

ANNUAL RESULTS

2025



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2025 FINANCIAL HIGHLIGHTS* (in HK\$'M)

Revenue

\$56,336

▼ 3%

Core Operating Profit

\$2,627

▼ 4%

Core Net Profit

\$1,396

▲ 3%

Segment Profit

IL

\$1,262

▲ 1%

IFF

\$1,874

▼ 4%

Profit Attributable to Shareholders

\$1,411

▲ 7%

Gearing Ratio

Gross

49.9%

Net

14.1%

Final Dividend

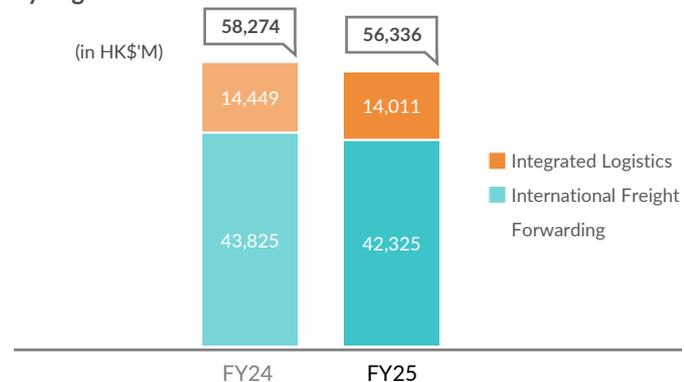
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HK CENTS PER SHARE

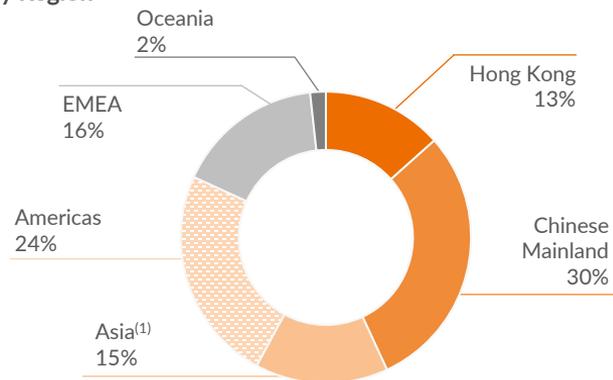
*For continuing operations only

REVENUE

By Segment



By Region



YoY Comparison

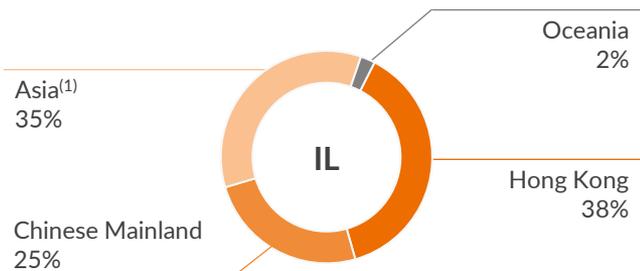
(in HK\$'M)	FY24	FY25	YoY
Hong Kong	7,242	7,563	+4%
Chinese Mainland	18,509	16,707	-10%
Asia ⁽¹⁾	8,470	8,352	-1%
Americas	15,130	13,467	-11%
EMEA	7,995	9,269	+16%
Oceania	928	978	+5%
Total	58,274	56,336	-3%

For continuing operations only
 #The figures are after elimination
 (1) Asia ex-Greater China

SEGMENT PROFIT

INTEGRATED LOGISTICS

By Region



YoY Comparison

(in HK\$'M)	FY24	FY25	YoY
Hong Kong	520	481	-7%
Chinese Mainland	352	313	-11%
Asia ⁽¹⁾	358	440	+23%
Oceania	21	28	+37%
Total	1,251	1,262	+1%

