THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **WORLDGATE GLOBAL LOGISTICS LTD**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

WORLDGATE GLOBAL LOGISTICS LTD
盛 良 物 流 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial adviser to the Company

中毅資本有限公司
Grand Moore Capital Limited

Placing Agent

中毅資本有限公司
Grand Moore Capital Limited

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

AMASSE CAPITAL
寶 積 資 本

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 6 to 28 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 29 of this circular. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 30 to 55 of this circular.

A notice convening the EGM of the Company to be held at Unit 5D, 5/F, Hang Cheong Factory Building, No. 1 Wing Ming Street, Kowloon, Hong Kong on Friday, 24 September 2021 at 11:00 a.m., is set out in this circular. Whether or not you are able to attend the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM if you so wish and, in such event, the relevant form of proxy shall be deemed to be revoked.

It should be noted that the Shares will be dealt in on an ex-rights basis from Tuesday, 28 September 2021. Dealings in the Rights Shares in their nil-paid form will take place from Tuesday, 12 October 2021 to Wednesday, 20 October 2021 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable), the Rights Issue will not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions. Please refer to the section headed "Conditions of the Rights Issue" in this circular. Shareholders and potential investors of the Company should note that: (a) if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed; and (b) the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. The legal adviser of the Company has confirmed that there are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue. Accordingly, the Rights Issue and the Placing may or may not proceed. Shareholders and potential investors should excise extreme caution when dealing in the Shares, and if they are in any double about their position, they should consult their professional advisers.

3 September 2021

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

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

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The expected timetable in respect of the Rights Issue is set out below:

Latest time for lodging transfers of Shares to qualify for attendance and voting at the EGM . . . . 4:30 p.m. on Thursday, 16 September 2021

Closure of register of members of the Company for attending the EGM (both days inclusive) . . . . Friday, 17 September 2021 to Friday, 24 September 2021

Latest time for lodging forms of proxy for the purpose of the EGM. . . . . 11:00 a.m. on Wednesday, 22 September 2021

Record date for determining attendance and voting at the EGM. . . . . Friday, 24 September 2021

Expected date and time of the EGM. . . . . 11:00 a.m. on Friday, 24 September 2021

Announcement of poll results of the EGM . . . . Friday, 24 September 2021

Last day of dealings in Shares on a cum-rights basis . . . . Monday, 27 September 2021

First day of dealings in Shares on an ex-rights basis. . . . . Tuesday, 28 September 2021

Latest time for lodging transfers of Shares in order to qualify for the Rights Issue . . . . 4:30 p.m. on Wednesday, 29 September 2021

Closure of the register of members of the Company for the Rights Issue (both dates inclusive) . . . . Thursday, 30 September 2021 to Thursday, 7 October 2021

Record Date for determining entitlements to the Rights Issue . . . . Thursday, 7 October 2021

Register of members of the Company re-opens . . . . Friday, 8 October 2021

Prospectus Documents expected to be despatched . . . . Friday, 8 October 2021

First day of dealings in Nil Paid Rights Shares . . . . 9:00 a.m. on Tuesday, 12 October 2021

Latest time for splitting of the Nil Paid Rights Shares. . . . . 4:30 p.m. on Friday, 15 October 2021

Last day of dealings in Nil Paid Rights Shares	4:00 p.m. on Wednesday, 20 October 2021
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Compensating Arrangements	**4:00 p.m. on Monday, 25 October 2021**
Latest time of acceptance of and payment for the Rights Shares	**4:00 p.m. on Monday, 25 October 2021**
Announcement of the number of the Unsubscribed Rights Shares and ES Unsold Rights Shares subject to the Compensatory Arrangements	Thursday, 28 October 2021
Commencement of placing of Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agent	Friday, 29 October 2021
Latest time of placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agent	6:00 p.m. on Friday, 5 November 2021
Announcement of the results of Rights Issue (including results of the placing of Unsubscribed Rights Shares and the ES Unsold Rights Shares and the amount of the Net Gain per Unsubscribed Rights Share and the ES Unsold Rights Shares under the Compensatory Arrangements) to be posted on the Stock Exchange's website and the Company's website	Tuesday, 9 November 2021
Refund cheques, if any, to be despatched (if the Rights Issue is terminated) on or before	Monday, 15 November 2021
Certificates for fully-paid Rights Shares to be despatched	Monday, 15 November 2021
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Tuesday, 16 November 2021
Payment of the Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any)	Wednesday, 24 November 2021

All times and dates in this circular refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this circular are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a "black" rainstorm warning or "extreme conditions" caused by super typhoons:

(i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 25 October 2021. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or

(ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 25 October 2021. Instead the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the "EXPECTED TIMETABLE" above may be affected. An announcement will be made by the Company in such event as soon as practicable.

In light of the COVID-19 pandemic, and to better protect the safety and health of the Shareholders and other participants attending the EGM, the Company will implement the following precautionary measures at the venue of the EGM (the "**Venue**"):

1. compulsory body temperature checks will be conducted on all persons attending the EGM at the waiting area outside the Venue before they are admitted to the Venue. Any person with a body temperature of over 37.3 degree celsius, or who has any flu-like symptoms, or is otherwise apparently unwell will not be admitted to the Venue;

2. all attendees must wear face masks at all times inside the Venue or at the waiting area outside the Venue;

3. all attendees of the EGM are required to fill in a travel and health declaration form to confirm that (i) he/she has no flu-like symptoms within 7 days immediately before the EGM; and (ii) within 14 days immediately before the EGM: (a) he/she has not travelled outside of Hong Kong; (b) he/she is/was not under compulsory quarantine or medical surveillance order by the Department of Health of Hong Kong; (c) he/she has not had/has close contact with confirmed case(s) and/or probable case(s) of COVID-19 patient(s); and (d) he/she does/did not live with any person under home quarantine. Any person who fails to provide the required confirmation may be requested to leave or denied entry into the Venue;

4. seating at the Venue will be arranged in a manner to allow for appropriate social distancing. As a result, there may be limited capacity for Shareholders to attend the EGM. The Company may limit the number of attendees at the EGM as may be necessary to avoid over-crowding;

5. any attendee who does not follow any of the abovementioned measures will be refused admission to the Venue or requested to leave the Venue;

6. no refreshments or drinks will be served at the EGM to avoid close contact of attendees; and

7. all attendees are recommended to clean their hands with alcohol-based hand sanitizer before entering the Venue.

Shareholders are reminded that attendance at the EGM in person is not necessary for the purpose of exercising voting rights. The Shareholders may choose to vote by filling in and submitting the relevant proxy form of the EGM, and appoint the chairman of the meeting as a proxy to vote on relevant resolutions at the EGM as instructed in accordance with the relevant proxy form instead of attending the EGM in person. For details, please refer to the proxy form of the EGM.

The Company will keep monitoring the evolving COVID-19 situation and may implement additional measures which, if any, will be announced closer to the date of the EGM.

In this circular, unless the context otherwise requires, the following expressions shall have the following respective meanings:

"Announcement"	the announcement of the Company dated 29 July 2021 in relation to, among other things, the Rights Issue
"associates"	has the meaning ascribed to it under the GEM Listing Rules
"Board"	the board of Directors of the Group
"Business Day"	a day (excluding Saturday and Sunday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
"CCASS"	The Central Clearing and Settlement System established and operated by HKSCC
"Companies (WUMP) Ordinance"	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
"Company"	WORLDGATE GLOBAL LOGISTICS LTD (盛良物流有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
"Compensatory Arrangements"	placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement
"Connected Person(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the GEM Listing Rules
"COVID-19"	novel coronavirus (COVID-19), a coronavirus identified as the cause of an outbreak of respiratory illness

"Director(s)"	the Directors of the Company
"EGM"	an extraordinary general meeting of the Company to be held and convened at 11:00 a.m. on Friday, 24 September 2021 to consider and approve the Rights Issue and the transactions contemplated thereunder
"ES Unsold Rights Share(s)"	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Excluded Shareholder(s) in nil-paid form that has/have not been sold by the Company
"Excluded Shareholder(s)"	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent board committee of the Company comprising all the independent non-executive Directors, which has been established under the GEM Listing Rules to advise the Independent Shareholders in respect of the Rights Issue and the transactions contemplated thereunder
"Independent Financial Adviser"	Amasse Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser of the Company appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the transactions contemplated thereunder

"Independent Shareholder(s)"	any Shareholder(s) who are not required to abstain from voting at the EGM under the GEM Listing Rules
"Independent Third Party(ies)"	third party(ies) independent of the Company and any connected person(s) of the Company and not a connected person of the Company
"Last Trading Day"	29 July 2021, being the last full trading day before the release of the Announcement
"Latest Practicable Date"	Monday, 30 August 2021, being the latest practicable date before the printing of this circular for the purpose of ascertaining certain information contained herein
"Latest Time for Acceptance"	4:00 p.m. on Monday, 25 October 2021, being the latest time for acceptance of the offer of and payment for the Rights Shares
"Net Gain"	any premiums paid by the Placees over the Subscription Price for the Unsubscribed Rights Shares and the ES Unsold Rights Shares placed by the Placing Agent under the Compensatory Arrangements
"Nil Paid Rights"	rights to subscribe for Rights Shares before the Subscription Price is paid
"No Action Shareholder(s)"	Qualifying Shareholders or their renouncees who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any Nil Paid Rights at the time such Nil Paid Rights lapse
"Overseas Shareholder(s)"	the Shareholder(s) (whose names appears on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue

"Placee(s)"	any individuals, corporate, institutional investor(s) or other investor(s), who is not a Connected Person and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement
"Placing Agent"	Grand Moore Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the placing agent appointed by the Company to place any Unsubscribed Rights Shares and the ES Unsold Rights Shares under the Compensatory Arrangements
"Placing Agreement"	conditional placing agreement dated 29 July 2021 entered into between the Company and the Placing Agent in relation to the placing of Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Placee(s) on a best effort basis
"Prospectus"	the prospectus to be issued to the Shareholders containing, among other things, details of the Rights Issues
"Prospectus Documents"	collectively the Prospectus and the PAL and any supplementary prospectus or supplementary provisional allotment letter (if required)
"Prospectus Posting Date"	Friday, 8 October 2021 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders
"Qualifying Shareholders"	Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
"Record Date"	Thursday, 7 October 2021 or such other date as may be determined by the Company, being the date by reference to which the Shareholders' entitlements to the Rights Issue are to be determined
"Registrar"	Boardroom Share Registrars (HK) Limited

"Rights Issue"	the proposed issue of the Rights Shares by way of rights on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price pursuant to the Prospectus Documents
"Rights Share(s)"	up to 475,200,000 new Shares (assuming no change in the number of Shares in issue on or before the Record Date)
"RM"	Malaysian Ringgit, the lawful currency of Malaysia
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary shares of HK$0.10 each in the capital of the Company
"Shareholder(s)"	registered holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	the subscription price of HK$0.11 per Rights Share under the Rights Issue
"Substantial Shareholder(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Unsubscribed Rights Shares"	the Rights Shares that are not subscribed by the Qualifying Shareholders
"%"	per cent.

For illustrative purposes only, all exchanges of RM into HK$ (and vice versa) has been made at the exchange rate of approximately RM1.00 = HK$1.91 in this circular. No assurance has been given that RM can be converted into HK$ (and vice versa) at the above rate, or any other rate at all.

WORLDGATE GLOBAL LOGISTICS LTD
盛良物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

Executive Directors:
Mr. Lai Kwok Hei *(Chairman)*
Ms. Tsui Ka Mei

Independent Non-executive Directors:
Mr. Wong Siu Keung Joe
Ms. Wong Hoi Yan Audrey
Mr. Ma Kin Hung

Registered Office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:
Unit 5D, 5/F
Hang Cheong Factory Building
No. 1 Wing Ming Street
Kowloon
Hong Kong

3 September 2021

To: the Shareholders

Dear Sir or Madam,

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement in relation to, among other matters, the Rights Issue. On 29 July 2021, the Company proposed to raise up to approximately HK$52.3 million before expenses by way of a rights issue of 475,200,000 Rights Shares at the Subscription Price of HK$0.11 each and on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date (assuming no change in the issued share capital of the Company on or before the Record Date). The Rights Issue is not underwritten and will not be extended to the Excluded Shareholder(s) (if any).

The purpose of this circular is to provide you with, among others, further details on the Rights Issue, certain financial information and other general information on the Group.

PROPOSED RIGHTS ISSUE

The Company proposes to implement the Rights Issue on the basis of three (3) Rights Shares for every one (1) existing Share held on the Record Date at the Subscription Price of HK$0.11 per Rights Share, to raise up to approximately HK$52.3 million (before expenses) by issuing up to 475,200,000 Rights Shares to the Qualifying Shareholders (assuming no change in the number of Shares in issue on or before the Record Date). The details of which are summarised below:

Issue statistics

Basis of the Rights Issue	:	three (3) Rights Shares for every one (1) Share held on the Record Date
Subscription Price	:	HK$0.11 per Rights Share
Number of Shares in issue at the Latest Practicable Date	:	158,400,000 Shares
Number of Rights Shares	:	up to 475,200,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	up to HK$47,520,000 (assuming no change in the number of Shares in issue on or before the Record Date)
Number of issued shares of the Company upon completion of the Rights Issue	:	up to 633,600,000 Shares (assuming no change in the issued share capital of the Company on or before the Record Date)
Maximum funds raised (before expenses)	:	up to approximately HK$52.3 million (assuming all the Rights Shares will be taken up and/or placed pursuant to the Placing Agreement and no change in the number of Shares in issue on or before the Record Date)

The Group had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares as at the Latest Practicable Date. The Company has no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date.

Assuming no change in the issued share capital of the Company on or before the Record Date, the 475,200,000 Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) 300% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) 75% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares (assuming all the Rights Shares will be taken up by the Qualifying Shareholders and/or placed pursuant to the Placing Agreement).

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. The legal adviser of the Company has confirmed that there are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares and Share Options under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

Subscription Price

The Subscription Price of HK$0.11 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 20.3% to the closing price of HK$0.138 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 16.5% to the average of the closing prices of HK$0.1318 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;

(iii) a discount of approximately 16.9% to the average of the closing prices of HK$0.1323 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 5.2% to the theoretical ex-rights price of HK$0.116 per Share based on the closing price per Share of HK$0.134 as quoted on the Stock Exchange on the Last Trading Day; and

(v) a discount of approximately 79.8% to the unaudited consolidated net asset value per Share of approximately HK$0.545 (based on the latest published unaudited consolidated net asset value attributable to owners of the Company of approximately RM45.2 million (equivalent to approximately HK$86.4 million) as at 30 June 2021 as disclosed in the interim report of the Company for the six months ended 30 June 2021 and 158,400,000 Shares in issue as at the Latest Practicable Date).

