

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.



WAN LEADER INTERNATIONAL LIMITED

萬勵達國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8482)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

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.

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.

Annual Results

The board of Directors (the “**Board**”) of the Company and its subsidiaries (collectively referred to as the “**Group**”) is please to announce the audited consolidated results of the Group for the year ended 31 March 2024 together with the comparative figures for the previous year are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Revenue	4	187,193	206,936
Cost of services		<u>(182,555)</u>	<u>(204,436)</u>
Gross profit		4,638	2,500
Other income	5	462	877
Other gains and losses	6	(84)	(739)
Sales and marketing expenses		(5,998)	(6,434)
Administrative expenses		(23,364)	(22,564)
(Impairment losses)/reversal of impairment losses recognised under expected credit loss model on trade receivables, net		(309)	1,213
Reversal of impairment losses/(impairment losses) recognised under expected credit loss model on deposits and other receivables, and amount due from a related party, net		5	(27)
Finance costs	7	(101)	(162)
Share of loss of an associate		<u>—</u>	<u>(583)</u>
Loss before taxation		(24,751)	(25,919)
Income tax credit/(expense)	8	80	(852)
Loss for the year	9	<u>(24,671)</u>	<u>(26,771)</u>

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Other comprehensive expense for the year			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of financial statements of foreign operations		<u>(102)</u>	<u>(203)</u>
Other comprehensive expense for the year		<u>(102)</u>	<u>(203)</u>
Total comprehensive expense for the year		<u><u>(24,773)</u></u>	<u><u>(26,974)</u></u>
Loss for the year attributable to the owners of the Company		<u><u>(24,671)</u></u>	<u><u>(26,771)</u></u>
Total comprehensive expense for the year attributable to the owners of the Company		<u><u>(24,773)</u></u>	<u><u>(26,974)</u></u>
Loss per share	<i>11</i>		
Basic and diluted (<i>HK cents</i>)		<u><u>(2.16)</u></u>	<u><u>(2.85)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		3,375	3,312
Deposits		8	8
Deferred tax assets		148	67
		<u>3,531</u>	<u>3,387</u>
Current assets			
Inventories		432	588
Trade and other receivables, deposits and prepayment	12	68,207	46,415
Amount due from a related company		1,901	3,112
Tax recoverable		–	1,153
Pledged bank deposits		3,017	3,002
Bank balances and cash		14,823	25,733
		<u>88,380</u>	<u>80,003</u>
Current liabilities			
Trade and other payables	13	29,941	16,689
Contract liabilities		323	384
Lease liabilities		486	673
Bank borrowings	14	756	1,670
Tax payable		1,267	1,334
		<u>32,773</u>	<u>20,750</u>
Net current assets		<u>55,607</u>	<u>59,253</u>
Total assets less current liabilities		<u>59,138</u>	<u>62,640</u>

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		353	826
Provisions		<u>100</u>	<u>100</u>
		<u>453</u>	<u>926</u>
Net Assets		<u>58,685</u>	<u>61,714</u>
Capital and reserves			
Share capital	15	12,478	9,900
Other reserves		109,714	90,650
Accumulated losses		<u>(63,507)</u>	<u>(38,836)</u>
Total Equity		<u>58,685</u>	<u>61,714</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

	Attributable to the owners of the Company							Total
	Share capital	Share premium	Other reserve	Merger reserve	Statutory reserve	Exchange reserve	Accumulated losses	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i> <i>(Note i)</i>	<i>HK\$'000</i> <i>(Note ii)</i>	<i>HK\$'000</i> <i>(Note iii)</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
At 1 April 2022	8,400	49,429	14,118	1,091	199	35	(11,907)	61,365
Loss for the year	-	-	-	-	-	-	(26,771)	(26,771)
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	-	(203)	-	(203)
Total comprehensive expense for the year	-	-	-	-	-	(203)	(26,771)	(26,974)
Appropriations to statutory reserve	-	-	-	-	158	-	(158)	-
Proceeds from placing of new shares	1,500	26,400	-	-	-	-	-	27,900
Issuing expenses of placing of new shares	-	(577)	-	-	-	-	-	(577)
At 31 March 2023	9,900	75,252	14,118	1,091	357	(168)	(38,836)	61,714

	Attributable to the owners of the Company							Total
	Share capital	Share premium	Other reserve	Merger reserve	Statutory reserve	Exchange reserve	Accumulated losses	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i> <i>(Note i)</i>	<i>HK\$'000</i> <i>(Note ii)</i>	<i>HK\$'000</i> <i>(Note iii)</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
At 1 April 2023	9,900	75,252	14,118	1,091	357	(168)	(38,836)	61,714
Loss for the year	-	-	-	-	-	-	(24,671)	(24,671)
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	-	(102)	-	(102)
Total comprehensive expense for the year	-	-	-	-	-	(102)	(24,671)	(24,773)
Proceeds from placing of new shares	2,578	19,934	-	-	-	-	-	22,512
Issuing expenses of placing of new shares	-	(768)	-	-	-	-	-	(768)
At 31 March 2024	12,478	94,418	14,118	1,091	357	(270)	(63,507)	58,685

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 the amount of share capital of Union Air.

