

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

GOAL RISE LOGISTICS (CHINA) HOLDINGS LIMITED

健升物流(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1529)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

On 18 November 2021 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has agreed to allot and issue and the Subscriber has agreed to subscribe for 80,000,000 Subscription Shares, representing (i) 10.0% of the entire issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.09% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares under the Subscription is HK\$800,000.

The Subscription Price is HK\$0.20 per Subscription Share, which represents (i) a discount of approximately 19.35% to the closing price of HK\$0.248 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 18.96% to the average of the closing prices of HK\$0.2468 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day.

The gross proceeds of the Subscription are expected to be approximately HK\$16,000,000. The net proceeds from the Subscription is estimated to be approximately HK\$15,800,000. The net subscription price per Subscription Share is approximately HK\$0.1975. The Company intends to use all the net proceeds as general working capital. The Subscription Shares will be allotted and issued under the General Mandate.

As the completion of the Subscription is subject to the fulfilment of the conditions precedent stated in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

On 18 November 2021 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has agreed to allot and issue and the Subscriber has agreed to subscribe for 80,000,000 Subscription Shares at the Subscription Price on the terms and subject to the conditions set out in the Subscription Agreement.

THE SUBSCRIPTION

The Subscription Agreement

Date: 18 November 2021

Parties: (1) the Company (as issuer); and
(2) the Subscriber (as subscriber)

The Subscriber is a limited liability company established in the PRC in November 2020. Based on public search records, it is owned as to 28% by Wang Pengpeng (王鵬鵬), 24% by Zhu Jiabin (朱嘉鑫), 24% by Li Hong (李紅) and 24% by Zhang Haowei (張皓瑋) respectively. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owners is independent of the Company and its connected persons.

Conditions of the Subscription

The completion of the Subscription is conditional upon, among others, the following conditions being satisfied:

- (i) the Listing Committee of the Stock Exchange granting approval (subject to allotment) for the listing of and permission to deal in the Subscription Shares to be issued and such approval not being subsequently revoked;
- (ii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained and remaining in full force and effect; and
- (iii) all necessary consents and approvals required to be obtained on the part of the Subscriber in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained and remaining in full force and effect.

The parties to the Subscription Agreement shall use all endeavours to procure the fulfilment of all the conditions above by the Long Stop Date or such other date as the parties to the Subscription Agreement may agree. In the event that all the conditions have not been fulfilled by the Long Stop Date and the Company and the Subscriber have not agreed to extend the Long Stop Date upon the expiry of the Long Stop Date, the Subscription Agreement shall cease and determine, and neither parties shall have any claim against the other in respect of the Subscription Agreement, save for any antecedent breaches of the Subscription Agreement.

Subscription Price

The Subscription Price is HK\$0.20 per Subscription Share, which represents (i) a discount of approximately 19.35% to the closing price of HK\$0.248 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 18.96% to the average of the closing prices of HK\$0.2468 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the recent trading performance of the Shares. The Directors consider that the terms of the Subscription Agreement (including the Subscription Price) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Completion of the Subscription

The completion of the Subscription will take place on the third Business Day after the conditions of the Subscription have been fulfilled (or such other date and time as may be agreed between the Company and the Subscriber).

Subscription Shares

The Subscription Shares of 80,000,000 new Shares, represent (i) 10.0% of the existing issued share capital of the Company; and (ii) approximately 9.09% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares under the Subscription will be HK\$800,000.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

General Mandate to issue the Subscription Shares

The Directors were authorised to allot and issue up to 160,000,000 Shares under the General Mandate. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. As such, the maximum number of new Shares that could be allotted and issued under the General Mandate is 160,000,000 Shares. The allotment and issue of the Subscription Shares will be allotted and issued under the General Mandate, and are not subject to Shareholders' approval.

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

INFORMATION ABOUT THE SUBSCRIBER

The Subscriber is a limited liability company established in November 2020 and located in Hainan, one of the largest free trade ports in Asia, and is mainly engaged in venture capital investment and capital investment with its own funds, social and economic consultation, financing consultation, non-financing guarantee, notes information consultation, asset appraisal and bankruptcy liquidation and insurance public valuation. The Subscriber adheres to the corporate philosophy of integrity, professionalism, innovation and efficiency, and takes the optimization of capital efficiency as its main goal. With its capabilities in investment and financing, management and service provision as its core competitiveness, it is committed to developing into a modern and professional comprehensive conglomerate.

