Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

LEADER CAPITAL HOLDINGS CORP.

Rm. 711, 7F., No. 89, Section 1, Zhongqing Road, North District,
Taichung City, Taiwan (R.O.C.) 404638
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SIC Code 7371 – Services-Computer Programming Services

Amended
Annual Report

For the period ending August 31, 2023
(the "Reporting Period")

Outstanding Shares
The number of shares outstanding of our Common Stock was:

206,470,825 as of August 31, 2023

191,770,825 as of August 31, 2022

Shell Status
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934, and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control
Indicate by check mark whether a Change in Control[1] of the company has occurred over this reporting period:

[1] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities.
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets.
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: ☐ No: ☒

1) Name and address(es) of the issuer and its predecessors (if any)

Leader Capital Holdings Corp. ("LCHD" or the "Company") was incorporated on March 22, 2017, under the laws of the State of Nevada. The Company is currently active and in good standing in all states in which it operates.

There have not been any trading suspension orders issued by the SEC since its inception.

There have not been any stock splits, stock dividends, recapitalizations, mergers, acquisitions, spin-offs, or reorganizations within the past 12 months, and none are currently anticipated.

The Company's principal executive office is:
Rm. 711, 7F., No. 89, Section 1, Zhongqing Road, North District,
Taichung City, Taiwan (R.O.C.) 404638

The address(es) of the issuer's principal place of business:
☒ *Check if the principal executive office and principal place of business are at the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐

2) Security Information

Transfer Agent

Name: Dynamic Stock Transfer, Inc.
Phone: (818) 465-3422
Email: cmoreno@dynamicstocktransfer.com
Address: 45 W Easy Street, Suite 28, Simi Valley, CA 93065

Publicly Quoted or Traded Securities:

Trading symbol:	LCHD
Exact title and class of securities outstanding:	Common Equity
CUSIP:	52168V100
Par or stated value:	$0.0001
Total shares authorized:	600,000,000 as of August 31, 2023
Total shares outstanding:	206,470,825 as of August 31, 2023
Total number of shareholders of record:	179* as of August 31, 2023

*Shareholder of record may not include all shares held in "street name."

Exact title and class of securities outstanding:	Preferred Equity
Par or stated value:	$0.0001
Total shares authorized:	200,000,000 as of August 31, 2023
Total shares outstanding:	None as of August 31, 2023

Security Description:

1. **For common equity, describe any dividend, voting, and preemption rights.**

Each of the Company's common shares has the right to one vote per share. There are currently no preemption or dividend rights attributable to the Company's common shares.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

We are authorized to issue 200,000,000 shares of "blank check" preferred stock with such rights, preferences, and privileges as may be determined from time to time by our board of directors. Our board of directors is empowered, without shareholder approval, to issue preferred stock in one or more series and to fix for any series the dividend rights, dissolution or liquidation preferences, redemption prices, conversion rights, voting rights, and other rights, preferences, and privileges for the preferred stock. No shares of preferred stock are presently issued and outstanding, and we have no immediate plans to issue shares of preferred stock.

3. Describe any other material rights of common or preferred stockholders.

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

There have not been any material modifications to the rights of the holders of the Company's securities that have occurred over the reporting period covered by this report.

3) Issuance History

On September 1, 2021, the Company renewed the employment agreement with Yi-Hsiu Lin for an additional two years. Pursuant to the agreement, Mr. Lin will be compensated at an annual rate of $120,000 per year (the "Base Compensation"), prorated for any partial year, payable in cash or with 2,500,000 shares of restricted common stock, which would vest as of March 1, 2022, and March 1, 2023. In addition, Mr. Lin may be entitled to bonus compensation of up to three times the Base Compensation based on his achievement of appropriate performance criteria to be determined by the board of directors or a committee thereof. The bonus compensation offer was canceled on March 1, 2022. The fair value of the shares of restricted common stock for each year ending August 31, 2023, and 2022 was $250,000, calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $250,000 as remuneration.

On September 1, 2021, the Company issued a director offer letter to Shui Fung Cheng, pursuant to which Mr. Cheng agreed to serve as a director of the Company for a one-year term. For his service as a director, Mr. Cheng would receive an annual compensation, prorated for any partial year, in the form of $80,000 in cash or 1,500,000 shares of restricted common stock. The offer letter provided that compensation in cash or shares of restricted common stock would be paid or granted immediately on September 1, 2021. On September 1, 2022, the Company re-issued a director offer letter to Shui Fung Cheng with the same compensation for a further year. The fair value of the shares of restricted common stock granted on September 1, 2021, and 2022 was $150,000 each, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ending August 31, 2023, and 2022, the Company amortized $150,000 as remuneration.

On March 1, 2021, the Company renewed the consulting agreement with a consultant to provide business advisory services to the Company for a one-year term. Pursuant to the agreement, the Company agreed to pay the consultant a fee of $60,000 and 1,000,000 shares of restricted common stock, which vested not later than June 30, 2021, prorated for any partial year. The fair value of the shares of restricted common stock was $100,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the nine and three months that ended May 31, 2022, the Company amortized $50,000 and $25,000, respectively, as consulting expenses under this agreement. The shares were granted and issued on December 16, 2021.

On June 30, 2020, the Company's board of directors agreed to grant a new employee of JFB, (i) 5,000,000 shares of restricted common stock in connection with such employee's employment (the "Inducement Shares") and (ii) 5,000,000 shares of restricted common stock upon the achievement of each of two milestones set forth in such employee’s offer letter relating to the FinMaster mobile application. The fair value of the shares of restricted common stock to be issued to him was $6,000,000, which was calculated based on a price per share of $0.40. As of August 31, 2022, apart from the 5,000,000 Inducement Shares, 5,000,000 shares were vested to the employee upon achievement of the first milestone set forth in the employee offer letters, the Company amortized $139,560, $1,622,940, and $237,500, respectively as salaries under this milestone for the years ended August 2022, 2021, and 2020. However, during the year ended August 31, 2022, the company reassessed the likelihood that the employee will achieve for the second milestone and determined that the employees will not achieve the targets of the second milestone, the Company recognized a reverse to salary $348,627 under this milestone. During the nine and three months ended May 31, 2022, the Company amortized $318,108 and $75,627, respectively, as salaries. As of May 31, 2022, 10,000,000 shares were issued.

The Company issued 8,415,111 shares of common stock for the acquisition of NPI in August 2020 (Note 1).

On August 1, 2020, the Company entered into a one-year consulting services agreement with a company. Pursuant to the agreement, the Company agreed to pay the provider an annual compensation of $66,000, prorated for any partial year. In addition, for the services rendered by the provider’s employees, the provider was granted 1,000,000 shares of restricted common stock, vested on September 15, 2020. The fair value of 1,000,000 shares granted was $400,000, which was calculated based on the stock price of $0.40 per share and will be amortized over the service term. During the nine and three months that ended May 31, 2022, the Company recognized $16,666 and $nil, respectively, as compensation under these arrangements. The shares were issued on January 6, 2021.

On November 1, 2020, the Company entered into a one-year consulting agreement with two consultants to assist in monitoring and improving the FinMaster app. Pursuant to the agreement, the Company agreed to pay the consultants 2,500,000 shares of restricted common stock, which vested on November 1, 2020, prorated for any partial year. The fair value of the shares of restricted common stock was $2,500,000, which was calculated based on a price per share of $1.00 and amortized over the service term. During the nine and three months that ended May 31, 2022, the Company amortized $416,666 and $nil, respectively, as consulting expenses under these agreements. The shares were issued on December 22, 2020.

On February 8, 2021, the Company and First Leader Capital Ltd. mutually agreed to further forfeit and surrender 5,000,000 shares (the “Surrendered Shares”) of the Company’s common stock, par value $0.0001 per share (the “Common Stock”). The Surrendered Shares were automatically canceled and retired. First Leader Capital Ltd. agreed to forfeit and cancel the Surrendered Shares in exchange for reducing the Company’s outstanding Common Stock to be more in line with what management deems to be market expectations based on the Company’s current valuation.

On May 17, 2021, the Company and First Leader Capital Ltd., again, mutually agreed to forfeit and surrender 13,132,500 shares (the “Surrendered Shares”) of the Company’s common stock, par value $0.0001 per share (the “Common Stock”). The Surrendered Shares were automatically canceled and retired. First Leader Capital Ltd. agreed to forfeit and cancel the Surrendered Shares in exchange for reducing the Company’s outstanding Common Stock to be more in line with what management deems to be market expectations based on the Company’s current valuation.

On September 1, 2021, the Company issued an offer letter to Hsu Kuo-Hsun, pursuant to which Mr. Hsu agreed to serve as chairman of LOC for two years. Per the terms of the offer letter, Mr. Hsu will receive a monthly remuneration of NT$60,000 (equivalent to $1,902) in cash and 2,400,000 shares of restricted common stock, which shall be granted in two equal tranches and vested on March 1, 2022, and March 1, 2023. The fair value of the shares of restricted common stock for each of the years ending August 31, 2023, and 2022 was $120,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $120,000 each as consulting expenses under this agreement. 1,200,000 shares were issued on October 5, 2022.

On September 1, 2021, the Company issued a Senior Vice President (“SVP”) offer letter to Chiao Chien, pursuant to which Mr. Chiao agreed to serve as SVP of user experience of the Company for two years. For his services, Mr. Chiao will receive a monthly remuneration of RMB 17,000 (equivalent to $2,385) in cash and 3,000,000 shares of restricted common stock, which shall be granted in two equal tranches and vested on March 1, 2022, and March 1, 2023. The fair value of the shares of restricted common stock for each of the years ending August 31, 2023, and 2022 was $150,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $150,000 each as consulting expenses under this agreement. 1,500,000 shares were issued on October 5, 2022.

On December 21, 2021, pursuant to the 2021 Equity Incentive Plan, the Company granted an aggregate of 9,550,850 non-restricted share units of the Company's common stock to certain employees and consultants of the Company. In accordance with the vesting schedule of the grant, the restricted shares will vest immediately. The fair price of the non-restricted shares was $0.10 per share. The Company recognized the share-based compensation expenses over the vesting period on a graded vesting method. The Company recorded non-cash share-based compensation of $955,085 for the nine- and three-months ending May 31, 2022, with respect to the non-restricted shares granted. The shares were issued on March 2, 2022. As of August 31, 2023, neither unrecognized stock-based compensation was associated with the above share units nor vested shares were to be issued.

On January 26, 2022, the shareholders- Chin-Ping Wang and Ching-Nan Wang, submitted conversion notices to the Company converting all of the outstanding balances of their Convertible Notes payable (Note 13) into an aggregate of 1,600,000 shares of the Company's common stock. The conversion was approved by the Company on January 31, 2022, and the shares were issued on March 15, 2022.

On May 12, 2022, the shareholder- Teh-Ling Chen, submitted a conversion notice to the Company, converting all of the outstanding balance of his Convertible Notes payable (Note 13) into an aggregate of 2,000,000 shares of the Company's common stock. The conversion was approved by the Company on May 17, 2022, and the shares were issued on May 19, 2022.

On June 17, 2022, 500,576 shares of the Company were issued to shareholder- Teh-Ling Chen for the repayment of loan balance and accrued interest.

On October 1, 2022, the Company entered into a consultant agreement with Shou-Hung Hsu for two years. Pursuant to the agreement, Mr. Hsu was compensated at $25,000 per year, prorated for any partial year, payable in cash or with 700,000 shares of restricted common stock, which would vest as of December 31, 2022, and September 30, 2023. The fair value of the shares of restricted common stock for the first year was $35,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $32,085 and $nil, respectively, as consulting expenses under this agreement.

On February 20, 2023, the Company appointed a third party as liquidator of LOC. The party will receive remuneration of $30,000 in cash and 200,000 shares of restricted common stock for the services provided. The fair value of the shares of restricted common stock was $20,000, which was calculated based on a price per share of $0.10. During the year months ended August 31, 2023, the Company recognized $50,000 as professional fees under this agreement. The shares are expected to be issued in October 2023.

On February 28, 2023, the Company dismissed ten employees located in Beijing and was liable to pay a severance payment of $129,572 (RMB907,000), payable in cash of $36,930 (RMB258,500) and with 926,429 shares of restricted common stock, which would vest on August 31, 2023. The fair value of the shares of restricted common stock was $92,643, which was calculated based on a price per share of $0.10. During the year ended August 31, 2023, and 2022, the Company recognized $92,643 and $nil, respectively, as severance payments.

On March 15, 2023, the Company issued an offer letter to Kuo-Kang Chang, pursuant to which Mr. Chang agreed to serve as senior VP of marketing and branding strategy for two years. For his services, Mr. Chang will receive an annual remuneration of $20,000 in cash or 1,000,000 shares of restricted common stock. In addition, Mr. Chang may be entitled to an additional 1,000,000 restricted shares based on his achievement of appropriate performance criteria to be determined by the board of directors or a committee thereof. The fair value of the shares of restricted common stock for the first year was $100,000, which was calculated based on a price per share of $0.10 and amortized over the service term. The performance criterion was not achieved as of August 31, 2023. During the year ended August 31, 2023, the Company amortized $33,333 as consulting expenses under this agreement. 1,000,000 shares were issued to Mr. Chang on April 10, 2023.

On April 20, 2023, the Company entered into a consultant agreement with Yueh-Hung Chou for one year. Pursuant to the agreement, Mr. Chou will be compensated at NT$25,000 per month. In addition, he would be remunerated by

300,000 restricted shares of the Company upon the achievement of certain performance as agreed. The performance criterion was not achieved as of August 31, 2023. During the year ended May 31, 2023, no share-based compensation was recognized by the Company under this agreement.

From May 2020 to August 2021, the Company entered into securities purchase agreements with several accredited investors whereby the investors purchased a total of 37,157,535 shares of the Company's common stock at an average price of $0.140 per share. The Company received aggregate gross proceeds of $5,206,994. Pursuant to the terms of the securities purchase agreements, the investors have piggyback registration rights with respect to the shares. The shares were fully issued by August 30, 2021.