The combination of Union Air by Ever Metro have been accounted for using the principles of merger accounting as Union Air 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. GENERAL

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.

The consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”) which is also the functional currency of the Group.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting date. The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”). Other than changes in accounting policies resulting from application of new and amendments to HKFRSs, the accounting policies and methods of computation used in the consolidated financial statements for the year ended 31 March 2024 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 March 2023.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied, for the first time, the following new and amendments to Hong Kong Financial Reporting Standards (the “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning on 1 April 2023:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform-Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as disclosed below, the application of the other new and amendments to HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

The Group has applied the amendments for the first time in the current year. HKAS 1 Presentation of Financial Statements is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 Making Materiality Judgements (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s material accounting policy information set out in note to the consolidated financial statements.

In accordance with the guidance set out in the amendments, accounting policy information that is standardized information, or information that only duplicates or summarises the requirements of the HKFRSs, is considered immaterial accounting policy information and is no longer disclosed in the notes to the consolidated financial statements so as not to obscure the material accounting policy information disclosed in the notes to the consolidated financial statements.

Amendments to HKFRSs issued but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 March 2024 reporting periods and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods.

4. REVENUE AND SEGMENT INFORMATION

The Group's revenue from provision of freight forwarding and related logistics services and entrusted management service for operating an online e-commerce platform is 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. Revenue from trading of fashion items is recognised when the customer obtains control of the distinct goods.

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, an executive director of the Group, for the purpose of resource allocation and performance assessment focuses on the different types of services. The CODM regularly review revenue and results analysis by (i) provision of freight forwarding and related logistics services; (ii) entrusted management service for operating an online e-commerce platform; and (iii) trading of fashion items. No analysis of segment assets and segment liabilities are presented as such information is not regularly provided to the CODM in current or prior year.

During the year ended 31 March 2024, 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
- iii) Trading of fashion items

An analysis of the Group's revenue for the year is as follow:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregate by reportable segments:		
Provision of freight forwarding and related logistics services:		
– Air freight	170,549	176,068
– Sea freight	4,997	19,553
	<u>175,546</u>	<u>195,621</u>
Entrusted management services for operating an online e-commerce platform	–	3,941
Trading of fashion items	11,647	7,374
	<u>187,193</u>	<u>206,936</u>

All performance obligations for provision of freight forwarding and related logistics services, entrusted management services for operating an online e-commerce platform and trading of fashion items are for a period of less than one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied/partially unsatisfied performance obligations as at 31 March 2024 and 2023 are not disclosed.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments.

For the year ended 31 March 2024

	Freight forwarding and related logistics services <i>HK\$'000</i>	Entrusted management services for operating an online e-commerce platform <i>HK\$'000</i>	Trading of fashion items <i>HK\$'000</i>	Total <i>HK\$'000</i>
REVENUE				
External revenue and segment revenue	<u>175,546</u>	–	<u>11,647</u>	<u>187,193</u>
RESULT				
Segment (loss)/profit	<u>(16,456)</u>	<u>(890)</u>	<u>2,489</u>	<u>(14,857)</u>
Other income				462
Corporate expenses				(10,255)
Finance costs				<u>(101)</u>
Loss before taxation				<u>(24,751)</u>

For the year ended 31 March 2023

	Freight forwarding and related logistics services <i>HK\$'000</i>	Entrusted management services for operating an online e-commerce platform <i>HK\$'000</i>	Trading of fashion items <i>HK\$'000</i>	Total <i>HK\$'000</i>
REVENUE				
External revenue and segment revenue	<u>195,621</u>	<u>3,941</u>	<u>7,374</u>	<u>206,936</u>
RESULT				
Segment (loss)/profit	<u>(18,471)</u>	<u>1,652</u>	<u>1,531</u>	<u>(15,288)</u>
Other income				877
Corporate expenses				(10,763)
Share of loss of an associate				(583)
Finance costs				<u>(162)</u>
Loss before taxation				<u>(25,919)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents (loss)/profit before taxation from each segment without allocation of certain other income, certain central administrative expenses, impairment losses/(reversal of impairment losses) recognised under expected credit loss for deposits and other receivables, and amount due from a related party, and finance costs. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

Other segment information – Amounts included in segment results

For the year ended 31 March 2024

	Freight forwarding and related logistics services <i>HK\$'000</i>	Entrusted management services for operating an online e-commerce platform <i>HK\$'000</i>	Trading of fashion items <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amount included in the measure of segment loss:					
Addition to non-current assets <i>(note (i))</i>	–	–	–	1,920	1,920
Depreciation of property, plant and equipment	752	253	–	786	1,791
Reversal of impairment losses recognised under expected credit loss model on deposits other receivables, and amount due from a related company, net	(1)	(4)	–	–	(5)
Impairment losses recognised under expected credit loss model on trade receivables, net	98	–	211	–	309
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:					
Interest income	217	–	–	4	221
Finance costs	78	–	–	23	101
Income tax credit	37	–	45	(2)	80
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