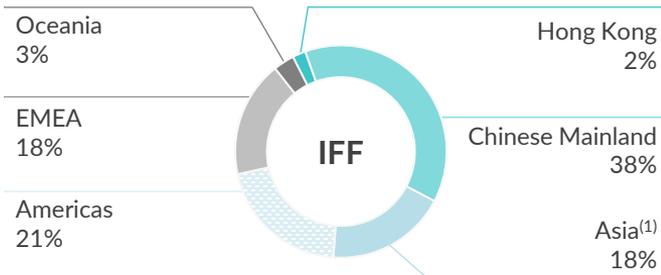
- Difficult operating environment persisted in Hong Kong and the Chinese Mainland, with keen industry competition and significant shifts in consumption patterns
- Weak consumer sentiment and supply chain relocation under the “China Plus One” strategy, reducing domestic logistics activity amid heightened industry competition
- Rightsizing and streamlining efforts, together with the adoption of AI to optimise financial and operational processes, strengthened cost discipline
- Rest of Asia emerged as the key growth driver, supported by the shift of supply chain activities to South and Southeast Asia and solid performance from KLN Seaport in Thailand

For continuing operations only
⁽¹⁾ Asia ex-Greater China

SEGMENT PROFIT

INT'L FREIGHT FORWARDING

By Region



YoY Comparison

(in HK\$'M)	FY24	FY25	YoY
Hong Kong	64	38	-41%
Chinese Mainland	668	716	+7%
Asia ⁽¹⁾	321	345	+7%
Americas	611	383	-37%
EMEA	228	332	+46%
Oceania	58	60	+4%
Total	1,950	1,874	-4%

- Tariff volatility and trade uncertainty drove frontloading in 2025 1H, followed by cautious market sentiment, subdued growth and intense competition among freight forwarders
- As the global No.1 Trans-Pacific NVOCC from Asia to the US, the IFF business was affected by tariff volatility, while demand along Asia-Europe and Intra-Asia corridors remained more stable
- KLN Project business and air freight ancillary activities emerged as growth drivers, supported by EPC project execution and the Ezhou Airport ground handling joint venture respectively

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⁽¹⁾ Asia ex-Greater China

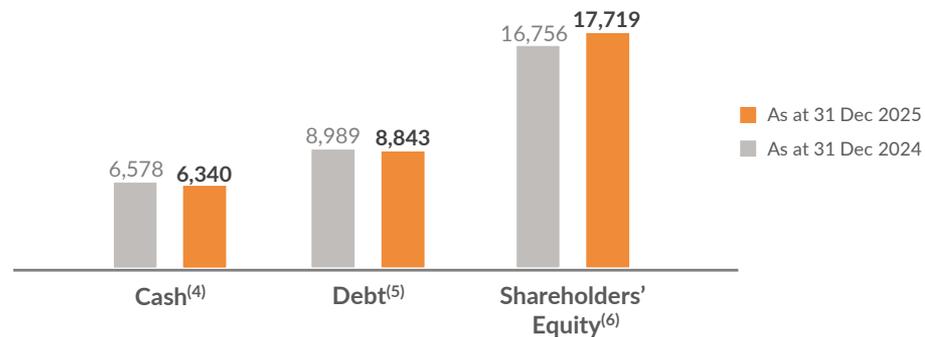
PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS (in HK\$'M)

	FY24	FY25	YoY
<u>From Continuing Operations</u>			
• Core net profit	1,357	1,396	+3%
• Changes in fair value of investment properties, net of deferred tax	(10)	(39)	
• Gain on disposal of IMS ⁽²⁾	-	59	
Profit attributable to the Shareholders and holders of perpetual convertible securities, excluding results generated from discontinued operations	1,347	1,416	+5%
Profit attributable to holders of perpetual convertible securities	(26)	(5)	
Profit generated from continuing operations attributable to the Shareholders	1,321	1,411	+7%
<u>From Discontinued Operations</u>			
• Results generated from discontinued operations ⁽³⁾	221	-	
Profit attributable to the Shareholders	1,542	1,411	-8%

⁽²⁾ Shanghai Shunjia Chemical Co., Ltd.* (上海順嘉化工有限責任公司) (formerly Kerry IMS Chemical Storage and Transport(Shanghai) Co., Ltd.* (嘉里化工儲運(上海)有限公司)), a limited liability company established in the PRC

⁽³⁾ One-off gain on distribution/cessation of the Group's express operations in FY24

CASH, DEBT & EQUITY (in HK\$'M)



Debt Ratios	31 Dec 2024 ⁽⁷⁾	31 Dec 2025
EBITDA / Bank interest	8.46x	10.67x
Debt / EBITDA	2.0x	2.0x
Gearing Ratios	31 Dec 2024	31 Dec 2025
Gross	53.6%	49.9%
Net	14.4%	14.1%
Free Cash Flow ⁽⁸⁾	31 Dec 2024	31 Dec 2025
	2,093	2,594