From September 2021 to August 2022, the Company entered into securities purchase agreements with several accredited investors whereby the investors purchased a total of 19,170,000 shares of the Company's common stock at an average price of $0.12 per share. The Company received aggregate gross proceeds of $2,290,000. Pursuant to the terms of the securities purchase agreements, the investors have piggyback registration rights with respect to the shares. The shares were fully issued by September 2, 2022.

From October 2022 to April 2023, the Company entered into securities purchase agreements with several accredited investors whereby the investors purchased a total of 6,000,000 shares of the Company's restricted common stock at an average price of $0.13 per share. The Company received aggregate gross proceeds of $800,000. Pursuant to the terms of the securities purchase agreement, the investor will have piggyback registration rights with respect to the shares. The shares were issued to the investors as of May 31, 2023.

In May 2023, the Company received aggregate gross proceeds of $124,250 from several accredited investors, whereby the investors intended to purchase a total of 2,485,000 shares of the Company's restricted common stock at an average price of $0.05 per share. The shares are expected to be issued in September 2023.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date August 31, 2021 Common: 157,949,219			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g., new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to.** ***You must disclose the control person(s) for any entities listed.**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
10/12/2021	New Issuance	100,000	Common	0.25	No	FU-PIAO CHIANG	New Subscription	Restricted	4(a)(2)
10/5/2021	New Issuance	800,000	Common	0.25	No	Aquarius Protection Fund SPC-ACP Link Segregated Portfolio (1)	New Subscription	Restricted	4(a)(2)
10/7/2021	New Issuance	2,500,000	Common	0.1	No	YANG LEE	New Subscription	Restricted	4(a)(2)
10/29/2021	New Issuance	560,000	Common	0.25	No	CHENG-HSI CHIANG	New Subscription	Restricted	4(a)(2)

10/29/2021	New Issuance	200,000	Common	0.25	No	HSIANG-WEN CHUANG	New Subscription	Restricted	4(a)(2)
12/15/2021	New Issuance	2,500,000	Common	0.1	No	YANG LEE	New Subscription	Restricted	4(a)(2)
12/16/2021	New Issuance	1,000,000	Common	0.1	No	YING WAI RAYMOND KWAN	Service	Restricted	4(a)(2)
12/30/2021	New Issuance	2,350,000	Common	0.1	No	CHUN-SHUO HUANG	New Subscription	Restricted	4(a)(2)
3/2/2022	New Issuance	475,000	Common	0	No	CHIA-YI CHIU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	56,950	Common	0	No	HUI-SHAN CHIU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	48,100	Common	0	No	WAI PING AU YEUNG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	109,200	Common	0	No	WEI-YUAN HSU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	133,200	Common	0	No	MIN-XUAN YANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	68,700	Common	0	No	FANQIANG ZENG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	45,100	Common	0	No	LI FENG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	382,900	Common	0	No	YI-HSUAN LIN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	400,000	Common	0	No	JUNHUI ZHANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	124,400	Common	0	No	JUNJUN WEI	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	81,950	Common	0	No	BO LI	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	45,150	Common	0	No	JIAN GAO	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	76,550	Common	0	No	ZHONGJIAN ZHI	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	63,050	Common	0	No	WEIWEI ZHONG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	37,050	Common	0	No	YAO RAN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	56,300	Common	0	No	YANING ZHANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	62,750	Common	0	No	YUN ZHANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	35,100	Common	0	No	XIAOLI REN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	14,050	Common	0	No	XIAOYU CHENG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	1,000,000	Common	0	No	JUN YUAN CHEN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	150,000	Common	0	No	PEI-CHI HSIEH	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	250,000	Common	0	No	JIA-NING LIANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	150,000	Common	0	No	CHIA-JUNG LIU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	400,000	Common	0	No	HUNG-PIN CHENG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	600,000	Common	0	No	MIN-FENG CHANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	500,000	Common	0	No	YI-HENG CHUNG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	2,250	Common	0	No	CHE-MING CHANG	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	1,200	Common	0	No	YU-JUNG LIN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)

3/2/2022	New Issuance	29,400	Common	0	No	YU-QIAO XIE	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	39,250	Common	0	No	SHIH-YUN CHEN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	16,800	Common	0	No	PEI-YU LIEN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	9,000	Common	0	No	YI-XIU CHEN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	11,650	Common	0	No	SHIH-HSUN HO	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	21,400	Common	0	No	YU-HAN LIU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	11,650	Common	0	No	SSU-YU FU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	50,000	Common	0	No	CHIH-I HAN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	50,000	Common	0	No	YI-SHIOU CHEN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	150,000	Common	0	No	YUEH-HUNG CHOU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	42,750	Common	0	No	PEI-CHI HSU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	267,200	Common	0	No	SHENG-HUEI CHIAO	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	232,800	Common	0	No	SHENG-CHIH CHIAO	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	242,300	Common	0	No	HESHUN ZHU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	225,000	Common	0	No	CHUNLI WAN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	282,700	Common	0	No	CHUNYAN WAN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	1,000,000	Common	0	No	CHIEN CHIAO	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	300,000	Common	0	No	KUO-HSUN HSU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	300,000	Common	0	No	TAWEI HSU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	500,000	Common	0	No	YING WAI RAYMOND KWAN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	350,000	Common	0	No	CHIA-CHEN LU	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/2/2022	New Issuance	50,000	Common	0	No	CHANG-HSIEN YEN	2021 Equity Incentive Plan	Unrestricted	4(a)(2)
3/15/2022	New Issuance	40,000	Common	0.25	No	LING-YUN CHENG	New Subscription	Restricted	4(a)(2)
3/15/2022	New Issuance	800,000	Common	0.25	No	CHING-NAN WANG	Debt conversion	Restricted	4(a)(2)
3/15/2022	New Issuance	800,000	Common	0.25	No	CHIN-PING WANG	Debt conversion	Restricted	4(a)(2)
3/21/2022	New Issuance	40,000	Common	0.25	No	WEI-YU CHEN	New Subscription	Restricted	4(a)(2)
3/21/2022	New Issuance	40,000	Common	0.25	No	JUI-YING TSENG LIU	New Subscription	Restricted	4(a)(2)
4/15/2022	New Issuance	40,000	Common	0.25	No	YUN-HUI CHU	New Subscription	Restricted	4(a)(2)
5/19/2022	New Issuance	1,000,000	Common	0.1	No	TEH-LING CHEN	debt conversion	Restricted	4(a)(2)
5/19/2022	New Issuance	1,000,000	Common	0.1	No	TEH-LING CHEN	debt conversion	Restricted	4(a)(2)
5/27/2022	New Issuance	5,000,000	Common	0.1	No	WAI MING TSE	New Subscription	Restricted	4(a)(2)
6/17/2022	New Issuance	500,756	Common	0.1	No	TEH-LING CHEN	Debt Settlement	Restricted	4(a)(2)
7/25/2022	New Issuance	5,000,000	Common	0.25	No	KATHY WAI-GAUN TSE	New Subscription	Restricted	4(a)(2)
9/2/2022	New Issuance	1,000,000	Common	0.1	No	HUAN-TUN PENG	New Subscription	Restricted	4(a)(2)

10/5/2022	New Issuance	1,500,000	Common	0.02	No	CHIEN CHIAO	Share Payment as per employment agreemen	Restricted	4(a)(2)
10/5/2022	New Issuance	1,200,000	Common	0.02	No	KUO-HSUN HSU	Share Payment as per employment agreement	Restricted	4(a)(2)
10/5/2022	New Issuance	2,500,000	Common	0.02	No	YI-HSIU LIN	Payment in lieu of director remuneration	Restricted	4(a)(2)
10/5/2022	New Issuance	1,500,000	Common	0.02	No	SHUI FUNG CHENG	Payment in lieu of director remuneration	Restricted	4(a)(2)
11/2/2022	New Issuance	1,000,000	Common	0.3	No	DFP HOLDINGS LIMITED (2)	New Subscription	Restricted	4(a)(2)
3/14/2023	New Issuance	2,500,000	Common	0.1	No	WAI MING TSE	Subscription of new shares	Restricted	4(a)(2)
4/10/2023	New Issuance	1,000,000	Common	0.02	No	KUO-KANG CHANG	Payment in lieu of consultant remuneration	Restricted	4(a)(2)
4/10/2023	New Issuance	2,500,000	Common	0.1	No	KATHY WAI-GAUN TSE	New Subscription	Restricted	4(a)(2)
Shares Outstanding on Date of This Report: Ending Balance: Date August 31, 2023 Common: 206,470,825									

(1) Wei Yuan HSU is the Director of Aquarius Protection Fund SPC-ACP Link Segregated Portfolio
(2) Shou-Hung HSU is the Director of DFP Holding Limited

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
3/18/2020	$80,000	$80,000	$8,029.35	11/30/2023	All or part of the outstanding principal can be converted into restricted common stock at $0.40/share. The convertible provision of the agreement has been mutually agreed to cancel on March 23, 2022	Jui-Chin Chen	Loan
11/25/2020	$200,000	$200,000	$11,000	11/25/2024	All or part of the outstanding principal can be converted into restricted common stock at $0.40/share. The convertible provision of the	Chin-Chiang Wang	Loan

					agreement has been mutually agreed to cancel on May 3, 2022		

4) Issuer's Business, Products and Services

Leader Capital Holdings Corp. ("LCHD" or the "Company") was incorporated on March 22, 2017, under the laws of the State of Nevada.

The Company, through its subsidiaries, mainly operates and services a mobile application investment platform.

Company Name	Place/Date of Incorporation	Principal Activities
1. Leader Financial Group Limited ("LFGL")	Seychelles / March 6, 2017	Investment Holding
2. JFB Internet Service Limited ("JFB")	Hong Kong / July 6, 2017	Provides an Investment Platform

On August 17, 2020, LCHD, through JFB, acquired all of the issued and outstanding capital stock (the "Acquisition") of Nice Products Inc. ("NPI"), pursuant to the terms and conditions of that certain Stock Purchase Agreement, dated as of August 17, 2020, among the Company, JFB, NPI, the selling shareholders of NPI identified therein (each a "Seller," and, collectively, the "Sellers") and the representative of the Sellers identified therein. As a result of the Acquisition, the Company now owns indirectly 100% of NPI, LOC Weibo Co., Ltd., and Beijing DataComm Cloud Media Technology Co., Ltd.

The aggregate purchase price for the Acquisition was $4,850,000, less certain discounts, expenses, and reductions for outstanding NPI debt owed to the Company and/or its affiliates, resulting in a net purchase price of $3,506,042, payable in 8,415,111 shares of the Company's common stock to the Sellers in accordance with their respective pro rata percentage.

After the completion of the acquisition, NPI became an indirect wholly-owned subsidiary of the Company.

NPI was incorporated in the British Virgin Islands on December 17, 2018.

NPI, through its subsidiaries, mainly engages in the development of ecological-systems applications, integration of big data, and promotion of Over-the-Top ("OTT") applications.

Company Name	Place/Date of Incorporation	Principal Activities
1. LOC Weibo Co., Ltd. ("LOC")	Republic of China/September 29, 2017	Development of ecological-systems applications, integration of big data and promotion of OTT applications
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On March 15, 2023, the board of directors decided to dissolve LOC. LOC then entered into a de-registration process, and its business was taken over by LCHD. Taichung City Government approved the dissolution on April 25, 2023. LOC also appointed a liquidator on February 20, 2023. The liquidator reported to the Court in May and shall complete the liquidation within 6 months. Within 15 days after the liquidation is completed, the various forms (including the solvency certificate) are prepared and sent to the supervisor for review, subject to approval by shareholders, and reported to the court.

5) Issuer's Facilities

The Company currently rents on a month-to-month basis office and staff quarter premises in Taiwan, Shenzhen, Beijing, and Hong Kong.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers or directors of the company, individuals or entities controlling more than 5% of any class of the issuer's securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling, or advising the operations, business development, and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

As of November 14, 2023, the Company has 215,951,225 shares of common stock issued and outstanding.

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate en tity
Yi-Hsiu Lin Beneficially owning and including: First Leader Capital (1)	CEO, President, and Director	China Taiwan	58,537,778(1)	Common	28.35%	
Shui Fung Cheng	Director	China Hong Kong	8,839,225(2)	Common	4.28%	
Jun- Yuan Chen	Owner of more than 5%	China Taiwan	12,683,023 (3)	Common	6.14%	
First Leader Capital Ltd. (1)	Owner of more than 5%	China Taiwan	32,867,500	Common	15.2%	Yi-Hsiu Lin
Wai-Ming Tse	Owner of more than 5%	China Taiwan	12,500,000	Common	6.10%	
Kathy Wai-Gaun Tse	Owner of more than 5%	China Taiwan	12,500,000	Common	6.10%	

(1) Consists of (i) 7,600,000 shares of common stock beneficially held by Mr. Lin, (ii) 32,867,500 shares of common stock beneficially held by First Leader Capital Ltd., over which Mr. Lin has sole voting and investment power as the sole owner of such entity, (iii) 3,000,000 shares of common stock beneficially held by CPN Investment Ltd., over which Mr. Lin has sole voting and investment

power, (iv) 5,070,278 shares of common stock beneficially held by Leader Financial Asset Management Limited, a company incorporated in the Cayman Islands, over which Mr. Lin has shared voting and investment power over as a director of such entity, and (v) 10,000,000 shares of common stock beneficially held by Anzhao International Limited, over which Mr. Lin has voting and investment power given that he has the sole right to appoint the trustee of the Gratis Trust and the right to remove any such trustee with or without cause or for any reason, which trust has the right to appoint or remove the director of Anzhao International Limited.

(2) Consists of (i) 3,768,947 shares of common stock beneficially held by Mr. Cheng and (ii) 5,070,278 shares of common stock beneficially held by Leader Financial Asset Management Limited, over which Mr. Cheng has shared voting and investment power as a director of such entity.

