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## **INSIDE INFORMATION POSITIVE PROFIT ALERT**

This announcement is made by YesAsia Holdings Limited pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **POSITIVE PROFIT ALERT**

The Board wishes to inform Shareholders and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group for the Relevant Year, as well as other information currently available to the Board, the Group expects to record an unaudited consolidated net profit of not less than US\$7,500,000 for the Relevant Year, as compared to a net loss of approximately US\$6,782,000 for the Prior Year. Such expected turnaround from loss to profit is primarily attributable to the increase in revenue from the sales of beauty products, which was partially offset by a corresponding increase in selling expenses.

#### **(a) Increase in revenue from YesStyle Platforms and AsianBeautyWholesale to historical high**

Based on the information currently available, the unaudited consolidated revenue for the Relevant Year is expected to be approximately US\$199,039,000, an increase of approximately US\$70,447,000 or 54.8% compared to approximately US\$128,592,000 for the Prior Year, mainly driven by an increase in sales of beauty products via both YesStyle Platforms and AsianBeautyWholesale. This increase is mainly attributable to (i) the introduction of a new front page and the beauty products-focused promotion strategy of YesStyle Platforms since January 2023, (ii) an enhancement of YesStyle Platforms' marketing efforts to promote the sale of beauty products, and (iii) the expansion of AsianBeautyWholesale to serve more business-to-business (B2B) customers looking to source Asian beauty products globally.

Nevertheless, the gross profit margin of the Group is expected to decrease by approximately 2.8 percentage points to approximately 30.4% (Prior Year: 33.2%), mainly due to an increase in the weighting of revenue from (i) products of AsianBeautyWholesale, which have lower markups due to AsianBeautyWholesale's B2B nature; and (ii) beauty products of YesStyle Platforms, which have lower margins compared to fashion and lifestyle products.

Accordingly, the unaudited consolidated gross profit of the Group for the Relevant Year is expected to be approximately US\$60,577,000, representing an increase of approximately US\$17,851,000 or 41.8% compared to approximately US\$42,726,000 for the Prior Year.

**(b) Income from expired unused store credits written back**

As at 31 December 2023, store credits granted to customers of YesStyle Platforms, YesAsia.com and AsianBeautyWholesale of approximately US\$2,522,000 were unused and expired in accordance with the terms of use of YesStyle Platforms, YesAsia.com and AsianBeautyWholesale. Such expired and unused store credits were written back. Accordingly, the Group recognised other income of approximately US\$2,522,000 for the Relevant Year (Prior Year: Nil) arising from the writing back of the expired and unused store credits.

**(c) Increase in selling expenses to support revenue growth**

The Group has been devoting much effort to support revenue growth and expansion in scale with sales of the Group during the Relevant Year, which is expected to increase its unaudited selling expenses by approximately US\$5,266,000 or 27.7% to approximately US\$24,310,000 during the Relevant Year as compared to approximately US\$19,044,000 during the Prior Year. The increase was mainly comprised of:

- (i) an increase in marketing and promotion fees by approximately US\$2,527,000 for organising more marketing campaigns and promotional activities to attract new customers and repeat orders;
- (ii) an increase in payment gateway charges by approximately US\$1,833,000 or 54.6%, which was in line with revenue growth; and
- (iii) a net increase in warehouse wages and outsourced labour charges of approximately US\$561,000 to handle the surge in sales orders.

Despite the net increase in outsourced warehouse labour charges and warehouse wages during the Relevant Year, benefited from the deployment of automated robot equipments in the Group's warehouse, the percentage of outsourced warehouse labour charges and warehouse wages in aggregate to revenue was approximately 3.6% (Prior Year: 5.2%), representing a decrease of approximately 1.6 percentage points.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“AsianBeautyWholesale”	www.asianbeautywholesale.com
“Board”	the board of Directors of the Company
“Company”	YesAsia Holdings Limited (喆麗控股有限公司), a company incorporated in Hong Kong with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 2209)
“Director(s)”	director(s) of the Company
“Final Results”	the results of the Group for the Relevant Year
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Prior Year”	the year ended 31 December 2022
“Relevant Year”	the year ended 31 December 2023
“Shareholders”	holders of the shares in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“YesAsia.com”	www.yesasia.com
“YesStyle Platforms”	the YesStyle e-commerce platforms, which include the website at www.yesstyle.com and the YesStyle mobile apps
“%”	percent

**As the Company is still finalising the Final Results, the information contained in this announcement is only based on a preliminary assessment of information currently available and the unaudited consolidated management accounts of the Group for the Relevant Year by the Board, and is not based on any figures or information audited or reviewed by the Company’s independent auditor and/or audit committee, and therefore may be subject to further adjustment. Further details of the Final Results will be disclosed in accordance with the requirements of the Listing Rules by March 2024, which shall prevail over the information contained herein. The Board wishes to emphasize that the Final Results may be affected by a number of other factors. As such, the above information is provided for Shareholders’ and potential investors’ reference only.**

**This announcement contains certain forward-looking statements in relation to financial conditions, results of operation, and business of the Group (the “Forward-Looking Statements”). The Forward-Looking Statements are made based on the preliminary assessment of information currently available to the Board, therefore the actual future results or performance of the Group may differ materially from the Forward-Looking Statements. Shareholders and potential investors should carefully consider the related risk factors and should not place undue reliance on the Forward-Looking Statements.**

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**YESASIA HOLDINGS LIMITED**  
**Ng Sai Cheong**  
*Company Secretary*

Hong Kong, 26 January 2024

*As of the date of this announcement, the Board comprises Mr. LAU Kwok Chu, Ms. CHU Lai King, and Mr. CHU Kin Hang as executive Directors; Mr. HUI Yat Yan Henry, Mr. LUI Pak Shing Michael, and Mr. POON Chi Ho as non-executive Directors; and Mr. CHAN Yu Cheong, Mr. SIN Pak Cheong Philip Charles, and Mr. WONG Chee Chung as independent non-executive Directors.*