For the year ended 31 March 2023

	Freight forwarding and related logistics services <i>HK\$'000</i>	Entrusted management services for operating an online e-commerce platform <i>HK\$'000</i>	Trading of fashion items <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amount included in the measure of segment loss:					
Addition to non-current assets <i>(note (i))</i>	–	569	–	102	671
Depreciation of property, plant and equipment	752	246	–	264	1,262
(Reversal of impairment losses)/ impairment losses recognised under expected credit loss model on deposits and other receivables, and amount due from a related company, net	(12)	39	–	–	27
(Reversal of impairment losses)/ impairment losses recognised under expected credit loss model on trade receivables, net	(1,277)	–	64	–	(1,213)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:					
Interest income	95	1	–	1	97
Finance costs	162	–	–	–	162
Income tax expense	192	660	–	–	852

Note (i): Non-current assets excluded deferred tax assets. Addition of non-current assets during the year ended 31 March 2024 represented purchase of office equipment under property, plant and equipment.

Geographic information

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong (place of domicile)	187,193	202,995
The People's Republic of China (the "PRC")	–	3,941
Total	187,193	206,936

Information about the Group's non-current assets by geographical market based on the location of assets:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Hong Kong (place of domicile)	2,485	2,103
The PRC	898	1,217
	<hr/>	<hr/>
Total	3,383	3,320
	<hr/> <hr/>	<hr/> <hr/>

Note: Non-current assets excluded deferred tax assets.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Customer A ¹	34,303	36,157
Customer B ¹	23,745	24,256
	<hr/> <hr/>	<hr/> <hr/>

¹ Revenue from provision of freight forwarding and related logistics services segment.

5. OTHER INCOME

	2024 HK\$'000	2023 <i>HK\$'000</i>
Interest income		
– Bank deposits	220	96
– Rental deposits (<i>note 1</i>)	1	1
Government grants (<i>note 2</i>)	–	530
Sundry income	241	250
	<hr/>	<hr/>
	462	877
	<hr/> <hr/>	<hr/> <hr/>

Notes:

1. During the years ended 31 March 2024 and 2023, the amount represents the imputed interest income arises from the deposits placed in respect of the lease entered which is over one year.
2. During the year ended 31 March 2023, government grants were related to Employment Support Scheme (the “ESS”) provided by The Government of the Hong Kong Special Administrative Region (the “HKSAR”) under the Anti-Epidemic Fund. There were no unfulfilled conditions and other contingencies attached to receipts of those subsidies. No such government grant was received during the year ended 31 March 2024.

6. OTHER GAINS AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Exchange gain	31	203
Loss on disposal of an associate	–	(942)
Loss on write off of inventories	(115)	–
	<u>(84)</u>	<u>–</u>
	<u><u>(84)</u></u>	<u><u>(739)</u></u>

7. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interests on:		
– bank borrowings	60	70
– lease liabilities	41	92
	<u>101</u>	<u>162</u>
	<u><u>101</u></u>	<u><u>162</u></u>

8. INCOME TAX (CREDIT)/EXPENSE

The income tax (credit)/expense comprises:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax:		
– Hong Kong Profits Tax	–	–
– PRC Enterprise Income Tax (“EIT”)	–	670
	–	670
Deferred taxation	<u>(80)</u>	<u>182</u>
	<u><u>(80)</u></u>	<u><u>852</u></u>

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 years ended 31 March 2024 and 2023, 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.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

The income tax (credit)/expense can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	2024 HK\$'000	2023 HK\$'000
Loss before tax	<u>(24,751)</u>	<u>(25,919)</u>
Tax at the Hong Kong Profits Tax rate of 16.5%	(4,084)	(4,277)
Tax effect of income not taxable for tax purpose	(36)	(103)
Tax effect of expenses not deductible for tax purpose	325	633
Tax effect of tax losses not recognised	3,916	4,343
Tax effect of deductible temporary differences not recognised	28	16
Effect of different tax rates of subsidiaries operating in other jurisdictions	–	194
Others	<u>(229)</u>	<u>46</u>
Income tax (credit)/expense	<u>(80)</u>	<u>852</u>

9. LOSS FOR THE YEAR

	2024 HK\$'000	2023 HK\$'000
Loss for the year has been arrived at after charging:		
Staff cost, excluding directors' and chief executive officer's emoluments:		
– Salaries, bonus and other benefits	10,666	10,245
– Contributions to retirement benefits schemes	<u>398</u>	<u>401</u>
Total staff costs excluding directors' and chief executive's emoluments	<u>11,064</u>	<u>10,646</u>
Auditors' remuneration		
– Current year	750	700
– Under provision in prior year	12	20
Depreciation of property, plant and equipment	1,791	1,262
Cost of inventories	<u>8,947</u>	<u>5,842</u>

10. DIVIDENDS

No dividend was paid or proposed during the year ended 31 March 2024, nor has any dividend been proposed since the end of the reporting period (2023: nil).