(3) All of the 12,683,023 shares of common stock beneficially held by Mr. Chen, who was the COO of JFB, and Mr. Chen has resigned from JFB as of September 30, 2022.

7) Legal/Disciplinary History

None of the persons listed above in Item 6 have, in the last ten years, been the subject of:

1) A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses).
2) The entry of an order, judgment, or decree is not subsequently reversed. Suspended or vacated by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended, or otherwise limited such person’s involvement in any type of business, securities, commodities, or banking activities.
3) A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities or commodities law, which finding, or judgment has not been reversed, suspended, or vacated; or
4) the entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person’s involvement in any type of business or securities activities.

There are no material pending legal proceedings to which the issuer is a party or of which any of their property is the subject.

8) Third Party Service Providers

Provide the name, address, telephone number, and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Michael A. Littman, Attorney at Law
P.O. Box 1839
Arvada, CO 80001

Other Service Providers
Provide the name of any other service provider(s) that **assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name:	Dave Hsu
Firm:	None
Nature of Services:	Management/Operation Consultant
Address 1:	5F., No.8, Lane30, HengGuang St. WenShanDistrict,116024 Taipei City,
Address 2:	Taiwan, ROC

Phone: (852) 51320256
Email: davehsu2005@yahoo.com

Name: Raymond Kwan
Firm: None
Nature of Services: Business Strategy Consultant
Address 1: Room 901, 9/F., Easey Commercial Building,
Address 2: 253-261 Hennessy Road, Wanchai, Hong Kong
Phone: (852) 69565277
Email: raykwan388@gmail.com

Name: Shou-hung HSU
Firm: None
Nature of Services: Consultant
Address 1: 2F., No. 128, Sec. 1, Ziyou Rd., West Dist.,
Address 2: Taichung City 403002, Taiwan (R.O.C.)
Phone: (886) 932669425
Email: tatav@livemail.tw

Name: Chih-Chieh HUANG
Firm: None
Nature of Services: Consultant
Address 1: 2F.-1, No. 178-5, Sec. 2, Chang'an E. Rd., Zhongshan
Address 2: Dist., Taipei City 104101, Taiwan (R.O.C.)
Phone: (886) 939078589
Email: hsu@dfp-school.com

Name: Michael A. Littman
Firm: Attorney at Law
Nature of Services: Attorney
Address 1: P.O. Box 1839
Address 2: Arvada, CO 80001
Phone: (720) 530-6184
Email: malattyco@aol.com

9) Financial Statements

A. The following financial statements were prepared in accordance with:

☐ IFRS
☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual)[2]:

Name: Yi-Hsiu Lin
Title: Director
Relationship to Issuer: Director
Describe the qualifications of the person or persons who prepared the financial statements: Financial and Accounting Expert.

[2] The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

The issuer is providing the following financial statements:
a) Balance Sheets as of August 31, 2023, and 2022.
b) Statements of Operations for the years ended August 31, 2023, and 2022.
c) Statement of Stockholders' Equity (Deficit) for the years ended August 31, 2023, and 2022.
d) Statements of Cash Flows for the years ended August 31, 2023, and 2022.
e) Notes to the financial statements.

10) Issuer Certification

Principal Executive Officer and Principal Financial Officer:

I, Yi-Hsiu Lin, Chief Executive Officer, President, and Director, certify that:

1. I have reviewed this Disclosure Statement for Leader Capital Holdings Corp.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements and other financial information included or incorporated by reference in this disclosure statement fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 30, 2023

/s/ Yi-Hsiu Lin

Yi-Hsiu Lin

Chief Executive Officer

LEADER CAPITAL HOLDINGS CORP. AND SUBSIDIARIES

INDEX TO UNAUDITED FINANCIAL STATEMENTS

LEADER CAPITAL HOLDINGS CORP
CONSOLIDATED BALANCE SHEETS
AS OF AUGUST 31, 2023, AND 2022
(In U.S. dollars except share and per share data)

	As of August 31,	
	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,744	$ 213,270
Accounts receivable, net		4,413
Prepayments, deposits, and other receivables	39,766	176,201
Inventory	-	8,074
Total current assets	45,510	401,958
Non-current assets		
Non-marketable equity securities	1,500	1,500
Plant and equipment, net	4,520	71,004
Intangible assets	3,812	4,304
Goodwill	-	-
Operating lease right-of-use assets, net	15,362	227,230
Prepayments, deposits and other receivables	-	12,822
Total non-current assets	25,194	316,860
TOTAL ASSETS	$ 70,704	$ 718,818
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accrued expenses and other payables	$ 547,166	$ 450,555
Contract liabilities	75,292	169,951
Operating lease liability, current	10,884	150,381
Other loans from shareholders, current	382,234	260,709
Other loans from a non-related party, current	1,130	-
Due to shareholders	20,078	45,343
Due to a director	1,101,264	973,564
Bonds payable to related party	600,000	600,000
Convertible notes payable to related parties	-	-
Total current liabilities	2,738,048	2,650,503
Non-current liabilities		
Operating lease liability, non-current	-	68,422
Deferred tax liabilities	-	-
Other loans from shareholders, non-current	200,000	200,000
Convertible notes payable to related parties	-	-
Total non-current liabilities	200,000	268,422
TOTAL LIABILITIES	$ 2,938,048	$ 2,918,925
COMMITMENTS AND CONTINGENCIES		

STOCKHOLDERS' EQUITY				
Preferred stock, $0.0001 par value; 200,000,000 shares authorized; None issued and outstanding		-		-
Common stock, $0.0001 par value; 600,000,000 shares authorized; 206,470,825 and 191,770,825 shares issued and outstanding as of August 31, 2023, and August 31, 2022, respectively		20,647		19,177
Additional paid-in capital		34,237,277		32,339,182
Accumulated other comprehensive income (loss)		729,652		362,698
Accumulated deficits		-37,854,920		-34,921,164
TOTAL STOCKHOLDERS' (DEFICIT) EQUITY	$	-2,867,344	$	-2,200,107
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$	70,704	$	718,818

LEADER CAPITAL HOLDINGS CORP
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED AUGUST 31, 2023, AND 2022
(In U.S. dollars except share and per share data)

	Year ended August 31,	
	2023	**2022**
REVENUE	$ 371,534	$ 339,442
OPERATING EXPENSES		
Research and development expenses	-261,177	-510,723
Sales and marketing expenses	-14,289	-300,507
General and administrative expenses	-2,555,668	-4,804,688
Impairment loss of intangible assets	-	-537,866
Impairment loss of goodwill	-	-1,747,945
LOSS FROM OPERATIONS	-2,459,600	-7,562,287
Interest expenses	-128,261	-94,684
Loss on change in fair value of convertible notes	-	-3,980,908
OTHER (EXPENSE) INCOME		
Other income – from related parties	-	-
Other income – from non-related parties	19,784	93,198
Foreign exchange (loss) gain, net	-365,679	-500,918
	-345,895	-407,720
LOSS BEFORE INCOME TAX	-2,933,756	-12,045,599
Income tax benefit	-	125,502
NET LOSS	$ -2,933,756	$ -11,920,097
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign currency translation adjustment	366,954	533,812
TOTAL COMPREHENSIVE LOSS	$ -2,566,802	$ -11,386,285
Net loss per share - Basic and diluted	$ -0.01	$ -0.07
Weighted average number of shares of common stock outstanding - Basic and diluted	-206,711,554	177,602,306

* Less than $0.01 per share

LEADER CAPITAL HOLDINGS CORP
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS’ EQUITY (DEFICIT)
FOR THE YEARS ENDED AUGUST 31, 2023, AND 2022
(In U.S. dollars except for share data)

	Number of shares	Amount	PAID IN CAPITAL	COMPREHENSIVE LOSS	ACCUMULATED DEFICITS	EQUITY (DEFICIT)
	COMMON STOCK		ADDITIONAL	OTHER		TOTAL STOCKHOLDERS’
	Number of shares	Amount	PAID IN CAPITAL	COMPREHENSIVE LOSS	ACCUMULATED DEFICITS	EQUITY (DEFICIT)
Balance as of September 1, 2021	157,949,219	$ 15,795	$ 23,470,641	$ -171,114	$ -23,001,067	$ 314,255
Shares issued to service providers	1,000,000	100	-100	-	-	-
Shares issued to employees	9,550,850	955	-955	-	-	-
Shares issued in private placement	23,270,756	2327	4,631,640	-	-	4,633,967
Cancellation of restricted shares issued	-	-	50,522	-	-	50,522
Share based compensation	-	-	2,288,083	-	-	2,288,083
Foreign currency translation adjustment	-	-	1,899,351	533,812	-	2,433,163
Net loss	-	-	-	-	-11,920,097	-11,920,097
Balance as of August 31, 2022	191,770,825	$ 19,177	$ 32,339,182	$ 362,698	$ -34,921,164	$ -2,200,107
Shares issued to service providers	-	-	-	-	-	-
Shares issued to employees and consultants for stock award	7,700,000	770	-770	-	-	-
Shares issued on conversion of convertible notes	-	-	-	-	-	-
Shares issued on settlement of loan and interests	-	-	-	-	-	-
Shares issued in private placement	7,000,000	700	1,263,721	-	-	1,264,421
Share based compensation	-	-	635,144	-	-	635,144
Foreign currency translation adjustment	-	-	-	-	-	-
Net loss	-	-	-	366,954	2,933,756	2,566,802
Balance as of August 31, 2023	206,470,825	$ 20,647	$ 34,237,277	$ 729,652	$ -37,854,920	$ -2,867,344

LEADER CAPITAL HOLDINGS CORP
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In U.S. dollars)

	For the year ended August 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ -2,933,756	$ -11,920,097
Adjustments to reconcile net loss to net cash used in operating activities:		
Share-based compensation expenses	868,060	1,899,351
Depreciation and amortization	37,190	134,402
Amortization of operating lease right-of-use assets	161,148	339,688
Impairment loss on intangible assets and goodwill	-	2,285,811
Loss on change in fair value of convertible notes	-	3,980,908
Exchange difference, net	546,486	500,918
Shares received from software development income	-	-1,500
Changes in operating assets and liabilities:		
Accounts receivable	-23,637	-3,168
Prepayments, deposits and other receivables	131,373	131,410
Inventory	7,948	-7,475
Amount due from a director	43646	-
Deferred tax liabilities	-	-125,502
Operating lease liabilities	-310,772	-348,448
Accrued expenses and other payables	-42,520	223,744
Net cash used in operating activities	-1,514,834	-2,909,958
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	-2,529	-49,033
Acquisition of intangible assets	-	-1,397
Net cash used in investing activities	-2,529	-50,430
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from shares issued in private placement	1,031,500	2,290,000
Proceeds from convertible notes issuance	-	-
Amount due to a shareholder	25,265	2,793
Advance from a director	134,570	48,287
Repayment to a director	-62,428	-176,446
Loan from shareholders	279,136	393,934
Repayment to shareholders	-126,198	-170,841
Advance from a shareholder	16,247	42,441
Repayment to shareholders	-8,824	-42,790
Loan from a non-related party	5,768	10,475
Repayment to a non-related party	-4,601	-10,475
Net cash provided by financing activities	1,290,435	2,387,378
Effects of exchange rate changes on cash and cash equivalents	19,403	-874
Net (decrease) increase in cash and cash equivalents	-207,526	-573,884
Cash and cash equivalents, beginning of year	213,270	787,154

CASH AND CASH EQUIVALENTS, END OF YEAR	$	5,744	$	213,270
SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES				
Lease liabilities arising from obtaining right-of-use assets		53,535		201,808
Issuance of shares from conversion of convertible notes		-		4,632,000
Modification of convertible notes to loans		-		300,000
Issuance of shares offset loan balance from shareholder		-		50,572
SUPPLEMENTAL CASH FLOWS INFORMATION				
Cash paid for income taxes	$	-	$	-
Cash paid for interest	$	70,216	$	117,482

(In U.S. dollars except for share data)

1. ORGANIZATION AND BUSINESS BACKGROUND

Leader Capital Holdings Corp. ("LCHD" or the "Company") was incorporated on March 22, 2017, under the laws of the State of Nevada.

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2. Beijing DataComm Cloud Media Technology Co., Ltd. ("BJDC")	People's Republic of China /April 16, 2013	Development of ecological-systems applications, integration of big data and promotion of OTT applications

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LCHD and its subsidiaries (including NPI and its subsidiaries) are hereinafter referred to as the "Company".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These unaudited condensed consolidated financial statements of the Company and its subsidiaries are unaudited. In the opinion of management, all adjustments (which are of a normal recurring nature) and disclosures necessary for a fair presentation of these unaudited condensed consolidated financial statements have been included. The results reported in the unaudited condensed consolidated financial statements for any interim periods are not necessarily indicative of the results that may be reported for the entire year. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") and United States ("U.S.") generally accepted accounting principles ("U.S. GAAP") and include the accounts of the Company and its subsidiaries. However, they do not include all information and footnotes necessary for a complete presentation of financial statements in conformity with U.S. GAAP. Certain information and footnote disclosures normally present in annual financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. Intercompany accounts and transactions have been eliminated in consolidation.

The Company has adopted August 31 as its fiscal year-end. These unaudited financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended August 31, 2022.

Going Concern

The accompanying unaudited condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As of August 31, 2023, the Company has suffered recurring losses from operations and records an accumulated deficit, a working capital deficit, and a shareholders' deficit of $37,854,920, $2,692,530, and $2,867,344, respectively. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company's profit-generating operations in the future and/or obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

The Company expects to finance its operations primarily through cash flows from operations, loans from existing directors and shareholders, and placements of capital stock for additional funding. In the event that the Company requires additional funding to finance the growth of the Company's current and expected future operations as well as to achieve our strategic objectives, a shareholder has indicated the intent and ability to provide additional financing. No assurance can be given that any future financing, if needed, will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, if needed, it may contain undue restrictions on its operations in the case of debt financing or cause substantial dilution for its stockholders in the case of equity financing.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. The COVID-19 pandemic has negatively impacted the global economy, workforce, and customers and created significant volatility and disruption of financial markets. It has also disrupted the normal operations of many businesses, including the Company's businesses. This outbreak could decrease spending, adversely affect demand for the Company's services and harm its business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on its business or the results of operations at this time.

