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: 8457)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2019

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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

*This announcement, for which the directors (the "**Directors**") of Goal Rise Logistics (China) Holdings Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company and its subsidiaries (collectively refer to as the "**Group**"). 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.*

FINANCIAL HIGHLIGHTS

- The unaudited consolidated revenue of the Group for the six months ended 30 June 2019 was approximately RMB108.6 million with an increase of approximately RMB14.4 million as compared with that for the six months ended 30 June 2018.

- The Group recorded an unaudited profit attributable to owners of the Company of approximately RMB5.9 million for the six months ended 30 June 2019 (2018: approximately RMB7.4 million).

- The unaudited basic earnings per share of the Company was approximately RMB0.74 cents for the six months ended 30 June 2019 (2018: approximately RMB0.93 cents).

- The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2019 (2018: nil).

UNAUDITED INTERIM RESULTS

The board of Directors (the "**Board**") is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 June 2019, together with the unaudited comparative figures for the corresponding period in 2018.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2019

		(Unaudited) Three months ended 30 June		**(Unaudited) Six months ended 30 June**	
		2019	2018	**2019**	2018
	Notes	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Revenue	*3*	**55,356**	50,819	**108,571**	94,201
Other income, gains and losses		**727**	532	**523**	(555)
Employee benefits expenses		**(17,509)**	(16,591)	**(34,680)**	(32,896)
Sub-contracting expenses		**(18,105)**	(15,795)	**(35,369)**	(27,459)
Operating lease rentals		**(886)**	(6,590)	**(1,045)**	(12,257)
Depreciation of property, plant and equipment		**(454)**	(780)	**(1,020)**	(1,596)
Depreciation of right-of-use assets		**(3,836)**	–	**(8,179)**	–
Interest expense on lease liabilities		**(826)**	–	**(1,569)**	–
Other expenses		**(9,467)**	(4,450)	**(17,372)**	(9,187)
Profit before taxation		**5,000**	7,145	**9,860**	10,251
Income tax expenses	*5*	**(2,100)**	(1,830)	**(3,968)**	(2,822)
Profit for the period	*6*	**2,900**	5,315	**5,892**	7,429
Profit and total comprehensive income for the period		**2,900**	5,315	**5,892**	7,429
Earnings per share	*7*				
— Basic, RMB cents		**0.36**	0.66	**0.74**	0.93
— Diluted, RMB cents		**N/A**	N/A	**N/A**	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Notes	**At 30 June 2019** *RMB'000* **(Unaudited)**	At 31 December 2018 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**16,818**	6,102
Right-of-use assets		**77,285**	–
Rental deposits		**3,009**	3,326
		97,112	9,428
CURRENT ASSETS			
Trade and other receivables and prepayments	*8*	**75,578**	81,492
Right-of-use assets		**390**	–
Bank balances and cash		**64,794**	64,284
		140,762	145,776
CURRENT LIABILITIES			
Trade and other payables and accrued expenses	*9*	**31,727**	32,118
Lease liabilities		**14,205**	–
Tax payable		**5,461**	6,244
		51,393	38,362
NET CURRENT ASSETS		**89,369**	107,414
TOTAL ASSETS LESS CURRENT LIABILITIES		**186,481**	116,842
NON-CURRENT LIABILITIES			
Lease liabilities		**63,747**	–
NET ASSETS		**122,734**	116,842
CAPITAL AND RESERVES			
Share capital	*10*	**6,761**	6,761
Reserves		**115,973**	110,081
TOTAL EQUITY		**122,734**	116,842

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

	Attributable to the owners of the Company					
	Share capital *RMB'000*	**Share premium** *RMB'000*	**Statutory reserve** *RMB'000* *(Note)*	**Other reserve** *RMB'000*	**Retained profits** *RMB'000*	**Total** *RMB'000*
At 1 January 2019 (audited)	6,761	37,763	6,932	27,094	38,292	116,842
Profit and total comprehensive income for the period	–	–	–	–	5,892	5,892
Transfers	–	–	1,185	–	(1,185)	–
At 30 June 2019 (unaudited)	**6,761**	**37,763**	**8,117**	**27,094**	**42,999**	**122,734**
At 1 January 2018 (audited)	6,761	37,763	4,686	27,094	18,301	94,605
Profit and total comprehensive income for the period	–	–	–	–	7,429	7,429
Transfers	–	–	847	–	(847)	–
At 30 June 2018 (unaudited)	6,761	37,763	5,533	27,094	24,883	102,034

Note: It represents statutory reserve of a subsidiary of the Company established in the People's Republic of China (the "**PRC**"). According to the relevant laws in the PRC, the subsidiary in the PRC is required to transfer at least 10% of its net profit after taxation, as determined under the relevant accounting principles and financial regulations applicable to enterprises established in the PRC, to a non-distributable reserve fund until the reserve balance reaches 50% of its registered capital. The transfer to this reserve must be made before the distribution of a dividend to owners. Such reserve fund can be used to offset the previous years' losses, if any, and is non-distributable other than upon liquidation.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2019

