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## **WAN LEADER INTERNATIONAL LIMITED**

**萬勵達國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8482)**

### **ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

#### **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors of Wan Leader International Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company and its subsidiaries (together, the “Group”). The directors of the Company (the “Directors”), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## FINANCIAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Wan Leader International Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 September 2023 (the “**Review Period**”) together with the comparative unaudited figures for the six months ended 30 September 2022 (the “**Previous Period**”), are as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	<i>Notes</i>	Three months ended		Six months ended	
		30 September		30 September	
		2023	2022	2023	2022
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Revenue</b>	4	<b>46,158</b>	47,164	<b>83,880</b>	136,500
Cost of services		<b>(46,104)</b>	(48,977)	<b>(82,931)</b>	(136,066)
<b>Gross profit/(loss)</b>		<b>54</b>	(1,813)	<b>949</b>	434
Other income	6	<b>80</b>	288	<b>234</b>	610
Other gains and losses	6	<b>3</b>	14	<b>8</b>	136
Sales and marketing expenses		<b>(1,648)</b>	(1,355)	<b>(3,140)</b>	(2,392)
Administrative expenses		<b>(5,189)</b>	(5,424)	<b>(12,035)</b>	(10,235)
(Impairment losses)/reversal of impairment losses recognised on trade receivables, net		<b>(34)</b>	616	<b>(199)</b>	1,038
Finance costs	6	<b>(27)</b>	(42)	<b>(59)</b>	(88)
Share of result of an associate		–	(128)	–	(301)
<b>Loss before taxation</b>	6	<b>(6,761)</b>	(7,844)	<b>(14,242)</b>	(10,798)
Income tax credit/(expenses)	5	<b>27</b>	115	<b>54</b>	(344)
<b>Loss for the period</b>		<b>(6,734)</b>	(7,729)	<b>(14,188)</b>	(11,142)

	Notes	Three months ended		Six months ended	
		30 September		30 September	
		2023	2022	2023	2022
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Other comprehensive</b>					
<b>(expenses)/income for</b>					
<b>the period</b>					
<i>Item that may be reclassified</i>					
<i>subsequently to profit or loss</i>					
Exchange differences arising					
on translation of financial					
statements of foreign					
operations					
		<u>(127)</u>	<u>6</u>	<u>(125)</u>	<u>(88)</u>
Other comprehensive					
(expenses)/income					
for the period					
		<u>(127)</u>	<u>6</u>	<u>(125)</u>	<u>(88)</u>
<b>Total comprehensive</b>					
<b>expenses for the period</b>					
		<u><u>(6,861)</u></u>	<u><u>(7,723)</u></u>	<u><u>(14,313)</u></u>	<u><u>(11,230)</u></u>
<b>Loss for the period</b>					
<b>attributable to:</b>					
Owners of the Company					
		<u>(6,734)</u>	<u>(7,729)</u>	<u>(14,188)</u>	<u>(11,142)</u>
Non-controlling interest					
		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
		<u><u>(6,734)</u></u>	<u><u>(7,729)</u></u>	<u><u>(14,188)</u></u>	<u><u>(11,142)</u></u>
<b>Total comprehensive</b>					
<b>expenses for the period</b>					
<b>attributable to:</b>					
Owners of the Company					
		<u>(6,861)</u>	<u>(7,723)</u>	<u>(14,313)</u>	<u>(11,230)</u>
Non-controlling interest					
		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
		<u><u>(6,861)</u></u>	<u><u>(7,723)</u></u>	<u><u>(14,313)</u></u>	<u><u>(11,230)</u></u>
<b>Loss per share</b>					
Basic and diluted (HK cents)					
	8	<u><u>(0.61)</u></u>	<u><u>(0.82)</u></u>	<u><u>(1.32)</u></u>	<u><u>(1.25)</u></u>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment	9	2,612	3,312
Deposits		8	8
Deferred tax assets		120	67
		2,740	3,387
<b>Current assets</b>			
Inventory		725	588
Trade and other receivables	10	59,703	46,415
Amount due from a related company	11	2,733	3,112
Tax recoverable		1,153	1,153
Pledged bank deposits		3,007	3,002
Bank balances and cash		25,837	25,733
		93,158	80,003
<b>Current liabilities</b>			
Trade and other payables	12	36,911	16,689
Lease liabilities		670	673
Tax payable		1,254	1,334
Contract liabilities	13	372	384
Provisions		—	—
Bank borrowings	14	999	1,670
		40,206	20,750
<b>Net current assets</b>		52,952	59,253
<b>Total assets less current liabilities</b>		55,692	62,640
<b>Non-current liabilities</b>			
Lease liabilities		503	826
Provisions	15	100	100
		603	926
<b>Net Assets</b>		55,089	61,714
<b>Capital and reserves</b>			
Share capital	16	11,028	9,900
Other reserves		97,085	90,650
Accumulated losses		(53,024)	(38,836)
<b>Equity attributable to owners of the Company</b>		55,089	61,714
Non-controlling interest		—	—
<b>Total Equity</b>		55,089	61,714

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

		Attributable to owners of the Company							
		Share capital	Share premium	Other reserve <i>(Note (i))</i>	Merger reserve <i>(Note (ii))</i>	Statutory reserve <i>(Note (iii))</i>	Exchange reserve	Accumulated losses	Total
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>At 1 April 2022 (audited)</b>	8,400	49,429	14,118	1,091	199	35	(11,907)	61,365
	Loss for the period	-	-	-	-	-	-	(11,142)	(11,142)
	Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	-	(88)	-	(88)
	<b>Total comprehensive expenses for the period</b>	-	-	-	-	-	(88)	(11,142)	(11,230)
	Proceeds from placing of new shares	1,500	26,400	-	-	-	-	-	27,900
	Issuing expenses of placing of new shares	-	(578)	-	-	-	-	-	(578)
	<b>At 30 September 2022 (unaudited)</b>	<u>9,900</u>	<u>75,251</u>	<u>14,118</u>	<u>1,091</u>	<u>199</u>	<u>(53)</u>	<u>(23,049)</u>	<u>77,457</u>