REASONS FOR THE SUBSCRIPTION AGREEMENT AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in the provision of transportation, warehousing, in-plant logistics and customization services.

As disclosed in the annual report of the Group for the year ended 31 December 2020, overall revenue of the Group decreased by approximately 11.7%, amid the adverse effect of the spread of the coronavirus since early 2020. Despite that the overall revenue of Group for the six months ended 30 June 2021 has improved, the Group recorded a loss of approximately RMB19 million for the period as the persisted situation of the coronavirus has inflated the Group's operation costs. Hence, apart from broadening the shareholder base of the Company, the Board considers that the Subscription will raise additional funds for the business operation of the Group and strengthen the Group's financial conditions. In light of the above, the Directors consider that the Subscription Agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The gross proceeds of the Subscription are expected to be approximately HK\$16,000,000. The net proceeds from the Subscription is estimated to be approximately HK\$15,800,000, after the deduction of the related expenses, representing a net issue price of approximately HK\$0.1975 per Subscription Share. The Company intends to apply all the net proceeds of approximately HK\$15,800,000 as general working capital.

EQUITY FUND RAISING ACTIVITY IN PAST TWELVE MONTHS BEFORE THE DATE OF THIS ANNOUNCEMENT

The Company has not carried out any other equity fund raising activities in the past twelve month period immediately preceding the date of this announcement.

* *For identification purpose only*

CHANGES IN SHAREHOLDING STRUCTURE

The shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Subscription are set out below, for illustrative purposes only (assuming that there is no allotment and issue of new Shares after the date of this announcement to completion of the Subscription):

Shareholders	As at the date of this announcement		Immediately after the completion of the Subscription	
	<i>No. of Shares</i>	<i>approx. %</i>	<i>No. of Shares</i>	<i>approx. %</i>
Goal Rise Profits Limited	303,300,000	37.91	303,300,000	34.47
Portree Wealth Limited	166,700,000	20.84	166,700,000	18.94
The Subscriber	—	—	80,000,000	9.09
Other public shareholders	<u>330,000,000</u>	<u>41.25</u>	<u>330,000,000</u>	<u>37.50</u>
Total	<u><u>800,000,000</u></u>	<u><u>100.00</u></u>	<u><u>880,000,000</u></u>	<u><u>100.00</u></u>

As the completion of the Subscription is subject to the fulfilment of the conditions precedent stated in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise stated or the context requires otherwise, the terms in this announcement have the following meanings:

“Board”	the board of the Directors
“Business Day”	a day (excluding Saturday, Sunday or public or statutory holiday in Hong Kong) on which licensed banks in Hong Kong are generally open for business in Hong Kong throughout their normal business hours
“Company”	Goal Rise Logistics (China) Holdings Limited, a company incorporated in Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1529)
“connected persons”	has the meaning ascribed to it in the Listing Rules and “connected” shall be construed accordingly
“Director(s)”	the director(s) of the Company

“General Mandate”	the general mandate granted by the Shareholders to the Directors at the annual general meeting of the Company held on 31 May 2021 to allot, issue and deal with 160,000,000 Shares, being 20% of the total number of Shares in issue as at the date of the annual general meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	18 November 2021, being the last trading day of the Shares prior to the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	10 December 2021 or such later date as the parties to the Subscription Agreement may agree
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	中北投資控股集團(海南)有限公司 (transliterated in English as Zhongbei Investment Holding Group (Hainan) Co., Ltd.), a limited liability company established in the PRC
“Subscription”	the subscription for the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 18 November 2021 and entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Price”	the subscription price of HK\$0.20 per Subscription Share
“Subscription Share(s)”	80,000,000 new Shares to be allotted and issued pursuant to the Subscription Agreement

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board
Goal Rise Logistics (China) Holdings Limited
Li Jianxin
Chairman

Hong Kong, 18 November 2021

As at the date of this announcement, the Board consists of five executive Directors, Mr. Li Jianxin, Mr. Li Jianming, Ms. Lin Jianfang, Mr. Li Jiahao and Mr. Li Jiali; and three independent non-executive Directors, Mr. Shao Wei, Mr. Law Cho Kwan Derek and Mr. Yu Chun Man.