 years *US$'000*	Total undiscounted cash flows *US$'000*	Carrying amount *US$'000*
At 31 December 2024					
Trade and other payables and accruals	**22,665**	**–**	**–**	**22,665**	**22,665**
Lease liabilities	**9,256**	**9,810**	**6,034**	**25,100**	**22,804**
At 31 December 2023					
Trade and other payables and accruals	12,606	–	–	12,606	12,606
Lease liabilities	5,517	5,179	2,806	13,502	12,184

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Interest rate risk

The Group's exposure to interest rate risk mainly arises from its bank deposits. These deposits bear interest at variable rates that vary with the then prevailing market condition.

The Group's pledged and non-pledged bank fixed deposits bear interest at fixed interest rates and therefore are subject to fair value interest rate risks.

(f) Categories of financial instruments at 31 December

	2024	2023
	US$'000	*US$'000*
Financial assets:		
Financial assets at FVTPL		
– Investment in a life insurance policy	**908**	869
– An equity security listed in Hong Kong	**489**	863
Financial assets measured at amortised cost	**30,801**	34,468
Financial liabilities:		
Financial liabilities at amortised cost	**22,665**	12,606
Lease liabilities	**22,804**	12,184

(g) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

Disclosures of level in fair value hierarchy at 31 December

Description	**Fair value measurements using: Level 1** *US$'000*	**Level 2** *US$'000*	**Level 3** *US$'000*	**Total 2024** *US$'000*
Recurring fair value measurements:				
Financial assets at FVTPL				
Investment in a life insurance policy	**–**	**908**	**–**	**908**
An equity security listed in Hong Kong	**489**	**–**	**–**	**489**
	489	**908**	**–**	**1,397**

Description	Fair value measurements using: Level 1 *US$'000*	Level 2 *US$'000*	Level 3 *US$'000*	Total 2023 *US$'000*
Recurring fair value measurements:				
Financial assets at FVTPL				
Investment in a life insurance policy	–	869	–	869
An equity security listed in Hong Kong	863	–	–	863
	863	869	–	1,732

The fair value of investment in life insurance policy is determined by reference to the Cash Surrender Value as defined in Note 20 to the consolidated financial statements provided by the insurance company.

8. REVENUE

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

	2024 **US$'000**	2023 US$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
Sales of merchandise	**309,589**	177,765
Shipping revenue	**35,709**	22,394
Logistic income	**483**	1,178
Consignment sales	**1**	2
	345,782	201,339

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major products or service lines:

	2024 **US$'000**	2023 US$'000
Fashion & lifestyle and beauty products	**343,305**	197,443
Entertainment products	**1,994**	2,718
Unallocated	**483**	1,178
	345,782	201,339

	2024 **US$'000**	2023 US$'000
Timing of revenue recognition		
Products transferred at a point in time	**309,590**	177,767
Services transferred over time	**36,192**	23,572
	345,782	201,339

9. OTHER INCOME AND OTHER GAINS AND LOSSES

	2024	2023
	US$'000	*US$'000*
Cash rebates	**27**	64
Compensation income for early termination of service agreement	**–**	219
Dividend income	**4**	18
Fair value loss on financial assets at FVTPL	**(335)**	(294)
Interest income from bank deposits	**238**	155
Marketing income	**1,349**	12
Property, plant and equipment written off	**–***	(101)
Reversal of provision on reinstatement costs	**8**	8
Sundry income	**5**	2
	1,296	83

* *Less than US$1,000*

10. SEGMENT INFORMATION

Information reported to the Chief Executive Officer ("CEO") of the Group, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance focuses on types of goods delivered, or service provided. The CEO has chosen to organise the Group's results according to the category of the business segment and differences in nature of the goods and services that each segment delivers.

The Group has two operating segments as follows:

Fashion & lifestyle and beauty products – Trading of fashion wears, lifestyle products and beauty products to consumer

Entertainment products – Trading of entertainment products to consumer

The Group's other operating segments represent revenue from logistic and ancillary services. None of these segments meet any of the quantitative thresholds for determining reportable segments. The information of these other operating segments is included in the "unallocated" column.

No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 4 to the consolidated financial statements. Segment results do not include unallocated administrative expenses, other income, other gains and losses and finance costs that are not directly attributable to segments and income tax expense.

10. SEGMENT INFORMATION (CONTINUED)

Information about operating segment results

	Fashion & lifestyle and beauty products *US$'000*	Entertainment products *US$'000*	Unallocated *US$'000*	Total *US$'000*
Year ended 31 December 2024				
Revenue from external customers	**343,305**	**1,994**	**483**	**345,782**
Segment results	**30,052**	**49**	**(11,059)**	**19,042**
Depreciation of property, plant and equipment	**1,411**	**1**	**86**	**1,498**
Depreciation of right-of-use assets	**5,336**	**39**	**231**	**5,606**
Write down of inventories, net	**130**	**39**	**–**	**169**
Other material items of income and expense:				
Cost of inventories sold	**164,527**	**1,114**	**–**	**165,641**
Staff costs, including directors' emoluments	**22,889**	**163**	**5,251**	**28,303**
Year ended 31 December 2023				
Revenue from external customers	197,443	2,718	1,178	201,339
Segment results	13,756	(60)	(6,124)	7,572
Depreciation of property, plant and equipment	1,514	3	84	1,601
Depreciation of right-of-use assets	3,571	25	998	4,594
Reversal of impairment losses for trade receivables	(4)	–*	–	(4)
Write down of inventories, net	55	213	–	268
Other material items of income and expense:				
Cost of inventories sold	91,360	1,524	–	92,884
Staff costs, including directors' emoluments	16,632	382	4,450	21,464

Reconciliations of segment results

	2024 ***US$'000***	2023 *US$'000*
Revenue		
Total revenue of reportable segments	**345,782**	201,339
Segment results		
Total segment results of reportable segments	**30,101**	13,696
Unallocated amounts:		
Unallocated income	**314**	276
Unallocated corporate expenses	**(11,457)**	(6,699)
Non-reportable segments	**84**	299
Profit for the year	**19,042**	7,572

* *Less than US$1,000*

10. SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's revenue from external customers by port of destinations and information about its non-current assets by location of assets are detailed below:

Revenue

	2024	2023
	US$'000	*US$'000*
United States	**116,465**	87,564
European Union countries ("EU countries")		
France	**34,299**	17,019
Germany	**20,694**	12,650
Italy	**8,306**	3,871
Netherlands	**6,626**	3,183
Spain	**6,057**	2,639
Poland	**3,956**	858
Belgium	**3,748**	1,611
Other EU countries *(Note 1)*	**20,671**	10,677
United Kingdom	**24,166**	14,684
Hong Kong	**22,006**	9,265
Canada	**20,704**	10,799
Australia	**11,033**	8,392
United Arab Emirates	**8,597**	3,609
Mexico	**7,457**	589
Others *(Note 2)*	**30,997**	13,929
Consolidated total	**345,782**	201,339

Note 1: Other EU countries include sales to EU countries that individually contributed less than 1.0% (2023: 1.0%) of the total revenue of the Group for the years ended 31 December 2024 and 2023.