Affected by COVID-19, the Company had to re-organize to improve its market competitiveness and to warrant its survival and future development. The Company also downsized its operations to safeguard its financial position by reducing labor costs, reducing office space, and simplifying operational procedures.

The Company's reduction of labor costs was done through resignation and layoffs, whereas all layoffs were processed according to local governing labor laws.

These unaudited condensed consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and the classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Use of Estimates

The preparation of these unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires the Company's management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, costs and expenses, and related disclosures. On an ongoing basis, the Company evaluates its estimates based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The COVID-19 pandemic has created and may continue to create significant uncertainty in macroeconomic conditions, which may cause further business slowdowns or shutdowns, depress demand for the Company's business, and adversely impact its results of operations. The severity of the impact of the COVID-19 pandemic on the Company's business will continue to depend on a number of factors, including, but not limited to, the duration and severity of the pandemic, the new variants of COVID-19, the efficacy and distribution of COVID-19 vaccines and the extent and severity of the impact on the global supply chain and the Company's customers, service providers and suppliers, all of which are uncertain and cannot be reasonably predicted at this time. As of the date of issuance of the Company's financial statements, the extent to which the COVID-19 pandemic may materially impact the Company's financial condition, liquidity, or results of operations in the future is uncertain. The Company is monitoring and assessing the evolving situation closely and evaluating its potential exposure. Its estimates may change as new events occur and additional information emerges, and such changes are recognized or disclosed in its consolidated financial statements.

Identified below are the accounting policies that reflect the Company's most significant estimates and judgments and those that the Company believes are the most critical to fully understanding and evaluating its unaudited condensed consolidated financial statements.

Business combination

The Company accounts for its business combinations using the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC") 805 "Business Combinations." The cost of an acquisition is measured as the aggregate of the acquisition date, the fair values of the assets transferred, the liabilities incurred by the Company to the sellers, and the equity instruments issued. Transaction costs directly attributable to the acquisition are expensed as incurred. Identifiable assets and liabilities acquired or assumed are measured separately at their fair values as of the acquisition date, irrespective of the extent of any non-controlling interests. The excess of (i) the total costs of acquisition, fair value of the non-controlling interests, and acquisition date fair value of any previously held equity interest in the acquiree over (ii) the fair value of the identifiable net assets of the acquiree is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statements of comprehensive income. During the measurement period, which can be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the condensed consolidated statements of comprehensive income.

When there is a change in ownership interests that result in a loss of control of a subsidiary, the Company deconsolidates the subsidiary from the date control is lost. Any retained non-controlling investment in the former subsidiary is measured at fair value and is included in the calculation of the gain or loss upon deconsolidation of the subsidiary.

Goodwill and impairment of Goodwill

Goodwill represents the excess of the purchase price and related costs over the fair value of the net identified tangible and intangible assets and liabilities assumed and is not amortized ("Goodwill"). The total amount of Goodwill is deductible for tax purposes.

In accordance with ASC Topic 350, "Intangibles-Goodwill and Other," Goodwill is not amortized but is tested for impairment annually or more frequently when circumstances indicate a possible impairment may exist. Impairment testing is performed at a reporting unit level. An impairment loss generally would be recognized when the carrying amount of the reporting unit exceeds its fair value.

The Company estimates the fair value of the applicable reporting unit or units using a discounted cash flow methodology. This methodology represents a level 3 fair value measurement as defined under ASC 820, Fair Value Measurements and Disclosures since the inputs are not readily observable in the marketplace. The goodwill impairment testing process involves the use of significant assumptions, estimates, and judgments, including projected sales, gross margins, selling, general and administrative expenses, and capital expenditures, and the selection of an appropriate discount rate, all of which are subject to inherent uncertainties and subjectivity. When the Company performs goodwill impairment testing, its assumptions are based on annual business plans and other forecasted results, which it believes represent those of a market participant. The Company selects a discount rate, which is used to reflect market-based estimates of the risks associated with the projected cash flows based on the best information available as of the date of the impairment assessment. Based on the annual impairment analysis, there is an impairment of $1,747,945 and $1,226,419 on the goodwill recorded in the Company's financial statements for the year ended August 31, 2022, and 2021, respectively.

Given the current macroeconomic environment and the uncertainties regarding its potential impact on the Company's business, there can be no assurance that the estimates and assumptions used in its impairment tests will prove to be accurate predictions of the future. If the Company's assumptions regarding forecasted cash flows are not achieved, it is possible that an impairment review may be triggered, and goodwill may be impaired. During the year ended August 31, 2022, the Company expects the reporting unit of FinTech App development not to generate profits in the near future. As a result, the goodwill was fully impaired as of August 31, 2022.

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions, and all highly liquid investments with an original maturity of three months or less as of the purchase date of such investments.

Software Development Costs

The Company expenses software development costs, including costs to develop software products or the software component of products to be marketed to external users before technological feasibility is reached. Technological feasibility is typically reached shortly before the release of such products, and, as a result, development costs that meet the criteria for capitalization were not material for the periods presented.

The Company capitalizes on development costs related to these software applications once the preliminary project stage is complete, and it is probable that the project will be completed, and the software will be used to perform the function intended.

No development costs were expensed as general and administrative expenses for the year ended August 31, 2023, and 2022.

Revenue Recognition

The Company adopted Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"), which establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to receive in exchange for those goods or services recognized as performance obligations are satisfied.

The Company recognizes revenue following the five-step model prescribed under ASU 2014-09:

Step 1: Identify the contract.
Step 2: Identify the performance obligations.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price.
Step 5: Recognize revenue.

Revenues are recognized when control of the promised goods or services is transferred to the Company's customers, which may occur at a point in time or over time depending on the terms and conditions of the agreement, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

Provision of investment platform services

The Company signed an agreement with a third party whereby the Company authorized the third party to use the Company's JFB platform and related applications for a period until December 31, 2020. Income from the provision of investment platform services with the use of the Company's mobile applications is recognized when the service is performed.

From September 2020, the Company generated additional revenue from a new, more comprehensive mobile application, which refer to as the FinMaster mobile application (the "FinMaster App" and together with the JFB platform, the "Apps"), with similar functions as the JFB platform. Income from providing investment platform services with the use of a mobile application is recognized when the service is performed.

The Company offers a self-managed points program, which can be used in the FinMaster App to redeem merchandise or services. The Company determines the value of each point based on estimated incremental cost. Customers and advocates have a variety of ways to obtain the points. The loyalty program was subsequently ended on April 30, 2023, after the Company withdrew from the investment platform service. The major accounting policy for its points program is described as follows:

The Company concludes the bonus points offered linked to the purchase transaction of the points is a material right and, accordingly, a separate performance obligation according to ASC 606 and should be taken into consideration when allocating the transaction price of the point sales. The Company also estimates the probability of points redemption when performing the allocation. The amount allocated to the bonus points as a separate performance obligation is recorded as contract liability (deferred revenue), and revenue should be recognized when future goods or services are transferred. The Company will continue to monitor when and if forfeiture rate data becomes available and will apply and update the estimated forfeiture rate at each reporting period.

Since historical information is limited for the Company to determine any potential points forfeitures and most merchandise can be redeemed without requiring a significant amount of points compared with the amount of points provided to users, the Company has used an estimated forfeiture rate of zero.

Provision of software development service and maintenance service

The Company entered into several agreements with third-party customers to assist the customers in the development of their mobile communications software and mobile e-commerce software. Income from provision of software development service and maintenance service are recognized when the service is performed.

Revenue by major product line

	Year ended August 31,	
	2023	2022
Provision of investment platform services	$ 17,414	$ 17,930
Provision of software development service and maintenance service	354,120	321,512
	$ 371,534	$ 339,442

Revenue by Recognition Over Time vs Point in Time

	Year ended August 31,	
	2023	2022
Revenue by recognition over time	$ 371,534	$ 339,442
Revenue by recognition at a point in time	-	-
	$ 371,534	$ 339,442

The remaining performance obligations represent contracted revenues that have not yet been recognized and include deferred revenues; invoices that have been issued to customers but were uncollected and have not been recognized as revenues; and amounts that will be invoiced and recognized as revenues in future periods. As of August 31, 2023, the Company's remaining performance obligations were $50,000, which it expects to recognize as revenues over the next twelve months and the remainder thereafter.

The Company had not incurred any costs to obtain contracts.

The Company does not have amounts of contract assets since revenue is recognized as control of goods or services is transferred. The contract liabilities consist of advance payments from customers. The contract liabilities are reported in a net position on a customer-by-customer basis at the end of each reporting period. All contract liabilities are expected to be recognized as revenue within one year and are included in other payables and accrued liabilities in the consolidated balance sheet.

Contract balances

The Company's contract liabilities consist of receipts in advance for software development and FinMaster App. The Company withdrew from the investment platform service in February 2023, and the advance payment from FinMaster App would be refunded to customers upon requests received. The Company updated its assessment of the amount of refunds and recognized the amounts received for which it did not expect to be entitled as a refund liability. Below is the summary presenting the movement of the Company's contract liabilities for the year ended August 31, 2023, and 2022:

Receipt in advance	**2023**	**2022**
Balance as of September 1	$ 169,951	$ 16,225
Advances received from customers	211,787	492,289
Revenue recognized	(318,350)	(336,796)
Refund liability recognized	(13,078)	-
Exchange difference	(310)	(1,767)
Balance as of August 31	$ 50,000	$ 169,951

Practical Expedients and Exemption

The Company has not incurred any costs to obtain contracts and does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less.

Research and development expenses

Research and development (“R&D”) expenses are primarily comprised of charges for R&D and consulting work performed by third parties; salaries and benefits for those employees engaged in research, design, and development activities; costs related to design tools; and allocated costs.

For the year ended August 31, 2023, and 2022, the total R&D expenses were $261,177 and $510,723, respectively.

Sales and marketing expenses

Sales and marketing expenses consist primarily of marketing and promotional expenses, salaries, and other compensation-related expenses to sales and marketing personnel. Advertising expenses consist primarily of costs for the promotion of corporate image and product marketing. The Company expenses all advertising costs as incurred and classifies these costs under sales and marketing expenses. For the years ended August 31, 2023, and 2022, advertising costs totaled $19,519 and $285,908, respectively.

From September 2019, customers or users of the FinMaster App can obtain points through other ways, such as account registration referral to the FinMaster App, frequent sign-ins to the application, and sharing articles from the application to users’ own social media, etc. The Company believes these points are to encourage user engagement and generate market awareness. As a result, the Company accounts for such points as sales and marketing expenses with a corresponding liability recorded under other current liabilities of its unaudited condensed consolidated balance sheets upon the points offering. The Company estimates liabilities under the customer loyalty program based on the cost of the merchandise that can be redeemed and its estimate of the probability of redemption. At the time of redemption, the Company records a reduction of inventory and other current liabilities. The loyalty program was ended on April 30, 2023, after the Company withdrew from the investment platform service.

Since historical information is limited for the Company to determine any potential points forfeiture and most merchandise can be redeemed without requiring a significant amount of points compared with the amount of points provided to users, the Company has used an estimated forfeiture rate of zero.

For the year ended August 31, 2023, and 2022, redeemable point liability (credited) charged as sales and marketing expenses were $(70,244) and $14,599, respectively.

As of May 31, 2023, and August 31, 2022, liabilities recorded related to unredeemed points were $nil and $82,638, respectively, which were included in other payables (note 9).

General and administrative expenses

General and administrative expenses consist primarily of salaries, bonuses, and benefits for employees involved in general corporate functions, depreciation and amortization of fixed assets, legal and other professional services fees, rental, and other general corporate-related expenses.

Inventory

Inventories are stated at the lower of cost or net realizable value. Cost is calculated on an average basis and includes all costs to acquire and other costs to bring the inventories to their present location and condition. The Company records inventory write-downs for excess or obsolete inventories based upon assumptions on current and future demand forecasts. If the inventory on hand is in excess of the future demand forecast, the excess amounts are written off. The Company also reviews inventory to determine whether its carrying value exceeds the net amount realizable upon the ultimate sale of the inventory. This requires the determination of the estimated selling price of the vehicles, less the estimated cost, to convert the inventory on hand into a finished product. Once inventory is written down, a new, lower-cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis.

Inventory as of August 31, 2023, and August 31, 2022, represents merchandise inventory that can be redeemed by deducting membership rewards points from the customer loyalty program.

Leases

The Company determines if an arrangement is a lease or contains a lease at inception. Operating lease liabilities are recognized based on the present value of the remaining lease payments, discounted using the discount rate for the lease at the commencement date. As the rate implicit in the lease is not readily determinable for the operating lease, the Company generally uses an incremental borrowing rate based on information available at the commencement date to determine the present value of future lease payments. Operating lease right-of-use ("ROU assets") assets represent the Company's right to control the use of an identified asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets are generally recognized based on the amount of the initial measurement of the lease liability. Lease expense is recognized on a straight-line basis over the lease term. The Company elected the package of practical expedients permitted under the transition guidance to combine the lease and non-lease components as a single lease component for operating leases associated with the Company's office space lease and to keep leases with an initial term of 12 months or less off the balance sheet and recognize the associated lease payments in the consolidated statements of income on a straight-line basis over the lease term.

The operating lease is included in operating lease right-of-use assets, operating lease liabilities-current, and operating lease liabilities-non-current on the Company's consolidated balance sheets.

Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on the straight-line basis over the following expected useful lives from the date on which they become fully operational:

	Expected useful life
Furniture and fixture	3
Office equipment	3
Leasehold improvement	3

Intangible assets

The Company recorded intangible assets with definite lives, including investment platforms and technical know-how. Intangible assets are recorded at cost less accumulated amortization with no residual value. Amortization of intangible assets is computed using the straight-line method over their estimated useful lives.

