

TARGET

Intelligence Report

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T U E S D A Y

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**TRAVEL EXPERT (ASIA) ENTERPRISES LTD:
AFTER FOUR YEARS OF STRUGGLING FOR EXISTENCE,
A BEAM OF LIGHT APPEARS ...
TO HAVE BRIGHTENED UP THE FINANCIAL HORIZON**

After an uninterrupted run of losses, having lasted four Financial Years, ended March 31, 2023, it is only too evident that the worm has turned, with Management of Travel Expert (Asia) Enterprises Ltd (專業旅運[亞洲]企業有限公司) (Code: 1235, Main Board, The Stock Exchange of Hongkong Ltd) announcing a long-awaited, healthy profit with regard to the 2024 Financial Year.

Mr Daniel Ko Wai Ming (高偉明), the Chairman of the Board of Directors of Travel Expert (Asia) Enterprises Ltd, as well as being an Executive Director of the Company, put pen to paper, so to speak, recording the following seven paragraphs:

*'On behalf of the board of Directors (the "**Board**") of Travel Expert (Asia) Enterprises Limited (the "**Company**"), I would like to present to shareholders the annual results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2024.*

'During the year, after serious business disruptions caused by pandemic that lasted more than three years, there was a strong rebound in the tourism industry. The Group recorded a profit attributable to owners of the Company of HK\$9.0 million as compared with the loss attributable to owners of the Company of HK\$2.2 million for the previous year. The total revenue was HK\$162.2 million, representing an increase of 302.5% as compared with HK\$40.3 million for the previous year.

'During the year, in view of the market rebound and strong demand for travel products, the Group launched different promotion activities to boost sales volume. To meet the business growth, we put efforts and resources in staff recruiting, sales management restructuring and branch network expansion. Furthermore, the Group continued to enhance its product mix to suit customer preferences and the latest market trends. Apart from aforesaid initiatives, we opened three new shops for the Group's retail FIT (free independent travellers) business operated mainly through Travel

Expert Limited (專業旅運有限公司), namely Hung Lung Centre in Causeway Bay, Citylink Plaza in Shatin, East Point City in Tseung Kwun O. In view of the encouraging response from customers to exotic destinations and cultural tour routes launched by Premium Holidays Limited (尊賞假期有限公司) (“Premium Holidays”), which mainly operating the Group’s high-end long haul tours business, we increased the number of the package tours to East Africa, South America and different provinces in the Mainland China, such as Sichuan, Tibet, Xinjiang and Inner Mongolia. During the year, Premium Holidays made a large contribution to the Group’s business growth. Thus, the Group continued to explore destinations with unique cultural landmark and landscape to offer customers a variety of travel experience and enjoyment. Premium Holidays also opened a shop at Citylink Plaza in Shatin to better serve its customers. In addition, to enhance customer experience in using our online trading platform, we continued to upgrade the backend system support. With the improved operational efficiency of this platform, the enquiries and bookings received from customers increased.

‘Notwithstanding the strong market recovery, the tourism industry was still facing various challenges. Airline capacity has not fully recovered to the pre-pandemic level to match the travel demand so that affected trip planning and launching of travel products. The shortage of experienced frontline staff negatively affected the achieving of maximum efficiency and performance of the Group. During the year, we implemented initiatives to optimize operations and staff structures as well as enhance operational efficiency. We resumed staff training programmes to enhance employees’ skills and knowledge as well as service quality. The Group also imposed flexible measures and sales management to cope with such challenges.

‘Looking forward, the Group expects there will have a continuous growth in travel demand. Thus, we will continue to explore new tour routing and enhance product mix. We will allocate resources in recruiting experienced staff and strengthening tailor-made services of trip planning for individual and group customers. For business diversification, we will explore other travel and travel related business opportunities.

‘However, in view of ongoing headwinds and challenges, including uncertainties in global economic situation, geopolitical tensions and China-US relation, the Group will remain cautiously optimistic and adhere to the principles of prudent management of finance and branch network expansion. In addition, we will continue to strengthen our market position as well as adopt flexible strategies for achieving profitability and long term and sustainable growth.

‘On behalf of the Board, I wish to express my sincere gratitude to shareholders, business partners and customers for their continued support, and to employees for their dedication and hard work.’

At Pages Five through to Seven of the 2024 Annual Report of the Company, under the heading, ‘**BUSINESS REVIEW**,’ the following intelligence was made manifest:

*‘The Group’s retail FIT (free independent travellers) business is operated mainly through Travel Expert Limited (專業旅運有限公司) (“**Travel Expert**”), which is the core focus of the Group. During the year, the removal of all travel restrictions in early 2023 marked a crucial step for Hong Kong’s fully reopening to the world, which bringing robust recovery of the tourism industry. To capture the opportunity during the market recovery, the Group adopted flexibly strategy and expanded its branch network. We used efforts in enhancing product mix and recruiting additional staff. In addition, we restarted training programmes to frontline staff to enhance their service quality, skills and knowledge. During the year, we opened three new shops, namely Hung Lung Centre in Causeway Bay, Citylink Plaza in Shatin ... [CLICK TO ORDER FULL ARTICLE](#)*

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