Note 2: Others include sales to countries that individually contributed less than 2.0% (2023: 2.0%) of the total revenue of the Group for the years ended 31 December 2024 and 2023.

97.5% and 98.8% of the Group's non-current assets are located in Hong Kong as at 31 December 2024 and 2023 respectively.

Revenue from major customers

No revenue from a single customer of the Group contributed over 10% of the total revenue of the Group during the years ended 31 December 2024 and 2023.

11. FINANCE COSTS

	2024	2023
	US$'000	*US$'000*
Interest expense on lease liabilities	**1,091**	1,144
Interest expense on provision for reinstatement costs	**90**	74
Interest expense on bank borrowings	**119**	–
	1,300	1,218

12. INCOME TAX EXPENSE

	2024	2023
	US$'000	*US$'000*
Current tax – Hong Kong Profits Tax		
Provision for the year	**2,980**	4
Over-provision in current year, net	**145**	–*
Under/(over)-provision in prior years	**8**	(2)
	3,133	2
Current tax – Overseas corporate income tax		
Provision for the year	**1,344**	467
Over-provision in current year, net	**9**	13
(Over)/under-provision in prior years, net	**(28)**	28
	1,325	508
Income tax expense	**4,458**	510

* *Less than US$1,000*

12. INCOME TAX EXPENSE (CONTINUED)

Under the two-tiered Profits Tax regime, the first HK$2 million of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered Profits Tax rate regime will continue to be taxed at a rate of 16.5%.

YesAsia.com (Korea) Limited ("YAKR") is subject to Korean Corporate Income Tax which comprised national and local taxes (collectively "Korean Corporate Income Tax"). Korean Corporate Income Tax is generally charged at the progressive rate from 9.9% to 26.4% (2023: 9.9% to 26.4%) on the estimated assessable profit for the year. The progressive tax rates applicable to YAKR were 9.9% to 20.9% (2023: 9.9% to 20.9%) based on the estimated assessable profits for the year.

The Group's branch in the United Kingdom ("UK branch") is subject to the General Corporate Tax Rate of the United Kingdom (collectively "UK Corporate Income Tax"). UK Corporate Income Tax is generally charged at a small profits rate of 19%. UK Corporate Income Tax is calculated at 19% on the estimated assessable profit for both years.

Tax charges on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax expense and the product of profit before tax multiplied by the Hong Kong Profits Tax rate is as follows:

	2024 ***US$'000***	2023 *US$'000*
Profit before tax	**23,500**	8,082
Tax at the Hong Kong Profits Tax rate of 16.5% (2023: 16.5%)	**3,878**	1,334
Tax effect of income that is not taxable	**(44)**	(29)
Tax effect of expenses that are not deductible	**185**	162
Tax effect of temporary differences not recognised	**185**	104
Tax effect of tax losses not recognised	**27**	103
Tax effect of utilisation of tax losses not previously recognised	**(157)**	(1,284)
Effect of different tax rates of subsidiaries	**271**	85
Tax effect two-tiered Profits Tax regime	**(21)**	(4)
(Over)/under-provision in prior years, net	**(20)**	26
Over-provision in current year, net	**154**	13
Income tax expense	**4,458**	510

13. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

	2024 **US$'000**	2023 US$'000
Auditor's remuneration		
– Audit services	**194**	163
– Non-audit services	**16**	–
	210	163
Cost of inventories sold	**165,641**	92,884
Depreciation		
– Property, plant and equipment	**1,498**	1,601
– Right-of-use assets	**5,606**	4,594
	7,104	6,195
Foreign exchange losses, net	**2,541**	1,524
Expenses relating to short-term lease		
– leased properties	**135**	91
– leased equipment	**5**	4
	140	95
Write down of inventories *(Note)*	**485**	582
Reversal of write down of inventories *(Note)*	**(316)**	(314)
Write down of inventories, net (included in cost of inventories sold)	**169**	268

Note: Write down of inventories or reversal of write down of inventories represent the decrease or increase in the estimated net realisable value at the end of each reporting period.

14. EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2024 **US$'000**	2023 US$'000
Salaries and allowances	**21,590**	19,338
Discretionary bonus	**4,653**	1,171
Equity-settled share-based payments	**223**	232
Retirement benefits for defined contribution plans	**956**	783
Provision for/(reversal of) employee benefits *(Note)*	**280**	(458)
Other employee benefits expenses	**601**	398
	28,303	21,464

Note: Provision for employee benefits includes unused annual leave payment, estimated severance payment and estimated LSP.

14. EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(a) *Retirement benefits for defined contribution plans*

During the years ended 31 December 2024 and 2023, the Group had no forfeited retirement benefits for defined contribution plans which may be used by the Group to reduce the existing level of contributions. There were also immaterial forfeited retirement benefits for defined contribution plans available at 31 December 2024 and 2023 which may be used by the Group to reduce the contribution payable in future years.

(b) *Five highest paid individuals*

The five highest paid individuals in the Group during the year included one (2023: one) director who emolument is reflected in the analysis presented in Note 15(a). The emoluments of the remaining four (2023: four) individuals are set out below:

	2024 ***US$'000***	2023 *US$'000*
Salaries and allowances	**653**	663
Discretionary bonus	**284**	95
Equity-settled share-based payments *(Note)*	**13**	36
Retirement benefits scheme contributions	**99**	45
	1,049	839

Note: Equity-settled share-based payments represent amortisation to the profit or loss of the fair value of share options measured at the respective grant dates, regardless the share options could be exercised or not.

14. EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(b) Five highest paid individuals (Continued)

The emoluments fell within the following band:

	Number of individuals	
	2024	2023
HK$1,000,001 to HK$1,500,000 (equivalent to US$129,001 to US$193,500)	**–**	3
HK$1,500,001 to HK$2,000,000 (equivalent to US$193,501 to US$258,000)	**3**	–
HK$2,000,001 to HK$2,500,000 (equivalent to US$258,001 to US$322,500)	**–**	1
HK$2,500,001 to HK$3,000,000 (equivalent to US$322,501 to US$387,000)	**–**	–
HK$3,000,001 to HK$3,500,000 (equivalent to US$387,001 to US$451,600)	**1**	–
	4	4

15. BENEFITS AND INTEREST OF DIRECTORS

Directors' remuneration disclosed pursuant to the section 383 of the Companies Ordinance (Cap.622) is as follows:

	2024 **US$'000**	2023 US$'000
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:		
Fees	**156**	156
Salaries and allowances	**571**	534
Discretionary bonus	**547**	33
Equity-settled share-based payments *(Note)*	**9**	21
Retirement benefits for defined contribution plans	**6**	6
	1,289	750

Note: Equity-settled share-based payments represent amortisation to the profit or loss of the fair value of share options measured at the respective grant dates, regardless the share options could be exercised or not.

