

WINSWAY 易大宗

2024 Annual Results

March, 2025



Revenue & Gross Profit Overview



Revenue / Gross Profit



(HK\$ mn)	2023	2024
Revenue	40,587	39,166
GP	3,628	1,518
GPM	8.9%	3.9%

Product	2023 ('000 tonnes/HK\$ mn)					2024 ('000 tonnes/HK\$ mn)				
	Volume ¹	Amount	As % of Total Revenue	Gross Profit	Gross Profit Margin	Volume ¹	Amount	As % of Total Revenue	Gross Profit	Gross Profit Margin
Coal	18,945	31,805	78.4%	2,032	6.4%	22,735	33,848	86.4%	597	1.8%
Integrated Supply Chain Services	-	6,327	15.6%	1,523	24.1%	-	3,951	10.1%	870	22.0%
Petrochemical	242	2,027	5.0%	14	0.7%	121	1,135	2.9%	8	0.7%
Iron Ore	352	319	0.8%	1	0.4%	208	180	0.5%	(1)	(0.5)%
Coke	15	34	0.1%	(6)	(16.6%)	-	-	-	-	-
Others		75	0.2%	63	84.6%		52	0.1%	44	83.9%
Total	19,554	40,587	100%	3,628	8.9%	23,064	39,166	100%	1,518	3.9%

- In 2024, the Group's revenue was approx. HK\$39,166 mn, a decrease of 3.5% compared to HK\$40,587 mn in 2023:
 - The revenue of supply chain trading increased by 2.9% compared to 2023, with coal trading revenue rising by 6.4%, mainly due to a 20.0% increase in coal trading volume compared to 2023, and average unit price decreased by approximately 11.3% yoy.
 - The revenue of integrated supply chain services decreased by 37.6%, primarily due to the downward trend in the coal market and the implementation of the trade bidding model, which caused transportation prices related to Mongolia to drop to historical lows. Consequently, our cross-border transportation volume at Sino-Mongolia ports also declined.
- Gross profit was HK\$1,518 mn in 2024, a decrease of 58.2% compared to HK\$3,628 mn recorded in 2023. Among them, the gross profit of supply chain trading business contributed 42.7%, and the gross profit of integrated supply chain services contributed 57.3% (2023: 58.0% and 42.0%):
 - In 2024, China's economic growth experienced a slowdown, resulting in weak demand and considerable pressure on the steel industry. Coke and steel companies shifted a more cautious approach to coking coal procurement policies in an effort to ease financial pressures and control production costs. Meanwhile, the supply side remained relatively loose, with an increase of imported coking coal into China, effectively bolstering the supply of coking coal. In the third quarter of 2024, there was a direct reduction in molten iron production, and demand from steel mills in the latter half of the year was significantly weaker than in the first half, leading to a persistent widening of the supply-demand imbalance for coking coal. Consequently, coking coal prices exhibited a trend of fluctuation and decline from the elevated levels observed at the beginning of the year.
 - During the market downturn, profits across all segments of the supply chain industry declined, leading to an overall decrease in the Group's gross profit. The Group implemented a "volume-driven" strategy. By enhancing customer service and expanding value-added services, as well as fully utilizing our comprehensive supply chain service capabilities and closely aligning with market dynamics to stabilize supply, the Group maintained a steady market share in our supply chain trading and service segments.

Note: 1. Coal trading volume excludes Mongolian coal sales executed through joint venture Xianghui Energy (2024: 11.7 mn tons; 2023: 11.4 mn tons).

