

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GOGO X HOLDINGS LIMITED

快狗打车控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2246)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023**

ANNUAL RESULTS HIGHLIGHTS

	Year ended December 31,		Year-on-year change (%)
	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>	
Revenue	752,818	773,248	(2.6)
Gross profit	257,895	261,609	(1.4)
Loss before income tax	(1,103,139)	(1,217,915)	(9.4)
Loss for the year	(1,100,596)	(1,209,141)	(9.0)
Non-IFRS measures:			
Adjusted net loss for the year (non-audited) ⁽¹⁾	(170,325)	(228,900)	(25.6)
Adjusted EBITDA for the year (non-audited) ⁽²⁾	(140,539)	(206,263)	(31.9)

Notes:

- (1) Adjusted net loss for the year represents loss for the year before (i) share-based compensation expenses, (ii) changes in fair value of financial liabilities at fair value through profit and loss, (iii) listing expenses and (iv) impairment of goodwill.
- (2) Adjusted earnings before interest, taxes, depreciation and amortization (“**EBITDA**”) for the year represents adjusted net loss for the year before (i) income tax credit, (ii) depreciation and amortization, and (iii) net finance income.

The board (the “**Board**”) of directors (the “**Directors**”) of GOGOX HOLDINGS LIMITED (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries and consolidated affiliated entities (the “**Group**”, “**we**”, “**us**” or “**our**”) for the year ended December 31, 2023 (the “**Reporting Period**”) together with the comparative figures for the year ended December 31, 2022 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2023

	<i>Notes</i>	Year ended December 31,	
		2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Revenue	4	752,818	773,248
Cost of revenue	5	<u>(494,923)</u>	<u>(511,639)</u>
Gross profit		257,895	261,609
Selling and marketing expenses	5	(203,929)	(320,820)
General and administrative expenses	5	(269,291)	(792,866)
Research and development expenses	5	(38,319)	(72,239)
Impairment losses on financial assets		(17,746)	(4,248)
Impairment of goodwill	9	(843,500)	–
Other income		9,667	8,590
Other gains, net		<u>2,795</u>	<u>7,674</u>
Operating loss		(1,102,428)	(912,300)
Finance income, net		1,325	2,440
Changes in fair value of financial liabilities at fair value through profit or loss		–	(308,063)
Share of net (loss)/profit of a joint venture accounted for using the equity method		<u>(2,036)</u>	<u>8</u>
Loss before income tax		(1,103,139)	(1,217,915)
Income tax credit	6	<u>2,543</u>	<u>8,774</u>
Loss for the year		<u>(1,100,596)</u>	<u>(1,209,141)</u>

	<i>Notes</i>	Year ended December 31,	
		2023	2022
		RMB'000	RMB'000
Other comprehensive losses:			
<i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value of convertible redeemable preferred shares due to own credit risk		–	(31,039)
Currency translation differences		4,509	(158,452)
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		2,809	33,434
		<u>7,318</u>	<u>(156,057)</u>
Total other comprehensive income/ (losses)		7,318	(156,057)
Total comprehensive loss for the year		<u>(1,093,278)</u>	<u>(1,365,198)</u>
Loss for the year attributable to:			
Equity holders of the Company		(1,099,615)	(1,205,408)
Non-controlling interests		(981)	(3,733)
		<u>(1,100,596)</u>	<u>(1,209,141)</u>
Total comprehensive loss for the year attributable to:			
Equity holders of the Company		(1,092,311)	(1,361,327)
Non-controlling interests		(967)	(3,871)
		<u>(1,093,278)</u>	<u>(1,365,198)</u>
Loss per share attributable to the equity holders of the Company (expressed in RMB per share)			
Basic and diluted	7	<u>(1.76)</u>	<u>(2.40)</u>

CONSOLIDATED BALANCE SHEET

As at December 31, 2023

		As at December 31,	
	Notes	2023	2022
		RMB'000	RMB'000
Assets			
Non-current assets			
Right-of-use assets		26,152	21,046
Property, plant and equipment		6,687	6,938
Intangible assets		37,203	52,448
Goodwill	9	206,894	1,048,062
Investment in a joint venture		–	2,036
Prepayments, deposits and other receivables		2,941	7,113
		<u>279,877</u>	<u>1,137,643</u>
Current assets			
Accounts receivables	10	83,758	96,709
Prepayments, deposits and other receivables		26,854	30,613
Financial assets at fair value through profit or loss	11	206,765	258,342
Restricted cash		62,539	70,839
Term deposits		877	–
Cash and cash equivalents		206,308	330,734
		<u>587,101</u>	<u>787,237</u>
Total assets		<u>866,978</u>	<u>1,924,880</u>

		As at December 31,	
	<i>Notes</i>	2023	2022
		RMB'000	RMB'000
Equity			
Share capital		11	10
Other reserves		7,863,596	7,730,903
Accumulated losses		(7,382,201)	(6,246,066)
		<hr/>	<hr/>
Equity attributable to equity holders of the Company		481,406	1,484,847
Non-controlling interests		(1,731)	(764)
		<hr/>	<hr/>
Total equity		479,675	1,484,083
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Liabilities			
Non-current liabilities			
Lease liabilities		12,413	13,028
Deferred tax liabilities		8,040	11,402
Employee benefit obligations		652	–
		<hr/>	<hr/>
		21,105	24,430
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Current liabilities			
Accounts payables	12	48,377	51,832
Accruals and other payables		258,932	322,147
Contract liabilities		19,342	7,710
Current tax liabilities		18,591	17,791
Other tax liabilities		6,456	9,238
Lease liabilities		14,500	7,649
		<hr/>	<hr/>
		366,198	416,367
		<hr/>	<hr/>
Total liabilities		387,303	440,797
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total equity and liabilities		866,978	1,924,880
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

1 General information

GOGOX HOLDINGS LIMITED (the “**Company**”) was incorporated in the Cayman Islands on June 8, 2017 as an exempted company with limited liability. The registered office is 4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries, its controlled structured entities (“**Structured Entities**”, “**Variable Interest Entities**” or “**VIEs**”) and their subsidiaries (“**Subsidiaries of VIEs**”) (collectively, the “**Group**”) are principally engaged in the provision of logistic and delivery solution services and platform services which uses technology to connect transacting user and logistic and delivery service provider in Chinese mainland, Hong Kong, Singapore, Republic of Korea (“**Korea**”), and other Eastern and Southern Asian Countries.

The consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (“**IFRSs**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss, convertible redeemable preferred shares, warrants and convertible notes, which are measured at fair value.

3 Change in accounting policy and disclosures

The accounting policies as adopted by the Group are consistent with those set out in the Accountant’s report, except for the adoption of new/amended standards and also the changes in an accounting policy as described below.

(a) *Amendments to standards and accounting guidelines adopted by the Group*

A number of amended standards became applicable for the current reporting period:

		Effective for accounting periods beginning on or after
IFRS 17	Insurance contracts and the related amendments	1 January 2023

		Effective for accounting periods beginning on or after
Amendments to International Accounting Standards (“IAS”) 1 and IFRS Practice Statement 2	Disclosure of accounting policies	1 January 2023
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Amendments to IAS 12	International Tax Reform – Pillar Two Model Rules	1 January 2023
Amendments to IFRS 4	Extension of the temporary exemption from applying IFRS 9	1 January 2023
Amendments to IAS 8	Definition of accounting estimates	1 January 2023

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

* *English names are translated for identification purpose only.*

(b) New amendments to standards and accounting guidelines not yet adopted

Certain new amendments to standards and accounting guidelines have been published that are not mandatory for financial year beginning on January 1, 2023 and have not been early adopted by the Group.

		Effective for accounting periods beginning on or after
Amendments to IAS 1	Classification of liabilities as current or non-current	1 January 2024
Amendments to IAS 1	Non-current liabilities with covenants	1 January 2024
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements	1 January 2024
Amendments to IFRS 16	Lease liability in a sale and leaseback	1 January 2024
Amendments to IAS 21	Lack of exchange ability	1 January 2025
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

4 Segment reporting

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision maker (the "CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, mainly includes the directors of the Company that make strategic decisions. The Group evaluated its operating segments separately, and determined that it has reportable segments as i) Chinese mainland operations and ii) Hong Kong and overseas operations.

The CODM assesses the performance of the operating segments mainly based on revenue of each operating segment. Thus, segment results would present revenues for each segment only, which is in line with the CODM's performance review. There was no material inter-segment revenue during the years ended December 31, 2023 and 2022.

There were no separate segment assets and segment liabilities information provided to the CODM as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

	Year ended December 31,					
	2023			2022		
	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue:						
Logistics services provided to enterprise customers	108,524	353,877	462,401	127,977	344,339	472,316
Service income from logistics services platforms	152,483	64,361	216,844	192,476	51,617	244,093
Value-added services (<i>Note</i>)	25,045	48,528	73,573	27,411	29,428	56,839
	<u>286,052</u>	<u>466,766</u>	<u>752,818</u>	<u>347,864</u>	<u>425,384</u>	<u>773,248</u>
Timing of revenue recognition for revenue from contracts with customers:						
Over time	118,944	362,482	481,426	140,300	346,584	486,884
A point in time	167,108	104,284	271,392	207,564	78,800	286,364
Total	<u>286,052</u>	<u>466,766</u>	<u>752,818</u>	<u>347,864</u>	<u>425,384</u>	<u>773,248</u>

Note: The value-added services also included provision of fuel card services with the gross merchandise volume of approximately RMB153,599,000 and RMB146,525,000 for the years ended December 31, 2023 and 2022, respectively.

The value-added services included rental income from vehicle rental business amounted to approximately RMB182,000 and RMB49,000 for the years ended December 31, 2023 and 2022, respectively.

(a) **Geographical information**

The Group's operations are mainly located in Chinese mainland, Hong Kong, Korea and Singapore. Information about the Group's revenue is analysed by location of the services provided.

	Year ended December 31,	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese mainland	286,052	347,864
Hong Kong	227,297	210,976
Korea	122,909	107,993
Singapore	69,911	63,855
Other countries	46,649	42,560
	752,818	773,248

Information about the Group's non-current assets (excluding financial assets) which is presented based on geographical location of the assets, is as follows:

	As at December 31,	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese mainland	241,270	763,315
Hong Kong	26,566	357,815
Singapore	3,550	712
Korea	2,208	1,681
Other countries	3,381	7,263
	276,975	1,130,786

5 Expenses by nature

	Year ended December 31,	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Auditor's remuneration		
– Audit services	7,300	7,500
– Non-audit services	601	559
Depreciation and amortisation	33,654	33,851
Employee benefit expenses (including share-based compensation expenses)	321,381	872,678
Incentives to transacting users from platform services	58,712	108,547
Listing expenses	–	45,664
Payment processing costs	7,387	7,678
Professional service costs	31,897	28,687
Promotion and advertising	22,340	44,256
Recruitment costs	2,998	2,924
Service charges	28,417	34,386
Short term lease expenses	2,073	6,740
Subcontracting fee		
– logistics services providers	418,286	382,067
– others	42,525	82,431
Travelling expenses	7,219	7,846
Others	21,672	31,750
	<hr/>	<hr/>
Total cost of revenue, selling and marketing expenses, research and development expenses and general and administrative expenses	1,006,462	1,697,564
	<hr/> <hr/>	<hr/> <hr/>

6 Income tax credit

The income tax credit of the Group is analysed as follows:

	Year ended December 31,	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Current income tax	851	(4,820)
Deferred income tax	(3,394)	(3,954)
	<hr/>	<hr/>
	(2,543)	(8,774)
	<hr/> <hr/>	<hr/> <hr/>

7 Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

	Year ended December 31,	
	2023	2022
	RMB'000	RMB'000
Loss attributable to the equity holders of the Company used in calculating basic loss per share:	<u>(1,099,615)</u>	<u>(1,205,408)</u>
Weighted average number of ordinary shares outstanding (in thousands of shares)	<u>626,494</u>	<u>503,293</u>
Basic loss per share (<i>in RMB</i>)	<u><u>(1.76)</u></u>	<u><u>(2.40)</u></u>

(b) Diluted loss per share

During the years ended December 31, 2023 and 2022, the Company had dilutive potential ordinary shares including share options, convertible redeemable preferred shares, warrants and convertible notes.