15. BENEFITS AND INTEREST OF DIRECTORS (CONTINUED)

(a) Directors' emoluments

The emoluments of each director were as follows:

	Fees *US$'000*	Salaries and allowances *US$'000*	Discretionary bonus *US$'000*	Equity-settled share-based payments *US$'000*	Retirement benefits for defined contribution plans *US$'000*	Total *US$'000*
Year ended 31 December 2024						
Executive directors						
Mr. Lau Kwok Chu *(CEO)*	**–**	**287**	**505**	**1**	**2**	**795**
Ms. Chu Lai King *(Chairperson)*	**–**	**135**	**20**	**1**	**2**	**158**
Mr. Chu Kin Hang	**–**	**149**	**22**	**1**	**2**	**174**
Non-executive directors						
Mr. Hui Yat Yan Henry	**26**	**–**	**–**	**1**	**–**	**27**
Mr. Lui Michael Pak-Shing	**26**	**–**	**–**	**1**	**–**	**27**
Mr. Poon Chi Ho	**26**	**–**	**–**	**1**	**–**	**27**
Independent non-executive directors						
Mr. Chan Yu Cheong	**26**	**–**	**–**	**1**	**–**	**27**
Mr. Sin Pak Cheong Philip Charles	**26**	**–**	**–**	**1**	**–**	**27**
Mr. Wong Chee Chung	**26**	**–**	**–**	**1**	**–**	**27**
	156	**571**	**547**	**9**	**6**	**1,289**
Year ended 31 December 2023						
Executive directors						
Mr. Lau Kwok Chu *(CEO)*	–	271	17	5	2	295
Ms. Chu Lai King *(Chairperson)*	–	132	8	2	2	144
Mr. Chu Kin Hang	–	131	8	2	2	143
Non-executive directors						
Mr. Hui Yat Yan Henry	26	–	–	2	–	28
Mr. Lui Michael Pak-Shing	26	–	–	2	–	28
Mr. Poon Chi Ho	26	–	–	2	–	28
Independent non-executive directors						
Mr. Chan Yu Cheong	26	–	–	2	–	28
Mr. Sin Pak Cheong Philip Charles	26	–	–	2	–	28
Mr. Wong Chee Chung	26	–	–	2	–	28
	156	534	33	21	6	750

15. BENEFITS AND INTEREST OF DIRECTORS (CONTINUED)

(a) Directors' emoluments (Continued)

Neither the chief executive nor any of the directors waived any emoluments during the year ended 31 December 2024 (2023: Nil).

During the years ended 31 December 2024 and 2023, no emoluments were paid or payable by the Group to chief executive, any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

(b) Directors' material interests in transactions, arrangements or contracts

Saved as disclosed in Note 36 to the consolidated financial statements, no other transactions, arrangements and contracts of significance in relation to the Group's business to which the Company was a party and in which the directors of the Company had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the years ended 31 December 2024 and 2023.

(c) Directors' interests in the shares, underlying shares and debentures of the Company or any specified undertakings of the Company or any other associated corporations

Details of share options to subscribe shares of the Company held by the directors were as follows:

	Number of share options		
	Outstanding at 1 January 2024	**Exercised during the year**	**Outstanding at 31 December 2024**
Mr. Lau Kwok Chu	**270,000**	**(260,000)**	**10,000**
Ms. Chu Lai King	**70,000**	**(60,000)**	**10,000**
Mr. Chu Kin Hang	**10,000**	**–**	**10,000**
Mr. Hui Yat Yan Henry	**10,000**	**–**	**10,000**
Mr. Lui Michael Pak-Shing	**10,000**	**–**	**10,000**
Mr. Poon Chi Ho	**10,000**	**–**	**10,000**
Mr. Chan Yu Cheong	**10,000**	**–**	**10,000**
Mr. Sin Pak Cheong Philip Charles	**10,000**	**(3,750)**	**6,250**
Mr. Wong Chee Chung	**10,000**	**–**	**10,000**
	410,000	**(323,750)**	**86,250**

15. BENEFITS AND INTEREST OF DIRECTORS (CONTINUED)

(c) Directors' interests in the shares, underlying shares and debentures of the Company or any specified undertakings of the Company or any other associated corporations (Continued)

Details of share options to subscribe shares of the Company held by the directors were as follows: (Continued)

	Number of share options		
	Outstanding at 1 January 2023	Exercised during the year	Outstanding at 31 December 2023
Mr. Lau Kwok Chu	380,000	(110,000)	270,000
Ms. Chu Lai King	70,000	–	70,000
Mr. Chu Kin Hang	10,000	–	10,000
Mr. Hui Yat Yan Henry	10,000	–	10,000
Mr. Lui Michael Pak-Shing	10,000	–	10,000
Mr. Poon Chi Ho	10,000	–	10,000
Mr. Chan Yu Cheong	10,000	–	10,000
Mr. Sin Pak Cheong Philip Charles	10,000	–	10,000
Mr. Wong Chee Chung	10,000	–	10,000
	520,000	(110,000)	410,000

Details of the share option schemes are set out in Note 32.

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the years ended 31 December 2024 and 2023.

16. DIVIDEND

	2024 **US$'000**	2023 US$'000
Payment of final dividend of US$0.0064 (equivalent to HK$0.05) in respect of the financial year ended 31 December 2023 (2023: nil in respect of the financial year ended 31 December 2022) per ordinary share	**2,579**	–
	2,579	–

A final dividend of HK7.5 cents per share for the year ended 31 December 2024 was recommended by the Board at a Board meeting held on 28 March 2025. Such recommended final dividend is subject to the approval of the members of the Company at the forthcoming annual general meeting. This recommended final dividend is not reflected as a dividend payable in the consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2025 after the approval at the forthcoming annual general meeting.

17. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	2024 **US$'000**	2023 US$'000
Earnings for the purpose of calculating basic and diluted earnings per share	**19,055**	7,573

	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**402,054**	396,140
Effect of dilutive potential ordinary shares arising from share options issued by the Company	**12,491**	–
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**414,545**	396,140

For the year ended 31 December 2023, the computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise prices of the share options were higher than the average market price of shares.

18. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements *US$'000*	Furniture and fixtures *US$'000*	Computer software and equipment *US$'000*	Motor vehicles *US$'000*	Total *US$'000*
Cost					
At 1 January 2023	3,462	1,164	6,360	139	11,125
Additions	263	39	452	–	754
Write-off	(283)	(187)	(1,161)	–	(1,631)
Exchange differences	(1)	–	(3)	–	(4)
At 31 December 2023 and 1 January 2024	3,441	1,016	5,648	139	10,244
Additions	68	106	149	–	323
Transfer from right-of-use assets *(Note)*	–	–	67	–	67
Write-off	(8)	(5)	(23)	–	(36)
Exchange differences	(2)	(1)	(7)	–	(10)
At 31 December 2024	3,499	1,116	5,834	139	10,588
Accumulated depreciation					
At 1 January 2023	1,836	561	3,430	31	5,858
Charge for the year	563	203	807	28	1,601
Write-off	(283)	(100)	(1,147)	–	(1,530)
Exchange differences	(1)	–	(4)	–	(5)
At 31 December 2023 and 1 January 2024	2,115	664	3,086	59	5,924
Transfer from right-of-use assets *(Note)*	–	–	67	–	67
Charge for the year	565	186	719	28	1,498
Write-off	(8)	(5)	(23)	–	(36)
Exchange differences	(2)	–	(6)	–	(8)
At 31 December 2024	2,670	845	3,843	87	7,445
Carrying amount					
At 31 December 2024	829	271	1,991	52	3,143
At 31 December 2023	1,326	352	2,562	80	4,320

Note: The Group obtains ownership of the underlying leased assets at the end of the lease term, the cost of the relevant property, plant and equipment and the related accumulated depreciation are transferred from right-of-use assets upon exercising purchase options.