		Attributable to owners of the Company							
		Share capital	Share premium	Other reserve <i>(Note (i))</i>	Merger reserve <i>(Note (ii))</i>	Statutory reserve <i>(Note (iii))</i>	Exchange reserve	Accumulated losses	Total
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>At 1 April 2023 (audited)</b>	9,900	75,252	14,118	1,091	357	(168)	(38,836)	61,714
	Loss for the period	-	-	-	-	-	-	(14,188)	(14,188)
	Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	-	(125)	-	(125)
	<b>Total comprehensive expenses for the period</b>	-	-	-	-	-	(125)	(14,188)	(14,313)
	Proceeds from placing of new shares	1,128	6,883	-	-	-	-	-	8,011
	Issuing expenses of placing of new shares	-	(323)	-	-	-	-	-	(323)
	<b>At 30 September 2023 (unaudited)</b>	<u>11,028</u>	<u>81,812</u>	<u>14,118</u>	<u>1,091</u>	<u>357</u>	<u>(293)</u>	<u>(53,024)</u>	<u>55,089</u>

*Notes:*

- (i) Other reserve represents the (i) deemed contribution by a non-controlling shareholder through acquisition of Orient Zen Logistics Services Limited (“**Orient Zen**”), (ii) acquisition of additional interest of Orient Zen and (iii) allotment of shares of Ever Metro International Limited (“**Ever Metro**”) to strategic investors.
- (ii) Amount represents difference between the par value of the shares issued by Ever Metro for the combination of the entire equity interests in Union Air Cargo Limited (“**Union Air**”) and Fu Yo Warehouse Logistics Company Limited (“**Fu Yo**”) and the amount of share capital of Union Air and Fu Yo.

The combination of Union Air and Fu Yo by Ever Metro have been accounted for using the principles of merger accounting as Union Air, Fu Yo and Ever Metro are under the common control of Mr. Loy Hak Yu Thomas both before and after the combination and the control is not transitory.

- (iii) The statutory reserve represents the amount transferred from net profit for the year of the subsidiaries established in the People’s Republic of China (the “**PRC**”) (based on the subsidiaries’ PRC statutory financial statements) in accordance with the relevant PRC laws until the statutory reserve reaches 50% of the registered capital of the subsidiaries. The statutory reserve cannot be reduced except either in setting off the accumulated losses or increasing capital.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2023</b>	<b>2022</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Net cash (used in)/from operating activities</b>	<b>(6,670)</b>	<b>3,172</b>
<b>Investment activities</b>		
Purchased of property, plant and equipment	–	(104)
Investment in an associate	–	(739)
Bank interest received	<b>109</b>	<b>1</b>
	<hr/>	<hr/>
<b>Net cash from/(used in) investment activities</b>	<b>109</b>	<b>(842)</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Financing activities</b>		
Repayment of bank borrowings	<b>(671)</b>	(654)
Repayment of principal element of lease liabilities	<b>(326)</b>	(308)
Repayment of interest element of lease liabilities	<b>(34)</b>	(50)
Interest paid	<b>(24)</b>	(38)
Government grants received	–	477
Proceeds from placing of new shares	<b>8,011</b>	27,900
Issuing expenses of placing of new shares	<b>(323)</b>	(578)
	<hr/>	<hr/>
<b>Net cash from financing activities</b>	<b>6,633</b>	<b>26,749</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Net increase in cash and cash equivalents</b>	<b>72</b>	<b>29,079</b>
Cash and cash equivalents at the beginning of the period	<b>25,733</b>	44,317
Effect of foreign exchange rate changes	<b>32</b>	(146)
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period</b>		
Represented by bank balance and cash	<b>25,837</b>	<b>73,250</b>
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
*FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023*

**1. GENERAL INFORMATION**

Wan Leader International Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 5 September 2018. The registered office of the Company is situated at Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands. The principal place of business of the Company in Hong Kong is situated at Office Tower Unit 903, Hutchison Logistics Centre, Terminal 4, Kwai Chung Container Port, 18 Container Port Road South, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in provision of freight forwarding and related logistics services, provision of entrusted management services for operating an online e-commerce platform and trading of fashion items.

**2. BASIS OF PREPARATION**

The unaudited condensed consolidated financial statements (the “**Interim Financial Statements**”) have been prepared on the historical cost basis.

The Interim Financial Statements have been prepared in accordance with the Hong Kong Accounting Standards 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure provisions of the GEM Listing Rules.

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since 31 March 2023, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standard (“**HKAS**”) and Interpretations issued by the HKICPA. They shall be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 March 2023 (the “**2023 Audited Consolidated Financial Statements**”).

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the 2023 Audited Consolidated Financial Statements.

The Interim Financial Statements for the six months ended 30 September 2023 have not been audited by the Company’s auditors but have been reviewed by the Company’s audit committee.

The Interim Financial Statements have been prepared on the historical costs basis and presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for both periods.

At the date of authorisation of the Interim Financial Statements, the Group has not early adopted the new/revised HKFRSs that have been issued but are not yet effective.



### 3. ESTIMATES

The preparation of the unaudited condensed consolidated interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this unaudited condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2023 Audited Consolidated Financial Statements.

### 4. REVENUE AND SEGMENT INFORMATION

The Group's revenue from freight forwarding and related logistics services and entrusted management service for operating an online e-commerce platform are recognised over time when the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, using output method.

The Group's operating segments are determined based on information reported to the chief operating decision maker (the "CODM") of the Group, being Mr. Thomas Loy, for the purpose of resource allocation and performance assessment focuses on the different types of services. The Directors of the Company regularly review revenue and results analysis by (i) freight forwarding and related logistics services; (ii) entrusted management service for operating an online e-commerce platform; and (iii) trading of fashion items during the Review Period. No analysis of segment assets and segment liabilities is presented as such information is not regularly provided to the CODM in current or prior period.

During the period ended 30 September 2023, specifically, the Group's reportable segments are as follows:

- i) Provision of freight forwarding and related logistics services;
- ii) Entrusted management services for operating an online e-commerce platform; and
- iii) Trading of fashion items.