The Subscription Price of HK$0.11 per Rights Share was determined with reference to, among other things, (i) the recent market prices of the Shares during the 3 months period prior to entering into the Placing Agreement, which ranged from HK$0.121 to HK$0.187, with an average of approximately HK$0.161; (ii) the current market conditions, in particular, the Hang Seng Index dropped from 28,724.88 on 30 April 2021 by approximately 8.4% to 26,315.32 on 29 July 2021 (being the date of the Placing Agreement); (iii) recent rights issues during the six months period prior to the date of the Placing Agreement in the market, in which the subscription price represented an average and a maximum discount to the respective closing price on last trading day of around 29.0% and 65.0% respectively; and (iv) the amount of funds the Company intends to raise under the Rights Issue as discussed in the section headed "Reasons for the Rights Issue and the use of proceeds" in this circular. The Subscription Price of HK$0.11 represents a discount of approximately 17.9% over the closing price of the Shares on the Last Trading Day and approximately 31.7% over the recent average Share price as mentioned in (i) above, and such discounts are close to the average discount and far lower than the maximum discount of recent rights issue exercises of 29.0% and 65.0% respectively as mentioned in (iii) above. In addition, the Board considers that in view of recent decrease in Hang Seng Index, together with the uncertainty of local economy due to lingering impact of the COVID-19 pandemic, the discount of the Subscription Price to the Share's recent trading price has to be attractive in order to incentivize Shareholders' participation in the Rights Issue and the participation of the Placing Agent under current market conditions shortly after placing of new Shares contemplated in May 2021 and completed in June 2021.

The Directors (including the members of the Independent Board Committee whose opinion is set forth in the section headed "Letter from the Independent Board Committee" in this circular) consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share is estimated to be approximately HK$0.106, if fully subscribed.

Basis of provisional allotment

The basis of the provisional allotment shall be three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholder as at the close of business on the Record Date.

The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date.

In order to be registered as a member of the Company on the Record Date, a Shareholder must lodge the relevant transfer(s) of Share(s) (with the relevant share certificates) with the Registrar at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong by 4:30 p.m. on Wednesday, 29 September 2021.

The last day of dealings in the Shares on a cum-rights basis is Monday, 27 September 2021. The Shares will be dealt with on an ex-rights basis from Tuesday, 28 September 2021.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company.

Shareholders with their Shares held by a nominee (or held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date. For investors whose Shares are held by a nominee (or held in CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Thursday, 7 October 2021.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company. **If a Qualifying Shareholder does not take up his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

Rights of Overseas Shareholder(s) and Excluded Shareholder(s) (if any)

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

Pursuant to Rule 17.41(1) of the GEM Listing Rules, the Directors will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholder(s) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place to exclude such Overseas Shareholder(s) from the Rights Issue, no Rights Shares (whether in nil-paid or fully-paid form) will be offered to such Overseas Shareholder(s). In such circumstances, the Rights Issue will not be extended to the Excluded Shareholder(s). The basis for excluding the Excluded Shareholders, if any, from the Rights Issue will be set out in the Prospectus. The Company will send the Prospectus to the Excluded Shareholders (if any) for their information only but will not send any PAL to them.

As at the Latest Practicable Date, based on the register of members of the Company, there is only one Overseas Shareholder with a registered address in the British Virgin Islands, who holds 1,000 Shares, representing approximately 0.001% of the issued share capital of the Company. The Company is in the course of seeking legal advice from the British Virgin Islands in relation to the feasibility of extending the offer of the Rights Shares to such Overseas Shareholder. The result of the enquiry and the basis of exclusion, if any, will be included in the Prospectus.

The Company will ascertain whether there are any Overseas Shareholders as of the Record Date and will, if necessary, make enquiries with legal adviser(s) in other overseas jurisdiction(s) regarding the feasibility of extending the Rights Issue to such other Overseas Shareholders registered as a member of the Company on the Record Date and make relevant disclosures in the Prospectus.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in their nil-paid form, to be sold in the market as soon as practicable after dealings in the nil-paid Rights Shares commence, and in any event before the last day for dealings in nil-paid Rights Shares if a premium (net of expenses) can be obtained. Proceeds of each sale, less expenses and stamp duty, of not less than HK$100 will be paid pro-rata (rounded down to the nearest cent) to the relevant Excluded Shareholder(s) in Hong Kong dollars. In view of administrative costs, the Company will retain individual amounts of less than HK$100 for its own benefit.

Any ES Unsold Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, will be placed by the Placing Agent at the price at least equal to the Subscription Price under the Compensatory Arrangements together with the Unsubscribed Rights Shares. Any Unsubscribed Rights Shares and the ES Unsold Rights Shares remain not placed after completion of the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. For the nil-paid Rights Shares that were sold as described above and the buyer of such nil-paid Rights Shares who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Excluded Shareholders should exercise caution when dealing in the Shares.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares in issue at the time. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Fractional entitlements to the Rights Shares

On the basis of provisional allotment of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Procedures in respect of Unsubscribed Rights Shares and the ES Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rules to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent Placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares after the Latest Time for Acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent Placees on a best effort basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders and Excluded Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 6:00 p.m., on Friday, 5 November 2021, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the ES Unsold Rights Shares if a premium over the Subscription Price and the expenses of procuring such acquirers (including any related commissions and any other related expenses/fees) can be obtained. Any Unsubscribed Rights Shares and the ES Unsold Rights Shares remain not placed after completion of the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Unsubscribed Rights Shares and ES Unsold Rights Shares) to the No Action Shareholders and the Excluded Shareholders (but rounded down to the nearest cent) as set out below:

(i) where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL (unless that person is covered by (iii) below);

(ii) where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS (unless that person is covered by (iii) below); or

(iii) if the Rights Issue is extended to the Overseas Shareholders and where an entitlement to the Rights Shares was not taken up by such Overseas Shareholders, to that Overseas Shareholders.

It is proposed that Net Gain to any of the No Action Shareholder(s) mentioned in (i) to (iii) above of HK$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Excluded Shareholders may or may not receive any Net Gain.

THE PLACING AGREEMENT

On 29 July 2021 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares. Details of the Compensatory Arrangements are as follows:

Date	:	29 July 2021 (after trading hours)
Parties	:	(i) the Company, as issuer; and (ii) the Placing Agent
Placing Agent	:	Grand Moore Capital Limited, appointed as the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares on a best effort basis. As the Placing Agent is indirectly held as to approximately 33.33% by the Company, it is an associate (as defined in the GEM Listing Rules) of the Company.
Placing Period	:	The period commencing from Friday, 29 October 2021 and ending on 6:00 p.m. on Friday, 5 November 2021.
Commission and expenses	:	1.0% of the amount which is equal to the placing price multiplied by the Unsubscribed Rights Shares and ES Unsold Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the placing (including but not limited to legal expenses and other expenses for placing the Unsubscribed Rights Shares and the ES Unsold Rights Shares), which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.

Placing price of each of the Unsubscribed Rights Share and/or the ES Unsold Rights Share (as the case may be)	:	The placing price of each of the Unsubscribed Rights Share and/or the ES Unsold Rights Share (as the case may be) shall be at least equal to the Subscription Price. The final price determination is depended on the demand and market conditions of the Unsubscribed Rights Shares and the ES Unsold Rights during the process of placement.
Placees	:	Any individuals, corporate, institutional investor(s) or other investor(s), who is not a Connected Person and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents, to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement.
Ranking of the Unsubscribed Rights Shares and the ES Unsold Rights Shares	:	The Unsubscribed Rights Shares and the ES Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the Latest Practicable Date.
Conditions Precedent	:	The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions (the "**Conditions**") being fulfilled (or being waived by the Placing Agent in writing, if applicable): (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares;

(ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and

(iii) the Placing Agreement not having been terminated in accordance with the provisions thereof. The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the Conditions (other than those set out in paragraph (i) above) by notice in writing to the Company.

Termination : The Compensatory Arrangements shall end on Friday, 5 November 2021 or any other date by mutual written agreement between the Placing Agent and the Company.

The engagement of the Placing Agent may also be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

Completion : Placing completion shall take place at 4:00 p.m. on Monday, 8 November 2021 (or such other date as the Company may announce).

The engagement between the Company and the Placing Agent for the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Directors consider the terms of the Compensatory Arrangements for the Unsubscribed Rights Shares and the ES Unsold Rights Shares (including the commission payable) are on normal commercial terms.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Company; and (ii) a compensatory mechanism for No Action Shareholders and the Excluded Shareholders, the Directors considers that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority Shareholders.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 10,000 Rights Shares, which are registered in the register of members of the Company, will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy or any other applicable fees and charges in Hong Kong.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy or any other applicable fees and charges in Hong Kong.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Monday, 15 November 2021.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment of the following conditions:

(i) the passing by the Independent Shareholders at the EGM of the necessary resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;

(ii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);

(iii) the delivery to the Stock Exchange and the filing and registration with the Registrar of Companies in Hong Kong respectively one duly certified copy of each of the Prospectus and the PALs (and all other documents required to be attached thereto) in compliance with the Companies (WUMP) Ordinance and the GEM Listing Rules by no later than the Prospectus Posting Date; and

(iv) the posting of the Prospectus Documents to Qualifying Shareholders and the posting of the Prospectus to the Excluded Shareholders, if any, for information purpose only by the Prospectus Posting Date.

The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above. As at the Latest Practicable Date, none of the above conditions has been fulfilled. None of the conditions above are waiveable.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed. Shareholders and public investors are advised to exercise caution when dealing in the securities of the Company.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in this circular. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

Any dealings in the Shares from the date of the Announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 17 September 2021 to Friday, 24 September 2021 for determining the identity of the Shareholders entitled to attend and vote at the EGM.

The register of members of the Company will be closed from Thursday, 30 September 2021 to Thursday, 7 October 2021 for the purpose of determining entitlements to the Rights Issue.

No transfer of Shares will be registered during the above book closure periods.

SHAREHOLDING STRUCTURES

Set out below is the shareholding structure of the Company, assuming there is no change in the issued share capital of the Company before completion of the Rights Issue other than the allotment and issue of the Rights Shares pursuant to the Rights Issue, (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders; (iii) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent; and (iv) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent:

	As at the Latest Practicable Date		**Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders**		**Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent**		**Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent**	
	Number of Shares	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*
Substantial Shareholders								
Noble Might Limited	20,000,000	12.62	80,000,000	12.62	20,000,000	12.62	20,000,000	3.16
Crown World Investments Limited	16,000,000	10.10	64,000,000	10.10	16,000,000	10.10	16,000,000	2.52
Public								
Independent Placees	–	–	–	–	–	–	475,200,000	75.00
Other Public Shareholders	122,400,000	77.28	489,600,000	77.28	122,400,000	77.28	122,400,000	19.32
Total	158,400,000	100.00	633,600,000	100.00	158,400,000	100.00	633,600,000	100.00

Note: As stated in the paragraph headed "Non-Underwritten basis" in this circular, as the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares and Share Options under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules. The Company, together with the Placing Agent, will take all appropriate steps to ensure that sufficient public float be maintained upon completion of the Rights Issue in compliance with Rule 11.23(7) of the GEM Listing Rules.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

Assuming (i) there is no other change in the issued share capital of the Company before the completion of the Rights Issue; and (ii) all the Rights Shares will be taken up and/or placed pursuant to the Placing Agreement, the expected gross proceeds, net proceeds and net price per Rights Share from the Rights Issue are set out below:

	HK$ *(approximately)*
Gross proceeds	52.3 million
Net Proceeds	50.5 million
Net price per Rights Share	0.106

The Company is an investment holding company and the Group is principally engaged in providing international freight forwarding and logistics services, with a primary focus on air/sea freight forwarding and related services, trucking and warehousing to customers worldwide and manufacturing and trading of plastic products in Vietnam.

Before contemplating the Rights Issue, the Board has considered the following factors, including (a) the funding needs of the Group to fulfill customers' demand in the Group's Hong Kong logistics services business; (b) the intended use of proceeds; and (c) the reasons for contemplating the Rights Issue and other fund-raising alternatives considered by the Company.

(a) The funding needs of the Group to fulfill customers' demand in the Group's Hong Kong logistics services business

As set out in the Company's annual report for the year ended 31 December 2019 and the Company's announcement dated 12 November 2019 in relation to change in use of proceeds from its listing, the Company has implemented the logistics services business in Hong Kong with the intention to provide potential Chinese and international clients with widen global logistics solutions. Shortly after the commencement of the Group's logistics services business in Hong Kong in late 2019, this segment has already recorded positive earnings before interest, taxes, depreciation and amortization (EBITDA) and made positive contributions to the Group's financial results. The management of the Company observed an increasing demand for logistics services arising from a shift of buying habits in consumers from traditional brick and mortar retail shops to e-commerce platforms since the outbreak of COVID-19 due to implementation of related restrictions such as lockdown, social distancing rules, etc. In order to capitalize on this opportunity, the Company intends to further expand its market share by providing logistics services to its customers in the e-commerce industry. In that connection, the Group has procured a number of memorandums of understanding (the "**MOUs**") from both existing and prospective new customers with regards to their intended volume of orders to be placed with the Group. Due to the nature of its operations, the Group has to (i) experience mismatch in credit periods of its payables and receivables from its suppliers and customers respectively with its payables due for payment in much shorter timeframe when compared with the corresponding revenue generating receivables (in line with market practice, the Group receives freight income from customers roughly 2 months after the Group incurs and pays freight charge to the freight carriers); and (ii) pre-pay for various expenses such as the taxes, customs duties and miscellaneous charges on its customers' behalf (in line with industry practice, the Group pre-pays custom duty and value added tax on behalf on customers and receives it from customer roughly one month later). In the event that the indicative volume as illustrated in the MOUs is to be fulfilled, the management of the Company projected there will be a shortage of working capital of roughly HK$60.0 million. The Group expects to settle the difference between the maximum net proceed of approximately HK$50.5 million and the projected shortage of working capital of around HK$9.5 million by internal resources, if available. The Group has no intention to conduct further fundraising activities in relation to the MOUs. In the event the Group has insufficient internal resources or the Rights Shares are not fully taken up, the Group will not fulfill the full amount of the indicative volume in the MOUs and will only accept order according to the available working capital of the Group.