⁽⁴⁾ Cash and bank balances

⁽⁵⁾ Total bank loans and overdrafts

⁽⁶⁾ Including equity attributable to holders of perpetual convertible securities

⁽⁷⁾ For continuing operations only

⁽⁸⁾ Free cash flow is defined as net cash generated from operating activities less net cash used in investing activities

ESG RECOGNITION



Decarbonisation journey advanced through adoption of electric vehicles, installation of solar panels at warehouses and pilot projects exploring sustainable fuels



Sustainability governance and disclosure strengthened, aligned with the HKEX ESG Code and externally recognised through upgrades in ESG ratings



People and technology as core enablers, with WE KARE fostering well-being and inclusivity, alongside robotics, automation and AI-powered analytics supporting long-term sustainability



AA

Reaffirmed



Hang Seng Corporate
Sustainability Index Series

A+

Upgraded



B

Reaffirmed



OUTLOOK

- **Business environment in 2026 remains volatile and complex**, shaped by geopolitical rivalry, tariff-related uncertainty and intensified trade disruption
- **IL will build on new customer gains and project wins while pursuing emerging opportunities**, including clean-energy logistics, boosting consumption in the Chinese Mainland and as well as scaling newer markets
- **IFF will emphasise lane diversification, multimodal flexibility and disciplined volume and receivables management** amid volatile freight markets and capacity-driven competition
- **Advance the digital operating model through wider AI adoption**, supported by standard operating systems, enhanced data quality and AI-enabled process optimisation

OUTLOOK - KLN 2.0

Building a **Customer-centric Global Supply Chain Powerhouse** underpinned by industry-specific solutions



Aims to firmly establish KLN itself as
A Global Top 5 Industry Players



Upgrade and scale its service capabilities globally to distinguish itself
As One Of The Top 10 Global Supply Chain Players

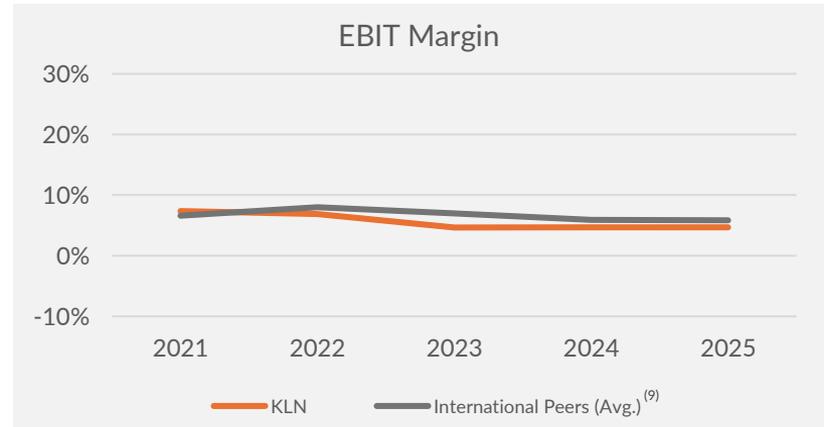
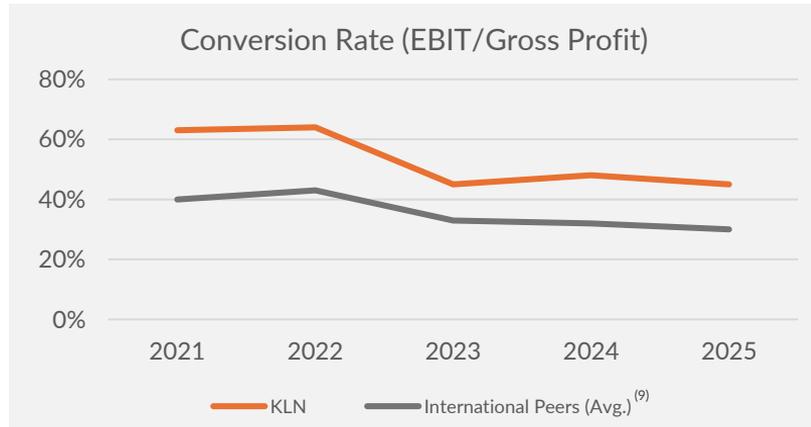