11. LOSS PER SHARE

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

(a) Basic

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss		
Loss represent loss for the year attributable to the owners of the Company	<u>(24,671)</u>	<u>(26,771)</u>
<i>Number of shares</i>		
	2024 <i>'000</i>	2023 <i>'000</i>
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>1,142,617</u>	<u>939,863</u>

(b) Diluted

Diluted loss per share is same as basic loss per share as there were no potential ordinary shares in issue for the years ended 31 March 2024 and 2023.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Receivables at amortised cost comprise:		
Trade receivables	33,309	20,709
<i>Less</i> : allowances for expected credit losses of trade receivables	<u>(705)</u>	<u>(396)</u>
	<u>32,604</u>	<u>20,313</u>
Prepayment, deposits and other receivables comprise:		
– Rental deposits	104	95
– Deposits and prepayment		
– Third party freight forwards	2,000	2,100
– Logistics and warehouse services	10,800	7,200
– Suppliers of fashion items	18,629	15,895
– Other	372	597
– Other receivables	3,700	218
<i>Less</i> : allowances for expected credit losses of deposits and other receivables	<u>(2)</u>	<u>(3)</u>
	<u>35,603</u>	<u>26,102</u>
Total trade and other receivables, deposits and prepayment	<u><u>68,207</u></u>	<u><u>46,415</u></u>

Note:

All trade receivables as at 31 March 2024 and 2023 are arising from HKFRS 15.

The Group's trade receivables that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Denominated in United States dollar (“USD”)	<u><u>4,478</u></u>	<u><u>4,603</u></u>

The Group allows credit periods ranging from 30 to 90 days to its customers.

The following is an aging analysis of trade receivables net of allowance for expected credit losses of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates, at the reporting date:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	15,914	12,052
More than 30 but within 60 days	9,066	6,557
More than 60 but within 90 days	7,343	1,680
More than 90 days	281	24
	<u>32,604</u>	<u>20,313</u>

13. TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	21,409	12,707
Other payables and accrued expenses	8,532	3,982
	<u>29,941</u>	<u>16,689</u>

Included in other payables were (i) amount due to a director of approximately HK\$339,000 (2023: HK\$302,000); (ii) and amount due to a related company of approximately HK\$16,000, as at 31 March 2024 (2023: HK\$18,000).

The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	13,406	9,894
More than 30 but within 60 days	7,416	2,111
More than 60 but within 90 days	45	160
More than 90 but within 180 days	542	542
	<u>21,409</u>	<u>12,707</u>

The credit periods granted from the suppliers are ranging from 30 to 45 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The Group's trade payables that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Denominated in USD	<u>1,639</u>	<u>1,890</u>
Denominated in Great Britain Pound (“GBP”)	<u>542</u>	<u>542</u>

14. BANK BORROWINGS

The followings are carrying amounts of bank borrowings presented based on contractual scheduled repayment dates set out in the loan agreements:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within one year	500	914
After one year but within two years	256	500
After two years but within five years	<u>–</u>	<u>256</u>
	<u>756</u>	<u>1,670</u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Carrying amounts of bank borrowings that are not repayable on demand or within one year from the end of the reporting period but: – contain a repayment on demand clause	<u>756</u>	<u>1,670</u>

The unsecured bank borrowings carried at interest rate of Prime rate – 2.25% per annum for 3 years to 5 years (2023: at interest rate of Prime rate – 2.25% per annum for 3 years to 5 years) in Hong Kong. The borrowings are repayable on demand and so the balances had been classified as current liabilities. The proceeds were used for general working capital purpose.

As at 31 March 2024 and 2023, the Group has no undrawn facilities granted by bank.

15. SHARE CAPITAL

	Number of ordinary shares	Share capital <i>HK\$</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2023 and 31 March 2024	<u>10,000,000,000</u>	<u>100,000,000</u>
Issued and fully paid:		
At 1 April 2023 and 31 March 2024	990,000,000	9,900,000
Issue of new shares: <i>(note (i))</i>	<u>257,830,000</u>	<u>2,578,300</u>
At 31 March 2024	<u><u>1,247,830,000</u></u>	<u><u>12,478,300</u></u>

Note (i): On 18 May 2023, the Company issued 112,830,000 shares with par value HK\$0.01 each at HK\$0.071 each with gross proceeds of approximately HK\$8,012,000. And on 16 November 2023, the Company issued 145,000,000 shares with par value HK\$0.01 each at HK\$0.1 each with gross proceeds of HK\$14,500,000.

BUSINESS REVIEW

For the year ended 31 March 2024 (the “Year”), the Group encountered a tough year with sluggish consumption and multiple geopolitical conflicts despite the lifting of all COVID-19 control measures. The Group recorded a net loss of approximately HK\$24.7 million for the Year, a decrease of approximately HK\$2.1 million or 7.8% as compared to the previous year.

