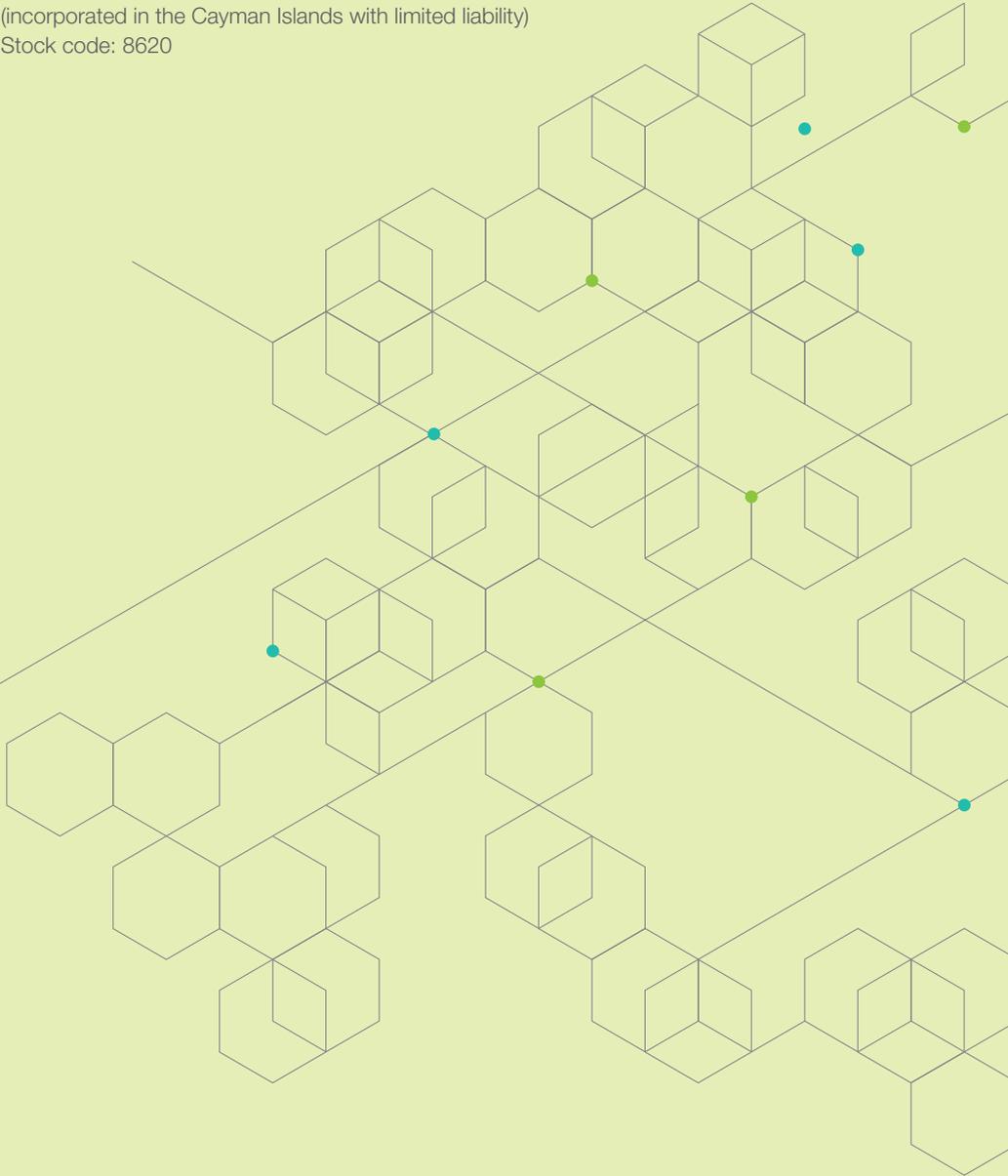


Asia-express Logistics Holdings Limited 亞洲速運物流控股有限公司

(incorporated in the Cayman Islands with limited liability)
Stock code: 8620



FIRST QUARTERLY REPORT 2020/2021

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (collectively the “**Directors**” or individually a “**Director**”) of Asia-express Logistics Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”, “**we**”, “**our**” or “**us**”) 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. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