In addition, in order to offer efficient logistics solutions at competitive prices, the Group has negotiated with its suppliers (mainly major international freight carriers) and its suppliers have indicated their willingness to offer discount pricing on a bulk-order basis with decreasing unit fee as volume reaches certain scales. By receiving bulk discount from suppliers as a result of the expected increase in business volume from the MOUs, the Company is expected to be able to lower its per unit costs and generate even higher profit margin. After capturing the business opportunities arising from the MOUs, the Group is expected to enhance its profitability and its working capital base. In the longer term, coupled with the expected further bulk discount from suppliers, the enhanced working capital base together with an enhanced client portfolio from the MOUs are expected to enable the Group to capture further logistic service market share and grow its customer base and business volume. The compound effect of enhanced working capital and higher profit margin will allow organic growth of the Group's logistic service business.

(b) The intended use of proceeds

It is estimated that the Company will raise up to approximately HK$52.3 million (before expenses) from the Rights Issue and the relevant expenses would be approximately HK$1.8 million (assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent), which includes placing commission and other fees and expenses payable to financial advisers, legal advisers, financial printer and other parties involved in the Rights Issue.

The estimated net proceeds from the Rights Issue will accordingly be approximately HK$50.5 million (assuming the Rights Issue is fully subscribed or placed pursuant to the Placing Agreement, and no change in the issued share capital of the Company on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue as working capital for the expansion in its logistics services business in Hong Kong as mentioned above.

(c) The reasons for contemplating the Rights Issue and other fund-raising alternatives considered by the Company

Apart from the Rights Issue, the Directors have considered other debt or equity fundraising alternatives such as bank borrowings, placing of new Shares or convertible debt securities or an open offer.

The Directors note that bank borrowings, if available, carry continual interest expenses during the entire term of the loan, and create pressure on the liquidity of the Company as the outstanding principal would eventually be required to be repaid while having a negative impact the Group's gearing position. As set out in the interim report 2021 for the six months ended 30 June 2021 published by the Company on 13 August 2021, the Company recorded total borrowings (comprising bank borrowings and lease liabilities) of approximately RM14.9 million (approximately HK$28.5 million), and the Group's gearing ratio as at 30 June 2021 was approximately 31.9%. If the Company decided to meet the funding needs by debt financing, the Company's hypothetical gearing ratio would be approximately 90.4% as at 30 June 2021, assuming all the gross proceeds can be raised by debt financing. Also, any sizeable bank borrowings would normally result in the lender requiring pledge of certain asset in its favour as security which the Group is unable to provide from its Hong Kong operations.

On the other hand, placing of new Shares would immediately dilute the shareholding interests of existing Shareholders without giving them the opportunity to take part in the exercise while placing of convertible debt securities would subject the Company to additional interest expenses while creating financial burden should the holder of such convertible debt security elect not to exercise the conversion right, or result in dilution to the shareholding interests of existing Shareholders should the conversion right be exercised.

As opposed to a rights issue, an open offer would not allow the Shareholders to sell the nil-paid rights in the market if the so wish.

Despite the above, the management of the Group had still attempted to explore the possibility of obtaining bank borrowings, placing of new Shares or convertible securities or open offer of comparable size to the Rights Issue with the Group's principal banker and securities brokerages in Hong Kong. After such exploration with the Group's sole principal banker in Hong Kong and two securities brokerages, the Group concluded that these financing alternatives are considered not feasible as (i) the Group failed to receive any response from its principal banker in Hong Kong likely due to the proposed size of the debt financing and that the Group is unable to provide meaningful security in favor of the bank; (ii) the proposed size of the fund raising is significant compared to the Company's market capitalization of roughly HK$20 million as at the date of the Announcement; (iii) for a securities brokerage which is willing to act as placing agent for equity fund raising, the placing commission is 4.0%, which is way above that as stated in the Placing Agreement of 1%; and/or (iv) lack of favorable response on placing of convertible debt securities.

The Rights Issue on the other hand will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group while placing of new Shares will immediately dilute the shareholding interests of existing Shareholders. Based on the reasons mentioned above, the Directors further consider that the Rights Issue is in the best interests of the Company and the Shareholders as a whole, and that the Rights Issue is an appropriate fundraising method to strengthen the capital base of the Company, which in turn will support the Company's continuing development and business growth, while at the same time allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company. In addition, the Company has preliminarily consulted securities brokerages (including the Placing Agent) for underwriting the Rights Issue but it has not received any favourable feedback. Given the lack of available alternatives, the Company ultimately decided to propose the Rights Issue on non-underwritten basis and to adopt the Compensatory Arrangements simultaneously in order to procure the necessary funding to finance the Group's business expansion as mentioned above.

The Group has considered various rights issue ratios and the ratio of 3 Rights Shares for every 1 Share held on the Record Date has been arrived at after taking into account (i) the Subscription Price and the basis of arriving at the Subscription Price as detailed in the paragraph headed "Subscription Price" in this circular; and (ii) the reasons for the Rights Issue and the use of proceeds as detailed in the section headed "Reasons for the Rights Issue and the use of proceeds" in this circular. The currently proposed 3-to-1 ratio, coupled with the Subscription Price, will enable the Group to have sufficient working capital to capture almost all of the business opportunities arising from the MOUs without any excess capital from a higher offering basis which implies higher financial burden for participating Shareholders or higher dilution to the No Action Shareholders. Accordingly, the Directors consider the offering basis adopted for the Rights Issue is in the best interest to the Company and the Shareholders as a whole.

(d) Conclusions with regards to rationale of the Rights Issue

Having considered the (i) new business opportunities arising out of customer driven demand as indicated in the MOUs would allow the Group to expand its market share in the Hong Kong logistics services business benefited from the growing importance of e-commerce under the ongoing COVID-19 pandemic; (ii) it is envisaged that the Group can achieve better financial performance from both increase in revenue from the new business opportunities together with decrease in unit cost as a result of the bulk discount as indicated by the Group's suppliers; (iii) leveraging on the Group's expertise in the logistics services business, the Group's Hong Kong logistics services segment already recorded positive earnings before interest, taxes, depreciation and amortization (EBITDA) shortly after its commencement in late 2019 so that the Board considers it desirous to further expand this segment by way of fulfilling the customer driven demand for its logistics services; (iv) infeasibility and drawbacks of the other fund-raising alternatives together with the unfavourable feedback of underwriting services; and (v) the proposed terms of the Rights Issue and the Subscription Price, the Board considers that it is in the interests of the Company and the Shareholders as a whole to proceed with the Rights Issue with the Compensatory Arrangements. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Excluded Shareholder(s) (if any) should note that their shareholdings will be diluted.**

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS

Save as disclosed below, the Company had not conducted any equity fundraising activities in the 12 months immediately preceding the date of this circular.

Date of announcement	Fund raising activity	Net Proceeds raised	Proposed use of proceeds	Actual use of proceeds
12 October 2020	Subscription of Shares under general mandate	HK$1.1 million	General working capital	Utilized as intended
26 February 2021	Placing of Shares under general mandate	HK$1.9 million	General working capital	Utilized as intended
31 May 2021	Placing of Shares under general mandate	HK$3.8 million	General working capital	Approximately HK$1.2 million has been utilized as general working capital *(Note)*

Note: The remaining proceeds are expected to be fully utilized by end of April 2022.

RISK FACTORS

In compliance with the GEM Listing Rules, the Company sets out below the risk factors of the Group for the Shareholders' attention. The Directors believe that there are certain risks involved in the operations of the Group which include, but do not limit to, the following:

Business risks relating to the Group

(1) Reliance on key personnel

The effective operations and future success of the Group's business are depending, to a significant extent, on the capability, experience and continued efforts of our key management personnel. If the Group is unable to attract, retain and motivate the necessary key management personnel, the business and operation conditions of the Group may be disrupted and the results and financial positions of the Group may be materially or adversely affected.

(2) Reliance on close relationship with the Group's customers

The success of the Group relies heavily on good relationship with its customers. If the Group fails to maintain the current level of business relationship with its customers, the sales, financial condition and operating results of the Group may be adversely affected.

(3) Major financial risk exposed to the Group

The Group is exposed to financial risks, including credit, interest rate, liquidity and other price risks. The Group actively and regularly reviews these risks and will adopt measures, if needed, to control and mitigate these risks.

Risks relating to politics, economics and regulations

The business operations of the Group are primarily based in Malaysia, Hong Kong and Vietnam. Accordingly, the Group's operations and prospects could be adversely affected by economic, political and legal developments in Malaysia, Hong Kong and Vietnam. Any changes in the political and economic policies/environments of Malaysia, Hong Kong and Vietnam (including, but not limited to, government policies, political instability, expropriation, laws, labour activism, war, civil unrest, terrorism, and changes in interest rates, foreign exchange rates, taxation, environmental regulations and import and export duties and restrictions) may adversely affect the Group's business and operations as well as its ability to sustain its expansion strategies and thus future growth.

Risks relating to the Share price

The price and trading volume of the Shares are determined by demand and supply of investors for the Shares in the public market price and may be highly volatile. Factors such as variations in the Group's revenue, earnings and cash flows, changes in or challenges to its business, announcements of new investments, acquisitions or disposals, the depth and liquidity of the market for the Shares, investors' perceptions of the Group and general political, economic, social and market conditions both globally and in Malaysia, Hong Kong or Vietnam could cause the market price of the Shares to change substantially.

Risks relating to the Rights Issue

Should the Rights Issue proceed as intended, the interest of the existing Shareholders will be diluted if they do not or cannot, as the case may be, subscribe for the Rights Shares which they are entitled to.

Additional Risks

Additional risks and uncertainties not presently known to the Directors, or not expressed or implied above, or otherwise deemed immaterial by the Directors as at the Latest Practicable Date, may also adversely affect the Group's business in a material aspect.

GEM LISTING RULES IMPLICATIONS

As the Rights Issue, if proceeded with, will increase the number of the issued Shares by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the Rights Issue must be made conditional on approval by Independent Shareholders in general meeting by a resolution on which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the ordinary resolution to approve the Rights Issue at the EGM. As at the Latest Practicable Date, Noble Might Limited was the single largest Shareholder which was interested in approximately 12.62% of the issued share capital of the Company, and was deemed as a "Controlling Shareholder" by virtue of it being the single largest Shareholder. Accordingly, Noble Might Limited would abstain from voting in favour of the ordinary resolution to approve the Rights Issue at the EGM.

Save as disclosed above, the Company has not conducted any other fundraising activities such as rights issue, open offer or specific mandate placings within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of any rights issue, open offer and/or specific mandate placings within such 12-month period.

The theoretical diluted price, the benchmarked price and the theoretical dilution effect (as those terms are defined under Rule 10.44A of the GEM Listing Rules) for the Rights Issue are HK$0.132 per Share, HK$0.134 per Share and approximately 13.4%, respectively. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder. The notice convening the EGM to be held at Unit 5D, 5/F, Hang Cheong Factory Building, No. 1 Wing Ming Street, Kowloon, Hong Kong on Friday, 24 September 2021 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is also enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM if you so wish and, in such event, the relevant form of proxy shall be deemed to be revoked.

Subject to the approval of the Rights Issue by the Independent Shareholders at the EGM, a Prospectus containing further information regarding, among other things, the Rights Issue, including information on acceptances of the Rights Shares and other information in respect of the Group, and PAL(s) are expected to be despatched to the Qualifying Shareholders on Friday, 8 October 2020.

RECOMMENDATIONS

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Ms. Wong Hoi Yan Audrey, Mr. Wong Siu Keung Joe, Mr. Ma Kin Hung, has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and the Shareholders as a whole and to make recommendations to the Independent Shareholders on how to vote at the EGM. Amasse Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Your attention is drawn to the letter from the Independent Board Committee set out on page 29 of this circular which contains its recommendation to the Independent Shareholders in relation to the Rights Issue, and the letter from Independent Financial Adviser set out on pages 30 to 55 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders.

The Directors (including the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) consider that the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors (including the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

By order of the Board
WORLDGATE GLOBAL LOGISTICS LTD
Lai Kwok Hei
Chairman

The following is the text of the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the Rights Issue.

WORLDGATE GLOBAL LOGISTICS LTD
盛良物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

3 September 2021

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITING BASIS

We refer to the circular of the Company dated 3 September 2021 (the "**Circular**") of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, in the interests of the Company and the Shareholders as a whole, and the terms of which are fair and reasonable so far as the Independent Shareholders are concerned.

Amasse Capital Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. The letter of advice from the Independent Financial Adviser is set out on pages 30 to 55 of the Circular.

Having taken into account the terms of the Rights Issue, and the advice from Amasse Capital Limited, we are of the opinion that the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend you to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

Yours faithfully,
Independent Board Committee of
WORLDGATE GLOBAL LOGISTICS LTD
Ms. Wong Hoi Yan Audrey **Mr. Wong Siu Keung Joe** **Mr. Ma Kin Hung**
Independent non-executive Directors

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and the Independent Shareholders for inclusion in this circular.

AMASSE CAPITAL
寶 積 資 本

3 September 2021

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed Rights Issue, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company dated 3 September 2021 (the "**Circular**"), of which this letter forms a part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to the announcement of the Company dated 29 July 2021 (the "**Announcement**") in respect of, among other things, the proposed Rights Issue.

On 29 July 2021, the Company proposed to implement the Rights Issue on the basis of three (3) Rights Shares for every one (1) existing Share held on the Record Date at the Subscription Price of HK$0.11 per Rights Share, to raise up to approximately HK$52.3 million (before expenses) by issuing up to 475,200,000 Rights Shares to the Qualifying Shareholders (assuming no change in the number of Shares in issue on or before the Record Date).

As the Rights Issue, if proceeded with, will increase the number of the issued Shares by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the Rights Issue must be made conditional on approval by Independent Shareholders in general meeting by a resolution on which any Controlling Shareholders and their associates or, where there are no Controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the ordinary resolution to approve the Rights Issue at the EGM. As at the Latest Practicable Date, Noble Might Limited was the single largest Shareholder which was interested in approximately 12.62% of the issued share capital of the Company, and was deemed as a

"Controlling Shareholder" by virtue of it being the single largest Shareholder. Accordingly, Noble Might Limited would abstain from voting in favour of the ordinary resolution to approve the Rights Issue at the EGM.

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Wong Siu Keung Joe, Ms. Wong Hoi Yan Audrey and Mr. Ma Kin Hung, has been established to provide recommendations to the Independent Shareholders in connection with the Rights Issue and the transactions contemplated thereunder. We are appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationships or interests with the Company or any other parties that could reasonably be regarded as relevant to our independence. In the last two years, we have not acted as an independent financial adviser to the Independent Board Committee and the Independent Shareholders for any transaction.