The slow recovery in retail sales performance in most markets was a major factor, and together with high interest rates, uncertainties surrounding consumer demands, the unexpected disruptions arising from intensifying geopolitics conflicts, the reshaping of global industrial chain and supply chain after the COVID-19 pandemic and together with the adjustments of inventory period had all contributed to our poor performance for the Year.

In accordance to the World Bank’s forecast, the global economy will continue to slow down for the third consecutive year in 2024. However, the Group is cautious yet optimistic towards its business and development in the upcoming year, with our management to monitor and seize opportunities ahead. The Company will continue to closely monitor the global market situation and potential changes in market demand for logistics in order to maintain our competitiveness by adopting strategies of differentiation and low-cost operation and making timely adjustment to its operating methods with the ever-changing market conditions.

Nevertheless, the Group would keep looking for other attractive business(es) in an attempt to diversify its business segments to reduce the reliance on existing logistics businesses and broaden its revenue base. The Group has commenced a new business segment trading of 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 including purchase agreements and sales agreement. The revenue of this business segment has grown to HK\$11.6 million for the Year, represented a growth of 56.8% from the previous year. The Company will continuously review its business strategies, improve operational efficiency, and strive for sustainable growth to create long-term value for shareholders and investors.

FINANCIAL REVIEW

Revenue

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

Total revenue of the Group decreased by approximately 9.5% from approximately HK\$206.9 million for the Previous Year to approximately HK\$187.2 million for the Year. The revenue of the Group decreased significantly.

Revenue generated from provision of air freight forwarding and related logistics services for the Year amounted to approximately HK\$170.6 million (Previous Year: approximately HK\$176.1 million), accounting for approximately 91.1% of the Group's total revenue (Previous Year: approximately 85.1%). The revenue from this segment remained as the major source of revenue of the Group.

Revenue generated from provision of sea freight forwarding and related logistics services for the Year amounted to approximately HK\$5.0 million (Previous Year: approximately HK\$19.5 million), accounting for approximately 2.7% of the Group's total revenue (Previous Year: approximately 9.4%). Most of the Group's customers from this segment are direct shippers.

Decrease in revenue from air and sea freight forwarding service with related logistics services decreased significantly due to (i) the continues impact brought by the COVID-19 pandemic, the customs clearance process between mainland China and Hong Kong freight has been hindered; and (ii) drops in demand for cargo spaces because of the worldwide economic downturn.

No revenue was generated from the provision of entrusted management services from operating an online e-commerce platform for the Review Year as the business operation from this sector temporarily halted since January 2023 (Previous Year: approximately HK\$3.9 million), not accounting for any of the Group's total revenue (Previous Period: 1.9%).

Revenue generate from trading of fashion items for the Year amounted to approximately HK\$11.6 million (Previous Year: approximately HK\$7.4 million), accounting for approximately 6.2% of the Group's total revenue (Previous Year: 3.6%). This was a new business to the Group commenced from the year ended 31 March 2023.

Cost of services and gross profit

The Group's cost of services decreased by approximately 10.7% from approximately HK\$204.4 million for the Previous Year to approximately HK\$182.6 million for the Year. This decrease was mainly due to drops in demand for cargo spaces in the year, in line with the decrease in revenue from air and sea freight forwarding service with related logistics services.

The Group's gross profit increased by approximately 85.5% from approximately HK\$2.5 million for the Previous Year to approximately HK\$4.6 million for the Year. Gross profit margin increased from approximately 1.2% for the Previous Year to approximately 2.5% for the Year. Such increase was mainly attributable the effects of (i) the unit cost of air and sea cargo spaces remained at a high level due to limited supply caused by the COVID-19 pandemic, it slowed down the customs clearance process between mainland China and Hong Kong, and also different countries worldwide; and (ii) an increase in storage costs HK\$2.5 million in a gentle rate when compared with the Previous Year (approximately HK\$5.4 million).

Other income

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

Other gains and losses

Other gains and losses included foreign exchange gain and written-off of the wear out and damaged inventories in PRC region. The Group recorded a net loss in other gains and losses during the Year, which was mainly attributable to the written-off of the wear out and damaged inventories in PRC region.

Sales and marketing expenses

Sales and marketing expenses mainly included cost of business development and soliciting new customers.

The amount decreased during the Year as a service charge amounting to approximately HK\$2.4 million (Previous Year: approximately HK\$2.8 million) was paid/payable to a consultant who assisted the Group in exploring business in Vietnam and Taiwan.

Administrative expenses

The Group's administrative expenses increased to approximately HK\$23.4 million for the Year from approximately HK\$22.6 million for the Previous Year. Such expenses mainly included staff costs and benefits, audit fees, legal and professional fees, depreciation, utilities and other expenses.