An analysis of the Group's revenue for the Review Period is as follows:

	Three months ended		Six months ended	
	30 September		30 September	
	2023	2022	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>				
Freight forwarding and related logistics services				
– Air freight	44,926	44,442	80,093	119,205
– Sea freight	1,232	2,744	2,660	16,060
	<u>46,158</u>	<u>47,186</u>	<u>82,753</u>	<u>135,265</u>
Entrusted management services for operating an online e-commerce platform	–	(22)	–	1,235
Trading of fashion items	–	–	1,127	–
	<u>–</u>	<u>–</u>	<u>1,127</u>	<u>–</u>
Total	<u><u>46,158</u></u>	<u><u>47,164</u></u>	<u><u>83,880</u></u>	<u><u>136,500</u></u>

**For the period ended 30 September 2023**

	Freight forwarding and related logistics services	Entrusted management services for operating an online e-commerce platform	Trading of fashion items	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Revenue</b>				
Segment revenue	<u>82,753</u>	<u>–</u>	<u>1,127</u>	<u>83,880</u>
<b>Result</b>				
Segment loss	<u>(7,920)</u>	<u>–</u>	<u>253</u>	<u>(7,667)</u>
Other income				234
Corporate expenses				(6,750)
Finance costs				(59)
Share of result of an associate				–
<b>Loss before taxation</b>				<u><u>(14,242)</u></u>

**For six months ended 30 September 2022**

	Freight forwarding and related logistics services <i>HK\$ '000</i> (unaudited)	Entrusted management services for operating an online e-commerce platform <i>HK\$ '000</i> (unaudited)	Total <i>HK\$ '000</i> (unaudited)
<b>Revenue</b>			
Segment revenue	135,265	1,235	136,500
<b>Result</b>			
Segment loss	(6,890)	(230)	(7,120)
Other income			610
Corporate expenses			(3,899)
Finance costs			(88)
Share of result of an associate			(301)
<b>Loss before taxation</b>			<u>(10,798)</u>

During the Review Period and Previous Period, all performance obligations for freight forwarding and related logistics services are for period of one year or less. As permitted under HKFRS 15, the transaction price allocated to unsatisfied/partially unsatisfied performance obligations as at 30 September 2023 and 30 September 2022 are not disclosed.

## Geographical information

The Group's revenue by geographical market based on the location of operations:

### For the period ended 30 September 2023

	Freight forwarding and related logistics service <i>HK\$'000</i> (unaudited)	Entrusted management services for operating an online e-commerce platform <i>HK\$'000</i> (unaudited)	Trading of fashion items <i>HK\$'000</i> (unaudited)	Total <i>HK\$'000</i> (unaudited)
Hong Kong (place of domicile)	82,753	–	1,127	83,880
Total	<u>82,753</u>	<u>–</u>	<u>1,127</u>	<u>83,880</u>

### For the period ended 30 September 2022

	Freight forwarding and related logistics service <i>HK\$'000</i> (unaudited)	Entrusted management services for operating an online e-commerce platform <i>HK\$'000</i> (unaudited)	Total <i>HK\$'000</i> (unaudited)
Hong Kong (place of domicile)	135,265	–	135,265
The People's Republic of China (the "PRC")	–	1,235	1,235
Total	<u>135,265</u>	<u>1,235</u>	<u>136,500</u>

## 5. INCOME TAX CREDIT/(EXPENSES)

	Three months ended		Six months ended	
	30 September		30 September	
	2023	2022	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current tax:				
– Hong Kong Profit Tax	–	83	–	(33)
– PRC Enterprise Income Tax (“EIT”)	–	129	–	(149)
	–	212	–	(182)
Deferred taxation	27	(97)	54	(162)
	27	115	54	(344)

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. For the periods ended 30 September 2023 and 2022, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “**PRC EIT Law**”) and Implementation Regulation of the PRC EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. The Group provided PRC EIT for the period ended 30 September 2023 and 2022 under the tax rate of 25%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “**BVI**”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

## 6. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging/ (crediting):

	Three months ended		Six months ended	
	30 September		30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Depreciation of Property, plant and equipment	319	315	630	630
Expenses related to short-term leases	27	293	63	324
Interest income on bank deposits	(20)	(1)	(113)	(2)
Interest income on rental deposits	–	–	(1)	(1)
Government grants	–	(227)	–	(477)
Sundry income	(60)	(60)	(120)	(130)
Total other income	(80)	(288)	(234)	(610)
Exchange gain, net	(3)	(14)	(8)	(136)
Total other gains and losses	(3)	(14)	(8)	(136)
Interest expenses on lease liabilities	8	31	34	51
Interest expenses on bank borrowings	19	11	25	37
Total finance costs	<u>27</u>	<u>42</u>	<u>59</u>	<u>88</u>

## 7. DIVIDENDS

The Board does not recommend payment of interim dividend for the Review Period (Previous Period: Nil).

## 8. LOSS PER SHARE

### (a) Basic

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
<b>Loss:</b>				
Loss for the period attributable to owners of the Company	<u>(6,734)</u>	<u>(7,729)</u>	<u>(14,188)</u>	<u>(11,142)</u>
Loss for the purpose of calculating basic loss per share	<u><u>(6,734)</u></u>	<u><u>(7,729)</u></u>	<u><u>(14,188)</u></u>	<u><u>(11,142)</u></u>

	Three months ended 30 September		Six months ended 30 September	
	2023 (unaudited)	2022 (unaudited)	2023 (unaudited)	2022 (unaudited)
Number of shares:				
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u><u>1,102,830,000</u></u>	<u><u>939,456,521</u></u>	<u><u>1,073,851,803</u></u>	<u><u>890,000,000</u></u>

The placing of 112,830,000 ordinary shares was completed on 18 May 2023. For details, please refer to note 16 and the Company's announcements dated 6 April 2023, 28 April 2023 and 18 May 2023.

### (b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There were no potential ordinary shares in issue during the six months ended 30 September 2022 and 2023.

## 9. PROPERTY, PLANT AND EQUIPMENT

### Acquisitions and disposals of owned assets

During the Review Period, the Group did not acquired any property, plant and equipment (Previous Period: HK\$719,000).

During the Review Period, the Group did not have additional right-of-use asset (Previous Period: Nil).  
During the Review Period, the Group did not write off any property, plant and equipment (Previous Period: Nil).

## 10. TRADE AND OTHER RECEIVABLES

	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
Receivables at amortised cost comprise:		
Trade receivables	36,713	20,709
Less: Allowance for impairment of trade receivables	<u>(596)</u>	<u>(396)</u>
	<u>36,117</u>	<u>20,313</u>
Prepayments, deposits and other receivables comprise:		
– Rental deposits	104	95
– Deposits and prepayments ( <i>note</i> )	21,415	25,792
– Other receivables	2,070	218
Less: Allowances for impairment on deposits and other receivables	<u>(3)</u>	<u>(3)</u>
	<u>23,586</u>	<u>26,102</u>
Total trade and other receivables	<u><u>59,703</u></u>	<u><u>46,415</u></u>

*Note:*

Included in deposits and prepayments, carrying amount of HK\$2,000,000 represented the refundable deposits for securing the transactions with airline and general sales agent of airlines as at 30 September 2023 (31 March 2023: HK\$2,000,000).