*Unless otherwise defined herein, capitalised terms used in this report shall have the same meanings as those defined in the Prospectus of the Company dated 31 March 2020 (the “**Prospectus**”).*



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Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the three months ended 30 June 2020

	Notes	Three months ended 30 June	
		2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
Revenue	4	80,005	80,104
Other income		1,709	1,820
Other gains and losses		6	(1,681)
Employee benefits expenses		(9,746)	(11,483)
Dispatch labour costs		(28,158)	(21,073)
Transportation costs		(36,109)	(37,998)
Depreciation of property, plant and equipment		(1,435)	(600)
Depreciation of right-of-use assets		(2,873)	(2,531)
Operating lease rentals in respect of rented premises/ short-term lease payments		—	(188)
Other expenses		(4,792)	(2,649)
Finance costs		(550)	(538)
Share of results of an associate		35	27
(Loss)/Profit before tax		(1,908)	3,210
Income tax expense	5	—	(362)
(Loss)/Profit for the period		(1,908)	2,848
Other comprehensive income/(expense) that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		1	(301)
Other comprehensive income/(expense) for the period		1	(301)
Total comprehensive (expense)/income for the period		(1,907)	2,547
(Loss)/Profit for the period attributable to owners of the Company		(1,908)	2,848
Total comprehensive (expense)/income for the period attributable to owners of the Company		(1,907)	2,547
(Loss)/Earning per Share (HK cents)			
Basic	6	(0.41)	0.75

Unaudited Condensed Consolidated Statement of Changes in Equity

For the three months ended 30 June 2020

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Exchange reserve HK\$'000	Statutory reserve HK\$'000 (Note a)	Retained profits HK\$'000	Total HK\$'000
At 1 April 2019 (audited)	—*	7,000	1,876	1,563	2,324	36,484	49,247
Profit for the period	—	—	—	—	—	2,848	2,848
Other comprehensive expenses	—	—	—	(301)	—	—	(301)
Total comprehensive expenses for the period	—	—	—	(301)	—	2,848	2,547
At 30 June 2019 (unaudited)	—	7,000	1,876	1,262	2,324	39,332	51,794
At 1 April 2020 (audited)	—*	3,882	1,876	(605)	2,431	33,992	41,576
Loss for the period	—	—	—	—	—	(1,908)	(1,908)
Other comprehensive income	—	—	—	1	—	—	1
Total comprehensive income for the period	—	—	—	1	—	(1,908)	(1,907)
Shares issued pursuant to the share offer	—	60,000	—	—	—	—	60,000
Transaction costs attributable to the share offer	—	(21,778)	—	—	—	—	(21,778)
At 30 June 2020 (unaudited)	—	42,104	1,876	(604)	2,431	32,084	77,891

* Less than HK\$1,000

Notes:

- (a) Amount represents statutory reserve of the subsidiaries of the Company established in the People's Republic of China (the "PRC"). According to the relevant laws in the PRC, the subsidiaries in the PRC are required to transfer at least 10% of its net profit after taxation, as determined under the relevant accounting principles and financial regulations applicable to enterprises established in the PRC, to a non-distributable reserve fund until the reserve balance reaches 50% of its registered capital. The transfer to this reserve must be made before the distribution of a dividend to owners. Such reserve fund can be used to offset the previous years' losses, if any, and is non-distributable other than upon liquidation.

Notes to the Consolidated Financial Statements

For the three months ended 30 June 2020

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 2 January 2018 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares (the “Shares”) have been listed on the GEM of the Stock Exchange on 20 April 2020 (the “Listing”). The addresses of the Company’s registered office and principal place of business in Hong Kong are Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands and Unit 1613-1615, Level 16, Tower 1 Metroplaza, 223 Hing Fong Road, Kwai Fong, Hong Kong, respectively.

The controlling shareholder of the Company is 3C Holding Limited, a company incorporated in the British Virgin Islands, and is owned as to 95% and 5% by Mr. Chan Le Bon (“Mr. LB Chan”) and Mr. Chan Yu, respectively.