The estimated useful lives of the Company's intangible assets are listed below:

Investment platform	5 years
Technical know-hows	8 years

Trademarks	10 years

Impairment of Long-Lived Assets (including amortizable intangible assets)

The Company reviews the carrying values of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted net cash flows expected to be generated by the asset. If the assets are considered to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. No impairment has been recorded by the Company for the year ended August 31, 2023, and 2022.

Employee benefits

The Taiwan subsidiary also operates a Defined Contribution Pension Plan under the Labor Pension Act (the Act) for employees in Taiwan. The Act stipulated that the contribution rate by the employer per month shall not be less than 6% of the employee's monthly salary, and the Table of Monthly Contribution Salary Classification shall be prescribed by the Central Competent Authority. The highest bracket of Monthly Contribution Salary issued by the Central Competent Authority is $4,861 (NTD150,000). Total amounts of such employee benefit expenses, which were expensed as incurred, were approximately $13,400 and $128,350 for the year ended August 31, 2023, and 2022, respectively.

Full-time employees of the Company in the PRC participate in a government-mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund, and other welfare benefits are provided to the employees. Chinese labor regulations require that the PRC subsidiary of the Company make contributions to the government for these benefits based on certain percentages of the employees' salaries, up to a maximum amount specified by the local government. The Company has no legal obligation for the benefits beyond the contributions made. Total amounts of such employee benefit expenses, which were expensed as incurred, were approximately $74,440 and $126,568 for the year ended August 31, 2023, and 2022, respectively.

The Hong Kong subsidiary operates a Mandatory Provident Fund ("MPF") scheme for all qualifying employees in Hong Kong. The MPF is a defined contribution scheme, and the assets of the scheme are managed by a trustee independent of the Company. The MPF is available to all employees aged 10 to 64 with at least 60 days of service under the employment of the Company in Hong Kong. Contributions are made by the Company to a cap of HK$1,500 (equivalent to $192 per month). Total amounts of such employee benefit expenses, which were expensed as incurred, were approximately $5,590 and $4,291 for the year ended August 31, 2023, and 2022, respectively.

Income taxes

Income taxes are determined in accordance with the provisions of Accounting Standards Codification ("ASC") Topic 740, "*Income Taxes*" ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts. As of August 31, 2023, the Company has no accrued interest or penalties related to uncertain tax positions.

The Company conducts business in the PRC, Taiwan, and Hong Kong and is subject to tax in these jurisdictions. As a result of its business activities, the Company will file tax returns that are subject to examination by the respective tax authorities.

Net Loss Per Share

The Company calculates net loss per share in accordance with ASC Topic 260, *"Earnings per Share."* Basic income/(loss) per share is computed by dividing the net income/(loss) by the weighted average number of shares of common stock outstanding during the period. Diluted income per share is computed similarly to basic income/(loss) per share except that the denominator is increased to include the number of additional shares of common stock that would have been outstanding if the potential common stock equivalents had been issued and if the additional shares of common stock were dilutive. The following table presents a reconciliation of basic and diluted net loss per share:

	Year ended August 31,	
	2023	**2022**
Net loss	$ (2,933,756)	$ (11,920,097)
Weighted average number of shares of common stock outstanding - Basic and diluted**	206,711,554	177,602,306
Net loss per share - Basic and diluted	$ (0.01)	$ (0.07)

**Including 8,247,262 shares granted and vested but not yet issued for the period ended August 31, 2023; and including 6,800,000 shares that were granted and vested but not yet issued for the period ended August 31, 2022.

Stock-based compensation

The Company accounts for share-based compensation awards to officers, directors, and employees and for acquiring goods and services from nonemployees in accordance with FASB ASC Topic 718, "Compensation–Stock Compensation," which requires that share-based payment transactions be measured based on the grant-date fair value of the equity instrument issued and recognized as compensation expense over the vesting period. The Company accounts for forfeitures when they occur.

Cancellation of a share-based payment by the entity results in accelerated recognition of any unrecognized cost. Cancellation by the counterparty does not change recognition of the compensation cost. The termination of an employee that resulted in the forfeiture of share-based awards is not considered to be a cancellation of the awards.

Foreign Currencies Translation

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the statements of operations.

The reporting currency of the Company is United States Dollars ("US$"). The Company's subsidiary in Seychelles, the PRC, Taiwan and Hong Kong maintains its books and records in United States Dollars ("US$"), Renminbi ("RMB"), New Taiwanese Dollars ("NT$") and United States Dollars ("US$") respectively, which are the primary currencies of the economic environment in which the entities operate (the functional currencies).

In general, for consolidation purposes, the assets and liabilities of the Company's subsidiaries whose functional currency is not US$ are translated into US$, in accordance with ASC Topic 830-30, "*Translation of Financial Statements,"* using the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates prevailing during the period. The gains and losses resulting from the translation of the financial statements of foreign subsidiaries are recorded as a separate component of accumulated other comprehensive income within the statement of retained earnings.

Translation of amounts from foreign currencies into US$ has been made at the following exchange rates for the respective periods:

	As of August 31, 2023	As of August 31, 2022
Period-end NT$: US$ 1 exchange rate	31.87	30.38
Period-end RMB: US$ 1 exchange rate	7.26	6.89

	For the year ended,	
	August 31, 2023	August 31, 2022
Period average NT$: US$ 1 exchange rate	30.97	28.64
Period average RMB: US$ 1 exchange rate	7.03	6.51

Related Parties

Parties, which can be a corporation or an individual, are considered to be related if the Company has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence.

Convertible instruments

The Company accounts for hybrid contracts that feature conversion options in accordance with U.S. GAAP. ASC 815 "Derivatives and Hedging Activities" ("ASC 815") requires companies to bifurcate conversion options from their host instruments and account for them as free-standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument.

Conversion options that contain variable settlement features, such as provisions to adjust the conversion price upon subsequent issuances of equity or equity-linked securities at exercise prices more favorable than that featured in the hybrid contract, generally result in their bifurcation from the host instrument.

The Company accounts for convertible instruments when the Company has determined that the embedded conversion options should not be bifurcated from their host instruments, in accordance with ASC 470-20 "Debt with Conversion and Other Options" ("ASC 470-20"). Under ASC 470-20, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. The Company accounts for convertible instruments (when the Company has determined that the embedded conversion options should be bifurcated from their host instruments) in accordance with ASC 815. Under ASC 815, a portion of the proceeds received upon the issuance of the hybrid contract is allocated to the fair value of the derivative. The derivative is subsequently marked to market at each reporting date based on current fair value, with the changes in fair value reported in the results of operations.

Segment reporting

ASC Topic 280, "Segment Reporting," requires the use of the "management approach" model for segment reporting. The management approach model is based on the way a company's chief operating decision-maker organizes segments within the company for making operating decisions, assessing performance, and allocating resources. Reportable segments are based on products and services, geography, legal structure, management structure, or any other manner in which management disaggregates a company.

Management determined the Company's operations constitute a single reportable segment in accordance with ASC 280. The Company operates exclusively in one business and industry segment: the provision of investment platform services through its mobile application.

Recent Accounting Pronouncements

Recently Adopted Accounting Standards

In May 2021, the FASB issued ASU 2021-04, Earnings Per Share (Topic 260), Debt — Modifications and Extinguishments (Subtopic 470-50), Compensation — Stock Compensation (Topic 718), and Derivatives and Hedging — Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options ("ASU 2021-04"). ASU 2021-04 provides guidance as to how an issuer should account for a modification of the terms or conditions or an exchange of a freestanding equity-classified written call option (i.e., a warrant) that remains classified after modification or exchange as an exchange of the original instrument for a new instrument. An issuer should measure the effect of a modification or exchange as the difference between the fair value of the modified or exchanged warrant and the fair value of that warrant immediately before modification or exchange and then apply a recognition model that comprises four categories of transactions and the corresponding accounting treatment for each category (equity issuance, debt origination, debt modification, and modifications unrelated to equity issuance and debt origination or modification). ASU 2021-04 is effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. An entity should apply the guidance provided in ASU 2021-04 prospectively to modifications or exchanges occurring on or after the effective date. Early adoption is permitted for all entities, including adoption in an interim period. If an entity elects to early adopt ASU 2021-04 in an interim period, the guidance should be applied as of the beginning of the fiscal year that includes that interim period. The Company adopted ASU 2021-04 effective September 1, 2022. The adoption of ASU 2021-04 did not have any impact on the Company's condensed consolidated financial statement presentation or disclosures.

In November 2021, the FASB issued ASU 2021-10, Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance. This update requires certain annual disclosures about transactions with a government that are accounted for by applying a grant or contribution accounting model by analogy. This update is effective for annual periods beginning after December 15, 2021, and early application is permitted. This guidance should be applied either prospectively to all transactions that are reflected in financial statements at the date of initial application and new transactions that are entered into after the date of initial application or retrospectively to those transactions. The Company adopted ASU 2021-10 effective September 1, 2022. The adoption of ASU 2021-04 did not have any impact on the Company's condensed consolidated financial statement presentation or disclosures.

Recently issued accounting pronouncements not yet adopted.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments-Credit Losses (Topic 326) ("ASU 2016-13"), which requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. ASU 2016-13 replaces the existing incurred loss model and is applicable to the measurement of credit losses on financial assets measured at amortized cost. ASU 2016-13 is to be adopted on a modified retrospective basis. As a smaller reporting company, ASU 2016-13 will be effective for the Company for interim and annual reporting periods beginning after December 15, 2022. In March 2022, the FASB issued ASU 2022-02, Topic 326. The ASU eliminates the accounting guidance for trouble debt restructurings by creditors in Subtopic 310-40 and enhances the disclosure requirements for modifications of loans to borrowers experiencing financial difficulty. Additionally, the ASU requires disclosure of gross write-offs of receivables by year of origination for receivables within the scope of Subtopic 326-20, Financial Instruments - Credit Losses - Measured at Amortized Cost. This ASU is effective for periods beginning after December 15, 2022. The Company is currently evaluating the impact that the adoption of ASU 2016-13 and ASU 2022-02 will have on its condensed consolidated financial statement presentations and disclosures.

In January 2017, the FASB issued ASU No. 2017-04, Intangibles – Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment ("ASU 2017-04"). ASU 2017-04 eliminates Step 2 of the two-step Goodwill impairment test, under which a goodwill impairment loss was measured by comparing the implied fair value of a reporting unit's Goodwill with the carrying amount of that Goodwill. ASU 2017-04 requires only a one-step quantitative impairment test, whereby a Goodwill impairment loss is measured as the excess of a reporting unit's carrying amount over its fair value (not to exceed the total Goodwill allocated to that reporting unit). Adoption of the ASUs is on a modified retrospective basis. As a smaller reporting company, the standard will be effective for the Company for interim and annual reporting periods beginning after December 15, 2022. The Company does not expect the impact of this guidance to have a material impact on the Company's condensed consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires the recognition and measurement of contract assets and contract liabilities acquired in a business combination in accordance with ASC 606, Revenue from Contracts with Customers. This creates an exception to the general recognition and measurement principles in ASC 805. As a smaller reporting company, ASU 2021-08 will be effective for the Company for interim and annual reporting periods beginning after December 15, 2023, with early adoption permitted. The amendments in this ASU should be applied prospectively to business combinations occurring on or after the effective date of the amendments. The Company does not anticipate that the adoption of this guidance will have a material impact on the condensed consolidated financial statements.

In March 2023, the FASB issued ASU 2023-01, Lease (Topic 842): Common Control Arrangements, which clarifies the accounting for leasehold improvements associated with leases between entities under common control (hereinafter referred to as common control lease). ASU 2023-01 requires entities to amortize leasehold improvements associated with a common control lease over the useful life to the common control group (regardless of the lease term) as long as the lessee controls the use of the underlying asset through a lease and to account for any remaining leasehold improvements as a transfer between entities under common control through an adjustment to equity when the lessee no longer controls the underlying asset. This ASU will be effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted for both interim and annual financial statements that have not yet been made available for issuance. An entity may apply ASU 2023-01 either prospectively or retrospectively. The Company is currently evaluating the impact that the adoption of ASU 2023-01 will have on the Company's condensed consolidated financial statement presentations and disclosures.

The Company's management does not believe that any other recently issued, but not yet effective, authoritative guidance, if currently adopted, would have a material impact on the Company's condensed consolidated financial statement presentation or disclosures.

3. ACQUISITION OF SUBSIDIARIES

On August 17, 2020, the Company, through its wholly-owned subsidiary JFB, acquired all of the issued and outstanding capital stock (the "Acquisition") of NPI, pursuant to the terms and conditions of that certain Stock Purchase Agreement, dated as of August 17, 2020, among the Company, JFB, NPI, the selling shareholders of NPI identified therein (each a "Seller," and, collectively, the "Sellers") and the representative of the Sellers identified therein.

The aggregate purchase price for the Acquisition was $4,850,000, less certain discounts, expenses, and reductions for outstanding NPI debt owed to the Company and/or its affiliates, resulting in a net purchase price of $3,506,042, payable in 8,415,111 shares of the Company's common stock to the Sellers in accordance with their respective pro rata percentage.

After the completion of the Acquisition, NPI became an indirect wholly-owned subsidiary of the Company.

The Company completed the valuations necessary to assess the fair values of the tangible and intangible assets acquired and liabilities assumed, resulting from which the amount of Goodwill was determined and recognized as of the respective acquisition date. The following table summarizes the estimated aggregate fair values of the assets acquired and liabilities assumed as of the closing date, August 31, 2020.