The Group allows credit periods ranging from 0 day to 90 days to its customers.



The following is an ageing analysis of trade receivables net of allowance for credit losses, presented based on the invoice date at the end of each reporting period:

	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
Within 30 days	18,700	12,052
More than 30 but within 60 days	12,580	6,557
More than 60 but within 90 days	2,263	1,680
More than 90 days	2,574	24
	<u>36,117</u>	<u>20,313</u>

#### 11. AMOUNT DUE FROM A RELATED COMPANY

Particulars of amounts due from a related company disclosed pursuant to Section 383 (1)(d) of the Companies Ordinance (Cap. 622) and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:–

Name of related company	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)	Maximum amount outstanding during the period <i>HK\$'000</i>
Zhejiang Jiyueke Brand Management Co., Ltd. (formerly known as Guangdong Jiyueke Brand Management Co., Ltd.)("Zhejiang Jiyueke")*	<u>2,733</u>	<u>3,112</u>	<u>3,112</u>

As at 30 September 2023 and 31 March 2023, the amount due from a related company is unsecured, interest-free and has no fixed repayment terms.

\* For identification purposes only

## 12. TRADE AND OTHER PAYABLES

	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
Trade payables	28,552	12,707
Other payables and accrued expenses	<u>8,359</u>	<u>3,982</u>
Total trade and other payables	<u><u>36,911</u></u>	<u><u>16,689</u></u>

The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
Within 30 days	17,494	9,894
More than 30 but within 60 days	10,159	2,111
More than 60 but within 90 days	349	160
More than 90 but within 180 days	<u>550</u>	<u>542</u>
	<u><u>28,552</u></u>	<u><u>12,707</u></u>

## 13. CONTRACT LIABILITIES

	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
Freight forwarding and related logistics services	<u>372</u>	<u>384</u>

Contract liabilities represent the Group's obligations to transfer services to a customer for which an amount of consideration is due from the customer. During the period ended 30 September 2023, revenue recognised in the Review Period relating to contract liabilities at the beginning of the period was approximately HK\$2,155,000 (Previous Period: approximately HK\$4,348,000).

The Group makes advance billings to customers at the commencement of services. The advance billings related to non-cancellable contracts that are due for payment resulted in contract liabilities being recognised through the shipment period until the completion of shipment.

## 14. BANK BORROWINGS

During the Review Period, the Group did not obtain any new bank loan (during the year ended 31 March 2023: Nil (audited)).

## 15. PROVISIONS

	At 30 September 2023 <i>HK\$'000</i> (unaudited)	At 31 March 2023 <i>HK\$'000</i> (audited)
Analysed for reporting purposes as:		
Non-current liabilities	<u>100</u>	<u>100</u>
	<b>Provision for reinstatement expense</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
At 31 March 2022 and 1 April 2022 (audited)	<u>100</u>	<u>100</u>
At 31 March 2023 (audited) and 30 September 2023 (unaudited)	<u>100</u>	<u>100</u>

## 16. SHARE CAPITAL

Details of movements of authorised and issued capital of the Company are as follows:

	Number of shares	Share capital <i>HK\$</i>
Ordinary shares of HK\$0.01 each		
<b>Authorised</b>		
At 1 April 2022 (audited), 30 September 2022 (unaudited), 1 April 2023 (audited) and 30 September 2023 (unaudited)	<u>10,000,000,000</u>	<u>100,000,000</u>
<b>Issued and fully paid</b>		
At 1 April 2022 (audited)	840,000,000	8,400,000
Issue of shares on placement ( <i>note a</i> )	<u>150,000,000</u>	<u>1,500,000</u>
At 30 September 2022 (unaudited) and 1 April 2023 (audited)	990,000,000	9,900,000
Issue of shares on placement ( <i>note b</i> )	<u>112,830,000</u>	<u>1,128,300</u>
At 30 September 2023 (unaudited)	<u>1,102,830,000</u>	<u>11,028,300</u>

Note:

- (a) On 6 July 2022, the Company entered into a placing agreement with a placing agent in respect of the placement of 150,000,000 ordinary shares of HK\$0.01 each to independent investors at a price of HK\$0.186 per share. The placement was completed on 1 August 2022 and the premium on the issue of shares, amounting to approximately HK\$26,400,000, net of issuing expenses of approximately HK\$578,000, was credited to the Company's share premium account.
- (b) On 6 April 2023, the Company entered into a placing agreement with a placing agent in respect of the placement of 112,830,000 ordinary shares of HK\$0.01 each to independent investors at a price of HK\$0.071 per share. The placement was completed on 18 May 2023 and the premium on the issue of shares, amounting to approximately HK\$6,883,000, net of issuing expenses of approximately HK\$323,000, was credited to the Company's share premium account.

## 17. RELATED PARTY DISCLOSURES

### (i) Compensation of key management personnel

The remuneration of directors and key management personnel during the Review Period is as follows:

	Three months ended		Six months ended	
	30 September		30 September	
	2023	2022	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Salaries and other allowances	1,485	1,201	2,970	3,226
Retirement benefit scheme and contributions	31	38	63	75
	<u>1,516</u>	<u>1,239</u>	<u>3,033</u>	<u>3,301</u>

### (ii) Personal guarantees

At 30 September 2023, all (at 31 March 2023: all) bank borrowings of the Group were guaranteed by Mr. Thomas Loy and Mr. Loy Hak Moon.

### (iii) Sales transaction

During the Review Period, the Group did not have received service income from Zhejiang Jiyueke (Previous Period: approximately HK\$1.2 million). Mr. Liao Daichun, chief executive officer and a substantial shareholder of the Company, is a legal representative, a director and a shareholder of Guangdong Jiyueke.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

Wan Leader International Limited (the “**Company**”) is a company which provides logistics services to customers mostly located in Hong Kong, the People’s Republic of China (the “**PRC**”), Taiwan and Vietnam, with cargo destinations covering the United States of America (“**USA**”), Europe, Asia and other regions. It also provides entrusted management services in the PRC and the trading of fashion items. The shares (the “**Shares**”) of the Company are listed on GEM of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

The services of the Company and its subsidiaries (together, the “**Group**”) mainly include (a) the provision of freight forwarding and related logistics services, which include reselling cargo space the Group purchases from airlines, airlines’ general sales agent(s), shipping liners and other freight forwarders to direct shippers or respective freight forwarders, which act on behalf of their shipper customers and eventually deliver the goods to the destinations; (b) the provision of entrusted management services for operating an online e-commerce platform; and (c) trading of fashion items.