The principal activity of the Company is investment holding. The principal activities of the Group are the provision of air cargo terminal operation services, transportation services and warehousing and value-added services in Hong Kong and the PRC.

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

2. BASIS OF PREPARATION

The quarterly financial information has been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules. The quarterly financial information does not include all the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by Hong Kong Institute of Certified Public Accountants (“HKICPA”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 March 2020 (the “2020 Financial Statements”). The principal accounting policies applied in preparing this quarterly financial information are set out in note 3 to the 2020 Financial Statements.

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

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2020. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years. The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. REVENUE

Revenue represents the amounts received and receivable for services provided in the normal course of business.

An analysis of the Group’s revenue for the three months ended 30 June 2020 and 2019 is as follows:

	Three months ended 30 June	
	2020	2019
	HK\$’000	HK\$’000
	(unaudited)	(unaudited)
Air cargo terminal operation services		
— Ground handling	27,376	27,568
— Ancillary delivery	15,576	16,566
Transportation services	22,904	29,533
Warehousing and other value-added services	14,149	6,437
	80,005	80,104

5. INCOME TAX EXPENSE

	Three months ended 30 June	
	2020 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)
The tax charge comprises:		
Hong Kong Profits Tax — current tax	—	360
PRC enterprise income tax — current tax	—	2
	—	362
Deferred tax	—	—
	—	362

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for both periods.

PRC enterprise income tax (“EIT”) is calculated at 25% of the estimated assessable profits for both periods. Pursuant to the relevant laws and regulations in the PRC, one of the Company’s PRC subsidiaries is entitled to 10% PRC EIT for both periods as the subsidiary is qualified as small entities for a reduced tax rate.

6. (LOSS)/EARNING PER SHARE

For the purpose of the basic (loss)/earning per Share during the relevant periods, the calculation for the relevant periods is based on the unaudited (loss)/profit attributable to owners of the Company for the relevant periods and on 460,219,780 (2019: 379,816,514) weighted average number of ordinary shares and based on the assumption that the Shares issued pursuant to the capitalisation issue that took place on 17 April 2020, which is the issue of 359,999,782 Shares to be made upon capitalisation of certain sums standing to the credit of the share premium account of our Company, had been effective on 1 April 2019.

No diluted earnings per Share are presented for the relevant periods as there were no potential dilutive ordinary Share in issue.

7. DIVIDENDS

No dividends were paid, declared or proposed during the three months ended 30 June 2020 (2019: Nil). The Directors resolved not to pay an interim dividend for the three months ended 30 June 2020 (2019: Nil).

Management Discussion and Analysis

BUSINESS REVIEW AND PROSPECTS

The outbreak of COVID-19 in early 2020 has brought significant disruption to the economic activities in the worldwide logistic business, especially the air freight segment. According to the International Air Transport Association (IATA), airlines in the Asia-Pacific region is suffering from the hardest hit by the COVID-19 crisis and 2020 is the worst year in aviation history and airlines are in survival mode. During the three months ended 30 June 2020, we have recorded an increase in revenue generated from some new customers, which we mainly provide warehousing and value-added services in our customers' warehouses. However, due to the COVID-19 pandemic and trade-war between the PRC and the United States, the volume of air cargoes handled by our self-run Air Freight CFS Warehouse was far lower than our expectation. The Group has already invested and incurred certain utilities expenses and dispatch labour cost to maintain the daily operation of the Air Freight CFS Warehouse. Nevertheless, the decrease in the expected volume of air cargoes handled by the Group has severely impacted our profit margin of the warehousing segment as we were not able to maximise the effectiveness of our warehouse operation and cover the cost of operating the self-run Air Freight CFS Warehouse and the X-ray screening machine.

Though our first quarter performance was negatively affected by the COVID-19 pandemic, the Group was extremely proud of the herculean efforts of all our front-line staff, supporting staff, subcontractors and customers. With safety as the first priority, we have maintained our quality of services throughout the toughest period and provided essential transportation services to critical supplies locally and across the border between Hong Kong and the PRC. In the meantime, we will continue to explore new customers and we believe that the investments in the Air Freight CFS Warehouse and X-ray screening machines will bring benefits to the Group in the long run.