Reversal of 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 Year, an impairment loss of approximately HK\$0.3 million was recognised (Previous Year: a reversal of impairment loss of approximately HK\$1.2 million) was recognised due to the increase in trade receivable balances and increase in the customer's past due ratio.

Impairment losses on deposits and other receivables, and amount due from a related party, net

During the Year, an impairment loss of approximately HK\$5,000 was reversed (Previous Year: impairment loss of approximately HK\$27,000 was recognised) due to decrease in amount due from a related company.

Finance costs

Finance costs for the Year represented interest expenses on lease liabilities and bank borrowings. Finance costs remained as approximately HK\$0.1 million for the Previous Year and for the Year.

Income tax expense

The Group's income tax expense primarily included provisions for Hong Kong's Profits Tax, the PRC Enterprise Income Tax, and deferred income tax. A loss before taxation (Previous Year: loss before taxation of approximately HK\$25.9 million) of approximately HK\$24.8 million for the Year was recorded, and a income tax credit of approximately HK\$80,000 was recorded for the Year (Previous Year: income tax expense of approximately HK\$0.9 million).

Loss for the year

The Group recorded a loss for the year of approximately HK\$24.7 million for the Year, compared to a loss for the year of approximately HK\$26.8 million for the Previous Year. The loss was mainly due to the effects of (i) a decrease in revenue from air and sea freight forwarding service with related logistics services of HK\$20.1 million when compared with the Previous year; and (ii) an increase in storage costs HK\$2.5 million when compared with the Previous Year. All of these caused the Company faced a loss after tax expenses of HK\$24.7 million for the Year.

Trade and other receivables

Trade receivables (net of allowance for expected credit losses of trade receivables) increased by 60.5% to approximately HK\$32.6 million (Previous year: approximately HK\$20.3 million). Such increase was primarily to i) amounts due from several new customers from the freight forwarding and logistics services (approximately HK\$4.8 million in March 2024) contributed a relatively longer recoverable period than the other customers; and ii) revenue from trading of fashion items in current year increased by 56.7% to approximately HK\$11.6 million (Previous year: approximately HK\$7.4 million), and the amounts due from the customers increased by 324% to approximately HK\$10.6 million (Previous year: approximately HK\$2.5 million). Up to the date of this announcement, the Group has received approximately HK\$2 million settlement from the customers from this segment.

The Group's prepayment, deposits and other receivable increased by 36.4% to approximately HK\$35.6 million (Previous year: approximately HK\$26.1 million). Such increase was mainly because of (i) increase in prepayments to a supplier of logistics and warehouse services by 50% to approximately HK\$10.8 million (Previous year: approximately HK\$7.2 million) to obtain a 10% discount in storage fee; and (ii) increase in prepayment to suppliers of fashion items by 17.0% to approximately HK\$18.6 million (Previous year: HK\$15.9 million).

Trade and other payables

Trade payables increased by 68.5% to approximately HK\$21.4 million (Previous year: approximately HK\$12.7 million). The increase was mainly due to the Group has shifting its major cargo space provider to a business of which providing the Group a longer credit period (up to 45 days) of which have an amounts payable of approximately HK\$10 million (Previous year: less than HK\$0.1 million).

Other payables and accrued expenses increased by 112.5% to approximately HK\$8.5 million (Previous year: approximately HK\$4.0 million).

DIVIDEND

The Directors do not recommend the payment of a final dividend for the Year (Previous Year: nil).

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The Group funded the liquidity and capital requirements for the Year primarily through internal resources and bank borrowings.

At 31 March 2024, the Group had cash and cash equivalents of approximately HK\$14.8 million (at 31 March 2023: approximately HK\$25.7 million) and pledged bank deposits of approximately HK\$3.0 million (at 31 March 2023: approximately HK\$3.0 million), most of which were either denominated in HKD, USD or RMB.

At 31 March 2024, the Group had bank borrowings in the sum of approximately HK\$0.8 million (at 31 March 2023: approximately HK\$1.7 million). The Group had lease liabilities of approximately HK\$0.8 million at 31 March 2024 (at 31 March 2023: approximately HK\$1.5 million).

The gearing ratio is the debts (including bank borrowings and lease liabilities) divided by total equity and multiplied by 100% at the year-end date. The gearing ratio of the Group at 31 March 2024 was approximately 2.7% (at 31 March 2023: approximately 5.2%). As a result of the decrease in lease liabilities and increase in total equity, the gearing ratio of the Group decreased as at the reporting date.

During the Year, the Group did not enter into 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.

CHARGE ON ASSETS

At 31 March 2024, 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 and certain property, plant and equipment of the Group with a carrying amount of approximately HK\$1.0 million (at 31 March 2023: approximately HK\$1.6 million) were held under finance lease. Save as disclosed, the Group did not have any charges on its assets.