With regard to our independence from the Company, it is noted that, apart from normal professional fees paid or payable to us in connection with the current appointment as the Independent Financial Adviser, no arrangements exist whereby we had received or will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence, we consider that we are independent pursuant to Rule 17.96 of the GEM Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have reviewed, among others, (i) the Announcement; (ii) the information contained or referred to in the Circular; and (iii) relevant public information. We have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors and the management of the Company (collectively, the "**Management**"). We have assumed that all information and representations that have been provided by the Management, for which the Directors are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the representation and confirmation of the Management that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the proposed Rights Issue and the transaction contemplated thereunder. We have reviewed and discussed with the Company on the information provided as well as sought and received confirmation from the

Management that all information and representations provided to us by the Management are true, accurate, complete and not misleading in all respects at the time they were made and as at the Latest Practicable Date. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with the GEM Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, that the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular or the Circular as a whole misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Management, nor have we conducted any independent in-depth investigation into the business and affairs of any members of the Group. We also have not considered the taxation implication on the Group or the Shareholders as a result of the proposed Rights Issue. We have not carried out any feasibility study on the past, and forthcoming investment decision, opportunity or project undertaken or to be undertaken by the Group. Our opinion has been formed on the assumption that any analysis, estimation, anticipation, condition and assumption provided by the Group are feasible and sustainable. Our opinion shall not be constructed as to give any indication to the validity, sustainability and feasibility of any past, existing and forthcoming investment decision, opportunity or project undertaken or to be undertaken by the Group.

Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company. We expressly disclaim any liability and/or any loss arising from or in reliance upon the whole or any part of the contents of this letter.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION

In formulating our opinion, we have taken into consideration the following principal factors and reasons.

1. Background information of the Group

1.1 Principal business of the Group

The Company is an investment holding company and the Group is principally engaged in providing international freight forwarding and logistics services, with a primary focus on air/sea freight forwarding and related services, trucking and warehousing to customers worldwide and manufacturing and trading of plastic products in Vietnam.

The integrated logistics services of the Group are generally categorised into (i) air freight forwarding and related services; (ii) sea freight forwarding and related services; and (iii) trucking and warehousing and related services.

1.2 Financial information of the Group

Set out below is a summary of the financial information of the Group as extracted from (i) the annual report of the Company for the year ended 31 December 2020 and (ii) the interim reports of the Company for the six months ended 30 June 2020 and 30 June 2021, details of which are as follows:

	For the six months ended 30 June		For the year ended 31 December	
	2021	**2020**	**2020**	**2019**
	RM'000	*RM'000*	*RM'000*	*RM'000*
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	38,809	33,914	69,038	64,350
Gross Profit	4,497	5,403	8,781	11,593
Loss before taxation	(3,922)	(2,391)	(1,881)	(4,331)
Loss for the year/the period attributable to owners of the Company	(4,118)	(2,536)	(1,601)	(4,530)

	As at 30 June		As at 31 December	
	2021	**2020**	**2020**	**2019**
	RM'000	*RM'000*	*RM'000*	*RM'000*
	(unaudited)	(unaudited)	(audited)	(audited)
Cash and bank balances	13,361	15,578	13,712	21,265
Total assets	71,295	61,231	62,763	63,046
Total equity	46,785	38,982	43,163	40,942

Year ended 31 December 2020 compared with year ended 31 December 2019

The Group recorded revenue of approximately RM69.0 million for the year ended 31 December 2020, representing an increase of approximately 7.3% as compared to approximately RM64.4 million for the corresponding year in 2019. Such increase was mainly contributed from the increase of logistic services in Hong Kong of approximately 4.9 times as compared with the corresponding year in 2019.

The gross profit of the Group decreased by approximately 24.3% from RM11.6 million for the year ended 31 December 2019 to RM8.8 million for the year ended 31 December 2020. Such decrease was mainly due to the decrease in shipment volume of sea freight services of approximately 22.9% from about 20,281 Twenty-foot Equivalent Unit for the year ended 31 December 2019 to about 15,628 Twenty-foot Equivalent Unit for the year ended 31 December 2020.

The Group recorded loss attributable to owners of the Company of approximately RM1.6 million for the year ended 31 December 2020, representing a decrease of approximately RM2.9 million as compared to approximately RM4.5 million for the corresponding year in 2019. Such improvement was mainly due to the gain in fair value change on financial asset at fair value through profit or loss of approximately RM4.4 million during the year ended 31 December 2020.

The Group recorded cash and bank balances of approximately RM13.7 million as at 31 December 2020, which represented a decrease of approximately 35.5% as compared to approximately RM21.3 million as at 31 December 2019.

The total assets and equity of the Group amounted to approximately RM62.8 million and RM43.2 million as at 31 December 2020, respectively.

Six months ended 30 June 2021 compared with six months ended 30 June 2020

The Group recorded revenue of approximately RM38.8 million for the six months ended 30 June 2021, representing an increase of approximately 14.4% as compared to approximately RM33.9 million for the same period in 2020. Such increase was mainly due to (i) the increase in sea freight forwarding and related services of approximately RM0.3 million; and (ii) the increase in new business of manufacturing and trading of plastic products in Vietnam of approximately RM8.6 million for the six months ended 30 June 2021.

The gross profit decreased by approximately 16.8% from RM5.4 million for the six months ended 30 June 2020 to RM4.5 million for the six months ended 30 June 2021. It was mainly due to the increase in cost of services by 20.3% for the six months ended 30 June 2021.

The Group recorded loss attributable to owners of the Company of approximately RM4.1 million for the six months ended 30 June 2021, representing an increase of approximately RM1.6 million as compared to approximately RM2.5 million for the same period in 2020. It was mainly due to the increase in cost of services by 20.3% for the six months ended 30 June 2021.

The Group recorded cash and bank balances of approximately RM13.4 million as at 30 June 2021, which represented a decrease of approximately 14.2% as compared to approximately RM15.6 million as at 30 June 2020.

The total assets and equity of the Group amounted to approximately RM71.3 million and RM46.8 million as at 30 June 2021, respectively.

2. Reasons for the proposed Rights Issue and the use of proceeds

As set out in the Letter from the Board, it is estimated that the Company will raise up to approximately HK$52.3 million (before expenses) from the Rights Issue and the relevant expenses would be approximately HK$1.8 million (assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent), which includes placing commission and other fees and expenses payable to financial advisers, legal advisers, financial printer and other parties involved in the Rights Issue. The estimated net proceeds from the Rights Issue will accordingly be approximately HK$50.5 million (assuming the Rights Issue is fully subscribed or placed pursuant to the Placing Agreement, and no change in the issued share capital of the Company on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue as working capital for the expansion in its logistics services business in Hong Kong.

We note from the annual report of the Company for the year ended 31 December 2019 and the announcement of the Company dated 12 November 2019 in relation to change in use of proceeds from its listing that the Company has implemented the logistics services business in Hong Kong with the intention to provide potential Chinese and international clients with widen global logistics solutions. Shortly after the commencement of the Group's logistics services business in Hong Kong in late 2019, this segment has already recorded positive earnings before interest, taxes, depreciation and amortization (EBITDA) and made positive contributions to the Group's financial results. The management of the Company observed an increasing demand for logistics services arising from a shift of buying habits in consumers from traditional brick and mortar retail shops to e-commerce platforms since the outbreak of COVID-19 due to implementation of related restrictions such as lockdown, social distancing rules, etc. In order to capitalize on this opportunity, the Company intends to further expand its market share by providing logistics services to its customers in the e-commerce industry.

Furthermore, we have enquired with the Management and are given to understand that as at the Latest Practicable Date, the Group had procured at least five MOUs from both existing and prospective new customers with regards to their intended volume of orders to be placed with the Group. Due to the nature of its operations, the Group has to (i) experience mismatch in credit periods of its payables and receivables from its suppliers and customers respectively with its payables due for payment in much shorter timeframe when compared with the corresponding revenue generating receivables (in line with market practice, the Group receives freight income from customers roughly 2 months after the Group incurs and pays freight charge to the freight carriers); and (ii) pre-pay for various expenses such as the taxes, customs duties and miscellaneous charges on its customers' behalf (in line with industry practice, the Group pre-pays custom duty and value added tax on behalf on customers and receives it from customer roughly one month later). In the event that the indicative volume as illustrated in the MOUs is to be fulfilled, the management of the Company projected that there will be a shortage of working capital of roughly HK$60.0 million. The Group expects to settle the difference between the maximum net proceed of approximately HK$50.5 million and the projected shortage of working capital of around HK$9.5 million by internal resources, if available. The Group has no intention to conduct further fundraising activities in relation to the MOUs. In the event the Group has insufficient internal resources or the Rights Shares are not fully taken up, the Group will not fulfill the full amount of the indicative volume in the MOUs and will only accept order according to the available working capital of the Group.

In addition, in order to offer efficient logistics solutions at competitive prices, the Group has negotiated with its suppliers (mainly major international freight carriers) and its suppliers have indicated their willingness to offer discount pricing on a bulk-order basis with decreasing unit fee as volume reaches certain scales. By receiving bulk discount from suppliers as a result of the expected increase in business volume from the MOUs, the Company is expected to be able to lower its per unit costs and generate even higher profit margin. After capturing the business opportunities arising from the MOUs, the Group is expected to enhance its profitability and its working capital base. In the longer term, coupled with the expected further bulk discount from suppliers, the enhanced working capital base together with an enhanced client portfolio from the MOUs are expected to enable the Group to capture further logistic service market share and grow its customer base and business volume. The compound effect of enhanced working capital and higher profit margin will allow organic growth of the Group's logistic service business.

After taking into account (i) the Group's logistics services business has been its principal business since its listing in 2016; (ii) the continued net losses recorded by the Group in recent years; (iii) the decrease in the Group's cash and bank balances of approximately RM7.6 million from approximately RM21.3 million as at 31 December 2019 to approximately RM13.7 million as at 31 December 2020; (iv) the new business opportunities arising out of customer driven demand as indicated in the MOUs which would allow the Group to expand its market share in the Hong Kong logistics services business benefited from the growing importance of e-commerce under the ongoing COVID-19 pandemic; (v) the Group's Hong Kong logistics services segment already recorded positive earnings before interest, taxes, depreciation and amortization (EBITDA) shortly after its commencement in late 2019; and (vi) the potential achievement of better financial performance from both increase in revenue from the new business opportunities together with decrease in unit cost as a result of the bulk discount as indicated by the Group's suppliers, we are of the view that it is justifiable for the Group to apply the net proceeds from the Rights Issue to expand the Group's logistics services business in Hong Kong.

3. Equity fundraising activities in the past 12 months

As set out in the Letter from the Board, save for the equity fund raising activities as mentioned below, the Company had not conducted any equity fundraising activities during the twelve months immediately preceding the date of the Circular.

Date of announcement	Fund raising activity	Net Proceeds raised	Proposed use of proceeds	Actual use of proceeds
12 October 2020	Subscription of Shares under general mandate	HK$1.1 million	General working capital	Utilized as intended
26 February 2021	Placing of Shares under general mandate	HK$1.9 million	General working capital	Utilized as intended
31 May 2021	Placing of Shares under general mandate	HK$3.8 million	General working capital	Approximately HK$1.2 million has been utilized as general working capital *(Note)*

Note: The remaining proceeds are expected to be fully utilized by end of April 2022.

4. Financing alternatives

As mentioned in the Letter from the Board, apart from the Rights Issue, the Directors have considered other debt or equity fundraising alternatives such as bank borrowings, placing of new Shares or convertible debt securities or an open offer.

After discussing with the Management, we understand that the Board had resolved to the Rights Issue in meeting its funding needs after having considered the followings:

(i) Debt financing

The Directors consider that the availability of debt financing is usually subject to the availability of collateral and the financial performance of the Group. As set out in the interim report 2021 for the six months ended 30 June 2021 published by the Company on 13 August 2021, the Company recorded total borrowings (comprising bank borrowings and lease liabilities) of approximately RM14.9 million (approximately HK$28.5 million), and the Group's gearing ratio as at 30 June 2021 was approximately 31.9%. If the Company decided to meet the funding needs by debt financing, the Company's hypothetical gearing ratio would be approximately 90.4% as at 30 June 2021, assuming all the gross proceeds can be raised by debt financing. Furthermore, as advised by the Management, any sizeable bank borrowings would normally result in the lender requiring pledge of certain asset in its favour as security which the Group is unable to provide from its Hong Kong operations.

(ii) Other equity financing options

As for equity fund raising, such as placement of new Shares, it would immediately dilute the shareholding interests of existing Shareholders without giving them the opportunity to take part in the exercise while placing of convertible debt securities would subject the Company to additional interest expenses while creating financial burden should the holder of such convertible debt security elect not to exercise the conversion right, or result in dilution to the shareholding interests of existing Shareholders should the conversion right be exercised. As opposed to a rights issue, an open offer would not allow the Shareholders to sell the nil-paid rights in the market if the so wish.

As advised by the Company, the management of the Group had still attempted to explore the possibility of obtaining bank borrowings, placing of new Shares or convertible securities or open offer of comparable size to the Rights Issue with the Group's principal banker and securities brokerages in Hong Kong. After such exploration with the Group's sole principal banker in Hong Kong and two securities brokerages, the Group concluded that these financing alternatives are considered not feasible as (i) the Group failed to receive any response from its principal banker in Hong Kong likely due to the proposed size of the debt financing and that the Group is unable to provide meaningful security in favor of the bank; (ii) the proposed size of the fund raising is significant compared to the Company's market capitalization of roughly HK$20 million as at the date of the Announcement; (iii) for a securities brokerage which is willing to act as placing agent for equity fund raising, the placing commission is 4.0%, which is way above that as stated in the Placing Agreement of 1%; and/or (iv) lack of favorable response on placing of convertible debt securities.

The Group has considered various rights issue ratios and the ratio of 3 Rights Shares for every 1 Share held on the Record Date has been arrived at after taking into account (i) the Subscription Price and the basis of arriving at the Subscription Price as detailed in the paragraph headed "Subscription Price" in the Circular; and (ii) the reasons for the Rights Issue and the use of proceeds as detailed in the section headed "Reasons for the Rights Issue and the use of proceeds" in the Circular. The currently proposed 3-to-1 ratio, coupled with the Subscription Price, will enable the Group to have sufficient working capital to capture almost all of the business opportunities arising from the MOUs without any excess capital from a higher offering basis which implies higher financial burden for participating Shareholders or higher dilution to the No Action Shareholders. Accordingly, the Directors consider the offering basis adopted for the Rights Issue is in the best interest to the Company and the Shareholders as a whole.

We have considered the above factors and the current fund raising method by way of the Rights Issue, which (i) offers all the Qualifying Shareholders equal opportunity to subscribe for their pro-rata provisional allotments of the Rights Shares to avoid dilution; (ii) allows the Qualifying Shareholders who decide not to take up their entitlements under the Rights Issue to sell the nil-paid Rights Shares in the market for economic benefits; (iii) allows the Company to strengthen its capital base and liquidity without incurring finance costs; and (iv) the Compensatory Arrangements allow the Placing Agent to procure investors to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares which mitigates the risk of low level of acceptance of the Rights Shares, we concur with the Company that the implementation of the Rights Issue, though on a best-effort basis, is in the interests of the Company and the Shareholders as a whole.