The Group recorded a net loss of approximately HK\$14.2 million for the six months ended 30 September 2023 (“**Review Period**”) as compared to a net loss of approximately HK\$11.1 million for the six months ended 30 September 2022 (“**Previous Period**”). It was mainly attributable to the recovery of the global economy and trading following the novel coronavirus pandemic (“**COVID-19**”) has been slow which led to drops in demand for cargo spaces during the Review Period.

Since the outbreak of COVID-19 in 2019, the overall economic situation in the PRC and around the world has experienced ups and downs. The borders of many countries have fully reopened and then followed by Mainland China’s. Despite most of the pandemic-related restrictions, if not all, have been lifted, the efficiency of logistics flow, in particular, has yet to return to the normal level before the pandemic. For the rest of the year, economic conditions are expected to be challenging with the main focus on the political and economic relationships between the PRC and the USA despite there were signs that such relationships are improving. The above situation would have a serious impact on our growth and profitability. Whereas recovery in the PRC may be gradual and has not picked up as fast as it was expected, and together with uncertain global economic conditions and military tensions in certain countries, the Group is optimistic that consumer demands will continue to play an important role in connecting Mainland China with the rest of the world in the long run, supported by the continuing effort to overcome different hurdles from the Central Government of the PRC.

Looking forward, the Group is cautious yet optimistic about its business and development, with a range of significant opportunities ahead. The Company will continue to closely monitor the global market situation and potential changes in market demand in order to implement stricter cost control measures to ensure a more robust operating cash flow, and to actively respond to the risks and opportunities of its operations in the post-pandemic era.

The Group renewed the entrusted management agreement (the “**Entrusted Management Agreement**”) with Zhejiang Jiyueke Brand Management Co., Ltd. (formerly known as Guangdong Jiyueke Brand Management Co., Ltd)\* on 1 September 2022. Despite the expiry on 31 December 2022, by entering into the Entrusted Management Agreement, the Group had gained practical knowledge on the operation of e-commerce platforms and thereby enhanced our business model from being a freight forwarder to a technology solution provider through innovation, cloud platforms, big data, etc. By taking advantage of the Group’s professional skills, knowhow and experience in freight forwarding, this transaction helped the Group accumulate knowledge and understanding in relation to e-commerce by participating in platform design, order processing and after-sales services that are closely interlinked and inseparable from such kind of business. It is envisaged that the Group can ultimately provide one-stop technical consultancy services to other operators without a physical presence in overseas markets. Upon completion of the Entrusted Management Agreement, the Group looks forward to finding new customers and continue to provide relevant services to them as soon as possible.

In addition, the Group looks for other attractive businesses in an attempt to diversify its business areas to reduce its reliance on existing logistics businesses and broaden its revenue base. The Group commenced a new business segment trading in fashion items since October 2022, which may include sourcing luxury fashion products from Europe and arranging logistics from Europe to Hong Kong and then delivering the products to Hong Kong-based customers. The Group has entered into several contracts with independent third parties concerning the purchase agreements and sales agreement.

The Company is constantly striving to improve the Group’s business operations and financial position by actively seeking potential investment opportunities that would diversify the Group’s existing business portfolio, broaden its source of income and enhance the value to the Shareholders of the Company.

## **FINANCIAL REVIEW**

### **Revenue**

The Group’s revenue was primarily generated from (i) the provision of air freight forwarding and related logistics services; (ii) the provision of sea freight forwarding and related logistics services; (iii) the provision of entrusted management services for operating an online e-commerce platform; and (iv) trading fashion items.

Total revenue of the Group decreased by approximately 38.5% from approximately HK\$136.5 million for Previous Period to approximately HK\$83.9 million for the Review Period.

Revenue generated from air freight forwarding and related logistics services for the Review Period amounted to approximately HK\$80.1 million (Previous Period: approximately HK\$119.2 million), accounting for approximately 95.5% of the Group’s total revenue (Previous Period: approximately 87.3%). The revenue from this segment remained to be the major source of the revenue of the Group.

\* *For identification purposes only*

Revenue generated from the provision of sea freight forwarding and related logistics services for the Review Period amounted to approximately HK\$2.7 million (Previous Period: approximately HK\$16.1 million), accounting for approximately 3.2% of the Group's total revenue (Previous Period: approximately 11.8%). Most of the Group's customers from this segment are direct shippers.

No revenue was generated from the provision of entrusted management services from operating an online e-commerce platform for the Review Period as the business operation from this sector was temporary stop since January 2023 (Previous Period: approximately HK\$1.2 million), not accounting for any of the Group's total revenue (Previous Period: 0.9%).

Revenue generate from trading of fashion items for the Review Period amounted to approximately HK\$1.1 million (Previous Period: Nil), accounting for approximately 1.3% of the Group's total revenue (Previous Period: Nil).

### **Cost of services and gross profit**

The Group's cost of services decreased by approximately 39.1% from approximately HK\$136.1 million for the Previous Period to approximately HK\$82.9 million for the Review Period. This decrease was mainly in cope with the reduction in sales orders received.

The Group's gross profit increased by approximately 118.7% from approximately HK\$0.4 million for the Previous Period to approximately HK\$0.9 million for the Review Period. Gross profit margin increased from approximately 0.3% for the Previous Period to approximately 1.1% for the Review Period. Such increase was mainly attributable to (i) the unit costs of air and sea cargo spaces reduced gently from the high level in Previous Period, due to the increase in supply of cargo spaces as most of the pandemic-related restrictions have been lifted in global level; and (ii) an increase in storage costs when compared with the Previous Period but under a more gently level.

### **Other income**

Other income included bank interest income from bank deposits, other interest income from refundable rental deposits and sundry income.

### **Other gains and losses**

The Group recorded a net gain in other gains and losses during the Review Period, which was primarily attributable to the gain on foreign exchange.

## **Sales and marketing expenses**

Sales and marketing expenses mainly included cost of business development and soliciting new customers. The amount increased during the Review Period as service charge amounting to approximately HK\$1.2 million (Previous Period: approximately HK\$0.8 million) was paid to a consultant.