FOREIGN EXCHANGE EXPOSURE

During the Year, the Group received payments from the Group's customers in foreign currencies, such as USD, Euro ("EUR"), RMB and NTD, and also settled some of its costs and expenses with suppliers in foreign currencies, such as 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 Hong Kong dollars 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 31 March 2024, 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 Prospectus, the Company's announcement(s) or the Annual Report, the Group did not have any future plans for material investments or capital assets at 31 March 2024.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the notes to the consolidated financial statements, the Group did not have any material acquisition and disposal of subsidiary or associated company during the year ended 31 March 2024.

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments during the Year.

CAPITAL EXPENDITURE

During the Year, the Group invested approximately HK\$1.9 million in property, plant and equipment, mainly attributable to computer software in Hong Kong office (Previous year: HK\$0.7 million to leasehold improvement and right-of-use assets in Hong Kong office).

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities at 31 March 2023 and at 31 March 2024.

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 of ordinary shares of the Company only.

At 31 March 2024, the Company's issued share capital was HK\$12.5 million, the number of issued ordinary shares was 1,247,830,000 and the par value of each ordinary share was HK\$0.01.

TREASURY POLICY

The Group adopts a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position throughout the Year. The management of the Group regularly reviews the recoverable amount of each individual trade debtor to ensure prompt recovery and if necessary, to make adequate impairment losses for irrecoverable amounts. During the Year, a sum of approximately HK\$0.3 million of impairment losses recognised under expected credit loss model on trade and other receivables, deposits, and amount due from a related party was recognised (Previous Year: approximately HK\$1.2 million was reversed.)

OUTLOOK AND PROSPECTS

The freight forwarding market in the financial year ended 31 March 2024 has been stiff despite the lifting of all bans and restrictions related to the pandemic. Without doubt, quick and strong economic recovery was anticipated.

However, this was not the case and coincided with the effects caused by rising interest rates, spending conservatism, regional wars and conflicts and the heightened geopolitical tensions. The Group's operations in Hong Kong and operating markets were inevitably affected.

The Group has commenced a business segment regarding trading of fashion items since October 2022. The segment is starting to pick up and we would keep working diligently on this segment despite of post-pandemic conservative consumer sentiments. It is envisaged that the poor sentiments would be gradually corrected with the recent improving market conditions. The management expects this segment will contribute to diversify its business base and expand its revenue base as well.

The Group will continue to ride on its past experience in air freight forwarding and related services so as to penetrate further into existing customers and further enrich its customer portfolio. The Group is committed to and aims to deliver a satisfactory growth and return to the shareholders in the long run.

EMPLOYMENT AND REMUNERATION POLICY

At 31 March 2024, the Group employed 32 staff in Hong Kong and 7 staff in the PRC (at 31 March 2023: 28 staff in Hong Kong and 5 staff in the PRC).

For the Year, the Group's total costs for employee compensation and benefits (including Director's emoluments) were approximately HK\$15.4 million (Previous Year: approximately HK\$14.8 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 with 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 ("**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 Year, the Group's employees attended training in relation to air cargo operations and safety, listing rules, tax and accounting.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has in all material respects complied with all relevant laws, rules and regulations that have a significant impact on the Group and its operations.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group regarded environmental protection as an integral part of its operations. The management of the Company has promoted the green concept in the daily operations through energy saving programs and reducing resource consumption. When the Group improved the lighting of the office, the Group already considered using LED lights to reduce energy consumption. Employees are encouraged to switch off air conditioning and electrical appliances when they are not in use. The Group's operation has complied in all material respects with currently applicable local environmental protection laws and regulations in Hong Kong and the PRC during the Year.

For details of environmental, social and governance performance of the Group, please refer to the Environmental, Social and Governance report.

RELATIONSHIP WITH STAKEHOLDERS

The Group always maintains good relations with its employees, customers, suppliers, subcontractors and other stakeholders.

The management of the Group takes an active approach in directly communicating with employees and providing adequate training and medical insurance as part of their remuneration. Given that employees are important assets for success, the Group has strived to maintain good relations with its workforce and keep a low employee turnover rate. This aims to boost the operational dexterity and productivity of staff while inculcating team spirit among them.

The Group treasures the close and long-term working relations with its customers in the past years. The management frequent visited the customers, collected their feedback on the provided services and introduced updated and value-added services to them.

Likewise, the Group also understands the importance of its suppliers and subcontractors. The Group believes a harmonious relationship with its suppliers and subcontractors is key to the success of the business.

During the Year, there was no material or significant dispute between the Group and its employees, customers, suppliers, subcontractors and other stakeholders.

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 “**2023 First Placing Share**”) at a price of HK\$0.071 each to raise a gross proceeds of approximately HK\$8.01 million (the “**2023 First Placing**”). The 2023 First 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 2023 First Placing Share was approximately HK\$0.068. Completion of the 2023 First Placing took place on 18 May 2023 (the “**2023 First Placing under General Mandate**”). As at the date of this announcement, the net proceeds from the 2023 First Placing under General Mandate (after deducting the placing commission and other relevant costs and expenses) amounted to approximately HK\$7.69 million were fully utilised as the Group’s general working capital. As at the date of this announcement, the net proceeds arising from the 2023 First Placing had been applied in accordance with the plans as set out in the Company’s announcements.