Revenue & GP Overview – By Segments



Supply Chain Trading

GPM for supply chain trading was 1.7%

Product	Volume ('000 tonnes)	Amount (HK\$ mn)	As % of Total Revenue	Gross Margin
Coal	22,735	33,848	86.4%	1.8%
Oil and Petrochemical	121	1,135	2.9%	0.7%
Iron Ore	208	180	0.5%	(0.5)%
Total	23,064	35,163	89.9%	1.7%

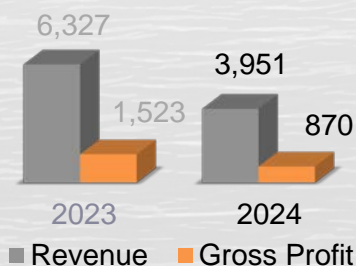
Country	Amount (HK\$ mn)	As % of Total Revenue
PRC (including Hong Kong, Macau and Taiwan)	28,123	71.8%
Indonesia	2,633	6.7%
Malaysia	1,581	4.0%
South Korea	1,045	2.7%
India	776	2.0%
Japan	502	1.3%
Vietnam	384	1.0%
Others	119	0.4%
Total	35,163	89.9%

Integrated Supply Chain Services

(Mining, Logistics, warehousing, washing & processing and other services)

GPM for integrated supply chain services was 22.0%

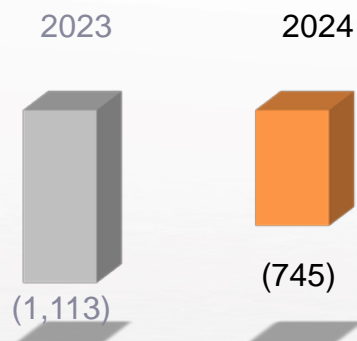
(HK\$ mn)



- The Company completed the full acquisition of upstream mining company TTJV Co.LLC. in August 2024. It's not only marked a solid step for us in the mining services sector but also extended and expanded our integrated supply chain services, further enhancing our cooperation with ETT. Since August, TTJV Co.LLC. has been included in the Group's consolidated financial statements, contributing HK\$393.0 mn in revenue and HK\$35.1 mn in gross profit¹. In the future, we will locate more strategic partners, covering the entire supply chain from mining services to logistics and processing, and then to market distribution, truly achieving integrated coverage of the integrated commodities supply chain.
- In 2024, the total storage volume at the Sino-Mongolia ports reached approx.17.4 mn tons, increased 7.0% yoy. Among which the Gants Mod Port accounted for approx.11.1 mn tons, maintaining its market share. The Mandula Port, which commenced operations in June 2024, achieved approx.1.6 mn tons in storage volume. Additionally, the Group achieved cross-border transportation volume of approx.7.9 mn tons, domestic transportation volume of approx. 13.0 mn tons, and coal washing and processing volume of approx.8.5 mn tons.
- By collaborating with upstream and downstream partners, the Group proactively addressed the market downturn and implemented cost-control measures. As a result, integrated supply chain services achieved a gross profit of HK\$870 mn, with a gross profit margin of 22.0%.

Note: 1. From Jan to Jul 2024, TTJV Co.LLC. remained as an associate company and recorded investment income of HK\$8.4 mn. TTJV Co.LLC. achieved full-year revenue of HK\$877.9 mn and gross profit of HK\$83.1 mn.

Administrative Expenses



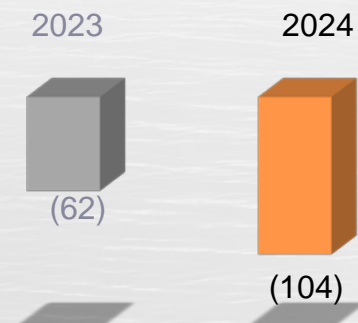
(HK\$ mn)	2023	2024
Staff Costs	(761)	(476)
Accounts Receivable (Impairment)/Reversal	(20)	36
Others	(332)	(305)
Total Administrative Expenses	(1,113)	(745)
As % of Total Revenue	2.7%	1.9%

- In 2024, administrative expenses decreased by 33.1% yoy, mainly due to a reduction in staff costs. Excluding the impact of staff costs and non-cash expenses, day-to-day cash administrative expenses remained stable compared to 2023.