Cash and cash equivalents	$	185,117
Prepayments, deposits and other receivables		145,228
Due from a shareholder		34,048
Right-of-use operating lease assets		113,590
Plant and equipment, net		30,365
Intangible assets- Technical know-hows		818,200
Goodwill		2,974,364
Other payables and accrued liabilities		(383,087)
Contract liabilities		(2,896)
Due to shareholders		(99,730)
Operating lease liability		(113,646)
Tax payable		(31,871)
Deferred tax liabilities		(163,640)
Net purchase price	$	3,506,042
Less: Outstanding NPI debt owed to the Company		
Accounts receivable		989,854
Notes payable		(3,066,617)
	$	1,429,279

The transaction resulted in a purchase price allocation of $2,974,364 to Goodwill, representing the financial, strategic, and operational value of the transaction to the Company. Goodwill is attributed to the premium that the Company paid to obtain the value of the business of NPI and the synergies expected from the combined operations of NPI and the Company, the assembled workforce and their knowledge and experience in the provision of products and projects utilizing NPI's technical know-how. The total amount of the Goodwill acquired is not deductible for tax purposes.

The Company performed goodwill impairment tests at the reporting unit level on an annual basis and between annual tests when an event occurred or circumstances changed, indicating the asset might be impaired. Goodwill was fully impaired as of August 31, 2022. No impairment loss of Goodwill of the reporting unit of the Fintech App development was recognized for the year ended August 31, 2023, and 2022.

4. PLANT AND EQUIPMENT, NET

Plant and equipment as of August 31, 2023 and August 31, 2022 are summarized below:

		As of August 31, 2023		As of August 31, 2022
Furniture and fixtures	$	13,804	$	30,494
Office equipment		22,805		89,858
Leasehold improvement		45,799		82,969
Total		82,408		203,321
Less: Accumulated depreciation		(77,888)		(132,317)
Plant and Equipment, net	$	4,520	$	71,004

Depreciation expenses, classified as operating expenses, were $37,694 and $44,326 for the year ended August 31, 2023 and 2022, respectively.

5. INTANGIBLE ASSETS, NET

Intangible assets costs as of May 31, 2023, and August 31, 2022, are summarized below:

	As of May 31, 2023	As of August 31, 2022
Investment platform	$ 30,000	$ 30,000
Technical know-hows	818,200	818,200
Trademarks	4,920	4,920
Total	853,120	853,120
Less: Accumulated amortization	(199,527)	(199,035)
Impairment	(649,781)	(649,781)
Intangible assets, net	$ 3,812	$ 4,304

Amortization expense for intangible assets was $492 and $90,076 for the year ended August 31, 2023, and 2022, respectively.

During the course of the Company's strategic review of its operations, the Company assessed the recoverability of the carrying value of the Company's intangible assets. The impairment charge, if any, represented the excess of carrying amounts of the Company's intangible assets over their fair value, using the expected future discounted cash flows. No impairment loss of intangible assets was recognized for the year ended August 31, 2023, and 2022.

As of August 31, 2023, amortization expenses related to intangible assets for future periods are estimated to be as follows:

12 months ending August 31,	
2024	$ 492
2025	492
2026	492
2027	492
2028 and thereafter	1,844
Total	$ 3,812

6. NON-MARKETABLE EQUITY SECURITIES

On August 5, 2022, the Company obtained an aggregate of 15,000,000 shares of common stock, par value $0.0001 per share of DFP Holdings Limited ("DFP"), a Nevada corporation, as the return of software development service rendered (note 7), pursuant to the Software Development Agreement and Supplementary Agreement dated January 27, 2022, and June 28, 2022, respectively among DFP and LCHD.

DFP engages in online higher education services. It is committed to promoting Asian talent education services and cooperating with practical entrepreneurs on both sides of the strait to offer courses related to business management and business marketing, assisting Taiwan's small and medium-sized corporations, entrepreneurs, and mid open up new ideas and improving their business vision. As of August 31, 2023, and August 31, 2022, the Company held 7.01% and 7.06%, respectively of DFP's outstanding common stock.

7. RELATED PARTY TRANSACTIONS AND BALANCES

Name of Entity or Individual	Relationship with the Company
DFP Holdings Limited ("DFP")	Note a
Reblood Biotech Corp.	Note b
Reblood Biotech Limited	Note b
Asia Pacific Integrating System Limited	Note c
Yi-Hsiu Lin	Shareholder and director of the Company
Jui-Chin Chen	Shareholder of the Company
Teh-Ling Chen	Shareholder of the Company
CPN Investment Limited	Shareholder of the Company
Kuo-Hsun Hsu	Shareholder of the Company
Chun-Shuo Huang	Shareholder of the Company

Yu-Cheng Tu	Shareholder of the Company
Chin-Chiang Wang	Shareholder of the Company
Ching-Nan Wang	Shareholder of the Company
Chin-Ping Wang	Shareholder of the Company
Shih-Chu Lo	Shareholder of the Company
Chang-Ming Lu	Shareholder of the Company
Chien Chiao	Shareholder of the Company

(a) As of August 31, 2023, the Company and Yi-Hsiu Lin held 7.01% and 7.01% of DFP's outstanding common stock. DFP was also the shareholder of the Company.

(b) Reblood Biotech Corp., a Nevada company, in which Yi-Hsiu Lin was the shareholder. Reblood Biotech Limited, a Hong Kong company, which was a subsidiary of Reblood Biotech Corp.

(c) Asia Pacific Integrating System Limited, a Taiwanese company, in which Yu-Cheng Tu and Shih-Chu Lo, shareholders of the Company, holding 50.5% equity interests as of August 31, 2023.

Related party transactions:

The Company entered into the following significant related party transactions:

	Year ended August 31,			
	2023		2022	
Provision of software development service to DFP (a)	$	300,000	$	301,500
Provision of software maintenance service to DFP (a)		54,120		2,898
Rental expense to Yu-Cheng Tu (b)		-		3,142
Rental expense to Reblood Biotech Limited (d)		35,201		34,571
Interest expense to:				
Teh-Ling Chen (Note 13)		-		9,670
CPN Investment Limited (c)		1,892		100
Chun-Shuo Huang (Note 10(a))		34,489		12,366
Ching-Nan Wang (Note 12)		72,000		60,000
Jui-Chin Chen (Note 10(b) and 13)		4,800		6,517
Chang-Ming Lu (Note 10(h))		2,215		
Chin-Chiang Wang (Note 10(c) and 13)		12,000		200
Chin-Ping Wang (Note 13)		-		2,835
Ching-Nan Wang (Note 13)		-		2,835

(a) The Company entered into a Customized App Development Agreement providing the online and offline learning opportunities across different subjects on January 27, 2022, with DFP. The Company delivered an app and provided the follow-up maintenance service since August 2022. For the year ended August 31, 2023, software maintenance income of $54,120, respectively was generated from this customer. Both parties entered another software development agreement on March 31, 2022, and the Company delivered the app on January 16, 2023. For the year ended August 31, 2023, revenue of $300,000 and $nil, respectively was generated.

(b) On September 1, 2020, LOC leased an office in Taichung, Taiwan from the Company's shareholder- Yu-Cheng Tu. The lease was renewed on April 1, 2021, for additional one-year term and early terminated on October 31, 2021. The monthly lease was for the amount of NTD 45,000 ($1,593), with a term of one year. During the year ended August 31, 2023, and 2022, the Company recognized rental expenses of $nil and $3,142, respectively that are included in general and administrative expenses.

(c) The Company borrowed a principal amount of $40,000 on May 16, 2022, from a shareholder – CPN Investment Limited. The loan was 6% interest bearing payable on maturity and would be matured in one year. The loans were fully repaid on May 31, 2022. No interest was accrued as of May 31, 2022. The Company later borrowed a principal amount of $62,000 on September 27, 2022. The loan was 6% interest bearing payable on maturity and would be matured in one year. The loan was fully repaid on November 1, 2022. Further, $73,400 was borrowed from December to February 2023 and $20,000 was repaid on May 24, 2023, $20,000 was repaid on Jun 26, 2023, and $5,000 was repaid on July 27, 2023, and $5,000 was repaid on August 2, 2023, and $5,000 was repaid on August 10, 2023. The loan was 6% interest bearing payable on maturity and would be matured in one year. Interest of $1,892 was incurred for the year ended August 31, 2023.

(d) On June 1, 2021, JFB leased an office in Taipei, Taiwan from a company which was the subsidiary of Reblood Biotech Corp. The monthly lease was for the amount of NTD 82,062 ($2,908), with a term of 16 months. On October 1, 2022, the lease was renewed for additional one year. The monthly rental was NTD 97,062 ($3,145). During the year ended August 31, 2023, and 2022, the Company recognized rental expenses of $35,201 and $34,571, respectively that are included in general and administrative expenses.

(e) NTD64,000 ($2,082) was paid for Kuo-Hsun Hsu's quarter on November 3, 2022. The lease was early terminated in April 2023 and the deposit paid became non-refundable.

Related party balances:

Apart from the above, the Company recorded the following significant related party balances as of August 31, 2023, and August 31, 2022:

	As of August 31, 2023	As of August 31, 2022
Accounts receivable from related parties		
Receivables from DFP	$	$ 2,732

Up to the date of this report, $nil of the above contract liabilities had been utilized.

	As of May 31, 2023	As of August 31, 2022
Contract liabilities due to related parties		
due to DFP	$ -	$ 150,000
due to Asia Pacific Integrating System Limited	$ 50,000	$ -

The Company entered into an agreement with a third party customer to assist the customer in the development of their mobile e-commerce software on August 31, 2022. Up to the date of this report, $nil of the above contract liabilities had been utilized.

	As of August 31, 2023	As of August 31, 2022
Accrued interests payable to related parties		
Ching-Nan Wang (note 12)	$ 56,935	$ 2,935
Chun-Shuo Huang (note 10 (a))	2,851	2,851
Jui-Chin Chen (note 10(b))	8,029	3,229
Chin-Chiang Wang (note 10(c))	9,165	9,165
CPN Investment Limited (note 10(g))	1,892	-
Chang-Ming Lu (note 10(h))	598	-
	$ 79,470	$ 18,180

8. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As of August 31 31, 2023	As of August 31, 2022
Rental and management fee deposits	$ 18,429	$ 100,498
Other prepaid expenses	22,068	52,723
Staff advances		-
Other taxes recoverable	-	35,802
	40,497	189,023
Less: non-current portion		
Rental and management fee deposits	731	12,822
Prepayments, deposits and other receivables, non-current	731	12,822
Prepayments, deposits and other receivables, current	$ 39,766	$ 176,201

9. ACCRUED EXPENSES AND OTHER PAYABLES

	As of August 31, 2023	As of August 31, 2022
Accrued interests (Note 7, 10 and 12)	$ 79,470	18,180
Accrued payroll	192,886	150,932
Other accrued expenses	251,119	197,428
Other taxes payable	-	1,377
Refund liabilities	23,691	-
Point liabilities	-	82,638
	$ 547,166	450,555

10. DUE FROM (TO) SHAREHOLDERS AND DIRECTORS

	As of August 31, 2023	As of August 31, 2022
Other loans from shareholders:		
Jui-Chin Chen (b)	$ (80,000)	$ (80,000)
Chun-Shuo Huang (a)	(140,647)	(145,159)
Mei-Ying Huang (d)	(2,602)	(35,550)
Chin-Chiang Wang (c)	(200,000)	(200,000)
CPN Investment Limited (g)	(18,400)	-
Chang-Ming Lu (h)	(140,677)	-
Total (Note 11)	(582,326)	(460,709)
Less: Other loans from shareholders, non-current	200,000	200,000
	$ (382,326)	$ (260,709)
Due to a director - current:		
Yi-Hsiu Lin (e)	$ (1,100,305)	$ (973,564)
Due to shareholders - current:		
Yu-Cheng Tu (e)	$ (41,161)	$ (42,472)
Hung-Pin Cheng (e)	(5,354)	(471)
Mei-Ying Huang (e)	(800)	(800)
Shih-Chu Lo (e)	(800)	(800)
Jun-Yuan Chen (e)	(800)	(800)
Kuo-Hsun Hsu (e)	28,837	-
Total	$ (20,078)	$ (45,343)

(a) On May 31, 2022, the Company obtained a loan of RMB1,000,000 ($140,647) from Chun-Shuo Huang, which accrues interest at the rate of 8% per annum. The loan was due on May 27, 2022, and further extended to December 31, 2022, and accrued interest at the rate of 2% per month. The repayment was extended to December 31, 2023, as agreed by both parties. Interest of $34,489 and $12,366 respectively was incurred for the year ended August 31, 2023, and 2022. Interest of $2,851 was accrued as of August 31, 2023, and August 31, 2022.

(b) The loan was modified from a convertible note on March 23, 2022, and would be repayable in five installments before May 31, 2023, with 6% interest-bearing per annum. $20,000 was repaid by the Company as of August 31, 2023. On November 29, 2022, both parties entered into an amendment agreement to extend the payment time of the remaining loans and interests by November 30, 2023. For the year ended August 31, 2023, and 2022, interest of $4,800 and $6,517 were incurred respectively. Interest of $8,029 and $3,229 was accrued as of August 31, 2023, and August 31, 2022, respectively.

(c) The loan was modified from convertible note on May 3, 2022, and would mature on November 25, 2024, with 6% interest-bearing per annum. For the year ended August 31, 2023, and 2022, interest of $12,000 were incurred. Interest of $9,165 and $9,165 was accrued as of August 31, 2023, and August 31, 2022, respectively.

(d) The Company borrowed non-interest-bearing loans in the aggregate amount of NTD4,000,000 ($130,378) from Mei-Ying Huang. The loan of NTD2,500,000 ($81,486) borrowed on November 24, 2021, was due on May 24, 2022, but further extended to December 31, 2022. The loan was fully repaid on October 25, 2022. The loan of NTD1,000,000 ($32,594) borrowed on January 12, 2022, was fully repaid on July 22, 2022. NTD420,000 ($13,663) was repaid for the remaining loan of NTD500,000 ($16,265) obtained on February 9, 2022, which would be repayable based on the Company's financial ability.

(e) Amounts due to shareholders and a director are unsecured, interest-free with no fixed payment term.

(f) NTD64,000 ($2,082) was paid for Kuo-Hsun Hsu's quarter on November 3, 2022. The lease was early terminated in April 2023 and the deposit paid became non-refundable.

