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Asia-express Logistics Holdings Limited

亞洲速運物流控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8620)

DISCLOSEABLE TRANSACTION IN RELATION TO THE ENTERING INTO A LEASE AGREEMENT

THE LEASE AGREEMENT

The Board announces that on 28 August 2025 (after trading hours), Kwai Bon (HK) (being an indirect wholly-owned subsidiary of the Company) as tenant and Goodman as landlord entered into the Lease Agreement in respect of the Premises.

IMPLICATIONS UNDER THE GEM LISTING RULES

In accordance with HKFRS 16 “Leases”, the Company will be required to recognise the value of the right-of-use asset in connection with the leasing of the Premises under the Lease Agreement in the Company’s consolidated statement of financial position. Accordingly, the transaction contemplated under the Lease Agreement will be regarded as an acquisition of assets by the Group for the purpose of the GEM Listing Rules.

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the transactions contemplated under the Lease Agreement calculated based on the unaudited value of the right-of-use asset to be recognised by the Group under the Lease Agreement exceeds 5% but all of them are less than 25%, the transaction contemplated under the Lease Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

INTRODUCTION

The Board announces that on 28 August 2025 (after trading hours), Kwai Bon (HK) (being an indirect wholly-owned subsidiary of the Company) as tenant and Goodman as landlord entered into the Lease Agreement in respect of the Premises.

KEY TERMS OF THE LEASE AGREEMENT

Date:	28 August 2025
Parties:	(1) Kwai Bon (HK), as tenant; and (2) Goodman, an Independent Third Party, as landlord.
Premises:	12th Floor, Block 2, Goodman Tuen Mun Distribution Centre, 3A Hung Cheung Road, Tuen Mun, New Territories, Hong Kong
Term:	Three (3) years, commencing from 1 August 2025 to 31 July 2028 (both days inclusive)
Right of Termination:	Kwai Bon (HK) has the right, at any time after 1 November 2026, serve upon the Landlord at least nine (9) months' written notice to terminate the Lease Agreement, provided that the Tenant shall have fully performed and observed its obligations under the Lease Agreement up to the date of actual termination. Pursuant to this right of termination, the last day of the Term shall not be earlier than 31 July 2027 (i.e. the Tenant shall rent the Premises for at least 24 months (the " Non-Cancellable Period ")).
Use of the Premises:	The tenant shall use the Premises as workshop for non-domestic use.
Rent:	HK\$336,536 per month, exclusive of rates, government rent and management charges and payable in advance.
Rent-free period:	For the periods from: (a) 1 August 2025 to 5 September 2025 (both days inclusive); (b) 1 August 2026 to 5 September 2026 (both days inclusive); and (c) 26 June 2028 to 31 July 2028 (both days inclusive).
Management charges:	The current monthly management charge shall be HK\$41,354 (subject to review from time to time), payable in advance.
Rates and government rent:	The Tenant shall pay rates and government rent charged on the Premises as assessed by the government of Hong Kong from time to time.
Deposit:	HK\$1,209,030, equivalent to three (3) months' rent, three (3) months' management charges and three (3) months' rates and government rent.

Total consideration payable: The total consideration payable by the Tenant to the Landlord under the Lease Agreement, including the rental, management charges, rates and government rent, for the Non-Cancellable Period (subject to the Rent free period) is expected to be approximately HK\$8.9 million.

The rent payable by the Tenant under the Lease Agreement was determined after arm's length negotiation between the Landlord and the Tenant with reference to the prevailing market conditions and the prevailing market rent for properties of similar use, floor area and location.

The rental, management charges, rates and government rent, and other relevant expenses will be financed by the internal resources of the Group.

RIGHT-OF-USE ASSETS

In accordance with HKFRS 16 "Leases", the Company will be required to recognise the value of the right-of-use asset in connection with the leasing of the Premises under the Lease Agreement in the Company's consolidated statement of financial position. Accordingly, the transaction contemplated under the Lease Agreement will be regarded as an acquisition of assets by the Group for the purpose of the GEM Listing Rules.

As at the commencement date of the Lease Agreement and the date of this announcement, the Group is not reasonably certain whether to exercise, or not to exercise, the option to terminate the Lease Agreement after the expiration of the Non-Cancellable Period. As pointed in the section headed "Management Discussion and Analysis" of the Company's annual report 2025, the Group faces persistent uncertainties and instabilities driven by the escalation of geopolitical tensions and conflicts worldwide. The Group will reassess the exercise of such option as the expiration date of the Non-Cancellable Period approaches, taking into consideration of all relevant facts and circumstances that may create an economic incentive for the Group to exercise or not to exercise the option at the material time, including but not limited to the contractual terms and conditions applicable to the optional period as compared to the prevailing market rates, the costs associated with the termination of the Lease Agreement (such as negotiation cost and relocation costs) and the strategic importance of the Premises to the Group's business operations.