5. Principal terms of the Rights Issue and the Placing Agreement

5.1 Rights Issue

According to the Letter from the Board, the Company proposes to implement the Rights Issue on the basis of three (3) Rights Shares for every one (1) existing Share held on the Record Date at the Subscription Price of HK$0.11 per Rights Share, to raise up to approximately HK$52.3 million (before expenses) by issuing up to 475,200,000 Rights Shares to the Qualifying Shareholders (assuming no change in the number of Shares in issue on or before the Record Date). The details of which are summarised below:

Issue statistics

Basis of the Rights Issue	:	three (3) Rights Shares for every one (1) Share held on the Record Date
Subscription Price	:	HK$0.11 per Rights Share
Number of Shares in issue at the Latest Practicable Date	:	158,400,000 Shares
Number of Rights Shares	:	up to 475,200,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	up to HK$47,520,000 (assuming no change in the number of Shares in issue on or before the Record Date)

Number of issued shares of the Company upon completion of the Rights Issue	:	up to 633,600,000 Shares (assuming no change in the issued share capital of the Company on or before the Record Date)
Maximum funds raised (before expenses)	:	up to approximately HK$52.3 million (assuming all the Rights Shares will be taken up and/or placed pursuant to the Placing Agreement and no change in the number of Shares in issue on or before the Record Date)

The Group had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares as at the Latest Practicable Date. The Company has no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date.

Assuming no change in the issued share capital of the Company on or before the Record Date, the 475,200,000 Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) 300% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) 75% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares (assuming all the Rights Shares will be taken up by the Qualifying Shareholders and/or placed pursuant to the Placing Agreement).

5.2 Placing Agreement

On 29 July 2021 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares. Details of the Compensatory Arrangements are as follows:

Date	:	29 July 2021 (after trading hours)
Parties	:	(i) the Company, as issuer; and (ii) the Placing Agent
Placing Agent	:	Grand Moore Capital Limited, appointed as the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares on a best effort basis. As the Placing Agent is indirectly held as to approximately 33.33% by the Company, it is an associate (as defined in the GEM Listing Rules) of the Company.

Placing Period	:	The period commencing from Friday, 29 October 2021 and ending on 6:00 p.m. on Friday, 5 November 2021.
Commission and expenses	:	1.0% of the amount which is equal to the placing price multiplied by the Unsubscribed Rights Shares and ES Unsold Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the placing (including but not limited to legal expenses and other expenses for placing the Unsubscribed Rights Shares and the ES Unsold Rights Shares), which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.
Placing price of each of the Unsubscribed Rights Share and/or the ES Unsold Rights Share (as the case may be)	:	The placing price of each of the Unsubscribed Rights Share and/or the ES Unsold Rights Share (as the case may be) shall be at least equal to the Subscription Price. The final price determination is depended on the demand and market conditions of the Unsubscribed Rights Shares and the ES Unsold Rights during the process of placement.
Placees	:	Any individuals, corporate, institutional investor(s) or other investor(s), who is not a Connected Person and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents, to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement.
Ranking of the Unsubscribed Rights Shares and the ES Unsold Rights Shares	:	The Unsubscribed Rights Shares and the ES Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the Latest Practicable Date.

Conditions Precedent	:	The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions (the "**Conditions**") being fulfilled (or being waived by the Placing Agent in writing, if applicable): (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares; (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof. The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the Conditions (other than those set out in paragraph (i) above) by notice in writing to the Company.
Termination	:	The Compensatory Arrangements shall end on Friday, 5 November 2021 or any other date by mutual written agreement between the Placing Agent and the Company.

The engagement of the Placing Agent may also be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

Completion	:	Placing completion shall take place at 4:00 p.m. on Monday, 8 November 2021 (or such other date as the Company may announce).

As mentioned in the Letter from the Board, the Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rules to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent Placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue. The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares after the Latest Time for Acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent Placees on a best effort basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders and Excluded Shareholders on a pro-rata basis.

Furthermore, the engagement between the Company and the Placing Agent for the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Directors consider the terms of the Compensatory Arrangements for the Unsubscribed Rights Shares and the ES Unsold Rights Shares (including the commission payable) are on normal commercial terms.

6. Assessment on the principal terms of the Rights Issue

6.1 Subscription Price

The Subscription Price of HK$0.11 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 20.3% to the closing price of HK$0.138 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 17.9% to the closing price of HK$0.134 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 16.5% to the average of the closing prices of HK$0.1318 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 16.9% to the average of the closing prices of HK$0.1323 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;

(v) a discount of approximately 5.2% to the theoretical ex-rights price of HK$0.116 per Share based on the closing price per Share of HK$0.134 as quoted on the Stock Exchange on the Last Trading Day; and

(vi) a discount of approximately 79.8% to the unaudited consolidated net asset value per Share of approximately HK$0.545 (based on the latest published unaudited consolidated net asset value attributable to owners of the Company of approximately RM45.2 million (equivalent to approximately HK$86.4 million) as at 30 June 2021 as disclosed in the interim report of the Company for the six months ended 30 June 2021 and 158,400,000 Shares in issue as at the Latest Practicable Date).

As advised by the Management, the Subscription Price of HK$0.11 per Rights Share was determined with reference to, among other things, (i) the recent market prices of the Shares during the 3 months period prior to entering into the Placing Agreement, which ranged from HK$0.121 to HK$0.187, with an average of approximately HK$0.161; (ii) the current market conditions, in particular, the Hang Seng Index dropped from 28,724.88 on 30 April 2021 by approximately 8.4% to 26,315.32 on 29 July 2021 (being the date of the Placing Agreement); (iii) recent rights issues during the six months period prior to the date of the Placing Agreement in the market, in which the subscription price represented an average and a maximum discount to the respective closing price on last trading day of around 29.0% and 65.0% respectively; and (iv) the amount of funds the Company intends to raise under the Rights Issue. The Subscription Price of HK$0.11 represents a discount of approximately 17.9% over the closing price of the Shares on the Last Trading Day and approximately 31.7% over the recent average Share price as mentioned in (i) above, and such discounts are close to the average discount and far lower than the maximum discount of recent rights issue exercises of 29.0% and 65.0% respectively as mentioned in (iii) above. In addition, the Board considers that in view of recent decrease in Hang Seng Index, together with the uncertainty of local economy due to lingering impact of the COVID-19 pandemic, the discount of the Subscription Price to the Share's recent trading price has to be attractive in order to incentivize Shareholders' participation in the Rights Issue and the participation of the Placing Agent under current market conditions shortly after placing of new Shares contemplated in May 2021 and completed in June 2021.

Based on the above, we note that the Subscription Price in general represents a discount to the prevailing market price of the Shares.

To further assess the fairness and reasonableness of the Rights Issue, we have conducted a search of rights issue transactions announced by companies listed on the Stock Exchange, excluding the H-Share companies, during the six-month period from 30 January 2021 up to the Last Trading Day. We consider that the six-month period could reflect the most recent trend of rights issue transactions conducted by companies listed on the Stock Exchange under the recent market condition. To the best of our knowledge and endeavour and as far as we are aware of, we identified an exhaustive list of 30 transactions (the **"Rights Issue Comparable(s)"**) which met the criteria. We consider the Rights Issue Comparables are sufficient, fair and representative to reflect the most recent market condition prior to the Last Trading Day.

Although the Rights Issue Comparables may be different from the Group in terms of business nature, financial performance, financial position and funding requirements, the Rights Issue Comparables can serve as a market reference for recent market practice in relation to the subscription prices under other rights issues as compared to the relevant prevailing market share prices and provide an insight to the reasonableness of the Subscription Price in respect of the Rights Issue.

We set out our findings in the following table:

Date of announcement	Company name (Stock code)	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing price on the last trading day or the date of announcement *(approximately %)*	Premium/ (Discount) of subscription price to the theoretical ex-entitlement price on the last trading day or the date of announcement *(approximately %)*	Theoretical dilution effect *(approximately %)*	Placing commission *(%)*	Fully underwritten (Yes/No)	Maximum dilution *(Note 1)* *(approximately %)*	Excess application (Yes/No)
5 February 2021	Bossini International Holdings Limited (592)	1 for 2	(23.4)	(16.9)	8.5	N/A	No	33.33	Yes
16 February 2021	China LotSynergy Holdings Limited (1371)	2 for 1	(30.1)	(16.0)	23.9	N/A	No	66.67	Yes
19 February 2021	Enterprise Development Holdings Limited (1808)	1 for 2	(49.2)	(39.1)	16.4	N/A	No	33.33	Yes
17 March 2021	Qingdao Holdings International Limited (499)	1 for 1	(18.8)	(10.3)	9.4	N/A	No	50.00	Yes
24 March 2021	Noble Engineering Group Holdings Limited (8445)	1 for 2	(33.8)	(25.3)	11.9	5.00	No	33.33	No
26 March 2021	Kaisa Group Holdings Limited (1638)	1 for 7	(25.1)	(22.7)	3.4	N/A	Yes	12.50	Yes
29 March 2021	China Demeter Financial Investments Limited (8120)	3 for 1	(17.4)	(5.0)	15.3	2.00	Yes	75.00	No
8 April 2021	State Energy Group International Assets Holdings Limited (918)	3 for 1	(22.2)	(7.4)	19.0	1.00	Yes	75.00	No
9 April 2021	Golden Power Group Holdings Limited (3919)	1 for 2	(21.4)	(15.4)	7.1	N/A	Yes	33.33	Yes
12 April 2021	Merdeka Financial Group Limited (8163)	5 for 2	(21.1)	(6.8)	8.5	N/A	Yes	71.43	Yes
23 April 2021	PFC Device Inc. (8231)	1 for 2	(20.0)	(14.3)	7.8	N/A	No	33.33	Yes
28 April 2021	Sandmartin International Holdings Limited (482)	1 for 2	(16.0)	(11.2)	5.3	2.00	No	33.33	No
4 May 2021	China Investment Development Limited (204)	1 for 2	(10.3)	(7.0)	3.6	N/A	No	33.33	Yes
4 May 2021	Coolpad Group Limited (2369)	1 for 2	(41.1)	(31.7)	14.5	N/A	Yes	33.33	Yes

Date of announcement	Company name (Stock code)	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing price on the last trading day or the date of announcement *(approximately %)*	Premium/ (Discount) of subscription price to the theoretical ex-entitlement price on the last trading day or the date of announcement *(approximately %)*	Theoretical dilution effect *(approximately %)*	Placing commission *(%)*	Fully underwritten (Yes/No)	Maximum dilution *(Note 1)* *(approximately %)*	Excess application (Yes/No)
11 May 2021	Great Wall Belt & Road Holdings Limited (524)	1 for 4	(18.9)	(15.7)	4.9	N/A	No	20.00	Yes
11 May 2021	China Best Group Holding Limited (370)	1 for 2	(45.2)	(37.9)	15.9	1.50	No	33.33	No
13 May 2021	Ta Yang Group Holdings Limited (1991)	1 for 2	(22.2)	(16.0)	7.4	N/A	No	33.33	Yes
18 May 2021	Champion Technology Holdings Limited (92)	3 for 1	8.7	2.0	0.0	N/A	Yes	75.00	Yes
20 May 2021	China Internet Investment Finance Holdings Limited (810)	1 for 2	(51.2)	(41.2)	18.1	N/A	Yes	33.33	Yes
1 June 2021	Vision Fame International Holding Limited (1315)	1 for 4	(60.8)	(55.4)	11.8	2% *(Note 2)*	No	20.00	No
7 June 2021	AL Group Limited (8360)	3 for 1	(27.0)	(8.5)	20.3	N/A	Yes	75.00	Yes
11 June 2021	Cool Link (Holdings) Limited (8491)	1 for 2	(39.3)	(30.9)	13.2	N/A	Yes	33.33	Yes
11 June 2021	Lai Sun Garment (International) Limited (191)	1 for 2	(65.0)	(55.4)	21.7	N/A	Yes	33.33	Yes
16 June 2021	China Environmental Energy Investment Limited (986)	1 for 1	(5.7)	(2.9)	2.8	2.50	No	50.00	No
23 June 2021	CBK Holdings Limited (8428)	3 for 2	(22.7)	(10.5)	13.6	3.00	No	60.00	No
13 July 2021	Sun Entertainment Group Limited (8082)	4 for 5	(52.5)	(38.6)	23.6	N/A	No	44.44	Yes
14 July 2021	China Baoli Technologies Holdings Limited (164)	1 for 2	(29.8)	(21.6)	10.3	N/A	No	33.33	Yes
16 July 2021	P.B. Group Limited (8331)	1 for 1	(36.4)	(22.2)	18.2	1.00	Yes	50.00	No
19 July 2021	Tongda Group Holdings Limited (698)	1 for 2	(49.0)	(40.5)	16.8	N/A	Yes	33.33	Yes

Date of announcement	Company name (Stock code)	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing price on the last trading day or the date of announcement *(approximately %)*	Premium/ (Discount) of subscription price to the theoretical ex-entitlement price on the last trading day or the date of announcement *(approximately %)*	Theoretical dilution effect *(approximately %)*	Placing commission *(%)*	Fully underwritten (Yes/No)	Maximum dilution *(Note 1)* *(approximately %)*	Excess application (Yes/No)
29 July 2021	China Properties Investment Holdings Limited (736)	1 for 1	(4.1)	(2.1)	2.0	2.50	No	50.00	No
	Average		(29.0)	(20.9)	11.8	2.25		43.17	
	Maximum		8.7	2.0	0.0	5.00		75.00	
	Minimum		(65.0)	(55.4)	23.9	1.00		12.50	
	The Company	3 for 1	(17.9)	(5.2)	13.4	1.0	No	75.00	No

Source: the website of the Stock Exchange (www.hkex.com.hk)

Note (1): Maximum dilution effect of each rights issue is calculated as: (number of rights shares and (if any) bonus shares to be issued under the basis of entitlement)/(number of existing shares held for the entitlement for the rights shares under the basis of entitlement + number of rights shares and (if any) bonus shares to be issued under the basis of entitlement) x 100%. Taking the Company's case as an example, for a rights issue with basis of 3 Rights Shares for every 1 Share taken up, the maximum dilution effect is calculated as (3/(3+1)) x 100) = 75.0%.

Note (2): As the placing commission to be paid by Vision Fame International Holding Limited (stock code: 1315) to the placing agent will be the higher of (i) HK$250,000; and (ii) 2% of the gross proceeds from subscription of the unsubscribed rights shares and the non-qualifying shareholders unsold rights shares, we, therefore, assume that the placing commission is 2% for our analysis in respect of the placing commission.