As the Group incurred losses for the years ended December 31, 2023 and 2022, the potential ordinary shares were not included in the calculation of dilutive losses per share, which would be anti-dilutive. Accordingly, dilutive losses per share for the years ended December 31, 2023 and 2022 were same as the basic loss per share for the respective years.

8 Dividends

No dividends have been paid or declared by the Company and its subsidiaries during the years ended December 31, 2023 and 2022.

9 Goodwill

	As at 31 December	
	2023	2022
	RMB'000	<i>RMB'000</i>
Carrying amount		
Opening net book amount	1,048,062	1,020,338
Impairment	(843,500)	–
Exchange differences	2,332	27,724
	<u>206,894</u>	<u>1,048,062</u>
Closing net book amount	206,894	1,048,062
Cost	1,050,394	1,048,062
Impairment	(843,500)	–
	<u>206,894</u>	<u>1,048,062</u>
Net book value	206,894	1,048,062

The goodwill mainly arose from the acquisition of the subsidiaries and Structured Entities of GoGo Tech Holdings Limited (collectively referred to as “**GoGoVan**”) in 2017. GoGoVan is primarily engaged in the provision of logistics services and platform services in the Chinese mainland, Hong Kong and other Asian countries. Goodwill is attributable to the acquired market shares, future expansion prospect, economies of scale and synergies expected to be derived from combining the resources and operations of the Group following the acquisition.

Upon completion of the acquisition of GoGoVan, the Group integrated GoGoVan’s business in the Chinese mainland into the Group’s Chinese mainland operations in order to improve the operational efficiency, while GoGoVan’s business in Hong Kong and other Asian countries was monitored separately. Thus, management considers that the operating segment which is the lowest level within the Group at which the goodwill is allocated for internal management purpose.

Management reviews the business performance and monitors goodwill resulted from the acquisition on operating segment level. The Group performed its annual impairment test on goodwill by comparing the recoverable amounts of CGU or group of CGUs to the respective carrying amounts. The company used the income approach, i. e. the discount cash flow method, to determine the fair value of the CGUs.

The summary of goodwill allocation for each operating segment is as follows:

	As at 31 December	
	2023	2022
	RMB'000	<i>RMB'000</i>
Chinese mainland operations	203,452	720,902
Hong Kong and overseas operations	3,442	327,160
	<u>206,894</u>	<u>1,048,062</u>

For the purpose of the impairment review, the recoverable amounts of the CGUs are determined by higher of a CGUs fair value less cost of disposal and value-in-use by using the discounted cash flow method. The discounted cashflow method was adopted in the valuation performed, which was considered to be the most appropriate valuation approach in this valuation as it takes the projection growth and firm-specific issues of the CGUs into consideration.

During the preparation of consolidated financial statements for the year ended 31 December 2023, the management of the Company noted certain impairment indicators for goodwill. Due to the increasingly challenging market conditions faced by its Chinese mainland, Hong Kong and overseas operations, the Group did not meet its originally anticipated growth in revenue and earnings and the on-demand logistics market in Chinese mainland and Hong Kong is suffering from lower than expected post-pandemic compound annual revenue growth. Although both the Group and the market showed optimism towards the post-pandemic economic recovery in 2023, the overall economic rebound, particularly the Chinese mainland market, fell short of expectations in the 2023. Additionally, the market capitalization of the technology sector, which the Group's business situated, experienced a downward trend, indicating a decline in the perceived value of the Group's business by market participants.

The directors assessed the recoverable amount of the CGU, which uses cash flow projection based on the revised financial budgets covering five financial years, with reference to the valuation performed by PG Advisory (PGA), an independent professional valuer. It is noted that the CGU's fair value less cost of disposal would be higher than value-in-use. Thus the recoverable amount is determined based on the fair value less cost of disposal model.

In response to the latest market situation, the Group underwent a strategic transformation, shifting its focus away from pursuing revenue growth through high subsidy. Recently, the Board also revised downwards its forecast for revenue growth and cash flow projections. These revisions were made to reflect the information available to the Board, including the macro-economic environment, the logistics industry outlook and the market interest rates. An increase in market interest rates, a decrease in the GDP of the countries where the CGUs operate and a decrease in the growth of the logistics industry in the CGUs resulted in the Board revising downwards its revenue growth and cash flow projections.

(i) Chinese mainland operations

The directors and management considered financial budgets prepared is appropriate after considering the revised business development plan, sustainability of business growth, stability of core business developments and achievement of business targets. The financial model assumes a compound annual growth rate of revenue of 8% (31 December 2022: 36%), a compound annual growth rate of operating cost and expenses of 5% (31 December 2022: 24%) for five financial years budgets, a post-tax discount rate of 15.0% (31 December 2022: 15.5%) per annum and a long term growth rate of 2% (31 December 2022: 3%) per annum beyond the five years period taking into account of long term gross domestic product growth, inflation rate and other relevant economic factors. During the forecast period, cost of revenue as a percentage of revenue remained between 49% to 52% (31 December 2022: 53% to 59%).

(ii) Hong Kong and overseas operations

The directors and management considered financial budgets prepared is appropriate after considering the revised business development plan, sustainability of business growth, stability of core business developments and achievement of business targets. The financial model assumes a compound annual growth rate of revenue of 11% (31 December 2022: 28%), a compound annual growth rate of operating cost and expenses of 8% (31 December 2022: 22%) for five financial years budgets, a post-tax discount rate of 15.0% (31 December 2022: 15.5%) per annum and a long term growth rate of 2% (31 December 2022: 3%) per annum beyond the five years period taking into account of relevant economic factors. During the forecast period, cost of revenue as a percentage of revenue remained between 66% to 70% (31 December 2022: 72% to 75%).