Finance Income/Costs

(HK\$ mn)	2023	2024
Finance Income	55	64
Finance Costs	(117)	(168)
Net Finance Costs	(62)	(104)
As % of Total Revenue	0.2%	0.3%

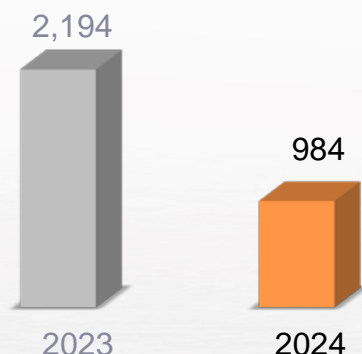
- In 2024, net financial costs increased by 67.7% compared with 2023, mainly due to an increase in financial costs. Financial costs increased by 43.6% compared with 2023, Such an increase was primarily due to the increased trading volume which resulted in the increased use of credit facility, and the increase in bill settlement leads to the bill discount.



Financial Update (Cont'd)



Net profit



(HK\$ mn)	2023	2024
Net Profit	2,194	984
Profit Attributable to Equity Shareholders	2,123	922
Basic EPS	HK\$ 0.793	HK\$ 0.346

- In 2024, the Group recorded a net profit of HK\$984 mn, a decrease of 55.2% compared to 2023. Profit attributable to equity shareholders was HK\$922 mn in 2024, a decrease of 56.6% compared to 2023.
- For the year ended December 31, 2024, basic earnings per share were HK\$0.346.

2024 Final Dividend

(HK\$ mn)	
Profit attributable to equity shareholders for 2H2024	139
Profit attributable to equity shareholders for 2H2024 *25%	35
Total Number of Shares (as of Dec 31, 2024) ¹	2,693,240,962
Final Dividend per Share	HK\$ 0.013

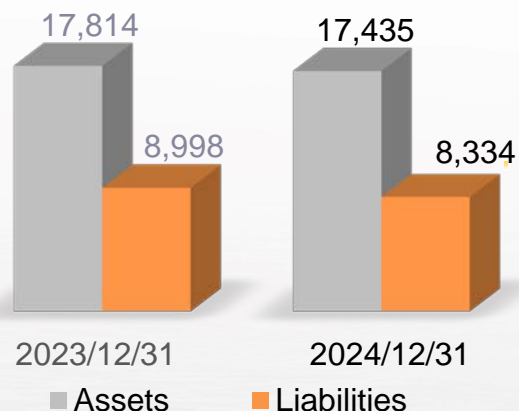
- On 23 August 2024, the Board of Directors and Management approved the declaration of an interim cash dividend of approx. HK\$200 mn. Based on the profit attributable to equity shareholders for the second half of 2024, we proposed to distribute a cash dividend of HK\$0.013 per share or approx. HK\$35 mn in total at the end of 2024. Together with the interim dividend of HK\$0.073 per share, a total cash dividend of HK\$0.086 per share for the full year.

Note:1. Excluding treasury shares 3,306,000 shares.

Financial Update (Cont'd)



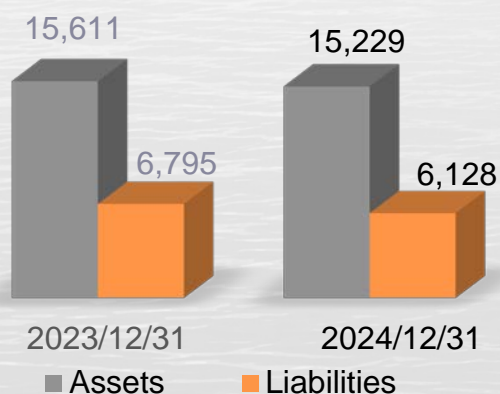
Assets / Liabilities



(HK\$ mn)	2023/12/31	2024/12/31
Assets	17,814	17,435
Liabilities	8,998	8,334
Total Equity	8,816	9,101
Gearing Ratio	50.5%	47.8%

- As of December 31, 2024, the Group's total assets were HK\$17,435 mn, representing a decrease of 2.1% over the same period in 2023, and total liabilities were HK\$8,334 mn, representing a decrease of 7.4% over the same period in 2023. The Group's working capital levels remained stable and overall financial position remained healthy.

