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WORLDGATE GLOBAL LOGISTICS LTD

盛良物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

Reference is made to (i) the prospectus of Worldgate Global Logistics Limited (the “Company”, together with its subsidiaries, the “Group”) dated 6 July 2016 (the “Prospectus”), which contained the proposed use of net proceeds (the “Net Proceeds”) raised from the listing of the shares of the Company on the GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”), (ii) the announcement of the Company dated 12 November 2019 in relation to the change in the use of the Net Proceeds, and (iii) the annual report of the Company for the year ended 31 December 2019 (“2019 Annual Report”).

The Net Proceeds from the Listing (after deducting underwriting fees and other Listing related expenses) amounted to approximately HK\$51.6 million. As at the date of this announcement, the Company had utilized approximately HK\$31.8 million of the Net Proceeds, representing approximately 61.6% of the Net Proceeds. The unutilized Net Proceeds amount to approximately HK\$19.8 million, representing approximately 38.4% of the Net Proceeds. As at the date of this announcement, there has not been any change to the intended use of the Net Proceeds of the allocated amount as disclosed in the announcement of the Company dated 12 November 2019.

In accordance with the requirements of paragraph 18.32A of the GEM Listing Rules, the table below is a summary of the Group's use of proceeds up to 30 June 2020 (including additional information on the expected timeline of the full utilisation of the balance of such proceeds):

	Planned use of net proceeds as stated in the Prospectus during the Relevant Period <i>HK\$ million</i>	Changed use of net proceeds stated in the announcement dated 12 November 2019 <i>HK\$ million</i>	Actual use of proceeds during the Relevant Period <i>HK\$ million</i>	Remaining balance after revised use of proceeds <i>HK\$ million</i>	Expected timeline of fully utilization of the balance <i>HK\$ million</i>
1. Further expand its representative/branch office in major gateways of Malaysia	14.6	14.6	2.8	11.8	End of 2021
2. Expand the scope of services to cover cross border trucking, haulage and rail freight	4.4	4.4	0.5	3.9	End of 2021
3. Further strengthen the information technology systems	6.5	6.5	2.6	3.9	End of 2021
4. Attract and retain talented and experienced employees	0.3	0.3	0.3	—	—
5. Grow the business strategically through business acquisitions and business collaborations	17.7	—	—	—	—
6. Repayment of bank loans	3.4	3.4	3.4	—	—
7. Working capital	4.7	7.4	7.2	0.2	End of 2020
8. Setting up the logistics business in Hong Kong	—	15.0	15.0	—	—
Total	<u>51.6</u>	<u>51.6</u>	<u>31.8</u>	<u>19.8</u>	

The Board confirmed that the above supplemental information does not affect other information contained in the 2019 Annual Report and, save as disclosed above, the content of the 2019 Annual Report remains accurate and correct.

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

Hong Kong, 18 August 2020

As at the date of this announcement, the executive Directors are Mr. LAI Kwok Hei, and Ms. TSUI Ka Mei; the independent non-executive Directors are Mr. WONG Siu Keung Joe, Ms. WONG Hoi Yan Audrey and Mr. MA Kin Hung.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the Company’s website at <http://www.worldgate.com.hk>.