(g) The Company borrowed a principal amount of $62,000 on September 27, 2022, from a shareholder – CPN Investment Limited. The loan was 6% interest bearing payable on maturity and would be matured in one year. The loan was fully repaid on November 1, 2022. Further $73,400 was borrowed from December to February 2023 and $20,000 was repaid on May 24, 2023, and $20,000 was repaid on Jun 26, 2023, and $5,000 was repaid on July 27, 2023, and $5,000 was repaid on August 2, 2023, and $5,000 was repaid on August 10, 2023. The loan was 6% interest bearing payable on maturity and would be matured in one year. Interest of $1,892 was accrued as of August 31, 2023.

(h) The Company borrowed a principal amount of $100,974 (RMB700,000) on April 26, 2023, from a shareholder – Chang-Ming Lu. The loan was 5% p.a. interest bearing payable on monthly basis and would be matured on December 31, 2023. The loan was fully received by May 8, 2023. Further $42,224(RMB300,000) was borrowed on Jun 5, 2023, and the loan was 5% p.a. interest bearing payable on monthly basis and would be matured on July 5, 2023. Both parties later mutually agreed to extend the maturity date to February 5, 2024. Interest of $2,215 was incurred for the year ended August 31, 2023. Interest of $598 was accrued as of August 31, 2023.

(i) The Company borrowed a non-interest-bearing loan of NTD34,500 ($1,122) from Chien Chiao on March 16, 2023. The maturity date was June 30, 2023, and it was fully repaid on April 18, 2023.

11. OTHER LOANS

	As of May 31, 2023	As of August 31, 2022
Other loans:		
- from shareholders (note 10)	$ 582,326	$ 460,709
- from a non-related party	1,130	-
	583,456	460,709
Less: Other loan, non-current:	(200,000)	(200,000)
	$ 383,456	$ 260,709

On September 15, 2022, the Company borrowed a non-interest-bearing loan of NTD30,000 ($976) from a non-related company which was owned by an employee of the Company. The loan would be repayable on September 15, 2023. Further, a non-interest loan of NTD148,000 ($4,815) was borrowed in January 2023 and would be repayable in one year. The Company repaid NTD142,000 ($4,620) as of August 31, 2023.

12. BONDS PAYABLE

The Company entered into a Bond Purchase Agreement with Ching-Nan Wang (who became the Company's shareholder in May 2021) on August 14, 2019, pursuant to which the Company issued and sold to the purchaser a bond at an aggregate purchase price of $600,000. The bond will mature three years from August 14, 2019. Interest on the bond accrues at a rate of 10% per annum and is payable on a semi-yearly basis. The Company may exercise its right to repay this bond at any time on or before two years from the maturity date by wiring 100% of all outstanding principal and interest to the purchaser. On August 10, 2022, the bond was further extended to August 14, 2023, and 12% p.a. interest was payable quarterly. The bond was collateralized by 2,000,000 shares of DFP Holdings Limited and 1,000,000 shares of Reblood Biotech Corp. held by Yi-Hsiu Lin. Interest of $72,000 and $60,000 was incurred in the year ended August 31, 2023, and 2022, respectively. Interest of $56,935 and $2,935 was accrued as of August 31, 2023, and August 31, 2022, respectively. On July 31, 2023, the bond was further extended to August 14, 2024, and other terms were subject to further negotiation.

13. CONVERTIBLE NOTES PAYABLE TO RELATED PARTIES

The Company entered into a series of Convertible Promissory Note Purchase Agreements (the "Agreements") with certain investors between March 2020 and January 2021. Pursuant to the Agreements, the Company issued certain Convertible

Promissory Notes (the "Notes") to the investors in a total principal amount of $900,000. A summary of the major terms of the Agreements are presented as follows:

	Principal amount	Issue date	Maturity date	Interest rate
Jui-Chin Chen (a)	100,000	March 18, 2020	March 18, 2022	6%
Teh-Ling Chen (b)	100,000	November 2, 2020	November 2, 2022	6%
Chin-Ping Wang (c)	200,000	November 25, 2020	November 25, 2022	6%
Chin-Nan Wang (d)	200,000	November 25, 2020	November 25, 2022	6%
Chin-Chiang Wang (d)	200,000	November 25, 2020	November 25, 2022	6%
Teh-Ling Chen (e)	100,000	January 15, 2021	January 15, 2023	6%
	$ 900,000			

(a) On March 18, 2020, the Company issued an unsecured note in the principal amount of $100,000, which accrues interest at the rate of 6% per annum, to a shareholder – Jui-Chin Chen. On August 17, 2020, the Company amended the Note and the Agreement, wherein, at the sole option of the applicable noteholder, all, or part of the unpaid outstanding principal of such noteholder's Note would be convertible into shares of restricted common stock of the Company at a conversion price equal to $0.40 per share. On March 23, 2022, the Company further amended the Note and the Agreement with the noteholder, mutually agreed to cancel the conversion option and to repay the principal in two installments and accrued interest during that period before October 31, 2022. The balance was classified as 6% short-term loan on the same date (Note 10(b)). On May 29, 2022, the Company further amended the Note and the Agreement with the noteholder, mutually agreed to repay the principal and interests in five installments before November 30, 2022. It was later extended to November 30, 2023. Up to the date of this report, the Company repaid $nil to Jui-Chin Chen.

(b) On November 2, 2020, the Company issued a Note in the principal amount of $100,000, which accrues interest at the rate of 6% per annum, to a shareholder – Teh-Ling Chen. The note is due on November 2, 2022, and unsecured. On May 10, 2022, the Company entered into an amendment to the Note with the shareholder, wherein, at the sole option of the applicable noteholder, all or part of the unpaid outstanding principal of such noteholder's Note would be convertible into shares of restricted common stock of the Company at a conversion price equal to $0.10 per share. On May 12, 2022, the shareholder submitted a conversion notice to the Company, converting all of the outstanding balance of his Note into an aggregate of 1,000,000 shares of the Company's common stock. The conversion was approved by the Company on May 17, 2022, and the shares were issued on May 19, 2022.

(c) On November 25, 2020, the Company issued a Note in the principal amount of $200,000, which accrues interest at the rate of 6% per annum, to a shareholder – Chin-Chiang Wang. The Note is due on November 25, 2022, and unsecured. On May 3, 2022, the Company entered into an amendment to the Note and the convertible promissory note purchase agreement with Chin-Chiang Wang, mutually agreed to extend the maturity date to November 25, 2024, and cancel the conversion option. The balance was classified as non-current 6% loan on the same date (Note 10(c)).

(d) On November 25, 2020, the Company issued several Notes in the total principal amount of $400,000, which accrues interest at the rate of 6% per annum, to shareholders – Chin-Ping Wang and Ching-Nan Wang. The notes are due on November 25, 2022, and unsecured. On January 24, 2022, the Company entered into an amendment to the Notes with these two shareholders, wherein, at the sole option of the applicable noteholder, all or part of the unpaid outstanding principal of such noteholder's Notes would be convertible into shares of restricted common stock of the Company at a conversion price equal to $0.25 per share. On January 26, 2022, the shareholders submitted conversion notices to the Company converting all of the outstanding balances of their Notes into an aggregate of 1,600,000 shares of the Company's common stock. The conversion was approved by the Company on January 31, 2022, and the shares were issued on March 15, 2022.

(e) On January 15, 2021, the Company issued a Note in the principal amount of $100,000, which accrues interest at the rate of 6% per annum, to a shareholder – Teh-Ling Chen. The note is due on January 15, 2023, and unsecured. On May 10, 2022, the Company entered into an amendment to the Note with the shareholder, wherein, at the sole option of the applicable noteholder, all or part of the unpaid outstanding principal of such noteholder's Note would be convertible into shares of restricted common stock of the Company at a conversion price equal to $0.10 per share. On May 12, 2022, the shareholder submitted a conversion notice to the Company, converting all of the outstanding balance of his Note into an aggregate of 1,000,000 shares of the Company's common stock. The conversion was approved by the Company on May 17, 2022, and the shares were issued on May 19, 2022.

For each of the Notes, the Company is entitled to a one-year extension. The outstanding principal amounts of the notes are convertible at any time at the option of the holders into common stock at a conversion price of $0.40 per share. Each of the noteholders may convert part of the principal outstanding in increments of $10,000 or multiples of $10,000 at any time. Accrued interest, if any, will be forfeited on any principal amount being converted.

The conversion feature is dual-indexed to the Company's stock and is considered an embedded derivative that needs to be bifurcated from the host instrument in accordance with ASC 815.

ASC 815-15-25 provides that if an entity has a hybrid financial instrument that would require bifurcation of embedded derivatives under ASC 815, the entity may irrevocably elect to initially and subsequently measure a hybrid financial instrument in its entirety at fair value with changes in fair value recognized in earnings. The fair value election can be made instrument by instrument and shall be supported by concurrent documentation or a preexisting documented policy for automatic election.

The Company elected to measure the Notes in their entirety at fair value with changes in fair value recognized as non-operating income or loss at each balance sheet date in accordance with ASC 815-15-25.

During the year ended August 31, 2023, and 2022, interest of $nil and $14,376 were incurred on the Notes, respectively.

14. INCOME TAXES

For the period ended August 31, 2023, and 2022, the local (United States) and foreign components of loss before income tax were comprised of the following:

	Year ended August 31,	
	2023	**2022**
Tax jurisdictions from:		
- Local	$ (1,216,282)	$ (6,165,700)
- Foreign, representing		
Seychelles	-	-
British Virgin Islands	(1,291)	(2,059)
Taiwan	(579,215)	(4,577,208)
PRC	(497,553)	(739,876)
Hong Kong	(639,415)	(560,756)
Loss before income tax	$ (2,933,756)	$ (12,045,599)

The components of the benefit for income taxes expenses are:

	Year ended August 31,	
	2023	**2022**
Current	$ -	$ -
Deferred	-	(125,502)
Total income tax benefit	$ -	$ (125,502)

The benefit for income taxes consisted of the following:

	Year ended August 31,	
	2023	**2022**
Loss before income taxes	$ (2,933,756)	(12,045,599)
Statutory income tax rate	21%	21%
Income tax credit computed at statutory income rate	(616,089)	(2,529,576)
Reconciling items:		
Non-deductible expenses	87,628	1,447,143
Share-based payments	137,580	398,864
Tax effect of tax exempt entity	271	432
Rate differential in different tax jurisdictions	(9,807)	18,468
Valuation allowance on deferred tax assets	242,275	539,167
Income tax benefit	$ -	$ (125,502)

United States of America

The Company is registered in the State of Nevada and is subject to the tax laws of the United States of America. As of August 31, 2023, the operations in the United States of America incurred $2,610,184 of cumulative net operating losses (NOLs), which can be carried forward to offset future taxable income. The NOL carryforwards begin to expire in 2037 if unutilized. As of August 31, 2023, the Company has provided for a full valuation allowance of $548,139 against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

Seychelles

Under the current laws of the Seychelles, LFGL is registered as an international business company, as such, LFGL is governed by the International Business Companies Act of Seychelles and not subject to income taxes in Seychelles.

British Virgin Islands

NPI is tax-exempt in the British Virgin Islands, where it was incorporated.

Taiwan

LOC is subject to corporate income tax ("CIT") in Taiwan. Since January 1, 2018, the CIT rate in Taiwan is 20%. As of August 31, 2023, LOC had a net operating loss carry-forwards in Taiwan of $4,038,351, which will expire in various years through 2027. The Company has provided for a full valuation allowance of $807,670 against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

PRC

BJDC is subject to corporate income tax ("CIT") at 25% in accordance with the relevant tax laws and regulations of the PRC. As of May 31, 2023, BJDC had a net operating loss carry-forwards in the PRC of $2,891,064, which will expire in various years through 2029. The Company has provided for a full valuation allowance of $722,766 against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

Hong Kong

JFB is subject to Hong Kong Profits Tax, which is charged at the statutory income rate of 16.5% on its assessable income. No provision for Hong Kong profits tax has been made in the financial statements as JFB has no assessable profits for the period. As of August 31, 2023, the operations in Hong Kong incurred $nil of cumulative net operating losses (NOL's) which can be carried forward indefinitely to offset future taxable income. As of August 31, 2023, the Company has provided for a full valuation allowance of approximately $nil against the deferred tax assets on the expected future tax benefits from the net operating loss carryforwards as the management believes it is more likely than not that these assets will not be realized in the future.

		August 31, 2023		August 31, 2022
Deferred tax assets:				
Net operating loss carryforwards				
– United States of America	$	(548,139)	$	(500,564)
– Taiwan		(807,670)		(699,772)
– PRC		(722,766)		(600,648)
– Hong Kong		-		-
Less: valuation allowance		2,078,575		1,800,984
	$	-	$	-

15. COMMON STOCK

On September 1, 2021, the Company renewed the employment agreement with Yi-Hsiu Lin for additional two years. Pursuant to the agreement, Mr. Lin will be compensated at an annual rate of $120,000 per year (the "Base Compensation"), prorated for any partial year, payable in cash or with 2,500,000 shares of restricted common stock, which would vest as of March 1, 2022, and March 1, 2023. In addition, Mr. Lin may be entitled to bonus compensation of up to three times the Base Compensation based on his achievement of appropriate performance criteria to be determined by the board of directors or a committee thereof. The bonus compensation offer was canceled on March 1, 2022. The fair value of the shares of restricted common stock for each of the years ending August 31, 2023, and 2022 was $250,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $250,000 as remuneration.

On September 1, 2021, the Company issued a director offer letter to Shui Fung Cheng, pursuant to which Mr. Cheng agreed to serve as a director of the Company for a one-year term. For his service as a director, Mr. Cheng would receive an annual compensation, prorated for any partial year, in the form of $80,000 in cash or 1,500,000 shares of restricted common stock. The offer letter provided that compensation, either in cash or shares of restricted common stock, would be paid or granted immediately on September 1, 2021. On September 1, 2022, the Company re-issued a director offer letter to Shui Fung Cheng with the same compensation for further one year. The fair value of the shares of restricted common stock granted on September 1, 2021, and 2022 was $150,000 each, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $150,000 as remuneration.