19. RIGHT-OF-USE ASSETS

	Leased properties *US$'000*	Leased equipment *US$'000*	Total *US$'000*
At 1 January 2023	14,235	223	14,458
Additions	746	–	746
Depreciation	(4,508)	(86)	(4,594)
Exchange differences	(15)	–*	(15)
At 31 December 2023 and 1 January 2024	**10,458**	**137**	**10,595**
Additions	**16,683**	**29**	**16,712**
Depreciation	**(5,533)**	**(73)**	**(5,606)**
Exchange differences	**(31)**	**(1)**	**(32)**
At 31 December 2024	**21,577**	**92**	**21,669**

* *Less than US$1,000*

Notes:

(a) Lease liabilities of US$22,804,000 (2023: US$12,184,000) are recognised with related right-of-use assets of US$20,900,000 (2023: US$10,268,000) as at 31 December 2024. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

	2024 ***US$'000***	2023 *US$'000*
Depreciation expenses on right-of-use assets	**5,606**	4,594
Interest expense on lease liabilities (included in finance costs)	**1,091**	1,144
Expenses relating to short-term lease (included in administrative expenses)	**140**	95

19. RIGHT-OF-USE ASSETS (CONTINUED)

Notes: (Continued)

(b) Details of total cash outflow for leases is set out in Note 33(b).

(c) The Group leases various leased properties and office equipment for its operations. Lease contracts are entered into for fixed terms of 2 years to 5 years (2023: 2 years to 4 years), but may have extension and termination options as described below. Certain leases of equipment were accounted for as finance leases during the reporting period and carried interest ranging from 1.96% to 6.12% (2023: from 1.96% to 2.64%). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

(d) Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. The potential exposure to these future lease payments is summarised below:

	Lease liabilities recognised (discounted)		**Potential future lease payments under extension options not included in lease liabilities (undiscounted)**	
	2024	2023	**2024**	2023
	US$'000	*US$'000*	***US$'000***	*US$'000*
Warehouses – Hong Kong	**19,849**	8,456	**32,445**	12,607

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the year ended 31 December 2024, there has been no such triggering event.

20. FINANCIAL ASSETS AT FVTPL

	2024 **US$'000**	2023 US$'000
Investment in life insurance policy *(Note (i))*	**908**	869
An equity security listed in Hong Kong *(Note (ii))*	**489**	863
	1,397	1,732

Notes:

(i) In August 2019, the Company's subsidiary, YesStyle.com Limited, entered into a life insurance policy with an insurance company to insure Mr. Lau Kwok Chu, a director of the Company. Under the policy, the beneficiary and the policy holder is YesStyle.com Limited and the total insured sum is US$2,462,000. The Group was required to pay a one-off premium payment of US$860,000 at the inception of the policy. A guaranteed interest rate of 3.9% per annum applied for the first 5 years, followed by the discretionary portion with a minimum guaranteed interest rate of 2.25% per annum for the following years until termination. The Group can terminate the policy at any time and receive cash back based on the cash value of the policy at the date of withdrawal ("Cash Surrender Value"), which is determined by the premium payment plus accumulated guaranteed interest earned minus the accumulated insurance charges, policy expense charges and a specified amount of surrender charge if the withdrawal is made between 1st to 16th policy year.

The carrying amount represented the Cash Surrender Value of the policy and approximates its fair value at the end of the reporting period. Details of fair value measurement are set out in Note 7 to the consolidated financial statements.

(ii) It represents an investment in CN Logistics International Holdings Limited ("CN Logistics"), a company incorporated in the Cayman Islands with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 2130) and comprises 1,100,000 subscription shares of CN Logistics for a total cash consideration of HK$10,120,000 at the subscription price of HK$9.20 per subscription share. CS Logistics Holding Ltd., a controlling shareholder of CN Logistics, is a cornerstone investor in the global offering of the Company in July 2021.

The carrying amount of the financial asset is mandatorily measured at fair value through profit or loss in accordance with HKFRS 9 and the investment offers the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate.

The fair value of the investment in CN Logistics is based on the closing price as at 31 December 2024.

21. TRADE AND OTHER RECEIVABLES

	2024 US$'000	2023 US$'000
Trade receivables from third-party payment platforms	**1,624**	1,013
Trade receivables from customers	**935**	165
	2,559	1,178
Less: Impairment losses	**(1)**	(1)
	2,558	1,177
Other receivables		
Receivables from third-party payment platforms	**4,936**	3,501
Export tax refundable	**2,323**	1,080
Others	**154**	99
	7,413	4,680
Trade and other receivables	**9,971**	5,857

Before accepting new wholesales or logistic customers, the Group assesses the potential customers' credit quality and defines credit limits for each individual customer. Recoverability of the existing customers is reviewed by the management of the Group regularly.

The Group's turnover primarily comprises E-commerce sales, offline wholesale of products, and income from logistics and ancillary services. E-commerce sales are typically conducted without credit terms, while credit terms of up to 180 days are offered for offline wholesale and logistics and ancillary services.

The aging analysis of trade receivables, based on the revenue recognition date (i.e. invoice date), at the end of each reporting period and net of allowance, is as follows:

	2024 US$'000	2023 US$'000
0 to 30 days	**2,112**	1,113
31 to 60 days	**171**	58
61 to 90 days	**215**	2
Over 90 days	**60**	4
	2,558	1,177

21. TRADE AND OTHER RECEIVABLES (CONTINUED)

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2024	2023
	US$'000	*US$'000*
South Korean Won ("KRW")	**2,289**	993
EUR	**2,255**	1,355
US$	**2,000**	1,516
CAD	**652**	185
British Pound Sterling ("GBP")	**595**	497
MXN	**283**	110
HK$	**273**	253
JPY	**264**	97
Saudi Arabia Riyal	**245**	234
Australian dollar	**232**	217
Others	**884**	401
	9,972	5,858
Less: Impairment losses	**(1)**	(1)
	9,971	5,857

As at 31 December 2024, included in the Group's trade receivables balance are debtors with an aggregate carrying amount of US$507,000 (2023: US$169,000) which are past due. Out of the past due balance, an aggregate amount of US$4,000 (2023: US$4,000) has been past due over 90 days and is not considered as default as there has not been a significant change in the credit standing of the debtors. The Group did not hold any collateral over these receivables.