Doubling Business Scale by driving rapid growth across network coverage, customer base and shipment volume





Appendix I : Peers Comparison



Data presented is sourced from Bloomberg and KLN publicly available financial reports
⁽⁹⁾ International peers include companies in Europe, Asia and Americas

Appendix II : Consolidated Income Statement

	Year Ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Continuing operations		
Revenue	56,335,842	58,274,404
Direct operating expenses	(50,444,966)	(52,627,332)
Gross profit	5,890,876	5,647,072
Other income and net gains	249,452	111,589
Administration expenses	(3,292,211)	(2,930,991)
Operating profit before fair value change of investment properties	2,848,117	2,827,670
Change in fair value of investment properties	(53,233)	(13,535)
Operating profit	2,794,884	2,814,135
Finance expenses	(502,715)	(625,153)
Share of results of associates and a joint venture	46,366	83,293
Profit before taxation	2,338,535	2,272,275
Taxation	(638,962)	(658,682)
Profit for the year from continuing operations	1,699,573	1,613,593
Discontinued operations:		
Profit for the year from discontinued operations	-	141,930
Profit for the year	1,699,573	1,755,523
Profit/(loss) attributable to:		
• Company's shareholders		
From continuing operations	1,410,926	1,320,290
From discontinued operations	-	221,234
• Non-controlling interests		
From continuing operations	283,781	267,563
From discontinued operations	-	(79,304)
• Holders of perpetual convertible securities		
From continuing operations	4,866	25,740
From discontinued operations	-	-
	1,699,573	1,755,523

Appendix III : Consolidated Statement of Financial Position

	2025	2024
	HK\$'000	HK\$'000
ASSETS AND LIABILITIES		
Non-current assets		
Intangible assets	5,647,143	5,681,264
Investment properties	2,984,430	2,518,568
Property, plant and equipment	7,242,806	7,022,659
Right-of-use assets	3,105,697	2,850,160
Associates and joint ventures	1,497,844	1,592,330
Financial assets at fair value through other comprehensive income	357,768	299,899
Investment in convertible bonds	4,536	5,714
Other non-current assets	165,053	223,055
Deferred taxation	215,247	223,588
	21,220,524	20,417,237
Current assets		
Financial assets at fair value through profit or loss	496	496
Inventories	348,013	322,723
Accounts receivable, prepayments and deposits	15,572,179	14,584,890
Tax recoverable	151,053	314,586
Amounts due from fellow subsidiaries	64,088	457,578
Amounts due from related companies	1,112	1,744
Amounts due from associates	9,803	4,780
Restricted and pledged bank deposits	83,839	20,500
Cash and bank balances and in hand	6,339,675	6,577,951
	22,570,258	22,285,248

Appendix III : Consolidated Statement of Financial Position (Cont'd)

	2025 HK\$'000	2024 HK\$'000
Current liabilities		
Lease liabilities	1,061,874	880,498
Accounts payable, deposits received and accrued charges	10,833,990	10,821,919
Supplier financing payables	126,225	-
Amounts due to fellow subsidiaries	126,709	6,329
Amounts due to related companies	142,401	140,547
Taxation	350,651	562,134
Loans from non-controlling interests	-	23,228
Short-term bank loans and current portion of long-term bank loans	3,327,627	2,916,725
Bank overdrafts	18,081	168,316
	15,987,558	15,519,696
Non-current liabilities		
Loans from non-controlling interests	198,547	202,405
Long-term bank loans	5,496,812	5,904,173
Lease liabilities	1,426,473	1,397,015
Deferred taxation	419,515	508,776
Retirement benefit obligations	41,945	31,458
Other non-current liabilities	60,634	59,831
	7,643,926	8,103,658
ASSETS LESS LIABILITIES	20,159,298	19,079,131
EQUITY		
Capital and reserves attributable to the Company's shareholders		
Share capital	903,715	903,715
Share premium	4,074,218	4,074,218
Shares held for share award scheme	(37,221)	(43,955)
Retained profits and other reserves	12,777,874	11,047,675
	17,718,586	15,981,653
Perpetual convertible securities	-	774,101
Non-controlling interests	2,440,712	2,323,377
TOTAL EQUITY	20,159,298	19,079,131