As a result of the impairment assessment, the Group recognised impairment for goodwill for the (i) Chinese mainland operations and (ii) Hong Kong and overseas operations amounting to RMB517,450,000 and RMB326,050,000 respectively.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

	Chinese mainland operations	Hong Kong and overseas operations
December 31, 2023		
Compound annual growth rate of revenue	8%	11%
Compound annual growth rate of operating cost and expenses	5%	8%
Long term growth rate	2%	2%
Post-tax discount rate	15.0%	15.0%
December 31, 2022		
Compound annual growth rate of revenue	36%	28%
Compound annual growth rate of operating cost and expenses	24%	22%
Long term growth rate	3%	3%
Post-tax discount rate	<u>15.5%</u>	<u>15.5%</u>

Management considers each operating segments, the Chinese mainland operations and Hong Kong and overseas operations, share similar characteristics, including business structure, market position, stage of development and business risk. Thus, it is reasonable to adopt consistent post-tax discount rate for both operating segments at the end of each financial reporting date.

10 Accounts receivables

	As at December 31,	
	2023	2022
	RMB'000	RMB'000
Accounts receivables	110,455	112,398
Less: loss allowance	(26,697)	(15,689)
Accounts receivables, net	<u>83,758</u>	<u>96,709</u>

The Group generally grants credit period ranging from 30 days to 60 days to its customers for different revenue streams. Aging analysis of accounts receivables based on invoice date is as follows:

	As at December 31,	
	2023	2022
	RMB'000	RMB'000
0 to 30 days	59,642	58,266
31 to 60 days	12,724	21,434
61 to 90 days	4,662	8,914
Over 90 days	6,730	8,095
	<u>83,758</u>	<u>96,709</u>

11 Financial assets at fair value through profit or loss

	As at 31 December	
	2023	2022
	RMB'000	RMB'000
Wealth management products	<u>206,765</u>	<u>258,342</u>

Note:

The wealth management products which are unlisted and carry interest at fixed rates ranging from 1.2% to 1.6% per annum (2022:1.2% to 1.6% per annum) and redeemable on demand. Subsequent to the year end, the Group has redeemed all these investments.

12 Accounts payables

	As at December 31,	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Accounts payables	48,377	51,832

As at December 31, 2023 and 2022, the aging of accounts payables based on invoice date are as follows:

	As at December 31,	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 30 days	40,549	41,982
31 to 60 days	4,182	4,378
61 to 90 days	742	1,333
Over 90 days	2,904	4,139
	48,377	51,832

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

We are a major online intra-city logistics platform in Asia. Our mission is to simplify intra-city logistics with technology. We are committed to providing technology-powered, user-centric logistics solutions for social good and sustainable development. Operating in more than 370 cities across six countries and regions in Asia, namely Chinese mainland, Hong Kong, Singapore, Korea, India and Vietnam, we own and operate two highly-recognized, well-trusted brands in the online intra-city logistics space: Kuaigou Dache (快狗打车) in Chinese mainland and GoGoX in other countries and regions in Asia.

Our integrated smart platform seamlessly connects drivers with shippers who need their freight and goods delivered, setting transaction practices that promote transparency, trust and efficiency. Our intelligent online platform enables convenient, high-quality logistics services catering to the varying needs of large enterprises, small and medium-sized enterprises (“SMEs”) and individual shippers, and helps drivers find sustainable opportunities.

For the year ended December 31, 2023, our revenue decreased slightly by 2.6%, while revenue generated from Chinese mainland decreased by 17.8%, and HK and overseas market grew 9.7% for the same year, respectively, with overall revenue contribution from our Chinese mainland and HK and overseas market being 38.0% and 62.0%, respectively.

We are continually improving our vibrant ecosystem of millions of shippers and drivers. As of December 31, 2023, we had approximately 33.0 million registered shippers and 6.7 million registered drivers. In 2023, there were 23.1 million shipment orders fulfilled on our platform, generating a total gross transaction volume (“GTV”) of RMB2,296.9 million. We believe the gradual phasing out of subsidized competition in the industry, combined with our strong presence in the logistics services industry, will enable us to continue to steadily expand our market share in the intra-city logistics market.

Our Service Offerings and Platforms

We facilitate and provide intra-city logistics services through our intelligent online platform. Our service offerings consist of platform services, enterprise services as well as a growing range of value-added services, capable of catering to evolving demand of shippers, drivers and other participants in our ecosystem.

Platform Services

Our platform services digitalize the traditional shipping transaction process and establish a mechanism promoting honest, transparent and efficient dealings among drivers and shippers. For the year ended December 31, 2023, we facilitated approximately 21.4 million shipment orders through our platform services, representing a total GTV of approximately RMB1,824.8 million. Our revenue generated from platform services in 2023 amounted to RMB216.8 million, representing 28.8% of the total revenue in the same year.

In Chinese mainland, since February 2023, our intra-city logistics services have been available on the WeChat Mini-App, where users of WeChat could access our intra-city logistics and moving services conveniently. As the first intra-city logistics services provider on the WeChat Mini-App, this collaboration helps us to significantly expand our user base and geographic coverage of our services.

Revenue generated from our Chinese mainland platform services decreased by 20.8% from RMB192.5 million for the year ended December 31, 2022, to RMB152.5 million for the year ended December 31, 2023, primarily because we strategically decreased our incentives to transacting users of platform services in response to the evolving market conditions and competitive landscape to pursue a more sustainable development strategy.

Revenue generated from our HK and overseas platform services increased by 24.7% from RMB51.6 million for the year ended December 31, 2022, to RMB64.4 million for the year ended December 31, 2023, primarily propelled by improving our engagement model with our drivers and shippers.

Enterprise Services

Our enterprise services provide scalable intra-city logistics solutions for complex needs. As of December 31, 2023, we had cumulatively served more than 60,000 SMEs and large enterprises through our enterprise services. For the year ended December 31, 2023, we completed approximately 1.7 million logistics deliveries for our enterprise customers, representing a GTV of approximately RMB472.0 million. Our revenue generated from enterprise services in 2023 amounted to RMB462.4 million, representing 61.4% of the total revenue in the same year.

In Chinese mainland market, we provide one-stop full-process services tailored to the diversified needs of clients from various industries, including drivers' recruitment and training protocols, as well as on-site management. We have dedicated personnel to monitor the entire process to ensure delivery quality, which has earned us a strong reputation among our clients.