On March 1, 2021, the Company renewed the consulting agreement with a consultant to provide business advisory services to the Company for a one-year term. Pursuant to the agreement, the Company agreed to pay the consultant a fee of $60,000 and 1,000,000 shares of restricted common stock, which vested not later than June 30, 2021, prorated for any partial year. The fair value of the shares of restricted common stock was $100,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the nine and three months that ended May 31, 2022, the Company amortized $50,000 and $25,000, respectively, as consulting expenses under this agreement. The shares were granted and issued on December 16, 2021.

On June 30, 2020, the Company's board of directors agreed to grant a new employee of JFB, (i) 5,000,000 shares of restricted common stock in connection with such employee's employment (the "Inducement Shares") and (ii) 5,000,000 shares of restricted common stock upon the achievement of each of two milestones set forth in such employee's offer letter relating to the FinMaster mobile application. The fair value of the shares of restricted common stock to be issued to him was $6,000,000, which was calculated based on a price per share of $0.40. As of August 31, 2022, apart from the 5,000,000 Inducement Shares, 5,000,000 shares were vested to the employee upon achievement of the first milestone set forth in the employee's offer letters, the Company amortized $139,560, $1,622,940 and $237,500, respectively as salaries under this milestone for the years ended August 2022, 2021, and 2020. However, during the year ended August 31, 2022, the company reassessed the likelihood that the employee will achieve for the second milestone and determined that the employees will not achieve the targets of the second milestone, the Company recognized a reverse to salary $348,627 under this milestone. During the nine and three months ended May 31, 2022, the Company amortized $318,108 and $75,627, respectively, as salaries. As of May 31, 2022, 10,000,000 shares were issued.

The Company issued 8,415,111 shares of common stock for the acquisition of NPI in August 2020 (Note 1).

On August 1, 2020, the Company entered into a one-year consulting services agreement with a company. Pursuant to the agreement, the Company agreed to pay the provider an annual compensation of $66,000, prorated for any partial year. In addition, for the services rendered by the provider's employees, the provider was granted 1,000,000 shares of restricted common stock, vested on September 15, 2020. The fair value of 1,000,000 shares granted was $400,000, which was calculated based on the stock price of $0.40 per share and will be amortized over the service term. During the nine and three months that ended May 31, 2022, the Company recognized $16,666 and $nil, respectively, as compensation under these arrangements. The shares were issued on January 6, 2021.

On November 1, 2020, the Company entered into one-year consulting agreements with two consultants to assist in monitoring and improving FinMaster APP. Pursuant to the agreement, the Company agreed to pay the consultants 2,500,000 shares of restricted common stock, which vested on November 1, 2020, prorated for any partial year. The fair value of the shares of restricted common stock was $2,500,000, which was calculated based on a price per share of $1.00 and amortized over the service term. During the nine and three months that ended May 31, 2022, the Company amortized $416,666 and $nil, respectively, as consulting expenses under these agreements. The shares were issued on December 22, 2020.

On February 8, 2021, the Company and First Leader Capital Ltd. mutually agreed to further forfeit and surrender 5,000,000 shares (the "Surrendered Shares") of the Company's common stock, par value $0.0001 per share (the "Common Stock"). The Surrendered Shares were automatically canceled and retired. First Leader Capital Ltd. agreed to forfeit and cancel the Surrendered Shares in exchange for reducing the Company's outstanding Common Stock to be more in line with what management deems to be market expectations based on the Company's current valuation.

On May 17, 2021, the Company and First Leader Capital Ltd., again, mutually agreed to forfeit and surrender 13,132,500 shares (the "Surrendered Shares") of the Company's common stock, par value $0.0001 per share (the "Common Stock"). The Surrendered Shares were automatically canceled and retired. First Leader Capital Ltd. agreed to forfeit and cancel the Surrendered Shares in exchange for reducing the Company's outstanding Common Stock to be more in line with what management deems to be market expectations based on the Company's current valuation.

On September 1, 2021, the Company issued an offer letter to Hsu Kuo-Hsun, pursuant to which Mr. Hsu agreed to serve as chairman of LOC for two years. Per the terms of the offer letter, Mr. Hsu will receive a monthly remuneration of NT$60,000 (equivalent to $1,902) in cash and 2,400,000 shares of restricted common stock, which shall be granted in two equal tranches and vested on March 1, 2022, and March 1, 2023. The fair value of the shares of restricted common stock for each of the years ending August 31, 2023, and 2022 was $120,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $120,000 each as consulting expenses under this agreement. 1,200,000 shares were issued on October 5, 2022.

On September 1, 2021, the Company issued a Senior Vice President ("SVP") offer letter to Chiao Chien, pursuant to which Mr. Chiao agreed to serve as SVP of user experience of the Company for two years. For his services, Mr. Chiao will receive a monthly remuneration of RMB 17,000 (equivalent to $2,385) in cash and 3,000,000 shares of restricted common stock, which shall be granted in two equal tranches and vested on March 1, 2022, and March 1, 2023. The fair value of the shares of restricted common stock for each of the years ending August 31, 2023, and 2022 was $150,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $150,000 each as consulting expenses under this agreement. 1,500,000 shares were issued on October 5, 2022.

On December 21, 2021, pursuant to the 2021 Equity Incentive Plan, the Company granted an aggregate of 9,550,850 non-restricted share units of the Company's common stock to certain employees and consultants of the Company. In accordance with the vesting schedule of the grant, the restricted shares will vest immediately. The fair price of the non-restricted shares was $0.10 per share. The Company recognized the share-based compensation expenses over the vesting period on a graded vesting method. The Company recorded non-cash share-based compensation of $955,085 for the nine and three months ending May 31, 2022, in respect to the non-restricted shares granted. The shares were issued on March 2, 2022. As of August 31, 2023, neither unrecognized stock-based compensation was associated with the above share units nor vested shares were to be issued.

On January 26, 2022, the shareholders- Chin-Ping Wang and Ching-Nan Wang, submitted conversion notices to the Company converting all of the outstanding balances of their Convertible Notes payable (Note 13) into an aggregate of 1,600,000 shares of the Company's common stock. The conversion was approved by the Company on January 31, 2022, and the shares were issued on March 15, 2022.

On May 12, 2022, the shareholder- Teh-Ling Chen, submitted a conversion notice to the Company, converting all of the outstanding balance of his Convertible Notes payable (Note 13) into an aggregate of 2,000,000 shares of the Company's common stock. The conversion was approved by the Company on May 17, 2022, and the shares were issued on May 19, 2022.

On June 17, 2022, 500,576 shares of the Company were issued to shareholder- Teh-Ling Chen for the repayment of loan balance and accrued interest.

On October 1, 2022, the Company entered into a consultant agreement with Shou-Hung Hsu for two years. Pursuant to the agreement, Mr. Hsu was compensated at $25,000 per year, prorated for any partial year, payable in cash or with 700,000 shares of restricted common stock, which would vest as of December 31, 2022, and September 30, 2023. The fair value of the shares of restricted common stock for the first year was $35,000, which was calculated based on a price per share of $0.10 and amortized over the service term. During the year ended August 31, 2023, and 2022, the Company amortized $32,085 and $nil, respectively as consulting expenses under this agreement.

On February 20, 2023, the Company appointed a third party as liquidator of LOC. The party will receive remuneration of $30,000 in cash and 200,000 shares of restricted common stock for the services provided. The fair value of the shares of restricted common stock was $20,000, which was calculated based on a price per share of $0.10. During the year months ended August 31, 2023, the Company recognized $50,000 as professional fees under this agreement. The shares are expected to be issued in October 2023.

On February 28, 2023, the Company dismissed ten employees located in Beijing and was liable to pay a severance payment of $129,572 (RMB907,000), payable in cash of $36,930 (RMB258,500) and with 926,429 shares of restricted common stock, which would vest on August 31, 2023. The fair value of the shares of restricted common stock was $92,643, which was calculated based on a price per share of $0.10. During the year ended August 31, 2023, and 2022, the Company recognized $92,643 and $nil, respectively, as severance payments.

On March 15, 2023, the Company issued an offer letter to Kuo-Kang Chang, pursuant to which Mr. Chang agreed to serve as senior VP of marketing and branding strategy for two years. For his services, Mr. Chang will receive an annual remuneration of $20,000 in cash or 1,000,000 shares of restricted common stock. In addition, Mr. Chang may be entitled to an additional 1,000,000 restricted shares based on his achievement of appropriate performance criteria to be determined by the board of directors or a committee thereof. The fair value of the shares of restricted common stock for the first year was $100,000, which was calculated based on a price per share of $0.10 and amortized over the service term. The performance criterion was not achieved as of August 31, 2023. During the year ended August 31, 2023, the Company amortized $33,333 as consulting expenses under this agreement. 1,000,000 shares were issued to Mr. Chang on April 10, 2023.

On April 20, 2023, the Company entered into a consultant agreement with Yueh-Hung Chou for one year. Pursuant to the agreement, Mr. Chou will be compensated at NT$25,000 per month. In addition, he would be remunerated by 300,000 restricted shares of the Company upon the achievement of certain performance as agreed. The performance criterion was not achieved as of August 31, 2023. During the year ended May 31, 2023, no share-based compensation was recognized by the Company under this agreement.

From May 2020 to August 2021, the Company entered into securities purchase agreements with several accredited investors whereby the investors purchased a total of 37,157,535 shares of the Company's common stock at an average price of $0.140 per share. The Company received aggregate gross proceeds of $5,206,994. Pursuant to the terms of the securities purchase agreements, the investors have piggyback registration rights with respect to the shares. The shares were fully issued by August 30, 2021.

From September 2021 to August 2022, the Company entered into securities purchase agreements with several accredited investors whereby the investors purchased a total of 19,170,000 shares of the Company's common stock at an average price of

$0.12 per share. The Company received aggregate gross proceeds of $2,290,000. Pursuant to the terms of the securities purchase agreements, the investors have piggyback registration rights with respect to the shares. The shares were fully issued by September 2, 2022.

From October 2022 to April 2023, the Company entered into securities purchase agreements with several accredited investors whereby the investors purchased a total of 6,000,000 shares of the Company's restricted common stock at an average price of $0.13 per share. The Company received aggregate gross proceeds of $800,000. Pursuant to the terms of the securities purchase agreement, the investor will have piggyback registration rights with respect to the shares. The shares were issued to the investors as of May 31, 2023.

In May 2023, the Company received aggregate gross proceeds of $124,250 from several accredited investors, whereby the investors intended to purchase a total of 2,485,000 shares of the Company's restricted common stock at an average price of $0.05 per share. The shares are expected to be issued in September 2023.

As of August 31, 2023, unrecognized share-based compensation expense was $69,583.

As of August 31, 2023, 8,247,262 shares were granted to employees and vested but have not yet been issued.

16. COMMITMENTS AND CONTINGENCIES

During the period ended August 31, 2023, the Company entered into month-to-month lease agreements with independent third parties to rent office and staff quarter premises in Taiwan, Shenzhen, Beijing, and Hong Kong. The rental expenses for the year ended August 31, 2023, and 2022 were $179,457 and $344,429, respectively.

The components of lease costs, lease term, and discount rate with respect to leases with an initial term of at least 12 months are as follows:

	For the year ended August 31,	
	2023	**2022**
Operating lease cost – classified as general and administrative expenses	$ 158,259	$ 336,147
Weighted Average Remaining Lease Term – Operating leases	0.88 years	1.61 years
Weighted Average Discounting Rate – Operating leases	5.67%	4.90%

The following is a schedule, by years, of maturities of lease liabilities as of August 31, 2023:

	Operating leases
2023 (remaining period)	$
2024	10,926
2025	-
2026	-
2027	-
Thereafter	-
Total undiscounted cash flows	10,926
Less: imputed interest	(42)
Present value of lease liabilities	$ 10,884

Contingencies

The Labor Contract Law of the People's Republic of China requires employers to assure the liability of the severance payments if employees are terminated due to restructuring, mutual agreement, or expiration of a fixed-term labor contract. The Company has estimated its possible severance payments of approximately $72,000 and $146,000 as of August 31, 2023, and August 31, 2022, respectively. On February 28, 2023, the Company dismissed ten employees and incurred severance payments of $129,717 (RMB907,000). The compensation was payable in the form of cash of $37,074 (RMB258,500) and 926,429 restricted shares of the Company. The fair value of the shares of restricted common stock was $92,643, which was calculated based on a price per share of $0.10. The shares will be issued by December 31, 2023.

In Taiwan, an employer can terminate an employment contract with notice (or with pay in lieu of notice) and with severance pay only due to stoppage of business or a transfer of ownership, business losses or curtailment of business operations, suspension of operations due to a force majeure event, or alteration of the business nature, forcing a reduction in the number of employees, and those employees cannot be reassigned to other suitable positions, or the employee is incapable of performing the tasks assigned. The Company has estimated its possible severance payments of approximately $39,000 and $52,000 as of August 31, 2023, and August 31, 2022, respectively, which have not been reflected in its condensed consolidated financial statements because it is more likely than not that this will not be paid or incurred.

17. SUBSEQUENT EVENTS

In June 2023, the Company received aggregate gross proceeds of $77,290 from several accredited investors, whereby the investors intended to purchase a total of 1,545,800 shares of the Company's restricted common stock at an average price of $0.05 per share. The shares are expected to be issued by the end of December 2023.

On July 31, 2023, the bond was extended to August 14, 2024, and other terms were subject to further negotiation.

The director, Yi-Hsiu Lin, and three individuals signed a memorandum of understanding ("MOU") on developing an application for the AIR Office. Later, a non-related company, which was owned by an employee of the Company, entered into a service agreement with JFB to execute the MOU for 5 months on July 12, 2023. NTD800,000 ($26,025) was received by the chairman of LOC on behalf of the Company on August 4, 2023.