22. PREPAYMENTS AND DEPOSITS

	2024	2023
	US$'000	*US$'000*
Prepayments		
Prepayment to suppliers	**4,174**	1,769
Prepaid rental	**84**	7
Prepaid selling expenses	**327**	198
Prepaid administrative expenses	**838**	461
	5,423	2,435
Deposits		
Deposit paid for property, plant and equipment	**2,933**	33
Deposit paid for an investment in an associate	**100**	–
Rental deposits	**1,987**	1,832
Trade deposits	**288**	273
Utilities deposits	**95**	68
	5,403	2,206
	10,826	4,641
Analysed as:		
Current assets	**5,969**	3,018
Non-current assets	**4,857**	1,623
	10,826	4,641

23. BANK FIXED DEPOSITS AND BANK AND CASH BALANCES

(a) Bank fixed deposits

	Note	**2024** **US$'000**	2023 US$'000
Pledged bank fixed deposits	(i)	**2,931**	1,257
Non-pledged bank fixed deposits	(ii)	**7,149**	9,170
		10,080	10,427

The average interest rates of the Group's bank fixed deposits were as follows:

	2024 **%**	2023 %
Pledged bank fixed deposits	**3.37**	4.15
Non-pledged bank fixed deposits	**4.48**	4.64

The Group's bank fixed deposits bear interest of fixed interest rates and therefore are subject to fair value interest rate risk.

Notes:

(i) The Group's pledged bank fixed deposits represented deposits pledged to banks as securities for the banking facilities of the corporate credit cards, bank borrowings and letters of guarantee for a supplier and services providers granted to the Group.

(ii) The Group's non-pledged bank fixed deposits with original maturity beyond three months were US$81,000 and US$93,000 respectively. These fixed deposits are denominated in KRW.

(b) Bank and cash balances

As at 31 December 2024, the bank and cash balances of the Group' subsidiary in the PRC denominated in Renminbi ("RMB") amounted to US$15,000 (2023: US$Nil). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

23. BANK FIXED DEPOSITS AND BANK AND CASH BALANCES (CONTINUED)

(c) *Bank fixed deposits and bank and cash balances*

The carrying amounts of the Group's bank fixed deposits and bank and cash balances are denominated in the following currencies:

	2024	2023
	US$'000	*US$'000*
US$	**12,003**	17,639
HK$	**4,432**	5,725
KRW	**1,115**	1,479
JPY	**389**	632
GBP	**102**	144
EUR	**230**	520
Others	**189**	299
	18,460	26,438

24. TRADE AND OTHER PAYABLES AND ACCRUALS

	2024	2023
	US$'000	*US$'000*
Trade payables	**9,930**	5,827
Other payables		
Indirect tax payables	**4,247**	3,266
Dividend payables	**504**	336
Others	**2**	–
	4,753	3,602
Accruals		
Accrued staff costs	**4,958**	1,483
Accrued selling expenses	**2,269**	1,155
Accrued administrative expenses	**755**	539
	7,982	3,177
	22,665	12,606

24. TRADE AND OTHER PAYABLES AND ACCRUALS (CONTINUED)

The aging analysis of the Group's trade payables, based on the invoice date, is as follows:

	2024	2023
	US$'000	*US$'000*
0 to 30 days	**9,597**	5,349
31 to 60 days	**328**	404
61 to 90 days	**1**	22
Over 90 days	**4**	52
	9,930	5,827

The carrying amounts of the Group's trade payables are denominated in the following currencies:

	2024	2023
	US$'000	*US$'000*
US$	**602**	221
HK$	**8,285**	5,437
KRW	**816**	33
JPY	**41**	35
RMB	**37**	40
EUR	**138**	48
Others	**11**	13
	9,930	5,827

25. CONTRACT LIABILITIES

	Note	**2024**	2023
		US$'000	*US$'000*
Sales of goods through online platform	(i)	**12,338**	8,976
Deferred revenue for customer loyalty programme	(ii)	**1,914**	2,288
Store credits	(iii)	**2,010**	1,471
		16,262	12,735

Notes:

(i) When the Group receives the payment in full before the goods is shipped/delivered, this will give rise to contract liabilities at the start of a contract, until the revenue recognised when the goods is shipped/delivered to the customers.

(ii) Contract liabilities relating to deferred revenue for loyalty programme are a portion of the transaction price allocated to the memberships based on the relative stand-alone selling price.

(iii) Store credit is a type of refund offered by the Group to a customer who returns an item that allows them to purchase something in the Group up to the value of a returned item. Store credit would be valid for 2 years upon the grant date. As at 31 December 2024, store credits granted to customers of US$362,000 (2023: US$2,522,000) were unused and expired in accordance with the terms of use of the Group. Such expired and unused store credits were written back. Accordingly, the Group recognised revenue of US$362,000 for the year ended 31 December 2024 (2023: US$2,522,000) arising from the written back of the expired and unused store credits.

The significant changes in the contract liabilities balances during the year ended 31 December 2024 were mainly due to the Group's customer base being broadened as compared to the year ended 31 December 2023, resulting in an increase in contract liabilities for the year ended 31 December 2024.

Except the store credits which would be valid for 2 years upon the grant date, all of the remaining contract liabilities are expected to be recognised as revenue within one year.

26. PROVISIONS

	Sales return ***US$'000*** *(Note (i))*	Employee benefits ***US$'000*** *(Note (ii))*	Reinstatement costs ***US$'000*** *(Note (iii))*	Total ***US$'000***
At 1 January 2023	130	1,038	837	2,005
Additional provisions/ (unused provisions reversed)	24	(458)	34	(400)
Provisions used	–	(5)	(190)	(195)
Interest expense	–	–	74	74
Exchange differences	–	(9)	(3)	(12)
At 31 December 2023 and 1 January 2024	**154**	**566**	**752**	**1,472**
(Unused provisions reversed)/ additional provisions	**(13)**	**280**	**597**	**864**
Provisions used	**–**	**(22)**	**(3)**	**(25)**
Interest expense	**–**	**–***	**90**	**90**
Remeasurements recognised in other comprehensive income	**–**	**(10)**	**–**	**(10)**
Exchange differences	**–**	**(56)**	**(4)**	**(60)**
At 31 December 2024	**141**	**758**	**1,432**	**2,331**

	2024 ***US$'000***	2023 *US$'000*
Analysed as:		
Current liabilities	**392**	371
Non-current liabilities	**1,939**	1,101
	2,331	1,472

Notes:

(i) The E-commerce products sold to customers are returnable to the Group within 14 days from delivery to the customers. Accumulated historical experience is used to estimate and provide for the sales return, using the expected value method. A provision of sales return is recognised for the expected sales return payable to customers in relation to the sales made.

(ii) The provision for employee benefits comprises unused annual leave, estimated long service and severance payments for employees.

(iii) The provision for reinstatement cost represents the Group's contractual obligation to restore certain office and warehouse premises to their original condition upon the expiry of the tenancy agreements. The provision is expected to be utilised upon the expiry of the tenancy agreements.