Based on the aforesaid and subject to audit, the value of the right-of-use asset to be recognised by the Company under the Lease Agreement is estimated to be approximately HK\$6.9 million in accordance with HKFRS 16, being the present value of the aggregated lease payments to be made under the Lease Agreement for the Non-Cancellable Period. A discount rate of approximately 7.3% is adopted in calculating the present value of the aggregated lease payments.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE AGREEMENT

The Group has been occupying the Premises as its warehouse since 3 May 2023 for the provision of other value-added services including but not limited to warehousing and storage, x-ray screening, weighing, loading and unloading, palletising, repackaging and labelling services. Pursuant to an assignment of lease made between, among others, the Landlord and Kwai Bon (HK) on 3 May 2023, the lease term of the Premises thereunder expired on 31 July 2025. Having regard to the Group's need for the warehouse to continue its business operations, the rental amount under the Lease Agreement and the potential costs of relocation, the Company decided to continue to lease the Premises as its warehouse and enter into the Lease Agreement with the Landlord.

The terms of the Lease Agreement were determined after arm's length negotiation between the parties with reference to the prevailing market rent of comparable properties. The Directors (including the independent non-executive Directors) are of the view that the Lease Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the Lease Agreement are fair and reasonable. As such, the entering into the Lease Agreement is in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Tenant

Kwai Bon (HK) is a limited liability company incorporated under the laws of Hong Kong on 17 November 1994, which is an indirect wholly-owned subsidiary of the Company. Kwai Bon (HK) is the operating company for the Group's logistics business and is principally engaged in the provision of air cargo ground handling services, transportation services and warehousing and other value-added services in Hong Kong.

The Landlord

Goodman is a company incorporated in the Cayman Islands and registered in Hong Kong as a non-Hong Kong company with limited liability. As at the date of this announcement, to the best of the Directors' knowledge, information and believe, having made all reasonable enquiries, the principal activity of Goodman is property investment holding. Goodman is indirectly wholly-owned by Goodman Hong Kong Logistics Fund ("**GHKLF**"), a company incorporated in the Cayman Islands with limited liability. Based on the information provided by the Landlord, one of the shareholders of GHKLF is Goodman Group (a stapled entity of Goodman Limited, Goodman Industrial Trust and Goodman Logistics (HK) Limited, which is listed on the Australian Securities Exchange (ASX Code: GMG) (the "**Goodman Group**")), which indirectly owns more than 20% of the shares in GHKLF. Further, as confirmed by the Landlord, GHKLF has no individual shareholder who owns a majority or controlling stake in it. Hence, to the best of the Directors' knowledge, information and believe, having made all reasonable enquiries, Goodman and its ultimate beneficial owners (being, GHKLF and the Goodman Group) are Independent Third Parties.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the transactions contemplated under the Lease Agreement calculated based on the unaudited value of the right-of-use asset to be recognised by the Group under the Lease Agreement exceeds 5% but all of them are less than 25%, the transaction contemplated under the Lease Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	Asia-express Logistics Holdings Limited, a company incorporated in the Cayman Islands on 2 January 2018 as an exempted company with limited liability, the shares of which are listed on GEM (Stock Code: 8620)
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Goodman” or the “Landlord”	Goodman FS Holdings, a company incorporated in the Cayman Islands and registered in Hong Kong as a non-Hong Kong company with limited liability, being an Independent Third Party and the landlord of the Premises under the Lease Agreement
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party”	a party who is not a connected person of the Company and is independent of the Company and its connected persons
“Kwai Bon (HK)” or the “Tenant”	Kwai Bon Transportation Limited, a limited liability company incorporated under the laws of Hong Kong on 17 November 1994, and an indirect wholly-owned subsidiary of the Company

“Lease Agreement”	the lease dated 28 August 2025 and entered into between Kwai Bon (HK) as tenant and Goodman as landlord for the lease of the Premises
“Premises”	12th Floor, Block 2, Goodman Tuen Mun Distribution Centre, 3A Hung Cheung Road, Tuen Mun, New Territories, Hong Kong
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“%”	per cent.

By order of the Board of
Asia-express Logistics Holdings Limited
Chan Le Bon
Chairman

Hong Kong, 28 August 2025

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and beliefs the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days of its posting. This announcement will also be published on the Company’s website at www.asia-expresslogs.com.