We have observed distinct and remarkable developments in overseas market. For example, Vietnam gained further momentum as we expanded to Hanoi, with a year-on-year growth of 131.5% in terms of revenue. We also saw growth from all industries sectors, further reducing industry-concentrated risks. Despite strong competition, our revenue in Korea increased by 13.8% in 2023 as compared to 2022. Our services are accessible in more than 150 cities in India, making us well positioned to accelerate our growth in India in the coming years. We will continue to develop products and services that meets the need of the fast evolving and demanding logistics industry, and be committed to our customers as they grow.

Value-added Services

We offer a diverse range of value-added services to shippers, drivers, and other stakeholders within our ecosystem. These services aim to enhance their engagement with our platform and broaden our revenue sources. In 2023, our value-added services experienced rapid growth, contributing significantly to the organic development of our platform. Our revenue generated from value-added services in 2023 amounted to RMB73.6 million, representing 9.8% of the total revenue in the same year.

In Chinese mainland market, we continue our strategy to expand channels for cooperation with dealerships and fleets on vehicle sales. Notably, the sales number of EVs facilitated by our platform increased by 12.9% year-on-year.

HK and Overseas' value-added service revenue increased by 64.9% in 2023 as compared to 2022. In HK, our suppliers for the value-added services have offered us more favorable discounts because we continuously reached targeted sales volume and our customer service team has successfully increased the customer reactivation. In Singapore, our overall sales volume grew by 38.0% and enterprise customer sales volume grew by 59.0% in 2023 as compared to 2022.

Business Outlook

As we venture into the year of 2024, we are well poised to capitalize on the momentum gained in 2023. With a customer-centric approach, continuous technological advancements, and strategic expansion plans, we are confident in achieving sustainable growth and creating lasting value for all stakeholders.

FINANCIAL REVIEW

Overview

For the year ended December 31, 2023, the Company achieved total revenue of RMB752.8 million, representing a slight decrease of 2.6% as compared to the year ended December 31, 2022. In the same reporting period, gross profit was RMB257.9 million, representing a 1.4% year-on-year decrease. The adjusted net loss and adjusted EBITDA¹ were RMB170.3 million and negative RMB140.5 million, respectively. The basic and diluted losses per share were 176 cents and 240 cents for the years ended December 31, 2023 and 2022, respectively. Capital Expenditure was RMB3.3 million as at December 31, 2023.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Revenue

In 2023, the Company's revenue was RMB752.8 million, representing a decrease of 2.6% from RMB773.2 million for the year ended December 31, 2022.

The following table sets forth a breakdown of our revenue by business line and geographical region in absolute terms of our revenue for the years indicated.

	Year ended December 31, 2023			Year ended December 31, 2022			Year-on-year change		
	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue:									
Logistics services provided to enterprise customers	108,524	353,877	462,401	127,977	344,339	472,316	(19,453)	9,538	(9,915)
Service income from logistics services platforms	152,483	64,361	216,844	192,476	51,617	244,093	(39,993)	12,744	(27,249)

1. Adjusted net loss represents loss for the year before (i) share-based compensation expenses, (ii) changes in fair value of financial liabilities at fair value through profit and loss, (iii) listing expenses, and (iv) impairment of goodwill. Adjusted EBITDA represents adjusted net loss for the year before (i) income tax credit, (ii) depreciation and amortization, and (iii) net finance income. The Company believes that these items should be adjusted for when calculating our adjusted net loss and adjusted EBITDA in order to provide potential investors with a complete and fair understanding of our operating results, especially in making year-on-year comparisons of, and assessing the profile of, our operating and financial performance, and making comparisons with other comparable companies with similar business operations.

	Year ended December 31, 2023			Year ended December 31, 2022			Year-on-year change		
	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>	Chinese mainland operations <i>RMB'000</i>	Hong Kong and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>
Value-added services	<u>25,045</u>	<u>48,528</u>	<u>73,573</u>	<u>27,411</u>	<u>29,428</u>	<u>56,839</u>	<u>(2,366)</u>	<u>19,100</u>	<u>16,734</u>
Total	<u>286,052</u>	<u>466,766</u>	<u>752,818</u>	<u>347,864</u>	<u>425,384</u>	<u>773,248</u>	<u>(61,812)</u>	<u>41,382</u>	<u>(20,430)</u>

Enterprise services

The revenue from enterprise services decreased by 2.1% from RMB472.3 million for the year ended December 31, 2022 to RMB462.4 million for the year ended December 31, 2023, primarily due to the decrease of revenue generated from Chinese mainland as we strategically terminated the cooperation with certain customers that generate relatively lower profit margin, partially offset by the business growth in Hong Kong and overseas market.

Platform services

The revenue from platform services decreased by 11.2% from RMB244.1 million for the year ended December 31, 2022 to RMB216.8 million for the year ended December 31, 2023. This decrease is primarily due to the decrease in revenue generated from Chinese mainland as we strategically decreased our incentives to transacting users of platform services in response to the evolving market conditions and competitive landscape, which is partially offset by the increase in Hong Kong and overseas market, primarily propelled by improving our engagement model with our drivers and shippers.

Value-added services

Revenue from value-added services increased by 29.4% from RMB56.8 million for the year ended December 31, 2022 to RMB73.6 million for the year ended December 31, 2023, primarily due to (i) the organic business growth in Hong Kong and overseas market and (ii) our partnership with dealerships and fleets to facilitate the sale of vehicles in Chinese mainland.

Cost of revenue

Our cost of revenue decreased by 3.3% from RMB511.6 million for the year ended December 31, 2022 to RMB494.9 million for the year ended December 31, 2023, mainly driven by (i) a decrease of employee benefit expenses (including share-based compensation) of RMB8.4 million, and (ii) a decrease of services charges of RMB5.9 million.

Gross profit and gross profit margin

As a result of the foregoing, we recorded (i) a gross profit of RMB261.6 million and RMB257.9 million for the years ended December 31, 2022 and 2023, respectively, and (ii) a gross profit margin of 33.8% and 34.3% for the same periods, respectively.

The following table sets forth our gross profit and gross profit margin for the years indicated.