Adjusted Assets / Liabilities



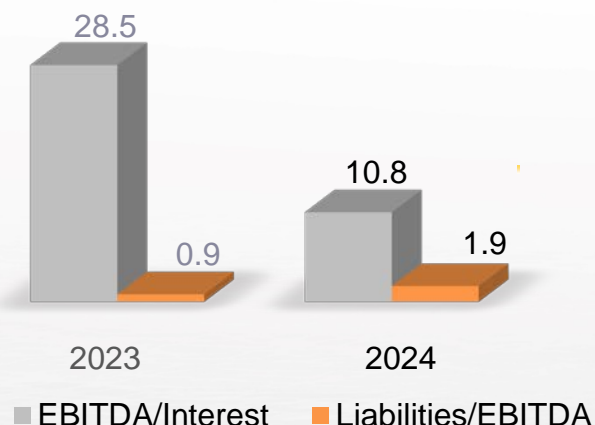
(HK\$ mn)	Adj.2023/12/31	Adj.2024/12/31
Assets	15,611	15,229
Liabilities	6,795	6,128
Gearing Ratio	43.5%	40.2%

- When the Group deposits full margin with a bank to issue bills payable and obtain a pledge loan, or discounts and obtains a pledge loan from the bank after receiving acceptance bills and letters of credit, according to accounting standards, both asset and liability amounts will increase simultaneously. However, for such businesses, the pledged cash and negotiable instruments involve no substantial risks.
- Excluding the impact of the accounting and loans pledged with full amount bank deposits, the Group's adjusted total assets and liabilities were shown as the above. The Group's adjusted gearing ratio at was 40.2%. The overall debt level was healthy and the liquidity was good.

Financial Update (Cont'd)



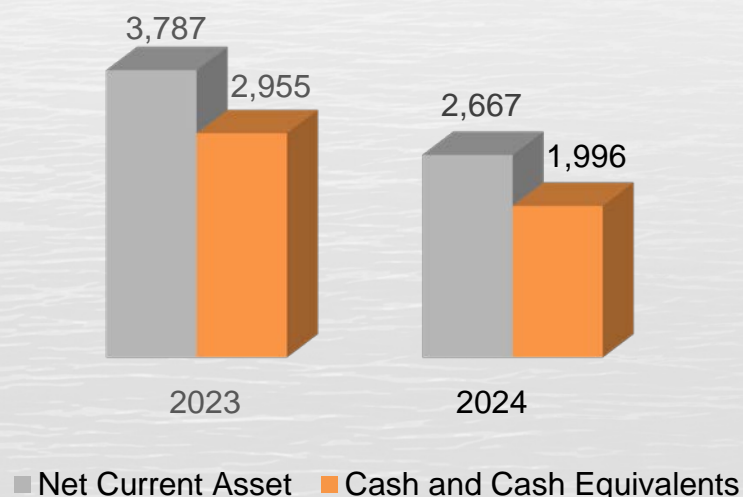
Liabilities and Liquidity



	2023	2024
EBITDA/Interest	28.5	10.8
Liabilities/EBITDA	0.9	1.9

- As of December 31, 2024, EBITDA/interest decreased to 10.8 from 28.5 in 2023; Liabilities/EBITDA rose to 1.9 from 0.9 in 2023, mainly due to lower profits in 2024, and thus lower EBITDA.