As shown in the above table, we note that the premium/discount of the subscription price over/to the respective closing prices per share on the last trading day/the date of the announcement represented by the Rights Issue Comparables range from a discount of approximately 65.0% to a premium of approximately 8.7% (the "**LTD Market Range**"), with an average discount of approximately 29.0%. In respect of the Rights Issue, the Subscription Price represents a discount of approximately 17.9% to the closing price per Share on the Last Trading Day, which falls within the LTD Market Range and is less than the corresponding average discount of the Rights Issue Comparables.

We also note that the premium/discount of the subscription price over/to the theoretical ex-entitlement price per share on the last trading day/the date of the announcement represented by the Rights Issue Comparables range from a discount of approximately 55.4% to a premium of approximately 2.0% (the "**TEP Market Range**"), with an average discount of approximately 20.9%. The Subscription Price represents a discount of approximately 5.2% to the theoretical ex-entitlement price per Share, which falls within the TEP Market Range and is less than the corresponding average discount of the Rights Issue Comparables.

The theoretical dilution effect of the Rights Issue Comparable ranged from approximately 23.9% to nil, with an average discount of approximately 11.8%. The theoretical dilution effect of the Rights Issue falls within the range of the Rights Issue Comparables and is in compliance with Rule 10.44A of the GEM Listing Rules as such theoretical dilution effect is less than 25%.

We further note that the maximum dilution effect of approximately 75.0% in respect of the Rights Issue falls within the range of the potential maximum dilution effect of the Rights Issue Comparables.

In light of that:

(i) it is a common market practice that the subscription price of a rights issue is normally set at a discount to the prevailing market prices of the relevant shares in order to enhance the attractiveness of a rights issue and to encourage the existing shareholders to participate in the rights issue;

(ii) the discounts represented by the Subscription Price to the closing price of the Share on the Last Trading Day and to the theoretical ex-entitlement price are within the corresponding ranges of discounts represented by the Rights Issue Comparables; and

(iii) all the Qualifying Shareholders would be given an equal opportunity to subscribe for their pro-rata provisional entitlement of the Rights Shares at the same Subscription Price under the Rights Issue,

we are of the view that the interest of the Qualifying Shareholders will not be prejudiced by the discount of the Subscription Price as long as they are offered with an equal opportunity to participate in the Rights Issue. Furthermore, we consider that a discount on the Subscription Price which is within the ranges represented by the Rights Issue Comparables is inevitable for the Company to encourage the Qualifying Shareholders to participate in the Rights Issue. Based on the abovementioned, we consider the Subscription Price is on normal commercial term and is fair and reasonable so far as the Independent Shareholders are concerned.

6.2 Non-underwritten basis

As disclosed in the Letter from the Board, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. The legal adviser of the Company has confirmed that there are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares and Share Options under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

Although the Rights Issue is on a non-underwritten basis and there is no minimum amount to be raised which it is uncertain to raise sufficient funds to satisfy the funding needs, taking into account (i) as mentioned above, the placing obligation of the Placing Agent is more or less similar to an underwriter of the Rights Issue (except that Placing Agent is on best effort basis) and therefore the placing under the Compensatory Arrangements in a certain extent would help to ensure sufficient funds to be raised; and (ii) among the Rights Issue Comparables, it is noted that 17 out of 30 of the Rights Issue Comparables were conducted on a non-underwritten basis, and therefore it is not uncommon for rights issue to proceed on a non-underwritten basis, we are of the view that the Rights Issue on a non-underwritten basis is fair and reasonable and in the interests of the Company and its Shareholders as a whole and are not aware of any unusual arrangement as compared to the Rights Issue Comparables. We therefore consider that such non-underwritten basis is consistent with normal market practice.

6.3 Compensatory Arrangements

As disclosed in the Letter from the Board, the Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rules to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent Placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue.

On 29 July 2021 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares. The Placing Price of the Unsubscribed Rights Shares and/or ES Unsold Rights Shares (as the case may be) shall be at least the Subscription Price. The final price determination will depend on the demand and market conditions of the Unsubscribed Rights Shares and ES Unsold Rights Shares during the process of placement.

As disclosed in the Letter, pursuant to the Placing Agreement, the Company shall pay to the Placing Agent a commission of 1% of the amount which is equal to the placing price multiplied by the number of Unsubscribed Rights Shares and ES Unsold Rights Shares that have been successfully placed by the Placing Agent. As advised by the Management, the commission was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition.

Given that the placing commission was between 1% and 5% for the Rights Issue Comparables, and the placing commission of 1% payable by the Company is within the market range, we consider that the placing commission under the Placing Agreement is in line with normal market terms.

6.4 Potential dilution effect of the Rights Issue

For illustration purposes, set out below is the shareholding structure of the Company, assuming there is no change in the issued share capital of the Company before completion of the Rights Issue other than the allotment and issue of the Rights Shares pursuant to the Rights Issue, (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders; (iii) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent; and (iv) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent:

	As at the Latest Practicable Date		**Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders**		**Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent**		**Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent**	
	Number of Shares	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*
Substantial Shareholders								
Noble Might Limited	20,000,000	12.62	80,000,000	12.62	20,000,000	12.62	20,000,000	3.16
Crown World Investments Limited	16,000,000	10.10	64,000,000	10.10	16,000,000	10.10	16,000,000	2.52
Public								
Independent Placees	–	–	–	–	–	–	475,200,000	75.00
Other Public Shareholders	122,400,000	77.28	489,600,000	77.28	122,400,000	77.28	122,400,000	19.32
Total	158,400,000	100.00	633,600,000	100.00	158,400,000	100.00	633,600,000	100.00

Note: As stated in the paragraph headed "Non-underwritten basis" in the Letter from the Board, as the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares and Share Options under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules. The Company, together with the Placing Agent, will take all appropriate steps to ensure that sufficient public float be maintained upon completion of the Rights Issue in compliance with Rule 11.23(7) of the GEM Listing Rules.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

All Qualifying Shareholders are entitled to subscribe for the Rights Shares. For those Qualifying Shareholders who take up their provisional allotments in full under the Rights Issue, their shareholding interests in the Company will remain unchanged upon completion of the Rights Issue (assuming full acceptance of the Rights Issue). Qualifying Shareholders who do not accept the Rights Issue entitlements, subject to the then prevailing market conditions, can consider selling their nil-paid Rights Shares in the market. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and the No Action Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue and their aggregate shareholding interests in the Company may be reduced by a maximum of 75%.

We are aware of the cumulative potential dilution effect as a result of the Rights Issues. However, we consider that the foregoing should be balanced against, among others, the following factors:

(i) the intended use of proceeds from the Rights Issue will allow the Group to expand its logistics services business in Hong Kong;

(ii) the positive financial effects as a result of the Rights Issue as detailed in the paragraph headed "7. Possible financial effects of the Rights Issue" below;

(iii) the inherent dilutive nature of rights issue is a general market practice and the maximum dilution of 75.0% under the Rights Issue is within the range of maximum dilution of the Rights Issue Comparables;

(iv) the Subscription Price is on normal commercial terms and is fair and reasonable so far as the Company and the Independent Shareholders are concerned;

(v) the Independent Shareholders are offered an opportunity to attend and vote for or against the relevant resolution in relation to the Rights Issue at the EGM;

(vi) the Qualifying Shareholders who do not wish to take up the Rights Shares have the opportunities to sell their nil-paid rights to subscribe for the Rights Shares in the market for economic benefits;

(vii) the Rights Issue offers the Qualifying Shareholders an opportunity to subscribe for their Rights Shares for the purpose of maintaining their respective pro-rata shareholding interests in the Company at a discount as compared to the prevailing market price of the Shares; and

(viii) the Qualifying Shareholders who take up their assured entitlements in full under the Rights Issue will be able to maintain their respective pro-rata shareholding interests in the Company after completion of the Rights Issue, and thus will not be diluted.

Based on the foregoing, we consider that the Rights Issue is fair and reasonable and in the interest of the Shareholders and the Company as a whole.

7. Possible financial effects of the Rights Issue

As disclosed in the Letter from the Board, it is estimated that the Company will raise up to approximately HK$52.3 million (before expenses) from the Rights Issue and the relevant expenses would be approximately HK$1.8 million (assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent), which includes placing commission and other fees and expenses payable to financial advisers, legal advisers, financial printer and other parties involved in the Rights Issue. The estimated net proceeds from the Rights Issue will accordingly be approximately HK$50.5 million (assuming the Rights Issue is fully subscribed or placed pursuant to the Placing Agreement, and no change in the issued share capital of the Company on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue as working capital for the expansion in its logistics services business in Hong Kong.

With reference to the unaudited pro forma financial information of the Group as set out in "Appendix II – Unaudited Pro Forma Financial Information of the Group" to the Circular, the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021 amounted to approximately RM44.6 million. The unaudited pro forma adjusted tangible assets of the Group attributable to owners of the Company as if the Rights Issue had taken place on 30 June 2021, based on maximum number of 475,200,000 Rights Shares, will be approximately RM71.6 million.

In view of the above, the Directors consider, and we concur that the Rights Issue can provide additional liquidity to and enhance the overall financial position, as well as working capital of the Company.

RECOMMENDATION

Having taken into consideration the principal factors and reasons discussed above, we are of the opinion that the Rights Issue is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the relevant resolution to be proposed at the EGM to approve the Rights Issue.

Yours faithfully,
For and on behalf of
Amasse Capital Limited
Keith Chan
Associate Director

Mr. Keith Chan is a licensed person registered with the Securities and Future Commission of Hong Kong and regards as a responsible officer of Amasse Capital Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO and has over 5 years of experience in corporate finance industry.

In the case of inconsistency, the English text of this letter shall prevail over the Chinese text.

1. SUMMARY OF FINANCIAL INFORMATION

The audited financial information of the Company are disclosed in the annual reports of the Company for the years ended 31 December 2018 (page 49 to 109), 2019 (page 46 to 111) and 2020 (page 47 to 111), which are published on 28 March 2019, 31 March 2020 and 30 March 2021, respectively. The unaudited financial information of the Company are disclosed in the quarterly report of the Company for the three months ended 31 March 2021 (page 2 to 11) and the interim report of the Company for the six months ended 30 June 2021 (page 2 to 17), which are published on 14 May 2021 and 11 August 2021 respectively. The above mentioned financial information is available on the website of the Company at www.worldgate.com.hk and the website of the Stock Exchange at www.hkexnews.hk:

(a) the annual report of the Company for the year ended 31 December 2018 in relation to the financial information of the Group for the same year (https://www1.hkexnews.hk/listedco/listconews/gem/2019/0328/gln20190328541.pdf);

(b) the annual report of the Company for the year ended 31 December 2019 in relation to the financial information of the Group for the same year (https://www1.hkexnews.hk/listedco/listconews/gem/2020/0331/2020033100803.pdf);

(c) the annual report of the Company for the year ended 31 December 2020 in relation to the financial information of the Group for the same year (https://www1.hkexnews.hk/listedco/listconews/gem/2021/0330/2021033001168.pdf);

(d) the first quarterly report of the Company for the three months ended 31 March 2021 in relation to the financial information of the Group for the same period (https://www1.hkexnews.hk/listedco/listconews/gem/2021/0514/2021051401495.pdf); and

(e) the interim report of the Company for the six months ended 30 June 2021 in relation to the financial information of the Group for the same period (https://www1.hkexnews.hk/listedco/listconews/gem/2021/0813/2021081301076.pdf).

2. STATEMENT OF INDEBTEDNESS

Indebtedness

As at the close of business on 31 July 2021, being the latest practicable date for the purpose of this indebtedness statement, the Group had bank borrowings of approximately RM13,029,000, lease liabilities of approximately RM1,881,000 and bank overdraft of approximately RM1,122,000. Included in bank borrowing amounting to RM10,711,000 and bank overdraft amounting to RM1,122,000 are secured by freehold land and building, ownership interest in leasehold land, sale contracts and a corporate guarantee of the Company. The remaining balances are unsecured and unguaranteed.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, at the close of business on 31 July 2021, the Group did not have any loan capital issued and outstanding or agreed to be issued, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful consideration, are of the opinion that in the absence of unforeseeable circumstances, after taking into account the estimated net proceeds from the Rights Issue, its presently available financial resources, including funds internally generated from operation and the available facilities, the Group will have sufficient working capital for its operation for at least the next twelve (12) months from the date of this circular.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. BUSINESS TREND, FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group aims to strengthen its position as an integrated logistics solution service provider in both Hong Kong and Malaysia. The Directors believe that there are (i) still plenty of room for growth for business in Penang given the fact that companies continue to set up new manufacturing plants in Penang; (ii) new business opportunities in Malacca, Johor and border of Thailand upon opening up of the borders of the ASEAN countries; and (iii) new business opportunities with Chinese and international clients with widening the borders of the ASEAN countries. To achieve this, the Group intends to further expand its business in major gateways of Malaysia and China and expand the scope of services to cover cross border trucking, haulage and rail freight.

The Group has attracted a new customer which is a forwarding agent of a world leading multinational engineering and electronics company headquartered in Germany. It is expected that the new customer will generate recurring business and it may have a positive impact on our revenue. Besides, the Group has an intention to expand the logistics business in Hong Kong in order to absorb more Chinese and international clients. The Board is of the view that the logistics business will broaden its revenue base. It is expected that it may also improve the capital usage efficiency of the Company and generate additional investment returns on the idle funds of the Company.

The board is of view that the manufacturing and trading of plastic products business in Vietnam acquired in January 2021 provides an opportunity to further diversify the Group's business and will expand and create synergy effect with the Group's existing business.

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021 (the "**Unaudited Pro Forma Financial Information**") which has been prepared by the directors of the Company in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**"), with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), and on the basis of the notes set out below for the purpose of illustrating the effects of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 June 2021.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the proposed Rights Issue been completed as at 30 June 2021 or at any future date.

The following Unaudited Pro Forma Financial Information of the adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021, extracted from the published interim report of the Group for the six months ended 30 June 2021, with adjustment described below:

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021	Unaudited estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted tangible assets attributable to owners of the Company as at 30 June 2021	Unaudited consolidated net tangible assets attributable to owners of the Company per Share before completion of the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share immediately after completion of the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share immediately after completion of the Rights Issue
	RM'000	*RM'000*	*RM'000*	*RM*	*RM*	*HK$*
	(Note 1)	*(Notes 2 & 5)*		*(Note 3)*	*(Note 4)*	*(Note 5)*
Based on 475,200,000 Rights Shares at subscription price of HK$0.11 per Rights Share	44,616	26,996	71,612	0.28	0.11	0.21

Notes:

(1) The unaudited consolidated net tangible assets attributable to owners of the Company as at 30 June 2021 has been extracted from the published interim report of the Company for six months ended 30 June 2021 adjusted by goodwill of approximately RM604,000.