	Year ended December 31,		Year-on-year change	
	2023	2022	RMB'000	%
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	
Revenue	752,818	773,248	(20,430)	(2.6)
Cost of revenue	(494,923)	(511,639)	16,716	(3.3)
Gross profit	257,895	261,609	(3,714)	(1.4)
Gross profit margin	34.3%	33.8%	–	–

Selling and marketing expenses

Our selling and marketing expenses decreased by 36.4% from RMB320.8 million for the year ended December 31, 2022 to RMB203.9 million for the year ended December 31, 2023. The decrease was primarily due to (i) a decrease of employee benefit expenses (including share-based compensation) of RMB32.9 million, (ii) a decrease of incentives to transacting users from platform services of RMB49.8 million, and (iii) a decrease of promotion and advertising fee of RMB21.9 million.

General and administrative expenses

Our general and administrative expenses decreased by 66.0% from RMB792.9 million for the year ended December 31, 2022 to RMB269.3 million for the year ended December 31, 2023, primarily due to (i) a decrease of employee benefit expenses (including share-based compensation) of RMB478.7 million, and (ii) a decrease of listing expenses of RMB45.7 million in relation to the Company's listing in 2022 (the "**Listing**").

Research and development expenses

Our research and development expenses decreased by 47.0% from RMB72.2 million for the year ended December 31, 2022 to RMB38.3 million for the year ended December 31, 2023. The decrease was primarily attributable to a decrease of employee benefit expenses (including share-based compensation) of RMB31.4 million.

Impairment of goodwill

We recorded impairment of goodwill of RMB843.5 million for the year ended December 31, 2023, as compared to nil in 2022.

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any. Our goodwill mainly arose from the acquisition of subsidiaries of GoGo Tech Holdings Limited in 2017. For details of such goodwill, please refer to “Financial Information – Discussion of Selected Items from the Consolidated Statements of Financial Position – Assets – Goodwill” in the prospectus of the Company dated June 14, 2022 (the “**Prospectus**”).

We reviewed the business performance and monitored goodwill resulting from the acquisition on operating segment level. We performed the impairment test on goodwill by comparing the recoverable amounts of CGU or group of CGUs to the respective carrying amounts. We used the income approach, i.e. the discounted cash flow method, to determine the fair value of the CGUs. For details of the impairment test for goodwill, including the key assumptions adopted in determining the fair value of the CGUs, please refer to the section headed “Impairment test for goodwill” in note 9 to Consolidated Financial Statements for the Years Ended December 31, 2023.

Impairment losses on financial assets

We recorded impairment losses on financial assets of RMB4.2 million for the year ended December 31, 2022. Our impairment losses on financial assets amounted to RMB17.7 million for the year ended December 31, 2023, primarily due to the increased long-aging accounts receivables in India.

Other income

Our other income increased by 12.5% from RMB8.6 million for the year ended December 31, 2022 to RMB9.7 million for the year ended December 31, 2023, primarily due to an increase of others in relation to consulting services provided by the Company on a one-time basis in Chinese mainland, partially offset by a decrease of government subsidies in Hong Kong.

Other gains, net

We recorded other net gains of RMB7.7 million for the year ended December 31, 2022, primarily representing fair value gains on financial assets at fair value through profit or loss, which was partially offset by the net foreign exchange losses in 2022. We recorded other net gains of RMB2.8 million for the year ended December 31, 2023, primarily representing fair value gains on financial assets at fair value through profit or loss of RMB4.0 million, which was partially offset by the net foreign exchange losses and others of RMB1.2 million in 2023.

Operating loss

As a result of the foregoing, our operating loss increased by 20.8% from RMB912.3 million for the year ended December 31, 2022 to RMB1,102.4 million for the year ended December 31, 2023.

Net finance income

Our net finance income decreased by 45.7% from RMB2.4 million for the year ended December 31, 2022 to RMB1.3 million for the year ended December 31, 2023, primarily due to (i) an increase of interest expenses on lease liabilities of RMB0.7 million resulting from the increases in leases in 2023, and (ii) a decrease of interest income from bank deposit of RMB0.2 million as we utilized our bank deposits during our normal course of business.

Changes in fair value of financial liabilities at fair value through profit or loss

We recorded loss in fair value of financial liabilities at fair value through profit or loss of RMB308.1 million for the year ended December 31, 2022 relating to the increased valuation of the Company due to our Listing in 2022, and nil for the year ended December 31, 2023, primarily because the financial liabilities at fair value through profit or loss amounted to nil after the Listing.

Income tax credit

Our income tax credit decreased by 71.0% from RMB8.8 million for the year ended December 31, 2022 to RMB2.5 million for the year ended December 31, 2023. We recorded current income tax expenses of RMB0.9 million in 2023 and current income tax credit of RMB4.8 million in 2022, primarily due to the reversal of income tax liabilities according to relevant tax laws and regulations in 2022.

Loss for the year

Our loss for the year decreased by 9.0% from RMB1,209.1 million for the year ended December 31, 2022 to RMB1,100.6 million for the year ended December 31, 2023.

Non-IFRS Measures

To supplement this announcement, which is presented in accordance with IFRSs, we also presented the adjusted net loss and adjusted EBITDA as additional financial measures. The management believes that the presentation of adjusted net loss (a non-IFRS measure) and adjusted EBITDA (a non-IFRS measure) would facilitate comparisons of operating performance from year-on-year and comparisons with other comparable companies with similar business operations by eliminating the potential impact of certain items.

We define adjusted net loss (a non-IFRS measure) as loss for the year adjusted for (i) share-based compensation expenses, (ii) changes in fair value of financial liabilities at fair value through profit and loss, (iii) listing expenses, and (iv) impairment of goodwill. In 2023, our adjusted net loss was RMB170.3 million, down by 25.6% as compared to 2022.

We define adjusted EBITDA as adjusted net loss for the year adjusted for (i) income tax credit, (ii) depreciation and amortization, and (iii) net finance income. In 2023, our adjusted EBITDA was negative RMB140.5 million, down by 31.9% as compared to 2022.

The following table reconciles our adjusted net loss (a non-IFRS measure) and adjusted EBITDA for the years presented to the most directly comparable financial measure calculated and presented under IFRS, which is loss for the years.