## **Administrative expenses**

The Group's administrative expenses increased to approximately HK\$12.0 million for the Review Period from approximately HK\$10.2 million for the Previous Period. Such expenses mainly included staff costs and benefits, audit fees, legal and professional fees, depreciation, utilities and other expenses. The increase was mainly due to an increase in professional fees of approximately HK\$2.0 million. Such increases included installation of Management Software, and consultancy fee for daily operation and management system review.

## **Impairment losses recognised on trade receivables, net**

Under the Hong Kong Financial Reporting Standard 9 "Financial Instruments", the management assessed the measurement of expected credit losses ("ECL") in relation to trade receivables and used a collectively assessed provision matrix to calculate ECL. During the Review Period, additional impairment loss of approximately HK\$0.2 million was recognised (Previous Period: reversal in impairment loss of approximately HK\$1.0 million was recognised) due to the increase in trade receivable balances.

## **Finance costs**

Finance costs for the Review Period represented interest expenses on lease liabilities and bank borrowings. Finance costs decreased from approximately HK\$88,000 for the Previous Period to approximately HK\$59,000 for the Review Period which was caused by the decrease in interest expenses on bank borrowings.

## **Income tax expenses**

The Group's income tax (credit)/expense primarily included provisions for Hong Kong's Profits Tax, the PRC Enterprise Income Tax and deferred income tax (credit)/expense. A loss before taxation of approximately HK\$14.2 million for the Review Period was recorded (Previous Period: loss before taxation of approximately HK\$10.8 million), and an income tax credit of approximately HK\$54,000 was recorded for the Review Period (Previous Period: income tax expenses approximately HK\$0.3 million).



## **Loss for the period**

The Group recorded a loss for the period of approximately HK\$14.2 million for the Review Period, compared to a loss for the period of approximately HK\$11.1 million for the Previous Period. The loss was mainly due to the effects of (i) a decrease in turnover due to the slower than expected recovery of global trading following the COVID-19 Pandemic, as well as drops in demand for cargo spaces because of the global economic downturn; (ii) an increase in storage costs; and (iii) an increase in sales and marketing expenses and administrative expenses when compared with the Previous Period.

## **Trade and other receivables**

Trade receivables (net of allowance for impairment of trade receivables) increased by 77.8% from approximately HK\$20.3 million at 31 March 2023 to approximately HK\$36.1 million at 30 September 2023. Such increase was primary attributable to the trade receivables of HK\$31.2 million aged within 60 days at 30 September 2023, of which generate from the sales turnover of HK\$46.2 million for the 3 months period ended 30 September 2023.

The Group's prepayments, deposits and other receivables decreased when compared to year ended 31 March 2023.

## **Trade payables and other payables**

Trade payables increased by approximately 124.7% from approximately HK\$12.7 million at 31 March 2023 to approximately HK\$28.6 million at 30 September 2023. Such increase was primary attributable to the trade payables of HK\$27.7 million aged within 60 days at 30 September 2023, of which generate from the cost of services of HK\$46.1 million for the 3 month period ended 30 September 2023.

Other payables and accrued expenses increased by approximately 109.9% from approximately HK\$4.0 million at 31 March 2023 to approximately HK\$8.4 million at 30 September 2023.

## **LIQUIDITY AND FINANCIAL RESOURCES**

The Group funded the liquidity and capital requirements for the Review Period primarily through cash flows from operating activities.

At 30 September 2023, the Group had cash and cash equivalents in the sum of approximately HK\$25.8 million (at 31 March 2023: approximately HK\$25.7 million) and time deposits over three months of approximately HK\$3.0 million (at 31 March 2023: approximately HK\$3.0 million) most of which were either denominated in HKD, United States Dollars (“USD”) and Renminbi (“RMB”).

At 30 September 2023, the Group had bank borrowings in the sum of approximately HK\$1.0 million (at 31 March 2023: approximately HK\$1.7 million). The Group had lease liabilities of approximately HK\$1.2 million at 30 September 2023 (at 31 March 2023: approximately HK\$1.5 million).

Gearing ratio is the current debt (including bank borrowing and leases liabilities) divided by total equity and multiplied by 100% at the year/period ended date. The gearing ratio of the Group at 30 September 2023 was approximately 3.0% (at 31 March 2023: approximately 3.8%). As a result of the increase in equity after placing of new shares, the gearing ratio decreased.

During the Review Period, the Group did not employ any financial instrument for hedging purpose.

The Directors are of the view that, at the date of this announcement, the Group's financial resources are sufficient to support its business and operations.

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

1. On 6 April 2023, the Company conducted a placing of 112,830,000 new ordinary shares of HK\$0.01 each (the “**Placing Share**”) at a price of HK\$0.071 each to raise a gross proceeds of approximately HK\$8.0 million (the “**Placing**”). The Placing Shares were issued under the relevant general mandate granted to the Directors at the annual general meeting of the Company held on 2 September 2022. The closing price per share of the Company on the Stock Exchange on 6 April 2023 was HK\$0.069. The net price per Placing Share was approximately HK\$0.068. Completion of the Placing took place on 18 May 2023 (the “**Placing under General Mandate**”). As at the date of this announcement, the net proceeds from the Placing under General Mandate (after deducting the placing commission and other relevant costs and expenses) amounted to approximately HK\$7.67 million were fully utilised as the Group's general working capital. As at the date of this announcement, the net proceeds arising from the Placing had been applied in accordance with the plans as set out in the Company's announcements.

Further details of the Placing, were set out in the announcements of the Company dated 6 April 2023, 28 April 2023 and 18 May 2023.

2. On 19 September 2023, the Company entered into the placing agreement with a placing agent pursuant to which the placing agent conditionally agreed to place as the Company's placing agent, on a best effort basis, the placing shares of 220,566,000 new ordinary shares of HK\$0.01 each (the “**2023 Placing Share**”) at a price of HK\$0.100 per Share to raise a gross proceeds of approximately HK\$22.1 million (the “**2023 Placing**”). There were no discount to the placing price of HK\$0.100 per Share to the closing price on 19 September 2023. The 2023 Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 28 August 2023. The long stop date of the 2023 Placing has been further extended pursuant to the supplement agreements entered into between the Company and the placing agent. The parties agreed to further extend the long stop date to on or before 15 November 2023 (or such later date as may be agreed between the Company and the placing agent. Further announcement in relation to the placing will be made by the Company as and when appropriate.