Given the uncertainty of both the duration of the pandemic and the implementation of pandemic preventive measures, further changes in the economic conditions and preventive measures may impact the Group's financial results and daily operation. For the time being, though our financial performance is negatively affected by the outbreak of the COVID-19 pandemic, fortunately, our daily operations have been running smoothly and we are able to maintain the quality of our service. The Group will continue to monitor the development of the COVID-19 pandemic and react proactively to its impact on the Group.

FINANCIAL REVIEW

Revenue

During the three months ended 30 June 2020, we have experienced a slight drop in revenue derived from certain of our long-existing customers, our overall revenue slightly decreased by approximately HK\$0.1 million or 0.1% from approximately HK\$80.1 million for the three months ended 30 June 2019 to approximately HK\$80.0 million for the three months ended 30 June 2020 due to the combination of the following factors:

- (i) increase in revenue generated from providing warehousing and other value added services by approximately HK\$7.7 million or 120.3% to approximately HK\$14.1 million for the three months ended 30 June 2020 as compared to that of approximately HK\$6.4 million for the three months ended 30 June 2019. Such increase was benefited from the business generated from some newly secured customers during the period; and
- (ii) offset by the decrease in revenue generated from providing air cargo terminal operating services and transportation services by approximately HK\$7.8 million or 10.6% to approximately HK\$65.9 million for the three months ended 30 June 2020 as compared to that of approximately HK\$73.7 million for the three months ended 30 June 2019. Such decrease was mainly derived from the decrease in the number of trips of delivery in the PRC as we have not renewed the contract with Top Global Express Carrier for the ancillary delivery and transportation services in Shenzhen and Guangzhou since September 2019 and the general decrease in revenue generated from some local customers due to the COVID-19 pandemic.

Other income

Other income decreased by approximately HK\$0.1 million or 5.6% to approximately HK\$1.7 million for the three months ended 30 June 2020 as compared to that of approximately HK\$1.8 million for the three months ended 30 June 2019. Other income for the three months ended 30 June 2020 represented mainly the "One-off Subsidy" from the Anti-epidemic Fund established by the Hong Kong Government, to provide financial support to the transport trades in view of the severe impact of the COVID-19 pandemic, which amounted to approximately HK\$1.4 million. Whereas, other income for the three months ended 30 June 2019 represented mainly the government subsidies on the replacement of Euro III diesel commercial vehicle of approximately HK\$1.8 million.

Other gains and losses

Other gains and losses mainly represent loss on disposal of property, plant and equipment and exchange gain and loss. Our Group recorded other losses of approximately HK\$1.7 million and other gains of approximately HK\$6,000 for the three months ended 30 June 2019 and 2020, respectively. The change in other gains and losses was mainly due to the absence of the loss on disposal of property, plant and equipment for the three months ended 30 June 2020.

Employee benefits expenses

Employee benefits expenses consist primarily of wages and salaries, retirement benefits scheme contributions, and other allowances and benefits. The employee benefits expenses decreased by approximately HK\$1.8 million or 15.7% from approximately HK\$11.5 million for the three months ended 30 June 2019 to approximately HK\$9.7 million for the three months ended 30 June 2020 mainly due to the decrease in headcount from 236 full-time employees as at 30 June 2019 to 224 full-time employees as at 30 June 2020, mostly being drivers in the PRC.

Dispatch labour costs

The dispatch labour costs represented the amount paid to our dispatched work agencies for the provision of our air cargo ground handling services, warehousing services and value added services. It increased by approximately HK\$7.1 million or 33.6% to approximately HK\$28.2 million for the three months ended 30 June 2020 as compared to that of approximately HK\$21.1 million for the three months ended 30 June 2019. Such increase was mainly due to the dispatch labour costs to serve our newly secured customers for the provision of warehousing services during the three months ended 30 June 2020. The increase was also driven from the increased need of manpower in our Air Freight CFS Warehouse to maintain the daily operation of warehousing and X-ray screening services.