	Year ended December 31,	
	2023	2022
	RMB'000	RMB'000
Loss for the year	(1,100,596)	(1,209,141)
Adjusted for:		
Share-based compensation expenses	86,771	626,514
Changes in fair value of financial liabilities at fair value through profit or loss	–	308,063
Listing expenses	–	45,664
Impairment of goodwill	843,500	–
Non-IFRS measures:		
Adjusted net loss for the year (non-audited)⁽¹⁾	(170,325)	(228,900)
Adjusted net loss for the year (non-audited)	(170,325)	(228,900)
Adjusted for:		
Income tax credit	(2,543)	(8,774)
Depreciation and amortization	33,654	33,851
Finance income, net	(1,325)	(2,440)
Non-IFRS measures:		
Adjusted EBITDA for the year (non-audited)⁽²⁾	(140,539)	(206,263)

Notes:

- (1) Represents loss for the year before (i) share-based compensation expenses, (ii) changes in fair value of financial liabilities at fair value through profit and loss, (iii) listing expenses, and (iv) impairment of goodwill.
- (2) Represents adjusted net loss for the year before (i) income tax credit, (ii) depreciation and amortization, and (iii) net finance income.

Capital Structure, Liquidity and Capital Resources

As of December 31, 2023, the Company's issued share capital was approximately US\$1,569.2 divided into 627,696,448 shares of US\$0.000025 each, and the total equity of the Group was approximately RMB479.7 million. For the year ended December 31, 2023, we funded our cash requirements principally from cash generated from daily operations and equity financing activities in relation to the listing. Our cash and cash equivalents represent cash and bank balances. We had cash and cash equivalents of RMB206.3 million as of December 31, 2023.

For the year ended December 31, 2023, our capital expenditures were approximately RMB3.3 million (year ended December 31, 2022: RMB6.7 million) and were primarily related to purchase of property, plant and equipment.

Going forward, we believe that our liquidity requirements will be satisfied by using a combination of cash generated from operating activities and the net proceeds received from the Global Offering.

Significant Investments Held

We recorded financial assets at fair value through profit or loss amounting to approximately RMB 206.8 million as of December 31, 2023 (as of December 31, 2022: RMB258.3 million). The financial assets at fair value through profit or loss primarily include wealth management products previously purchased from different segregated portfolio companies that are independent from the Company and independent from each other. Such wealth management products are principal-guaranteed and carry interest at fixed rates ranging from 1.2% to 1.6% per annum. The investment scope of such products is primarily cash, bank deposits, U.S. treasury bonds and other money market instruments.

Information about the relevant wealth management products with a carrying amount that accounts for 5% or more of the Group's total assets as of December 31, 2023 are set out as follows:

Subscription date	Type of product	Currency of subscription	Principal amount of subscription (US\$'000)	Amount redeemed during the Reporting Period (US\$ '000)	Interest rate per annum (%)	Expiry date of the lock-up period (Note 1)	Fair value gain for the Reporting Period (RMB'000) (Note 2)	Carrying amount as of December 31, 2023 (RMB'000) (Note 3)
July 4, 2022	Principal-guaranteed with fixed rate of return	US dollar	11,000	-	1.20	August 3, 2022	930	71,006
July 19, 2022	Principal-guaranteed with fixed rate of return	US dollar	11,000	(2,880)	1.25	August 18, 2022	947	57,642
July 19, 2022	Principal-guaranteed with fixed rate of return	US dollar	10,000	-	1.40	August 18, 2022	986	78,117

Notes:

Note 1: Upon the expiry date of the lock-up period, the Company is free to redeem any or all part of its subscription for the respective products.

Note 2: Calculated based on the monthly average exchange rate for US dollars to Renminbi for the 12 months of 2023. The monthly average exchange rate for any given month is the average of the medium exchange rates for all business days within the relevant month as published on the website of the State Administration of Foreign Exchange.

Note 3: Calculated based on the medium exchange rate for US dollars to Renminbi on December 31, 2023 as published on the website of the State Administration of Foreign Exchange.

Save as disclosed, the Group did not make or hold any significant investments for the year ended December 31, 2023.

Future Plans for Material Investments and Capital Assets

As of December 31, 2023, we did not have any other plans for material investments and capital assets.

Material Acquisitions and/or Disposals of Subsidiaries and Affiliated Companies

The Group did not have any material acquisitions and/or disposals of subsidiaries and affiliated companies for the year ended December 31, 2023.

Employee and Remuneration Policy

As of December 31, 2023, we had 831 full-time employees located in the various jurisdictions in which we operate.

The following table sets forth the number of our employees categorized by function as of December 31, 2023.

Function Area	Number of Employees	% of Total
Sales and marketing	321	38.6
User services and operations	313	37.7
Research and development	82	9.9
Management and administration	115	13.8
Total	831	100.0

As required under PRC regulations, we participate in various employee social security plans organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury and unemployment benefit plans. We are required under PRC laws to make contributions to employee benefit plans at specific percentages of employee salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. We participate in and make contributions to those social security plans and employee benefit plans. The Company also makes payments to other defined contribution plans and defined benefit plans for the benefit of employees employed by subsidiaries outside of the PRC as required by the applicable laws.

The Company also has a pre-IPO employee share incentive plan, the terms of which are not subject to the provisions of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The employee benefit expenses, including share-based compensation expenses, for the year ended December 31, 2023 were RMB321.4 million, as opposed to RMB872.7 million for the year ended December 31, 2022, representing a year-on-year decrease of 63.2%.

Gearing Ratio

As of December 31, 2023, the gearing ratio, calculated as total borrowings divided by total equity attributable to owners of the Company, was not applicable to us as the Company’s borrowing amounted to nil as of the same date.

Foreign Exchange Risk

We operate in Asian countries and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollars, Hong Kong dollars, and Singapore dollars. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of our subsidiaries. We currently do not hedge transactions undertaken in foreign currencies.

Pledge of Assets

As of December 31, 2023, restricted cash of RMB62.5 million was pledged, compared with RMB70.8 million as of December 31, 2022.

Contingent Liabilities

As of December 31, 2023, we did not have any material contingent liabilities or guarantees.