Current Assets and Cash (HK\$ mn)



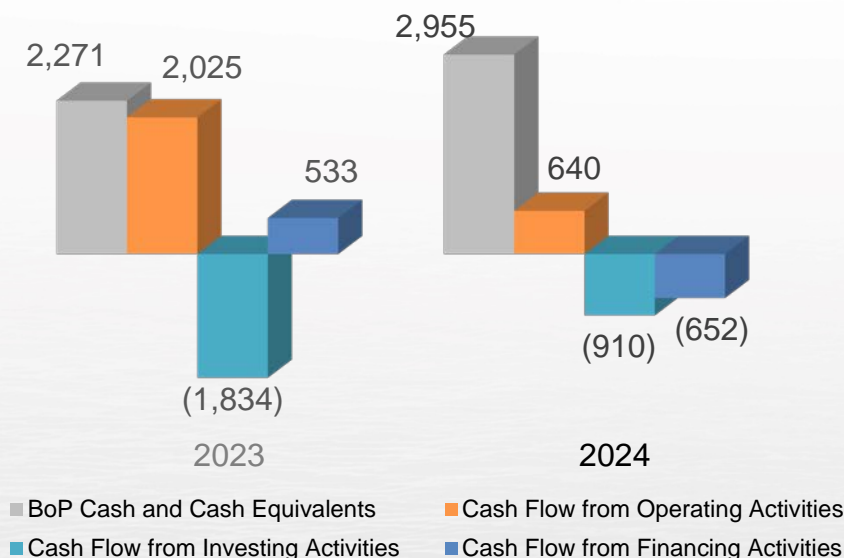
(HK\$ mn)	2023/12/31	2024/12/31
Current Assets	12,145	10,396
Current Liabilities	8,358	7,729
Net Current Asset	3,787	2,667
Cash and Cash Equivalents	2,955	1,996
Current Ratio	1.5	1.4
Cash Ratio	0.4	0.3

- As of December 31, 2024, the Group's net current assets decreased by 29.6%. Current ratio was 1.4, reflecting a slight decrease compared to the end of 2023; Cash ratio was 0.3, the decline in cash reserves is primarily attributable to the Group's capital expenditures and asset acquisitions, which have led to a decrease in cash reserves.

Financial Update (Cont'd)



Cash Flow (HK\$ mn)



(HK\$ mn)	2023	2024
Cash and cash equivalents at 1 January	2,271	2,955
Cash Flow from Operating Activities	2,025	640
Cash Flow from Investing Activities	(1,834)	(910)
Cash Flow from Financing Activities	533	(652)
Impact of Change in Foreign Exchange Rates	(39)	(39)
Cash and cash equivalents at 31 December	2,955	1,996

- In 2024, the Group had a net cash inflow from operating activities of HK\$640 mn, mainly due to profit in cash from operating activities.
- In 2024, the Group had a net cash outflow from investing activities of HK\$910 mn. The cash outflow from investing activities in 2024 was approx.HK\$1,930 mn, which was mainly attributable to a cash outflow from investment in domestic and overseas logistics infrastructure and logistics equipments, coal washing plant construction and equipment, and other property investments of approx.HK\$948 mn, and acquisition of subsidiaries of HK\$788 mn. The cash inflow from investing activities in 2024 was approx.HK\$1,021 mn, which was attributable to a cash inflow from (i) receipt from the future side of the spot and futures combined business and other investments of approx.HK\$582 mn, (ii) receipt from sale of assets of approx.HK\$196 mn, and (iii) receipt of dividends from associates, joint ventures and other investments of approx.HK\$195 mn
- In 2024, the Group had a net cash inflow from financing activities of HK\$652 mn. The net cash outflow from financing activities in 2024 was mainly attributable to (i) the payment of dividends of approx.HK\$525 mn, (ii) lease repayments of approx.HK\$314 mn and (iii) the capital contribution in Inner Mongolia E-35 Technology Co., Ltd and Inner Mongolia Haotong Environmental Technology Co., Ltd from Xiamen Xiangyu Joint Stock Company Limited of approx.HK\$109 mn.

Thank You!

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