* *Less than US$1,000*

27. LEASE LIABILITIES

	2024 **US$'000**	2023 US$'000
Leased properties	**22,707**	12,042
Office and warehouse equipment	**97**	142
	22,804	12,184

	Minimum lease payments		**Present value of minimum lease payments**	
	2024 **US$'000**	2023 US$'000	**2024** **US$'000**	2023 US$'000
Within one year	**9,256**	5,517	**8,146**	4,715
More than one year, but not exceeding two years	**9,810**	5,179	**8,863**	4,754
More than two years, but not more than five years	**6,034**	2,806	**5,795**	2,715
	25,100	13,502	**22,804**	12,184
Less: Future finance charges	**(2,296)**	(1,318)	**N/A**	N/A
Present value of lease obligations	**22,804**	12,184	**22,804**	12,184
Less: Amount due for settlement within 12 months (shown under current liabilities)			**(8,146)**	(4,715)
Amount due for settlement after 12 months			**14,658**	7,469

27. LEASE LIABILITIES (CONTINUED)

As at 31 December 2024, the Group has leased certain of its office and warehouse equipment under finance leases. The average lease term is 5 years.

The incremental borrowing rates applied to lease liabilities range from 1.96% to 17.81% (2023: 1.96% to 17.81%).

The carrying amount of the Group's lease liabilities are denominated in the following currencies:

	2024 ***US$'000***	2023 *US$'000*
HK$	**22,422**	12,047
KRW	**302**	15
JPY	**80**	122
	22,804	12,184

28. DEFERRED TAX ASSETS

As at 31 December 2024 and 2023, the Group has unutilised tax losses of US$1,717,000 and US$3,011,000 respectively available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams together with the majority of the aforesaid unused tax losses of the Group have not yet been agreed by respective tax authorities.

As at 31 December 2024 and 2023, the Group's tax losses will expire in the following years:

	2024 ***US$'000***	2023 *US$'000*
On 31 December 2024	**–**	224
On 31 December 2025	**98**	109
On 31 December 2026	**128**	142
On 31 December 2027	**119**	132
On 31 December 2030	**50**	56
On 31 December 2031	**320**	354
On 31 December 2032	**429**	476
On 31 December 2033	**27**	33
On 31 December 2034	**2**	–
	1,173	1,526
No expiry date	**544**	1,485
	1,717	3,011

29. SHARE CAPITAL

	Number of shares	Amount
		US$'000
Issued and fully paid:		
At 1 January 2023	395,961,910	20,494
Issue of shares under share option schemes	1,162,000	146
At 31 December 2023 and 1 January 2024	**397,123,910**	**20,640**
Issue of shares under share option schemes	**12,588,556**	**3,542**
At 31 December 2024	**409,712,466**	**24,182**

During the year ended 31 December 2024, 12,588,556 (2023: 1,162,000) ordinary shares of the Company were issued under share option schemes. The net proceeds of US$2,026,000 (2023: US$92,000) were credited to share capital with the average market price of approximately US$0.55 (2023: US$0.09) per share at the respective exercise days.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the members through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares, buy-back shares, raise new debts, redeemed existing debts or sell assets to reduce debts.

The Group monitors capital using a gearing ratio, which is the Group's total debts (comprising lease liabilities) over its total equity. The Group's policy is to keep the gearing ratio at a reasonable level. The Group's gearing ratios as at 31 December 2024 was 43.0% (2023: 34.8%). The increase in the gearing ratio of the Group is primarily due to the increase in lease liabilities and the increase in equity as a result of the profit generated for the year ended 31 December 2024.

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; and (ii) to meet financial covenants attached to the banking facilities granted.

Based on information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this annual report, the Company has maintained sufficient public float with at least 25% of the shares held by the public as required under the Listing Rules.

There have been no breaches in the financial covenants of any of these banking facilities for the years ended 31 December 2024 and 2023.

30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	At 31 December 2024 US$'000	2023 US$'000
Non-current assets			
Property, plant and equipment		**2,033**	2,790
Investments in subsidiaries	35	**391**	391
Financial assets at FVTPL		**489**	863
Total non-current assets		**2,913**	4,044
Current assets			
Prepayments and other receivables		**237**	151
Amounts due from subsidiaries	35	**27,549**	21,657
Bank and cash balances		**418**	3,807
Current tax asset		**5**	–
Total current assets		**28,209**	25,615
Current liabilities			
Other payables and accruals		**3,578**	1,505
Amounts due to subsidiaries		**1,785**	1,387
Provisions		**104**	80
Total current liabilities		**5,467**	2,972
Net current assets		**22,742**	22,643
Total assets less current liabilities		**25,655**	26,687
Non-current liabilities			
Provisions		**29**	10
Net assets		**25,626**	26,677
Capital and reserves			
Share capital	29	**24,182**	20,640
Reserves	31(b)	**1,444**	6,037
Total equity		**25,626**	26,677

Approved by the Board of Directors on 28 March 2025 and signed on its behalf by:

Mr. LAU Kwok Chu

Ms. CHU Lai King

31. RESERVES

(a) The Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) The Company

	Share-based payment reserve *US$'000*	(Accumulated losses)/ retained earnings *US$'000*	Total *US$'000*
At 1 January 2023	2,562	(1,151)	1,411
Profit for the year	–	4,448	4,448
Issue of shares under share option schemes *(Note 29)*	(54)	–	(54)
Recognition of share-based payments *(Note 32)*	232	–	232
At 31 December 2023 and 1 January 2024	**2,740**	**3,297**	**6,037**
Loss for the year	**–**	**(726)**	**(726)**
Other comprehensive income	**–**	**5**	**5**
Issue of shares under share option schemes *(Note 29)*	**(1,516)**	**–**	**(1,516)**
Dividend paid *(Note 16)*	**–**	**(2,579)**	**(2,579)**
Recognition of share-based payments *(Note 32)*	**223**	**–**	**223**
Forfeiture of share options *(Note 32)*	**(77)**	**77**	**–**
At 31 December 2024	**1,370**	**74**	**1,444**

(c) Nature and purpose of reserves

(i) Share-based payment reserve

The share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to directors, employees and consultants of the Group recognised in accordance with the accounting policy adopted for share-based payments in Note 4(o) to the consolidated financial statements.

(ii) Capital reserve

The capital reserve of the Group represents the interest contributed by holders of Series B preferred shares to YesAsia.com, Inc., the then holding company of the Group.

(iii) Merger reserve

The merger reserve of the Group represents the difference between the nominal value of shares of YesAsia.com, Inc. acquired pursuant to the reorganisation over the nominal value of the share capital of the Company issued in exchange therefor.

31. RESERVES (CONTINUED)

(c) Nature and purpose of reserves (Continued)

(iv) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in Note 4(c)(iii) to the consolidated financial statements.

32. SHARE-BASED PAYMENTS

2016 Share Option Scheme

The Company adopted a share option scheme on 30 June 2016 (the "2016 Share Option Scheme") for the purpose of enabling the Company to attract and retain qualified employees of providing them with an opportunity for investment in the Company.

