

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.

WORLDGATE GLOBAL LOGISTICS LTD

盛良物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8292)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE ON JOINT VENTURE COOPERATION WITH SHUIFA HUAXIA

This announcement is made by WORLDGATE GLOBAL LOGISTICS LTD (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on a voluntary basis to provide its shareholders and potential investors with the latest business development of the Group.

Reference is made to the announcement of the Company dated 25 January 2022 in connection with a non-legally binding memorandum of understanding (“**MOU**”) entered into between the Company and Shuifa Huaxia Group Co., Ltd.* (水發華夏集團有限公司) (“**Shuifa Huaxia**”) to establish a joint venture company for the development of projects.

SOLAR POWER PLANT INVESTMENT PROJECT

The board of directors of the Company is pleased to announce that while the Company and Shuifa Huaxia are preparing to set up a joint venture company, Shuifa Group Co., Ltd.* (水發集團有限公司) (“**Shuifa Group**”), the parent company of Shuifa Huaxia has presented a solar power plant project (the “**Solar Power Plant Project**”) to the Company for consideration and evaluation pursuant to the collaboration contemplated under the MOU.

The Solar Power Plant Project is a solar power plant in Fangcheng District* (防城區), Guangxi province, the PRC. It is estimated that the total investment for the Solar Power Plant Project is RMB682 million (approximately equivalent to HK\$832 million) with a term of 25 years. The power plant spans over 3,000 acres of land and will be equipped with solar power capacity of 150.0628 Megawatt peak (MWp). The power plant is estimated to generate an average of 168 million kilowatt hours (kWh) of on-grid power supply annually, and a total of 4,202 million kilowatt hours (kWh) of on-grid power supply over the 25-year term. The terrain in Fangcheng District has good exposure to sunlight and is suitable for the deployment of solar panels.

Apart from power generation, the Solar Power Plant Project is also expected to bring about agricultural benefits. Herbal and Chinese medicine will be cultivated under the solar panels to drive and build agricultural development, increase rural income and promote rural revitalization through the development of solar power industry. Leisure agriculture and cultural tourism is also expected to spring from the solar power plant which will generate tourism benefits to the revitalized area.

The Solar Power Plant Project is in line with the PRC government's 14th Five Year Plan for the National Economic and Social Development and the Long-Range Objectives Through the Year 2035 (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》) (the “**14th Five Year Plan**”). The 14th Five Year Plan furthers the development concepts of innovation (《創新》), balanced development (《協調》) and green development (《綠色》) of the 13th Five Year Plan for the Economic and Social Development of the People's Republic of China (《中華人民共和國國民經濟和社會發展第十三個五年規劃綱要》). The project will upgrade the agricultural infrastructure and will also play an important part in resolving the “three rural” problems (《三農問題》).

GENERAL

The Board welcomes the opportunity and is actively considering how the Company may participate in the Solar Power Plant Project, including without limitation, introducing investors for project financing, provision of financial advice in relation to project financing and investment in the project on its own. The Solar Power Plant Project marks the first potential project of collaboration with Shuifa Huaxia and the Company expects more business opportunities to come with the benefit of the MOU.

As at the date of this announcement, no definitive agreements have been entered into in respect of the joint venture collaboration under the MOU (“**JV Collaboration**”) and the Solar Power Plant Project and they are subject to the entering of the definitive agreements. As such, the JV Collaboration and the Solar Power Plant Project may or may not proceed. If the JV Collaboration and the Solar Power Plant Project materialize, it may constitute notifiable transaction(s) for the Company under Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The Company will keep shareholders and potential investors of the Company informed and make further announcement(s) as and when appropriate in compliance with the applicable requirements under the GEM Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 10 February 2022

As at the date of this announcement, the executive Directors are Mr. LAI Kwok Hei and Mr. CHAN Kin Ho Philip, and 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>.

* *For identification purpose only*