For details of the 2023 Placing, please refer to the announcements of the Company dated 19 September 2023, 9 October 2023, 24 October 2023 and 7 November 2023.

## USE OF PROCEEDS FROM THE PLACING

The net proceeds from the Placing amounted to approximately HK\$7.67 million.

Set out below is the actual use of net proceeds during the six months ended 30 September 2023.

		<b>Net proceeds utilised during the period ended</b>	<b>Unutilised net proceeds as at</b>	<b>Expected timeline on utilisation of unutilised net proceeds</b>
<b>Use of net proceeds</b>	<b>Net proceeds</b>	<b>30 September 2023</b>	<b>30 September 2023</b>	
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	
<b>Placing</b>				
General working capital	7.67	7.67	–	N/A
Total	7.67	7.67	–	

There is no material change between the intended use of the net proceeds of the Placing, and the actual use of the net proceeds of the Placing.

## CHARGE ON ASSETS

At 30 September 2023, certain property, plant and equipment of the Group with a carrying value of approximately HK\$1.3 million (at 31 March 2023: approximately HK\$1.6 million) were held under leases liabilities and bank deposits of approximately HK\$3.0 million (at 31 March 2023: approximately HK\$3.0 million) was pledged to secure the guarantee facilities obtained by the Group. Save as disclosed, the Group did not have any charges on its assets.

## FOREIGN EXCHANGE EXPOSURE

During the Review Period, the Group received payments from the Group's customers in foreign currencies, such as USD, Euro ("EUR"), RMB and New Taiwan Dollars ("NTD"), and the Group settled some of its cost and expenses with suppliers in USD, EUR, RMB and NTD. The Group is exposed to certain foreign exchange risks in respect of depreciation or appreciation amongst those currencies. The Group's operating activities are mainly denominated in HKD and the Group is exposed to foreign exchange risks primarily arising from provisions of services to customers and payments of cost of services to suppliers whose operating activities are denominated in foreign currencies. Although the Group does not maintain any specific hedging policy or foreign currency forward contracts, the Group's management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should it become necessary.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

At 30 September 2023, the Group had no outstanding capital commitments (at 31 March 2023: Nil) for the acquisition of property, plant and equipment. Save for the plans disclosed in the Company's announcement(s) or this announcement, the Group did not have any future plans for material investments or capital assets at 30 September 2023.

## **MATERIAL ACQUISITIONS AND DISPOSALS**

There were no material acquisitions and disposal of subsidiaries by the Group during the Review Period.

## **SIGNIFICANT INVESTMENTS**

The Group did not hold any significant investments during the Review Period.

## **EVENT AFTER REPORTING PERIOD**

The long stop date of the 2023 Placing has been further extended pursuant to the supplement agreements entered into between the Company and the placing agent. Please refer to the section headed "Placing of New Shares under General Mandate" in this announcement for details.

Except for above mentioned, there was no significant event relevant to the business or financial performance of the Group after the Review Period and up to the date of this report.

## **CAPITAL EXPENDITURE**

During the Review Period, the Group did not invested in any property, plant and equipment (Previous Period: HK\$719,000).

## **CONTINGENT LIABILITIES**

The Group did not have any material contingent liabilities both at 31 March 2023 and at 30 September 2023.

## **DIVIDEND**

The Board does not recommend the payment of interim dividend for the Review Period (Previous Period: Nil).

## **CAPITAL STRUCTURE**

There has been no change in the capital structure of the Group since 1 April 2023. The share capital of the Company consists only of ordinary shares of the Company.

At 30 September 2023, the Company's issued share capital was HK\$11.0 million, the number of its issued ordinary shares was 1,102,830,000 and the par value of each ordinary share was HK\$0.01.

## **TREASURY POLICIES**

The Group adopts a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position throughout the Review Period. The management of the Group regularly reviews the recoverable amount of each individual trade debtors and sundry debtors to ensure prompt recovery and if necessary, to make adequate impairment losses for irrecoverable amounts. During the Review Period, a sum of approximately HK\$0.2 million for impairment losses on trade receivables, deposits and other receivables was recognised (as compared with reversal of impairment loss recognised of approximately HK\$1.0 million was recognised in the Previous Period).

## **EMPLOYEES AND REMUNERATION POLICIES**

At 30 September 2023, the Group employed 28 staff in Hong Kong, and 4 staff in the PRC (at 31 March 2023: 28 staff in Hong Kong and 5 staff in the PRC).

For the Review Period, the Group's total cost for employee compensation and benefits (including Director's emoluments) was approximately HK\$6.5 million (Previous Period: approximately HK\$7.0 million). Remuneration is determined with reference to market terms, industrial norms and the performance, qualifications and experience of the employees.

Apart from basic remuneration, share options may be granted by the Company to eligible employees by reference to the Group's performance as well as the individual's contribution. As disclosed in the Prospectus, the Company adopted a share option scheme on 14 August 2018 (the "**Share Option Scheme**") to incentivize and retain staff members who have contributed to the development and success of the Group. The Directors believe that the compensation packages offered by the Group to its employees are competitive in comparison with market standard and practices.

During the Review Period, the Group's employees attended trainings in relation to air cargo operations, listing rules, corporate governance, accounting and taxation.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The board (“**Board**”) of directors (“**Director**”) of the Company is committed to achieving good corporate governance practices and procedures. The Directors believe that good corporate governance practices are essential to enhance stakeholders’ confidence and support. From 1 April 2023 to 30 September 2023, the Company complied with the code provisions prescribed in the establishment and implementation of the corporate governance guidelines containing principles and code provisions of the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix 15 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”).

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements and to meet the rising expectations of shareholders and investors.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors (the “**Required Standard of Dealings**”).

Following specific enquiries to all of the Directors, each Director has confirmed that they had complied with the Required Standard of Dealings throughout the Review Period.