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net cash from operating activities	**20,791**	17,994
Net cash used in investing activities	**(11,488)**	(91)
Net cash used in financing activities	**(8,793)**	(646)
Net increase in cash and cash equivalents	**510**	17,257
Cash and cash equivalents at beginning of the period	**64,284**	45,114
Cash and cash equivalents at end of the period, represented by bank balances and cash	**64,794**	62,371

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2019

1. GENERAL INFORMATION

Goal Rise Logistics (China) Holdings Limited (the "**Company**") was incorporated on 22 November 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office address is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands and principal place of business registered in Hong Kong is Room E, 10/F Full Win Commercial Centre, 573 Nathan Road, Kowloon, Hong Kong. The headquarters and principal place of business of the Group is at Units 1301 and 1302, 13/F, Citic Plaza, No. 233, Tianhe Road North, Guangzhou, the PRC.

The Company is an investment holding company and the Company's subsidiaries are principally engaged in the provision of logistics services. The shares of the Company have been listed on GEM of the Stock Exchange (the "**Listing**") since 18 October 2017 (the "**Listing Date**").

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is same as the functional currency of the Company. The condensed consolidated financial statements for the six months ended 30 June 2019 have not been audited by the auditors of the Company but have been reviewed by the audit committee of the Company (the "**Audit Committee**").

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements for the six months ended 30 June 2019 are prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRSs**") which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("**HKASs**"), amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the GEM Listing Rules and the Hong Kong Companies Ordinance.

The accounting policies and method of computation used in the preparation of the unaudited condensed consolidated financial statements for the six months ended 30 June 2019 are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2018, except for the adoption of certain new and amendments to HKFRSs which are effective for the current period as mentioned below.

New and amendments to HKFRSs that are mandatorily effective for the current period

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs and interpretations in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and on the disclosures set out in these consolidated financial statements.

HKFRS 16 "Leases"

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 supersedes HKAS 17 "Leases" and the related interpretations.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, upon application of HKFRS 16, lease payments in relation to lease liability are allocated into a principal and an interest portion which are presented as financing cash flows by the Group.

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 results in changes in classification of these assets which the Group presents right-of-use assets separately and not within the same line item at which the corresponding underlying assets would be presented if they were owned.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of RMB67,366,000. Assessment has indicated that these arrangements meet the definition of a lease. On application of HKFRS 16, the Group recognises a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group considers refundable rental deposits paid of RMB3,326,000 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

The application of new requirements results in changes in measurement, presentation and disclosure as indicated above. The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 "Determining whether an Arrangement contains a Lease" and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC)-Int 4. Therefore, the Group has not reassessed whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group has elected the modified retrospective approach for the application of HKFRS 16 as lessee. The initial recognition of lease liabilities and the corresponding right-of-use assets as at 1 January 2019 were approximately RMB73,000,000 and RMB74,000,000, respectively.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied any new and amendments to HKFRSs that have been issued but are not yet effective. The Directors of the Company anticipate that the application of all these new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. REVENUE

(i) Disaggregation of the Group's revenue from contracts with customers

	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Types of services				
Transportation service	**28,275**	23,957	**54,818**	41,968
Warehousing service	**10,044**	10,322	**19,306**	20,679
In-plant logistics service	**16,807**	16,242	**34,044**	30,968
Customisation service	**230**	298	**403**	586
Total	**55,356**	50,819	**108,571**	94,201
Timing of revenue recognition				
Over time	**55,126**	50,521	**108,168**	93,615
At a point in time	**230**	298	**403**	586
	55,356	50,819	**108,571**	94,201

(ii) Performance obligations for contracts with customers

The performance obligations for contracts with customers of the Group's major sources of revenue are as follow:

- Transportation service: delivery of the customers' inventory to their downstream clients, manufacturing plants and/or designated locations. The transportation services mainly cover across the PRC.

- Warehousing service: provision of inventory storage and management services in the Group's warehouses located in the PRC with specified physical conditions.

- In-plant logistics service: provision of a wide-range of in-house services at customers' manufacturing plants to integrate the production processes, which cover the management of the movements of (a) production materials and components and work-in-progress to the production lines within the manufacturing plants of the customers of the Group; and (b) delivery of finished goods to the factory gates of the relevant customers deployed by staff of the Group at its customers' manufacturing plants.

- Customisation service: provision of labelling services (i.e. sticking labels onto the surface of the inventory according to customers' instructions) and the bundling services (i.e. bundling the inventory to facilitate handling and transportation) generally provided inside the Group's warehouses.