(2) The estimated net proceeds from the Rights Issue are based on 475,200,000 Rights Shares to be issued at the Subscription Price of HK$0.11 per Rights Share, equivalent to RM0.06 per Rights Share and after deducting estimated related expenses, including among others, legal and professional fees, which are directly attributable to the Rights Issue, of approximately HK$1,800,000.

(3) The unaudited consolidated net tangible assets of the Group per share attributable to the owners of the Company before the completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2021 of approximately RM44,616,000 as disclosed in note 1 above, divided by 158,400,000 shares of the Company in issue as at 30 June 2021.

(4) The unaudited pro forma adjusted consolidated net tangible assets of the Group after the completion of the Rights Issue per share is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2021 for the Rights Issue of approximately RM71,612,000 divided by Shares which comprise 158,400,000 Shares in issue as at 30 June 2021 and 475,200,000 Rights Shares to be issued after the completion of the Rights Issue assuming the Rights Issue had taken place on 30 June 2021.

(5) For the purpose of presentation of the unaudited pro forma financial information, the exchange rate adopted is RM1 = HK$1.8696.

No representation is made that the amounts in Malaysian Ringgit ("**RM**") were or could have been or could be converted into Hong Kong dollars ("**HK$**") and/or that mounts in HK$ were or could have been or could be converted into RM at such rate or any other exchange rates.

(6) No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2021.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

elite partners
CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS OF WORLDGATE GLOBAL LOGISTICS LTD

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of WORLDGATE GLOBAL LOGISTICS LTD (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company (**"Directors**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of consolidated net tangible assets as at 30 June 2021, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out in Appendix II of the circular issued by the Company. The applicable criteria on the basis of which the Directors have complied the Unaudited Pro Forma Financial Information are described in Appendix II of this circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue on the basis of three rights share at the subscription price of HK$0.11 per rights share (the "**Rights Share**") for every one existing share held on the record date (the "**Rights Issue**") as if the transaction had taken place as at 30 June 2021. As part of this process, information about the unaudited consolidated statement of financial position of the Group as at 30 June 2021, as extracted by the Directors from the Company's interim report for six months ended 30 June 2021, on which audit report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited ("**GEM Listing Rules**") and with reference to Accounting Guideline ("**AG**") 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Hong Kong Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other

Assurance and Related Services Engagements" issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in a circular is solely to illustrate the impact of the significant transaction on consolidated net tangible assets of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2021 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Elite Partners CPA Limited
Certified Public Accountants
Lock Kwong Hang, Simon
(Practising Certificate No: P06735)

Hong Kong, 3 September 2021

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. SHARE CAPITAL AND OPTIONS

(a) Share capital

Assuming there is no change in the issued share capital of the Company from the Latest Practicable Date to completion of the Rights Issue and all the Rights Shares will be taken up and/or placed pursuant to the Placing Agreement, the authorised and issued share capital of the Company as at the Latest Practicable Date were, and immediately following completion of the Rights Issue will be, as follows:

(I) As at the Latest Practicable Date

	Number of Shares	**Nominal value of ordinary Shares**
		HK$
Authorised:		
Ordinary shares of HK$0.10 each	1,000,000,000	100,000,000
Issued and fully paid:		
Ordinary shares of HK$0.10 each	158,400,000	15,840,000

(II) Immediately following the completion of the Rights Issue

	Number of Shares	**Nominal value of ordinary Shares**
		HK$
Authorised:		
Ordinary shares of HK$0.10 each	1,000,000,000	100,000,000
Issued and fully paid:		
Ordinary shares of HK$0.10 each	158,400,000	15,840,000
Rights Shares to be issued pursuant to the Rights Issue of HK$0.10 each (assuming the Rights Issue is fully subscribed or placed pursuant to the Placing Agreement)	475,200,000	47,520,000
Shares in issue immediately after completion of the Rights Issue	633,600,000	63,360,000

All the issued Shares rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares to be allotted and issued will, when issued and fully paid, rank *pari passu* in all respects with the existing Shares in issue on the date of allotment of the Rights Shares in fully-paid form.

The Company will apply to the Listing Committee for the listing of and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

None of the capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option.

(b) Share Options

The Company has adopted the share option scheme by written resolutions passed by the Shareholders on 17 June 2016. Under the terms of share option scheme, the Board may in its absolute discretion specify such conditions as it thinks fit when granting an option to an eligible person (including, without limitation, as to any minimum period an option must have been held or the minimum period of service or relationship with any member of the Group to be achieved before an option can be exercised (or any part thereof), to the extent of the option which can be exercised at any material time, or any performance criteria which must be satisfied by the eligible person, the Company, and its subsidiaries, before an option may be exercised).

The purpose of the share option scheme is to advance the interests of the Company and the Shareholders by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

The Share Option Scheme is valid and effective for a period of ten years commencing on the date of adoption of the Share Option Scheme. As at the Latest Practicable Date, there were a total of 8,000,000 Shares, representing approximately 5.1% of the issued Shares, available for issue under the Share Option Scheme. Since the Share Option Scheme came into effect, no share options were granted, exercised or cancelled by the Company.

3. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in the Company

As at the Latest Practicable Date, none of the Directors and the chief executives of the Company has any interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("**SFO**")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange, pursuant to the GEM Listing Rules relating to securities transactions by the Directors.

(b) Interests and short positions of Substantial Shareholders

As at the Latest Practicable Date, the interests and short positions of Substantial Shareholders and other persons (not being a Director or chief executive of the Company) in the shares and underlying shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Name of shareholders	Capacity/ Nature of interest	Number of Shares held[1]	Percentage of shareholding
JL Investments Capital Limited ("**JL Investments**")	Person having a beneficial interest in shares[2]	10,530,000 (L)	6.65%
Mr. Lau Chi Yuen, Joseph ("**Mr. Lau**")	Interest in controlled corporation[2]	10,530,000 (L)	6.65%
Crown World Investments Limited ("**Crown World**")	Person having a beneficial interest in shares[3]	16,000,000 (L)	10.10%
Mr. Zhong Xian Wen ("**Mr. Zhong**")	Interest in controlled corporation[3]	16,000,000 (L)	10.10%
Noble Might Limited ("**Noble Might**")	Person having a beneficial interest in shares[4]	20,000,000 (L)	12.62%
Ms. Chan Ka Wai ("**Ms. Chan**")	Interest in controlled corporation[4]	20,000,000 (L)	12.62%

Notes:

1. The letter "L" denotes the person's long position in the relevant Shares.

2. JL Investments is a company owned as to 100% by Mr. Lau. By virtue of the SFO, Mr. Lau is deemed to be interested in 10,530,000 Shares held by JL Investments.

3. Crown World is a company owned as to 100% by Mr. Zhong. By virtue of the SFO, Mr. Zhong is deemed to be interested in 16,000,000 Shares held by Crown World.

4. Noble Might is a company owned as to 100% by Ms. Chan. By virtue of the SFO, Ms. Chan is deemed to be interested in 20,000,000 Shares held by Noble Might.

Save as disclosed above and as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO. None of the Directors is a director or employee of any Substantial Shareholder of the Company.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors, directly or indirectly, had any interest in any assets which had since 31 December 2020 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to the Group, or were proposed to be acquired or disposed of by or leased to the Group. As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the Group within one year without payment of compensation, other than statutory compensation.

6. COMPETING INTEREST

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or any of their respective associates had any interest in business which competes with or may compete with the business of the Group or had any other conflict which any person has or may have with the Group.

7. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

The following material contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this circular and are or may be material:

(i) the conditional sale and purchase agreement dated 24 February 2020 entered into by Pacific Express Limited, a wholly-owned subsidiary of the Company, and Crown World Investments Limited, a company incorporated in British Virgin Islands with limited liability, in respect of the acquisition of interest in Grand Moore Capital Limited, a company incorporated in Hong Kong with limited liability and a corporation licensed by the SFC to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, by Pacific Express

Limited through the purchase of 5,450,000 shares of Grand Moore Capital Limited, which represents one-third of the entire issued share capital of Grand Moore Capital Limited, from Crown World Investments Limited at the consideration of HK$11.6 million;

(ii) the conditional subscription agreement dated 12 October 2020 entered into between Company as issuer and Win All Management Limited, a company incorporated in the British Virgin Islands with limited liability, as subscriber for the subscription of 40,000,000 Shares, the gross proceeds of the subscription amounted to approximately HK$1.2 million;

(iii) the conditional sale and purchase agreement dated 17 November 2020 and entered into by Worldgate International Investments Limited, a wholly owned subsidiary of the Company, and Ms. Chan Ka Wai in respect of the acquisition of 5,100 shares of China Elegant Limited, a company incorporated in Hong Kong with limited liability, which represents 51% of the entire issued share capital of China Elegant Limited at the consideration of HK$6.6 million;

(iv) the agreement entered into between Astrum Capital Management Limited and the Company dated 26 February 2021 in relation to the best-effort placing of up to 12,000,000 Shares on the terms and subject to the condition set out in the agreement, the gross proceeds from the placing amounted to approximately HK$1.90 million;

(v) the agreement entered into between Grand Moore Capital Limited and the Company dated 31 May 2021 in relation to the best-effort placing of up to 26,400,000 Shares on the terms and subject to the condition set out in the agreement, the gross proceeds from the placing amounted to approximately HK$3.96 million; and

(vi) the Placing Agreement.

9. EXPERTS AND CONSENTS

The following are the qualification of the experts who have been named in this circular or have given opinions, letters or advices contained in this circular:

Name	Qualification
Elite Partners CPA Limited	Certified Public Accountant
Amasse Capital Limited	A corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the above experts had no shareholding, directly or indirectly, in the Company or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company.

As at the Latest Practicable Date, the above experts had no interest, direct or indirect, in the promotion of, or in any assets which since 31 December 2020, the date to which the latest published audited financial statements of the Company were made up, have been acquired or disposed of by or leased to, the Company, or are proposed to be acquired or disposed of by or leased to the Company.

As at the Latest Practicable Date, the above experts had given and had not withdrawn their written consent to the issue of this circular, with the inclusion of the references to their name and/or their opinion or report in the form and context in which they are included.

10. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Executive Directors	Mr. Lai Kwok Hei *(Chairman)* Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong
	Ms. Tsui Ka Mei *(Chief Executive Officer)* Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong
Independent non-executive Directors	Ms. Wong Hoi Yan Audrey Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong
	Mr. Wong Siu Keung Joe Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong
	Mr. Ma Kin Hung Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong

Compliance officer	Ms. Tsui Ka Mei
Authorised representatives	Mr. Lai Kwok Hei Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong Mr. Shum Shing Kei Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong
Company secretary	Mr. Shum Shing Kei
Registered office	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Headquarter and principal place of business in the Malaysia	No. 42, Jalan Puteri 2/2 Bandar Puteri Puchong 47100 Puchong Selangor Darul Ehsan Malaysia
Principal place of business in Hong Kong	Unit 5D, 5/F, Hang Cheong Factory Building No. 1 Wing Ming Street Kowloon Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Boardroom Share Registrars (HK) Limited Room 2103B, 21/F 148 Electric Road North Point Hong Kong

Principal bankers	DBS Bank (Hong Kong) Limited Basement & G/F, The Center 99 Queen's Road Central Central Hong Kong
	Malayan Banking BHD No. 30 & 32, Jalan PJS 11/28a Bandar Sunway 46150 Petaling Jaya Selangor
	Public Bank BHD No. 21–23, Jalan SS 25/23 Taman Mayang 47301 Petaling Jaya Selangor
	Alliance Bank Malaysia BHD 11 & 13, Jalan Puteri 2/1 Bandar Puteri 47100 Puchong Selangor
Auditors	Elite Partners CPA Limited *Certified Public Accountants* 10/F., 8 Observatory Road Tsim Sha Tsui Hong Kong
Stock code	8292
Company's website	www.worldgate.com.hk
Financial adviser to the Company	Grand Moore Capital Limited Unit 1607, 16/F., Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong
Placing Agent to the Company	Grand Moore Capital Limited Unit 1607, 16/F., Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders	Amasse Capital Limited Room 1201, Prosperous Building 48–52 Des Voeux Road Central Hong Kong
Legal advisers to the Company as to Hong Kong laws	C&T Legal LLP 22/F, Shum Tower 268 Des Voeux Road Central Sheung Wan, Hong Kong
Legal advisers to the Company as to Cayman Island laws	Conyers Dill & Pearman 29th Floor, One Exchange Square 8 Connaught Place Central, Hong Kong

11. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

Executive Directors

Mr. Lai Kwok Hei ("Mr. Lai"), aged 36, was appointed as an executive Director on 21 May 2019. He is primarily responsible for overall strategic planning and management of the Group. Mr. Lai holds a bachelor degree of business administration in Accountancy from The Open University of Hong Kong. He has more than 10 years of experience in financial, accounting and financial management. Prior to joining the Company, Mr. Lai has been the general manager of a subsidiary of a listed company in Hong Kong. Mr. Lai was appointed as the Chairman, member of nomination committee on 24 August 2019.

Ms. Tsui Ka Mei ("Ms. Tsui"), aged 27, was appointed as an executive Director on 5 November 2018. She is also a director of certain subsidiaries of the Group. Ms. Tsui has experiences in investment analysis, operations management and online marketing. Ms. Tsui completed her secondary education in Hong Kong.

Independent Non-Executive Directors

Mr. Wong Siu Keung, Joe ("Mr. Wong"), aged 56, was appointed as an independent non-executive Director on 17 June 2016. He is the chairperson of the Audit Committee as well as a member of each of the Remuneration Committee, the Nomination Committee.

Mr. Wong holds a Degree of Master of Arts in International Accounting from City University of Hong Kong in November 1998 and a Master of Corporate Governance from The Hong Kong Polytechnic University in October 2012.

He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants since 1994. Mr. Wong has over 30 years of experience in accounting, financing, audit field and public listed companies.

Mr. Wong is currently an independent non-executive director of Hang Tai Yue Group Holdings Limited whose shares are listed on GEM of the Stock Exchange (stock code: 8081). Mr. Wong is also as an independent non-executive director of China Water Industry Group Limited (stock code: 1129), a company whose shares are listed on the main board of the Stock Exchange.

Ms. Wong Hoi Yan Audrey ("Ms. Wong"), aged 50, was appointed as Independent Non-Executive Director on 21 May 2019. She was also appointed as the member of the Audit Committee, and the Chairman of Remuneration Committee of the Company with effect from 21 May 2019.