The 2016 Share Option Plan will expire on 30 June 2026. However, as the Company became listed on the Stock Exchange on 9 July 2021, no further share options can be granted under the 2016 Share Option Scheme.

At 31 December 2024 and 2023, details of the specific categories of share options outstanding under the 2016 Share Option Scheme are as follows:

	Grant date	**Expiry date**	**Exercise price per option**	**No. of share options outstanding *(Note)***	
			US$	**2024**	2023
Directors	28 July 2016	28 July 2026	0.80	**–**	140,000
	15 August 2019	15 August 2029	1.55	**–**	180,000
Employees	28 July 2016	28 July 2026	0.80	**2,451**	2,451
	27 April 2017	27 April 2027	0.80	**–**	625
	10 August 2017	10 August 2027	0.80	**–**	1,250
	27 April 2018	27 April 2028	1.20	**22,163**	48,488
	26 July 2018	26 July 2028	1.20	**21,875**	53,125
	24 January 2019	24 January 2029	1.20	**31,309**	78,175
	25 April 2019	25 April 2029	1.55	**22,809**	73,443
	15 August 2019	15 August 2029	1.55	**9,650**	33,000
	6 February 2020	6 February 2030	1.55	**39,900**	133,200
	23 April 2020	23 April 2030	2.01	**119,500**	248,000
	30 July 2020	30 July 2030	2.01	**15,000**	50,000
	29 October 2020	29 October 2030	2.01	**94,976**	240,000
	28 January 2021	28 January 2031	2.01	**76,450**	140,000
	29 April 2021	29 April 2031	2.01	**230,175**	418,000
Total for the 2016 Share Option Scheme				**686,258**	1,839,757

32. SHARE-BASED PAYMENTS (CONTINUED)

Notes:

(i) Following the Share Split which took effect on 9 June 2021, each grantee shall receive 10 ordinary shares for each outstanding share option granted under the 2016 Share Option Scheme exercised.

(ii) As the Company became listed on the Stock Exchange on 9 July 2021, no further share options can be granted under the 2016 Share Option Scheme.

(iii) The default vesting schedule of the 2016 Share Option Scheme is as follows: (i) 25% of all the share options granted will become vested on the first anniversary of the vesting start date as specified in the share option agreement and (ii) 6.25% of the share options granted will become vested as at the end of each three month period after the vesting start date.

Post-IPO Share Option Scheme

A post-IPO share option scheme was adopted by the Company on 13 March 2021, which was conditional upon the listing of the Shares on the Stock Exchange and came into effect on the Listing Date (the "Post-IPO Share Option Scheme"). The Post-IPO Share Option Scheme will expire on 8 July 2031. The purpose of the Post-IPO Share Option Scheme is to advance the interests of the Company and its shareholders by enabling the Company to attract and retain qualified employees or directors of the Company and/or its subsidiaries through providing them with an opportunity for investment in the shares of the Company.

The total number of shares which may be issued upon exercise of all share options to be granted under the Post-IPO Share Option Scheme is 39,539,079 (equivalent 3,953,908 options), being the maximum 10% of the ordinary shares in issue on the Listing Date.

Details of the specific categories of share options outstanding under the Post-IPO Share Option Scheme as at 31 December 2024 and 2023 are as follows:

	Grant date	Expiry date	Exercise price per option	No. of share options outstanding *(Note)*	
			US$	**2024**	2023
Directors	31 October 2022	30 October 2032	0.75[i]	**86,250**	90,000
Employees	30 August 2021	29 August 2031	3.16[ii]	**13,800**	35,000
	29 October 2021	28 October 2031	1.84[iii]	**6,250**	10,000
	21 April 2022	20 April 2032	1.50[iv]	**117,894**	195,500
	31 October 2022	30 October 2032	0.75[i]	**21,925**	40,000
	21 April 2023	20 April 2033	0.66[v]	**156,775**	196,000
	27 October 2023	26 October 2033	0.61[vi]	**25,000**	25,000
	26 April 2024	25 April 2034	1.02[vii]	**294,000**	–
	29 July 2024	28 July 2034	6.37[viii]	**65,000**	–
	20 December 2024	19 December 2034	6.04[ix]	**15,000**	–
				801,894	591,500

(i) Equivalent to the exercise price per share option denominated in HK$ of HK$5.80.

(ii) Equivalent to the exercise price per share option denominated in HK$ of HK$24.48.

(iii) Equivalent to the exercise price per share option denominated in HK$ of HK$14.28.

(iv) Equivalent to the exercise price per share option denominated in HK$ of HK$11.60.

32. SHARE-BASED PAYMENTS (CONTINUED)

Post-IPO Share Option Scheme (Continued)

(v) Equivalent to the exercise price per share option denominated in HK$ of HK$5.10.

(vi) Equivalent to the exercise price per share option denominated in HK$ of HK$4.70.

(vii) Equivalent to the exercise price per share option denominated in HK$ of HK$7.90.

(viii) Equivalent to the exercise price per share option denominated in HK$ of HK$49.4.

(ix) Equivalent to the exercise price per share option denominated in HK$ of HK$46.8.

Notes:

(i) Following the announcement of the Company dated on 30 August 2021, 29 October 2021, 21 April 2022, 31 October 2022, 21 April 2023, 27 October 2023, 26 April 2024, 29 July 2024 and 20 December 2024, each grantee shall receive 10 ordinary shares for each share option under the Post-IPO Share Option Scheme exercised.

(ii) The default vesting schedule of the Post-IPO Share Option Scheme is as follows: (i) 25% of all the options granted will become vested on the first anniversary of the vesting start date as specified in the share option agreement and (ii) 6.25% of the share options granted will become vested as at the end of each three month period after the vesting start date.

Details of the movement of share options granted during the year are as follows:

	2024		2023	
	Number of share options	**Weighted average exercise price per share option *(Note)* US$**	Number of share options	Weighted average exercise price per share option *(Note)* US$
Outstanding at 1 January	**2,431,257**	**1.58**	2,455,819	1.64
Granted during the year	**389,000**	**2.11**	223,500	0.65
Exercised during the year	**(1,258,855)**	**1.61**	(116,200)	0.80
Forfeited during the year	**(73,250)**	**1.70**	(131,862)	1.75
Outstanding at 31 December	**1,488,152**	**1.69**	2,431,257	1.58
Exercisable at 31 December	**773,527**	**1.72**	1,658,132	1.67

Note: Following the Share Split which took effect on 9 June 2021, each grantee shall receive 10 ordinary shares for each outstanding share option granted under the share option scheme exercised. Therefore, the weighted average exercisable price per share under share options granted as at 31 December 2024 is US$0.17 (2023: US$0.17).

The weighted average share price at the date of exercise for share options exercised during the year was US$0.61 (2023: US$0.06 per share).

The share options outstanding at the end of the year have a weighted average remaining contractual life of 7.19 years as at 31 December 2024 (2023: 6.75 years).

During the year ended 31 December 2023, 198,500 and 25,000 share options were granted under Post-IPO Share Option Scheme on 21 April 2023 and 27 October 2023 respectively and the total estimated fair value of these share options on the date of grant was US$56,000.