The Group recognises its revenue from the provision of the transportation service, warehousing service and in-plant logistics service over time as the customers receive and consume the benefits of the Group's performance as it occurs. The Group recognises its revenue from customisation service at a point in time when the customers accept the services and the Group has present right to payment and collection of the consideration is probable.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) is nil as at the end of the reporting period.

4. SEGMENT INFORMATION

The Group's operating segments are determined based on information reported to the chief operating decision maker (the "**CODM**") of the Group, being the executive directors of the Company, who are also the directors of the operating subsidiary, for the purpose of resource allocation and performance assessment. The CODM regularly reviews revenue and results analysis by (i) transportation service, (ii) warehousing service, (iii) in-plant logistics service; and (iv) customisation service.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments.

For the six months ended 30 June 2019

	Transportation service *RMB'000* **(Unaudited)**	**Warehousing service** *RMB'000* **(Unaudited)**	**In-plant logistics service** *RMB'000* **(Unaudited)**	**Customisation service** *RMB'000* **(Unaudited)**	**Total** *RMB'000* **(Unaudited)**
Revenue					
External sales	54,818	19,306	34,044	403	108,571
Results					
Segment results	12,386	2,526	6,661	184	21,757
Unallocated corporate income					523
Unallocated corporate expenses					(12,420)
Profit before taxation					9,860

For the six months ended 30 June 2018

	Transportation service *RMB'000* (Unaudited)	Warehousing service *RMB'000* (Unaudited)	In-plant logistics service *RMB'000* (Unaudited)	Customisation service *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Revenue					
External sales	41,968	20,679	30,968	586	94,201
Results					
Segment results	7,446	2,708	5,758	265	16,177
Unallocated corporate income					55
Unallocated corporate expenses					(5,981)
Profit before taxation					10,251

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represents profit earned from each segment without allocation of certain corporate income and expenses. This is the measure reported to the CODM of the Group for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

No analysis of segment assets or liabilities is presented as they are not regularly provided to the CODM.

Geographical information

The Group's revenue is principally derived from operations in the PRC and the Group's non-current assets are located in the PRC by location of assets.

5. INCOME TAX EXPENSES

	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Current tax				
PRC Enterprise Income Tax ("**EIT**") — current period	**2,100**	1,830	**3,968**	2,822

PRC EIT is calculated at 25% of the estimated assessable profits for the corresponding periods.

6. PROFIT FOR THE PERIOD

	(Unaudited) Three months ended 30 June		(Unaudited) Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Profit for the period has been arrived at after charging (crediting):				
Directors' remuneration:				
— Fees	**67**	65	**134**	128
— Salaries and other allowances	**264**	247	**526**	586
— Retirement benefit scheme contributions	**28**	27	**57**	55
	359	339	**717**	769
Other staff salaries and allowances	**14,064**	13,162	**27,722**	25,943
Retirement benefit scheme contributions, excluding those of directors	**3,086**	3,090	**6,241**	6,184
Total employee benefits expenses	**17,509**	16,591	**34,680**	32,896
Fleet operating expenses	**1,521**	1,583	**2,854**	3,006
Auditor's remuneration				
— Audit services	**250**	250	**500**	500
— Non-audit services	**684**	–	**684**	–
Bank interest income	**(103)**	(55)	**(248)**	(55)
Interest income on lease deposit	**(31)**	–	**(61)**	–
Government subsidies *(Note)*	**(262)**	–	**(262)**	–
Exchange losses (gains)	**(331)**	(502)	**48**	610

Note: Government subsidies represented the reward for employment stabilisation of the Group and the value-added tax ("**VAT**") credit granted under the new VAT policy effective 1 April 2019.

7. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company for the period is based on the following data:

	(Unaudited) Three months ended 30 June		**(Unaudited) Six months ended 30 June**	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Earnings				
Profit for the period attributable to the owners of the Company for the purpose of basic earnings per share	**2,900**	5,315	**5,892**	7,429
Number of shares				
Number of shares for the purpose of basic earnings per share (in thousands)	**800,000**	800,000	**800,000**	800,000

No diluted earnings per share was presented for the six months ended 30 June 2019 and 30 June 2018 as there was no potential ordinary share outstanding for both periods.

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	At 30 June 2019	At 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables from contracts with customers, gross and net	**72,213**	77,796
Prepayments and other receivables	**3,365**	3,696
	75,578	81,492

For long-term customers with good credit quality and payment history, the Group allows credit period of no longer than 120 days. For other customers, the Group demands for full settlement upon issuance of invoice after the provision of services.

The following is an aging analysis of trade receivables presented based on the invoice date at the end of the reporting period.