Ms. Wong, has over 20 years of experience in accounting, financial control, banking, corporate finance and asset management. She served a number of Hong Kong listed companies in the areas of manufacturing, trading and properties development; banking and financial institutions. Ms. Wong holds a Master Degree in Corporate Finance from Hong Kong Polytechnic University. In addition, she is a member of the Hong Kong Institute of Certified Public Accountant and a Certified Public Accountant in the Washington State of the USA. Ms. Wong was the Chief Financial Officer and Company Secretary of China Asia Valley Group Limited (stock code: 63) during 16 August 2019 and 30 June 2021, and currently holds Type 1 (Dealing in Securities) and Type 9 (Asset Management) licenses from the Securities and Futures Commission of Hong Kong, as vice president (consultant), of Power Securities Company Limited and Power Asset Management Company Limited.

Mr. Ma Kin Hung ("Mr. Ma"), aged 75, was appointed as an Independent Non-Executive Director, Chairman of Nomination Committee and the members of the Remuneration Committee and Audit Committee on 31 July 2019.

Mr. Ma has over 25 years of experience in corporate management, production management, marketing management in mainland China and investment in property in China. He has served as the Liaison Officer of the China Production Department of Hong Kong New Mark Limited, the Regional Sales Manager (China) of the German Professional Light Bulb Company, the Deputy general manager of Yutai Education Equipment Co., and the business representative in China of Indonesian GM Company.

Senior Management

Ms. Lee Li Ngut ("Ms. Lee"), aged 46, was re-designated as the senior vice president of finance for the Group on 1 March 2016. She is responsible for managing the Group's finance and accounts.

Ms. Lee has over 17 years of experience in accounting. From 1999 to 2000, Ms. Lee worked at Damai Laut Golf Resort as an accounts and administration officer. She joined the Group on 19 September 2000 as an account executive and became a group finance manager on 1 October 2013.

Ms. Lee received a Bachelor of Science in Accounting and Finance from the University of London as an external student in August 1999. She has also completed the bills of lading – liability & claim course organised by Maritime Disputes & Training Consultancy Services in July 2004, budgeting & forecasting course organised by RCJ Consulting Sdn. Bhd. in August 2005, customer service skills for logistics professionals organised by Ldeapro Logix Sdn. Bhd. in October 2009, understanding ISO 9001:2000 quality management system organised by Cambridge Management Sdn. Bhd. in August 2008, and warehousing safety and transport safety organised by I-World Technology Sdn. Bhd. in January 2015.

Mr. Kan Chee Yuen, Myocho, age 48, holds a professional degree from the Institute of Chartered Secretaries and Administrators, United Kingdom. He was appointed the Chief Executive Officer of Worldgate Express Services Sdn. Bhd. on 1st January 2020. He was previously the Advisor of Worldgate Express Services Sdn. Bhd. since 2017. Prior to joining Worldgate Express Services Sdn. Bhd., he was formerly the Independent Director Compliance & System Integrity of Pegasus Berhad (an oil and gas group of companies), Director of Clara International, Vice President of MINDS and Founder of Asian Caucus of Invention Associations Hong Kong.

Myocho Kan also sits as the President of Asian Alliance for Advancement Malaysia, Founder of Advance Accreditation Authority Singapore, Advisor of Indonesian Young Scientists Association as well as other professional capacities in various professional bodies. Myocho was awarded the international Brand Laureate Award 2020 for The Icon of Professionalism and Integrity. He was also appointed as the Panel of Evaluators for the National Occupational Skills Standard under the Ministry of Human Resources.

His exposure in logistics industry during his capacities as the trainer and consultant includes Freight Management, FM Worldwide Logistics, and Sinkung Logistics. Myocho is recognised as the architect of high performance organisations through process and system development and deployment as well as strategic human capital development, with more than 300 organisations benefitted since 1994.

Myocho Kan extends his forte in bringing about integrity, professional governance and strategic acumen into the Group to transform it into a resilient and high performing organisation. He is instrumental in the company's due diligence, business and operation process integrity, policy as well as strategic and financial and business positioning of the Group.

Mr. Liao Kwok Hoong, Jerome, age 50, joined as Vice President (Operations) on 5 August 2020. His main responsibilities is managing the day to day operations of the air/sea freight, warehouse, trucking and haulage division of the Group.

Mr. Liao has over 20 years of experience in the Supply Chain and Logistics industry. From April 2000–2002, Mr. Liao was the Global Account Manager in DHL Express Worldwide. Later joined Eagle Global Logistics (EGL) in late 2002 as the Corporate Account Manager. In 2003, Mr. Liao joined Accord Logistics as a National Sales Manager.

Mr. Liao also a Director of Operations in the manufacturing industry, with vast experience in ERP systems. Managing an entire supply chain operations for an office furniture company in Singapore and India. A few years later as Director of Logistic for a MLM company, based on Indonesia and China.

Mr. Liao was awarded the Platinum Award for Dell Global Service Logistics project (Global Distribution Centre) in Shanghai, China. As the Senior Supply Chain Manager in Dell, he was managing the spare parts for the APAC region (1 Global Distribution Centre, 1 Regional Hub, 16 Country Hubs and 33 Satelite Hubs) from September 2009–January 2014. Joined B.Braun Penang as the Senior Regional Logistics Manager in February 2014, redesigning the entire supply chain and logistics landscape for B.Braun APAC.

Mr. Khoo Kok Meng Mark, aged 60, was employed by Worldgate Express Services Sdn Bhd as Vice President – Sales on 19 October 2020. His primary responsibility is to enhance sales for both local and international market, with a secondary responsibility overseeing Pricing and Customer Service. Capitalising on his rich experience in total logistics and supply chain management, Mr Mark Khoo is instrumental in the full business development process of Worldgate Express Services Sdn Bhd.

Mr. Mark Khoo has spent the last 40 years of his career with various business units and sectors of logistic industry with multinationals such as DHL, APL Logistics, Kuehne+Nagel, Schenker, Panalpina and others. His last position is with Schenker as the General Manager whereby he managed 4 branches under his wing with prior being the General Manager Business Development & Marketing. Mr. Mark's experience and exposure cover all spectrum of the logistic industry including freighting of both air and sea, trucking, haulage and warehousing.

Company Secretary

Mr. Shum Shing Kei ("Mr. Shum"), aged 49, has over 10 years of experience in finance, accounting and company secretarial matters. He is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Shum has been the Company Secretary from 21 May 2019.

12. FUNCTIONS OF THE AUDIT COMMITTEE

The principal functions of the audit committee include, but not limited to:

Relationship with the Company's auditor

- making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;

- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, discussing with the auditor the nature and scope of the audit and reporting obligations before the audit commences; and

- developing and implementing policy on engaging an external auditor to supply non-audit services (For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally) and reporting to the Board, identifying and making recommendations on any matters where action or improvement is needed.

Review of the Company's financial information

- reviewing and monitoring the integrity of the Company's financial statements and annual reports and accounts, half-year reports and quarterly reports, and to review significant financial reporting judgements contained in them. In reviewing these reports before submission to the Board, the committee should focus particularly on:

  (i) any changes in accounting policies and practices;

  (ii) major judgemental areas;

  (iii) significant adjustments resulting from audit;

  (iv) the going concern assumptions and any qualifications;

  (v) compliance with accounting standards; and

  (vi) compliance with the GEM Listing Rules and legal requirements in relation to financial reporting.

- regarding the above paragraph:

  (i) liaising with the Board and senior management and meeting, at least twice a year, with the Company's auditor; and

  (ii) considering any significant or unusual items that are, or may need to be, reflected in the report and accounts, giving due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditor.

Oversight of the Company's financial reporting system and internal control procedures

- reviewing the Company's financial controls, internal control and risk management systems;

- discussing the risk management and internal control systems with management to ensure that management has performed its duty to have an effective systems including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;

- considering major investigation findings on internal control matters as delegated by the Board or on its own initiative and management's response to these findings;

- where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and reviewing and monitoring its effectiveness;

- reviewing the Group's financial and accounting policies and practices;

- reviewing the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;

- ensuring that the Board will provide a timely response to the issues raised in the external auditor's management letter;

- reporting to the Board on the matters in the terms of reference of Audit Committee;

- reviewing arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and ensuring that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;

- acting as the key representative body for overseeing the Company's relations with the external auditor; and
- considering other topics, as defined by the Board.

13. EXPENSES

The expenses in connection with the Rights Issue and the Placing Arrangement, including professional fees, printing, registration, translation, legal and accounting fees, are estimated to be approximately HK$1.8 million in maximum, and are payable by the Company.

14. MISCELLANEOUS

(i) The company secretary of the Company is Mr. Shum Shing Kei.

(ii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.

(iii) The English text of this circular and the accompanying form of proxy shall prevail over the respective Chinese translation in the case of inconsistency.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours in any weekday (excluding Saturdays, Sundays and public holidays) at the office of the Company at Unit 5D, 5/F, Hang Cheong Factory Building, No. 1 Wing Ming Street, Kowloon, Hong Kong from the date of this circular up to and including the date of the EGM:

(i) the memorandum and articles of association of the Company;

(ii) the annual reports of the Company for each of the three years ended 31 December 2018, 2019 and 2020;

(iii) the first quarterly report of the Company for the three months ended 31 March 2021;

(iv) the interim report of the Company for the six months ended 30 June 2021;

(v) the letter from the Board, the text of which is set out on pages 6 to 28 of this circular;

(vi) the letter from the Independent Board Committee, the text of which is set out on page 29 of this circular;

(vii) the letter from the Independent Financial Adviser, the text of which is set out on pages 30 to 55 of this circular;

(viii) the letter issued by the reporting accountants regarding the unaudited pro forma financial information of the Company as set out in appendix II of this circular;

(ix) the written consents referred to in the paragraph headed "9. Experts and Consents" in this appendix;

(x) the material contracts referred to in the paragraph headed "8. Material contracts" in this appendix; and

(xi) this circular.

WORLDGATE GLOBAL LOGISTICS LTD
盛良物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**Meeting**") of the shareholders of WORLDGATE GLOBAL LOGISTICS LTD (the "**Company**") will be held at Unit 5D, 5/F, Hang Cheong Factory Building, No. 1 Wing Ming Street, Kowloon, Hong Kong on Friday, 24 September 2021 at 11:00 a.m. to consider and, if thought fit, to pass with or without amendments the following ordinary resolution (unless otherwise indicated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 3 September 2021 (the "**Circular**")):

ORDINARY RESOLUTION

"**THAT** conditional upon: (i) the Listing Committee of The Stock Exchange of Hong Kong Limited granting or agreeing to grant and not having revoked the listing of and permission to deal in the Rights Shares (as defined below); and (ii) satisfaction or on conditions as set out in the paragraph headed "Conditions of the Rights Issue" in the letter from the board of the Circular:

(a) the issue by way of rights issue (the "**Rights Issue**") of no more than 475,200,000 new ordinary shares of HK$0.10 each (the "**Shares**") in the share capital of the Company ("**Rights Shares**") at the subscription price of HK$0.11 per Rights Share on the basis of every three (3) Rights Shares for every one (1) existing Share of the Company held by the shareholders (the "**Qualifying Shareholders**") of the Company whose names appear on the register of members of the Company as at the close of business on Thursday, 7 October 2021 (or such other date as may be determined by the directors of the Company (the "**Directors**")) (the "**Record Date**") other than those shareholders (the "**Excluded Shareholders**") of the Company whose addresses as shown on the register of members of the Company are outside Hong Kong, whom the Directors, based on legal advice provided by legal advisers in the relevant jurisdictions, consider it necessary or expedient to exclude from the Rights Issue, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, and substantially on the terms and conditions set out in the Circular (a copy of which marked "A" is produced to the meeting and initialled by the chairman of the meeting for the purpose of identification) and such other terms and conditions as may be determined by the Directors, be and is hereby approved;

(b) the placing agreement dated 29 July 2021 entered into between the Company and Grand Moore Capital Limited ("**Placing Agreement**") in relation to the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares on a best effort basis (a copy of the Placing Agreement marked "B" is produced to the meeting and initialled by the chairman of the meeting for the purpose of identification), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

(c) the board of Directors (the "**Board**") or a committee thereof be and is/are hereby authorised to allot and issue the Rights Shares pursuant to or in connection with the Rights Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro-rata to the Qualifying Shareholders and, in particular, the Board may make such exclusions or other arrangements in relation to the Excluded Shareholders as it may deem necessary or expedient having regard to the legal restrictions under the laws of, or the requirements of the relevant regulatory body or stock exchange in, any territory outside Hong Kong; and

(d) any one or more Directors be and is/are hereby authorised to take such actions, do all such acts and things and execute all such further documents or deeds as he/she/they may, in his/her/their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Rights Issue, the Placing Agreement, and the transactions contemplated thereunder."

Yours faithfully
For and on behalf of the Board of
WORLDGATE GLOBAL LOGISTICS LTD
Lai Kwok Hei
Chairman

Hong Kong, 3 September 2021

Notes:

(i) Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and to vote instead of him/her. A proxy need not be a shareholder of the Company.

(ii) For the purpose of determining the entitlement of any shareholder of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Friday, 17 September 2021 to Friday, 24 September 2021 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, by 4:30 p.m. on Thursday, 16 September 2021.

(iii) Where there are joint holders of any Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

(iv) In order to be valid, the proxy form, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, by 11:00 a.m. on Wednesday, 22 September 2021, not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude members from attending and voting in person at the Meeting.

(v) The Meeting is expected to last for less than half a day. Members (in person or by proxy) attending the Meeting are responsible for their own transportation and accommodation expenses. Members or their proxies attending the Meeting shall present their identity certifications.

(vi) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the EGM, the EGM will be postponed. The Company will post an announcement on the websites of the Company at www.worldgate.com.hk and the GEM at www.hkgem.com to notify Shareholders of the date, time and place of the rescheduled meeting.

(vii) Any voting at the Meeting shall be taken by poll.

(viii) All times and dates specified herein refer to Hong Kong local times and dates.

(ix) The Company would like to clarify that there was an inadvertent clerical error on the printed version in Note (iv) of the notice of EGM on page EGM-3 as to the time and date of the latest time for lodging forms of proxy for the purpose of the EGM. The correct time and date of the latest time for lodging forms of proxy for the purpose of the EGM should be 11:00 a.m. on Wednesday, 22 September 2021 instead of 4:30 p.m. on Thursday, 16 September 2021.

As at the date of this notice, the executive Directors are Mr. Lai Kwok Hei and Ms. Tsui Ka Mei, and the independent non-executive Directors are Mr. Wong Siu Keung Joe, Ms. Wong Hoi Yan Audrey and Mr. Ma Kin Hung.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this notice misleading.

This notice will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company's website at http://www.worldgate.com.hk.