32. SHARE-BASED PAYMENTS (CONTINUED)

During the year ended 31 December 2024, 309,000, 65,000 and 15,000 share options were granted under Post-IPO Share Option Scheme on 26 April 2024 and 29 July 2024 and 20 December 2024 respectively and the total estimated fair value of these share options on the date of grant was US$315,000.

The fair value was calculated using the Binomial Option pricing model. The inputs into the model are as follows:

For the year ended 31 December 2024

	Share option granted on		
	26 April 2024	**29 July 2024**	**20 December 2024**
Stock price	**US$0.097**(*)	**US$0.637**(*)	**US$0.541**(*)
Exercise price per option	**US$1.019**	**US$6.374**	**US$6.039**
Expected volatility	**49.05%**	**42.94%**	**50.03%**
Expected life	**10 years**	**10 years**	**10 years**
Risk free rate	**3.96%**	**3.12%**	**3.66%**
Expected dividend yield	**6.67%**	**1.01%**	**1.19%**

(*) Equivalent to the stock price denominated in HK$ of HK$0.75, HK$4.94 and HK$4.19 respectively.

For the year ended 31 December 2023

	Share option granted on	
	21 April 2023	27 October 2023
Stock price	US$0.066(*)	US$0.058(*)
Exercise price per option	US$0.658	US$0.606
Expected volatility	50.01%	52.65%
Expected life	10 years	10 years
Risk free rate	3.15%	4.31%
Expected dividend yield	4.13%	4.13%

(*) Equivalent to the stock price denominated in HK$ of HK$0.51 and HK$0.45 respectively.

Average of industry annualised historical share price volatility is deemed to be the expected volatility of the share price of the Company. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

The Group recorded total expenses of US$223,000 (2023: US$232,000) during the year ended 31 December 2024 in respect of the share option schemes.

73,250 share options were forfeited during the year ended 31 December 2024 due to the resignation of certain employees of the Group, resulting in the transfer of the corresponding share-based payment reserve of US$77,000 to retained earnings.

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) *Reconciliation of liabilities arising from financing activities*

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes		
	As at 1 January 2024	**Net cash flows**	**Addition of right-of-use assets**	**Exchange difference**	**As at 31 December 2024**
	US$'000	***US$'000***	***US$'000***	***US$'000***	***US$'000***
Lease liabilities *(Note 27)*	**12,184**	**(5,452)**	**16,108**	**(36)**	**22,804**
Bank borrowing	**–**	**–**	**–**	**–**	**–**

			Non-cash changes		
	As at 1 January 2023	Net cash flows	Addition of right-of-use assets	Exchange difference	As at 31 December 2023
	US$'000	US$'000	US$'000	US$'000	US$'000
Lease liabilities *(Note 27)*	15,464	(3,966)	704	(18)	12,184

(b) *Total cash outflow for leases*

Amounts included in the consolidated statement of cash flows for leases comprise the following:

	2024	2023
	US$'000	*US$'000*
Within operating cash flows	**1,231**	1,239
Within financing cash flows	**5,452**	3,966
	6,683	5,205

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Total cash outflow for leases (Continued)

These amounts relate to the following:

	2024 **US$'000**	2023 *US$'000*
Lease rental paid	**6,683**	5,205

(c) Major non-cash transactions

During the year ended 31 December 2024, the Group entered into new lease agreements for leased properties and equipments for 2 years to 5 years (2023: 2 years to 3 years). On the leases commencement, the Group has non-cash addition to right-of-use assets, lease liabilities and provision of reinstatement cost of US$16,712,000 (2023: US$746,000), US$16,107,000 (2023: US$704,000) and US$605,000 (2023: US$42,000) respectively.

34. OPERATING LEASE ARRANGEMENTS

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2024 **US$'000**	2023 *US$'000*
Within one year *(Note)*	**213**	–

Note: During the year ended 31 December 2024, the Group entered into short-term leases for warehouses and the outstanding lease commitments relating to the warehouses were US$213,000 (2023: US$Nil).

35. INVESTMENTS IN SUBSIDIARIES

	2024 US$'000	2023 US$'000
Unlisted investments, at cost	**391**	391
Amounts due from subsidiaries	**27,549**	21,657

As at 31 December 2024 and 2023, the amounts due from subsidiaries are unsecured, interest free and repayment on demand.

Particulars of the Company's principal subsidiaries as at 31 December 2024 and 2023 are as follows:

Name	Principal country of operation and place of incorporation, kind of legal entity	Issued and fully paid up/ registered capital	Equity interest of the Group 2024	Equity interest of the Group 2023	Principal activities
Direct held					
AsianBeautyWholesale (Hong Kong) Limited	Hong Kong, limited liability company	HK$1	**100%**	100%	Trading of beauty products
YesAsia.com. Japan Kabushiki Kaisha (iesu asia dotto comu japan kabushiki kaisha)	Japan, limited liability company	JPY10,000,000	**100%**	100%	Trading of entertainment products, fashion wears and accessories
YesAsia.com Limited	Hong Kong, limited liability company	HK$39,000,002	**100%**	100%	Trading of entertainment products and investment holding
YesStyle.com Limited	Hong Kong, limited liability company	HK$1	**100%**	100%	Trading of fashion wears, cosmetics and accessories
Indirect held					
YAKR	South Korea, limited liability company	KRW50,000,000	**100%**	100%	Trading of entertainment products, fashion wears and accessories
YA Logistics Limited	Hong Kong, limited liability company	HK$1	**100%**	100%	Logistics and warehouse services
廣州喆麗科鑠電子商務有限公司 Guangzhou Zheli Keshuo E-commerce Co., Ltd*	People's Republic of China	RMB2,010,000	**70%**	–	Wholesale of beauty products

* The English name of this company represents the management's best effort to translate its Chinese name, as it does not have an official English name

36. RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's executive directors as disclosed in Note 15 and certain of the highest paid employees as disclosed in Note 14(b), is as follows:

	2024	2023
	US$'000	*US$'000*
Salaries and allowances	**1,518**	1,323
Discretionary bonus	**916**	146
Equity-settled share-based payments	**23**	50
Retirement benefits for defined contribution plans	**109**	53
	2,566	1,572

(b) Other related party transactions

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the year:

	2024	2023
	US$'000	*US$'000*
Return merchandise authorisation service fee to Ms. Chu Po King *(Note (i))*	**(2)**	(2)

Note:

(i) Ms. Chu Po King is a sister of a director and shareholder of the Company.

(c) The Company received management fees of US$14,942,000 (2023: US$11,736,000) during the year ended 31 December 2024 from its subsidiaries.

(d) The Company paid management fee of US$120,000 (2023: US$122,000) during the year ended 31 December 2024 to a subsidiary.

37. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not yet incurred are as follows:

	2024	2023
	US$'000	*US$'000*
Property, plant and equipment	**5,039**	33
Capital contribution to an associate	**400**	–

38. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period up to the date of this report.