Further details of the 2023 First 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 conducted a placing of 145,000,000 new ordinary shares of HK\$0.01 each (the “**2023 Second Placing Share**”) at a price of HK\$0.100 each to raise a gross proceeds of approximately HK\$14.50 million (the “**2023 Second Placing**”). The 2023 Second Placing Shares were issued under the relevant general mandate granted to the Directors at the annual general meeting of the Company held on 28 August 2023. There were no discount to the placing price of HK\$0.100 per 2023 Second Placing Share to the closing price on 19 September 2023. Completion of the 2023 Second Placing took place on 16 November 2023 (the “**2023 Second Placing under General Mandate**”). As the date of this announcement, the net proceeds from the 2023 Second Placing under General Mandate (after deducting the placing commission and other relevant costs and expenses) amounted to approximately HK\$14.05 million were fully utilized as the Group’s general working capital. As at the date of this announcement, the net proceeds arising from the 2023 Second Placing had been applied in accordance with the plan as set out in the Company’s announcements.

For details of the 2023 Second Placing, please refer to the announcements of the Company dated 19 September 2023, 9 October 2023, 24 October 2023, 7 November 2023 and 16 November 2023.

USE OF PROCEEDS FROM THE PLACING

The net proceeds from the 2023 First Placing and the 2023 Second Placing amounted to approximately HK\$7.69 million and approximately HK\$14.05 million respectively.

Set out below is the actual use of net proceeds up to the date of this announcement.

Use of net proceeds	Net proceeds during the year ended 31 March 2024	Net proceeds utilised during the year ended 31 March 2024	Unutilised net proceeds as at 31 March 2024	Expected timeline on utilisation of Unutilised net proceeds
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	
2023 First Placing				
General working capital	7.69	7.69	–	N/A
2023 Second Placing				
General working capital	14.05	14.05	–	N/A
Total	<u>21.74</u>	<u>21.74</u>	<u>–</u>	

There was no material change between the intended use and the actual use of the net proceeds of the 2023 First Placing and the 2023 Second Placing.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board 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 up to 31 March 2024, 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 GEM Listing Rules except for the deviation from the code provision of (i) C.2.1 of the CG Code which has already been resolved during the Year; and (ii) B.2 of the CG Code which has already been resolved with details set out in the circular and notice of extraordinary general meeting of the Company issued on 25 October 2021.

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 he or she complied with the Required Standard of Dealings throughout the period from 1 April 2023 up to 31 March 2024.

DIRECTORS' INTEREST IN COMPETING BUSINESS

The Directors are not aware of any business or interest of the Directors nor the controlling Shareholders nor any of their respective close associates that competes or may compete, directly or indirectly, with the Group's business and any other conflicts of interest which any such person has or may have with the Group during the Year and up to the date of this announcement.

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

Save as disclosed in the announcement dated on 1 September 2021 and the renewed entrusted management agreement with Zhejiang Jiyueke Brand Management Co., Ltd. (formerly known as Guangdong Jiyueke Brand Management Co., Ltd.)* on 1 September 2022 which was expired on 31 December 2022, during the Year, the Group has not entered into any connected transactions or continuing connected transactions that are not exempted under the GEM Listing Rules. The Board confirms that the Company has complied with the applicable disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

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.

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. Further details of the Share Option Scheme are disclosed in the section headed "Statutory and General Information – D. Share Option Scheme" in Appendix IV of the Prospectus.

Up to the date of this announcement, no share option 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 31 March 2024 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.

* *for identification purpose only*

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.

Mr. Ho Yuk Ming Hugo, an independent non-executive Director, retired as the company secretary and authorised representative of RMH Holdings Limited (stock code: 8427) with effect from 11 March 2024.

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 2024 of the Company.

EVENT AFTER THE YEAR ENDED 31 MARCH 2024

The Group did not have any significant event after the Year and up to the date of this announcement.

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 report 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 accounting principles and practices adopted by the Group, the consolidated financial statements and this annual results announcement for the Year.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting (“**AGM**”) of the Company will be held on Wednesday, 28 August 2024. The transfer books and register of members of the Company will be closed from Friday, 23 August 2024 to Wednesday, 28 August 2024, both days inclusive, during which no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificate(s) must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 22 August 2024.

SCOPE OF WORK OF JH CPA ALLIANCE LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, JH CPA Alliance Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by JH CPA Alliance Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by JH CPA Alliance Limited on the preliminary announcement.

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

Hong Kong, 28 June 2024

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Loy Hak Yu Thomas, Mr. Zhang Pangfei, Ms. Wu Yushan, Mr. Yan Ximao and Ms. Qu Tianyun; and three independent non-executive Directors, namely, Mr. Ho Yuk Ming Hugo, Mr. Chow Chi Wing and Mr. Liao Dongqiang.

This announcement will remain on the Stock Exchange's website at 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.