## **DIRECTOR’S INTEREST IN COMPETING BUSINESS**

The Directors, controlling shareholders and their respective associates (as defined in the GEM Listing Rules) are not aware of any competing business that they themselves are currently conducting or is being conducted by their connected or related parties during the Review Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities from 1 April 2023 up to 30 September 2023.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS

As at 30 September 2023, the following Directors and chief executive of the Company (the “**Chief Executive**”) had the following interests and short positions in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”)) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules:

### (i) Long position in shares of the Company

Name of Director/ Chief Executive	Capacity/ Nature of interests	Interest in Shares	Approximate percentage of the Company's issued share capital
Mr. Loy Hak Yu Thomas (“ <b>Mr. Thomas Loy</b> ”)	Interest in a controlled corporation ( <i>Note 1</i> )	2,000	0.01%
Mr. Liao Daichun (“ <b>Mr. Liao</b> ”)	Beneficial owner ( <i>Note 2</i> )	130,250,000	11.81%
Mr. Yan Ximao	Beneficial owner ( <i>Note 3</i> )	1,170,000	0.11%

### (ii) Long position in shares of associated corporations

Name of Director	Name of associated corporation	Capacity/ Nature of interests	Interest in shares	Approximate percentage of the Company's issued share capital
Mr. Thomas Loy	Ho Tat Limited (“ <b>Ho Tat</b> ”) ( <i>Note 1</i> )	Beneficial owner ( <i>Note 1</i> )	1	100%

*Notes:*

1. Ho Tat is wholly and beneficially owned by Mr. Thomas Loy. By virtue of the SFO, Mr. Thomas Loy is deemed to be interested in all the shares held by Ho Tat.
2. Mr. Liao has been the chief executive officer with effect from 20 August 2021.
3. Mr. Yan Ximao is an executive Director of the Company.

Save as disclosed above and below under the heading “Directors’ Rights to Acquire Shares or Debentures”, at 30 September 2023, none of the Directors or the Chief Executive and/or any of their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules.

## **DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed in this announcement, at no time during the Review Period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Save as disclosed in this announcement, at no time during the Review Period the Directors and the Chief Executive (including their spouses and children under 18 years of age) had any interest in, or been granted or exercised, any rights to subscribe for the shares (or warrants or debentures, as applicable) of the Company or any of its associated corporations (within the meaning of the SFO).

## **SUBSTANTIAL SHAREHOLDERS’ AND OTHER PERSONS’ INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY**

To the best knowledge of the Directors, as at 30 September 2023, the substantial shareholders of the Company had interests or short positions in the shares or underlying shares of the Company, which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO as follows:



## Long Positions

Name	Capacity/ nature of interests	Number of shares held/ interested (Note 4)	Approximate percentage of shareholding
Mr. Liao Daichun	Beneficial owner (Note 1)	130,250,000 (L)	11.81%
Ms. Zhao Rongjing	Interest of spouse (Note 2)	130,250,000 (L)	11.81%
Mr. Luo Honghui	Beneficial owner, interest in a controlled corporation (Note 3)	126,650,000 (L)	11.48%
Zhongyuehui (Shenzhen) Holdings Group Limited	Beneficial owner (Note 3)	126,650,000 (L)	11.48%

### Notes:

1. Mr. Liao Daichun has been the chief executive officer with effect from 20 August 2021.
2. Ms. Zhao Rongjing is the spouse of Mr. Liao Daichun, and is deemed to be interested in the shares which are interested by Mr. Liao Daichun under the SFO.
3. Zhongyuehui (Shenzhen) Holdings Group Limited (a company 95% controlled by Mr. Luo Honghui (“**Mr. Luo**”)) is interested in 126,650,000 Shares. Accordingly, Mr. Luo is deemed to be interested in 126,650,000 Shares owned by Zhongyuehui (Shenzhen) Holdings Group Limited by virtue of Part XV of the SFO.
4. The letter “L” denotes long position in the shares.

Save as disclosed above, at 30 September 2023, the Directors are not aware of any interests and short positions owned by the Chief Executive, or other parties. No person, other than the Directors, whose interests are set out in the section “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Any Associated Corporations” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## SHARE OPTION SCHEME

The Company adopted a Share Option Scheme on 14 August 2018. The purpose of the Share Option Scheme is to recognise the contribution of, and to provide an incentive to, key staff of the Group who have contributed or will contribute to the Group in order to motivate and retain them for the operation and development of the Group.

Up to the date of this announcement, no share options has been granted, exercised, lapsed or cancelled under the Share Option Scheme and there were no outstanding share options under the Share Option Scheme at 30 September 2023 and at the date of this announcement.

## **CHANGE IN DIRECTORS' INFORMATION**

Mr. Yan Ximao, an executive Director, was appointed as an executive director of Pinestone Capital Limited (stock code: 804) on 10 August 2023, shares of which are listed on the main board of the Stock Exchange.

Mr. Chow Chi Wing, an independent non-executive Director, was appointed as the chief financial officer, the company secretary and the authorised representative of Wisdom Wealth Resources Investment Holding Group Limited (stock code: 7) on 6 November 2023, shares of which are listed on the main board of the Stock Exchange.

Save as disclosed above, the Company is not aware of any other changes in the directors' information which are required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the publication of annual report for the year ended 31 March 2023 of the Company.

## **AUDIT COMMITTEE**

The Company established an audit committee (the “**Audit Committee**”) with specific written terms of reference formulated in accordance with the requirements of rules 5.28 to 5.29 of the GEM Listing Rules and the CG Code. The Audit Committee currently consists of three independent non-executive Directors, namely Mr. Ho Yuk Ming Hugo, Mr. Chow Chi Wing and Mr. Liao Dongqiang. Mr. Ho Yuk Ming Hugo is the chairman of the Audit Committee. The primary duties of the Audit Committee include, but are not limited to (i) making recommendations to the Board on the appointment, reappointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor and any questions of its resignation or dismissal; (ii) monitoring the integrity of the Company's financial statements and reviewing the annual reports and accounts, half-year reports and quarterly reports, and reviewing significant financial reporting judgements contained in them; and (iii) reviewing the financial reporting, financial controls, risk management and internal control systems of the Group.

The Audit Committee has reviewed the unaudited consolidated results of the Group for the Review Period.

By order of the Board  
**Wan Leader International Limited**  
**Zhang Pangfei**  
*Executive Director*

Hong Kong, 13 November 2023

*At the date of this announcement, the executive Directors are Mr. Loy Hak Yu Thomas, Mr. Zhang Pangfei, Ms. Wu Yushan and Mr. Yan Ximao; the independent non-executive Directors are Mr. Ho Yuk Ming Hugo, Mr. Chow Chi Wing, Mr. Liao Dongqiang and Ms. Qu Tianyun.*

*This announcement will remain on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its posting. This announcement will also be published on the website of the Company at [www.wanleader.com](http://www.wanleader.com).*