Depreciation of property, plant and equipment and right-of-use assets

For the three months ended 30 June 2020, the depreciation of property, plant and equipment and right-of-use assets amounted to approximately HK\$4.3 million, representing an increase of approximately HK\$1.2 million or 38.7% as compared to that of approximately HK\$3.1 million for the three months ended 30 June 2019. Such increase was consistent with the increase in property, plant and equipment and the lease liabilities of motor vehicles for operation during the three months ended 30 June 2020.

Transportation costs

Transportation costs decreased by approximately HK\$1.9 million or 5.0% to approximately HK\$36.1 million for the three months ended 30 June 2020 as compared to that of approximately HK\$38.0 million for the three months ended 30 June 2019. Such decrease was mainly due to the decreased service fees paid to external transportation service providers.

Other expenses

Our other expenses mainly include warehousing operating costs, utilities expenses, insurance and legal and other professional fees. It increased by approximately HK\$2.2 million or 84.6% to approximately HK\$4.8 million for the three months ended 30 June 2020 as compared to that of approximately HK\$2.6 million for the three months ended 30 June 2019, which was primarily due to:

- (i) the increase in warehousing operating costs, including utilities expenses, cost of material used for the Air freight CFS Warehouse and other expenses driven by the increased business from the newly secured customers in warehousing and other value-added services segment; and
- (ii) the increase in legal and other professional fees including sundry expenses charged by various professional parties.

Finance costs

Our finance costs remain relatively stable at approximately HK\$0.6 million and HK\$0.5 million for the three months ended 30 June 2020 and 2019, respectively.

Income tax expenses

The income tax expenses fell from approximately HK\$0.4 million for the three months ended 30 June 2019 to nil for the three months ended 30 June 2020 as there was no assessable profit for the three months ended 30 June 2020.

(Loss)/Profit for the period

For the three months ended 30 June 2020, our Group recorded a net loss of approximately HK\$1.9 million (for the three months ended 30 June 2019: net profit of approximately HK\$2.8 million). As discussed above, the net loss for the three months ended 30 June 2020 was mainly due to the cumulative effect of: (i) the increase in depreciation of right-of-use assets; (ii) additional warehouse operating costs and dispatch labour costs incurred for maintaining the Air Freight CFS Warehouse; and (iii) the increase in legal and other professional fees.

Use of proceeds

Based on the offer price of HK\$0.5 per offer share, the net proceeds from the Listing, after deducting the underwriting commission and other estimated expenses, amounted to approximately HK\$17.8 million. The Group intended to apply such net proceeds in accordance with the purposes set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus. During the three months ended 30 June 2020, the Group has applied the net proceeds as follows:

	Net proceeds received	Utilised amount during three months ended 30 June 2020	Unutilised amount as at 30 June 2020
	HK\$'000	HK\$'000	HK\$'000
Expansion and upgrading of our transportation fleet	6,150	197	5,953
Expansion of our labour force	4,400	334	4,066
Acquisition of x-ray screening systems	3,750	312	3,438
Investment in and upgrading of our information technology systems	3,500	—	3,500
Total	17,800	843	16,957

The unutilised net proceeds from the Listing are placed in the bank accounts of the Group in Hong Kong.

Disclosure of Additional Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2020, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (the "SFO") (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests in the Company

Long positions in the ordinary Shares

Name of Director/ chief executive	Capacity/Nature of interest	Number of Shares held (Note i)	Approximate percentage of the Company's issued share capital
Mr. LB Chan	Interest in a controlled corporation (Note ii)	330,120,000	68.8%
Mr. Choy Wing Hang, William ("Mr. William Choy")	Interest in a controlled corporation (Note iii)	29,880,000	6.2%

Notes:

- (i) All interests in the Shares are in long position.
- (ii) The Shares are owned by 3C Holding Limited. The entire issued share capital of 3C Holding Limited is owned as to 95% by Mr. LB Chan and as to 5% by Mr. Chan Yu, respectively. Mr. LB Chan is deemed to be interested in such number of Shares held by 3C Holding Limited.
- (iii) Diligent City Limited owns approximately 6.2% of the entire issued share capital of the Company. Mr. William Choy is deemed to be interested in such number of Shares held by Diligent City Limited as Mr. William Choy owns 100% of Diligent City Limited.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, so far as the Directors are aware, the following persons (other than the Director and the chief executive of the Company) had or deemed or taken to have an interest and/or short position in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register of interests required to be kept by the Company under section 336 of the SFO:

Long positions in the ordinary Shares

Name of shareholder	Capacity/Nature of interest	Number of Shares held (Note i)	Approximate percentage of the Company's issued share capital
3C Holding Limited	Beneficial owner	330,120,000	68.8%
Diligent City Limited	Beneficial owner	29,880,000	6.2%
Ms. Leung Song	Interest of spouse (Note ii)	29,880,000	6.2%

Notes:

- (i) All interests in the Shares are in long position.
- (ii) Ms. Leung Song is the spouse of Mr. William Choy. Ms. Leung Song is deemed to be interested in the same number of Shares in which Mr. William Choy is deemed to be interested in under the SFO.

Save as disclosed above, as at 30 June 2020, the Company has not been notified of any other persons (other than the Director or the chief executive of the Company) or entities who had or deemed or taken to have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the "Share Option Scheme") on 27 March 2020. For the principal terms of the Share Option Scheme, please refer to the paragraph headed "Other Information — 15. Share Option Scheme" in Appendix IV to the Prospectus. Up to the date of this report, no share option has been granted, lapsed, exercised or cancelled by the Company pursuant to the Share Option Scheme.

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 three months ended 30 June 2020.

DIRECTORS' INTERESTS IN CONTRACTS

For the three months ended 30 June 2020, no Director had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party.

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' COMPETING INTERESTS

For the three months ended 30 June 2020, save as disclosed in the annual report 2020, none of the Directors or substantial shareholders of the Company or any of their respective close associates (as defined under the GEM Listing Rules) has interest or engaged in any business that compete or may compete with the business of the Group, or have any other conflict of interests with the Group.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**"). The Company, having made specific enquiry of all the Directors, is not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the three months ended 30 June 2020.

CORPORATE GOVERNANCE

The Directors consider that during the three months ended 30 June 2020, the Company has applied the principles and complied with all the applicable code provisions set out in Appendix 15 – Corporate Governance Code to the GEM Listing Rules.

INTEREST OF COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed South China Capital Limited ("**South China**") to be its compliance adviser. As notified by South China, save for the compliance adviser agreement entered into between the Company and South China dated 27 March 2020, neither South China nor any of its directors or employees or close associates had any interest in the securities of the Company or any member of the Group (including options or rights to subscribe for such securities) during the three months ended 30 June 2020 pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established an audit committee (the “**Audit Committee**”) with written terms of reference aligned with the provision of the code provisions set out in Appendix 15 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the Audit Committee comprises Mr. Fu Lui (Chairman), Mr. Chan Chi Ho and Ms. Chui Sin Heng, all of whom are independent non-executive Directors. The Audit Committee had reviewed the accounting principles and practices adopted by the Group and are of the view that the unaudited first quarterly report has been prepared in compliance with the applicable accounting standard, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made. The condensed consolidated financial results of the Group for the three months ended 30 June 2020 are unaudited, but have been reviewed by the Audit Committee.

DIVIDEND

No dividend has been paid or declared by the Company, or by any of the companies now comprising the Group during the three months ended 30 June 2020.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisition or disposal of subsidiaries or associates during the three months ended 30 June 2020.

EVENT AFTER REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has been taken place after the three months ended 30 June 2020 and up to the date of this report.

PUBLICATION OF FIRST QUARTERLY REPORT

This first quarterly report is published on the Company’s website (www.asia-expresslogs.com) and the website of the Stock Exchange (www.hkexnews.hk). The 2020/2021 first quarterly report of the Company containing all the information required by the GEM Listing Rules will be despatched to the shareholders of the Company pursuant to Rule 18.03 of the GEM Listing Rules.

On behalf of the Board

Mr. Chan Le Bon

Chairman

Hong Kong, 14 August 2020

As at the date of this report, the executive Directors are Mr. Chan Le Bon and Mr. Chan Yu; the non-executive Director is Mr. Choy Wing Hang William; and the independent non-executive Directors are Mr. Fu Lui, Mr. Chan Chi Ho and Ms. Chui Sin Heng.