Subsequent Events After the Reporting Period

Ms. Mi Wenjuan (“**Ms. Mi**”) has resigned as an independent non-executive Director, the chairman of the nomination committee of the Company (the “**Nomination Committee**”) and a member of the remuneration committee of the Company (the “**Remuneration Committee**”) with effect from February 23, 2024 in order to devote more time to her other business commitments.

Following the resignation of Ms. Mi, the number of independent non-executive Directors falls below the minimum number required under Rule 3.10(1) and 3.10A of the Listing Rules.

The current composition of the Remuneration Committee and Nomination Committee does not meet the requirements of having a majority of members being independent non-executive Directors under Rule 3.25 and does not having a chairman and a majority of members being independent non-executive Directors under Rule 3.27A of the Listing Rules.

Please refer to the details in the announcement of the Company on February 23, 2024. The Company will fill the required vacancy within three months from February 23, 2024 in order to meet the requirements under Rule 13.92 of the Listing Rules regarding gender diversity of the Board. Further announcement(s) will be made by the Company as and when appropriate.

Save as disclosed in this announcement and as of the date of this announcement, there were no other significant events that might affect the Group since December 31, 2023.

Borrowings

As of December 31, 2023, our outstanding borrowings amounted to nil.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The shares of the Company were listed on the Stock Exchange on June 24, 2022 (the “**Listing Date**”). The net proceeds raised from the Company’s global offering (the “**Global Offering**”), after deduction of the underwriting fees and commissions and other estimated expenses payable by the Company in connection with the Global Offering, were approximately HK\$554.5 million.

As of the date of this announcement, there was no change in the intended use of net proceeds and the expected timeline as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. The following table sets forth a summary of the utilization of the net proceeds from the Global Offering as of December 31, 2023:

Purpose	Percentage to total amount	Net proceeds incurred from the Global Offering	Net proceeds (HK\$ in million)		Unutilized amount as of December 31, 2023	Expected timeline for full utilization of the remaining net proceeds
			Actual use of proceeds during the year ended December 31, 2022	Actual use of proceeds during the year ended December 31, 2023		
Enlarge our user base and strengthen our brand awareness	40%	221.8	109.8	80.1	31.9	December 31, 2025
Develop new services and products to enhance our monetization capabilities	20%	110.9	29.0	63.4	18.5	December 31, 2025
Pursue strategic alliances, investments and acquisitions in overseas markets	20%	110.9	0.7	3.5	106.7	December 31, 2025
Advance our technological capabilities and enhance our research and development capabilities, including upgrade our information and technology systems and procure advanced technologies from third-party service providers	10%	55.5	15.4	26.4	13.7	June 30, 2025
Working capital and general corporate purposes	10%	55.4	34.4	15.4	5.6	December 31, 2025
Total	100%	554.5	189.3	188.8	176.4	

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended December 31, 2023 (2022: Nil).

CLOSURE OF THE REGISTER OF MEMBERS

For the purpose of determining the entitlement of the shareholders of the Company (the “**Shareholders**”) to attend and vote at the annual general meeting of the Company to be held on Monday, May 20, 2024 (the “**AGM**”), the register of members of the Company will be closed from Tuesday, May 14, 2024 to Monday, May 20, 2024 (both days inclusive), during which no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company’s branch share registrar in Hong Kong, 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 Monday, May 13, 2024.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules as its own code of corporate governance. Save as disclosed in this annual results announcement, the Company has, to the best knowledge of the Directors, complied with all applicable code provisions as set out in Part 2 of the CG Code for the year ended December 31, 2023.

Following the resignation of Mr. Chen Xiaohua as the Chairman of the Board with effect from December 19, 2023, Mr. Lam Hoi Yuen (“**Mr. Lam**”), an executive Director of the Company and co-chief executive officer (the “**Co-CEO**”) of the Company, has been appointed by the Board as the chairman of the Board (the “**Chairman**”) with effect from December 20, 2023. Mr. Lam was appointed as a Director on August 29, 2017, and re-designated as an executive Director on August 13, 2021. Mr. Lam was appointed as a Co-CEO on August 29, 2017.

Following the re-designation of Mr. Lam, he becomes the Chairman with effect from December 20, 2023 and continues to serve as Co-CEO. Such practice deviates from the code provision C.2.1 of the CG Code. In view of Mr. Lam’s profile, extensive relevant industry knowledge and experience, the Board has confidence in vesting the roles of both the Chairman and Co-CEO in Mr. Lam and believes that this will allow for more effective planning and execution of business strategies of the Group. Therefore, the Board considers that the deviation from the code provision C.2.1 of the CG Code will not be inappropriate.

In addition, under the supervision of the Board which, apart from Mr. Lam being an executive Director, comprise two executive Directors, two non-executive Directors and two independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks and balances to protect the interests of the Company and its shareholders.

The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the year ended December 31, 2023.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended December 31, 2023.

REVIEW OF FINANCIAL INFORMATION

Audit Committee

The Company has established the audit committee (the “**Audit Committee**”), which comprises two independent non-executive Directors, namely Mr. Tang Shun Lam and Mr. Zhao Hongqiang, and one non-executive Director, Mr. Leung Ming Shu. Mr. Zhao Hongqiang is the chairman of the Audit Committee. The primary functions of the Audit Committee are to review and supervise the financial reporting process, internal control and risk management system of the Group, oversee the audit process, provide advice and comments to the Board, perform other duties and responsibilities as may be assigned by the Board, and review and oversee the risk management of the Company.

The Audit Committee had, together with the management, reviewed the accounting standards and practices adopted by the Group and the annual results of the Group for the year ended December 31, 2023. The Audit Committee considered that the annual results of the Group for the year ended December 31, 2023 are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

Scope of Work of the PricewaterhouseCoopers

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2023, as set out in this annual results announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (gogoxholdings.com), and the annual report of the Company for the year ended December 31, 2023 containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
GOGO HOLDINGS LIMITED
Lam Hoi Yuen
Chairman and Executive Director

Hong Kong, March 28, 2024

As at the date of this announcement, the executive Directors are Mr. Lam Hoi Yuen, Mr. He Song and Mr. Hu Gang; the non-executive Directors are Mr. Leung Ming Shu and Mr. Wang Ye; and the independent non-executive Directors are Mr. Tang Shun Lam and Mr. Zhao Hongqiang.