	At 30 June 2019 *RMB'000* (Unaudited)	At 31 December 2018 *RMB'000* (Audited)
Within 30 days	**29,159**	31,753
31 to 60 days	**17,367**	18,883
61 to 90 days	**19,169**	17,997
Over 90 days	**6,518**	9,163
	72,213	77,796

9. TRADE AND OTHER PAYABLES AND ACCRUED EXPENSES

	At 30 June 2019 *RMB'000* (Unaudited)	At 31 December 2018 *RMB'000* (Audited)
Trade payables	**24,970**	21,657
Accrued employee benefits	**4,511**	6,745
Other payables and accrued expenses	**2,246**	3,716
	31,727	32,118

The credit period of trade payables mainly ranges from 30 to 90 days.

The following is an aging analysis of trade payables based on the invoice date at the end of the reporting period.

	At 30 June 2019 *RMB'000* (Unaudited)	At 31 December 2018 *RMB'000* (Audited)
Within 30 days	**13,922**	11,678
31 to 60 days	**8,451**	4,994
61 to 90 days	**2,547**	4,962
Over 90 days	**50**	23
	24,970	21,657

10. SHARE CAPITAL

	Number of shares	Share capital *HK$*
Ordinary shares of HK$0.01 each		
Authorised:		
At 31 December 2018 (audited) and 30 June 2019 (unaudited)	**10,000,000,000**	**100,000,000**
Issued and fully paid:		
At 31 December 2018 (audited) and 30 June 2019 (unaudited)	**800,000,000**	**8,000,000**

	At 30 June 2019 ***RMB'000*** **(Unaudited)**	At 31 December 2018 *RMB'000* (Audited)
Shown in the consolidated statement of financial position	**6,761**	6,761

11. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2019 (2018: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Prospects

The Group provides a wide range of logistics services to meet the needs of the customers' supply chains in the PRC, which include (i) transportation; (ii) warehousing; (iii) in-plant logistics; and (iv) customisation services (consisting mainly of labelling services and bundling services).

The scope of logistics services that the Group provides to each customer varies as different customers often require different kinds of services and expertise. The Group offers transportation services which primarily involve the delivery of the customers' production materials, components and finished goods to their downstream clients, manufacturing plants and/or designated locations. The Group has five warehouses located in the Guangdong Province with total gross floor area of approximately 50,000 square metres which offer warehousing services to customers. The Group's in-plant logistics services cover the management of the movement of (i) production materials and components and work-in-progress to the production lines within the customers' manufacturing plants; and (ii) finished goods out to their factory gate. The Group's range of services gives it a competitive advantage over other logistics service providers in the PRC which offer only a limited range of services.

With a proven track record of providing flexible, reliable and timely logistics services in the logistics industry, the Group has established a broad customer base comprising customers from various industries, including pharmaceutical, fast-moving consumer goods, packaging, health and beauty and other industries. The Group trusts that its ability to provide logistics services to customers for more than two decades would not only enable the Group to generate stable revenue, but also demonstrate its strength to perform logistics services at a high quality standard and build up its reputation in the logistics industry in the PRC.

Benefiting from the listing status of the Company and the continued support from the customers together with their own business expansion, the Group achieved favourable growth in its business operation which resulted in higher revenue in both the transportation services and in-plant logistics services for the six months ended 30 June 2019 as compared with the six months ended 30 June 2018.

Since Listing, the Group has gradually carried out the implementation plans of those business objectives as set out in the prospectus of the Company dated 29 September 2017 (the "**Prospectus**"). In connection with the business objective of upgrading one of the warehouses to strengthen the provision of quality logistics services to our customers, the Group has completed initial upgrade works on the construction of infrastructure facilities and contracted with service providers for the design and installation of automated storage facilities and software systems enhancement in one of the warehouses. On expanding the existing in-plant logistics business in the North China and East China regions, the Group has participated in the tendering process of potential customers which include several large customers from various industries including beverage, textile and pharmaceutical businesses. The Group has also expanded its vehicle fleet by acquiring new trucks and employing additional drivers for its transportation business. In respect of enhancing sales and marketing effort, the Group has participated in some industry exhibitions and conferences and set up a sales and marketing department to oversee the Group's existing and potential customer base as well as to capture additional business opportunities via visits to customers' operation plants in both PRC and overseas. In late 2018, the Group set up a company in Egypt aiming for expansion of its logistics business overseas and currently, the Group offers domestic logistics management services and international freight forwarding agency services in Egypt. A comparison of the status of the implementation plans with the actual business progress is also provided in a later section of this announcement.

Looking forward, capitalising on the continued expansion and development of automated storage facilities and systems in our warehouses, the Group is confident that it can maintain its competitiveness and strengthen its market position in the logistics industry in the PRC. The Group will continue to render high quality services to its existing customers as well as actively solicit new customers. Based on the established relationship with the Group's customers and the understanding of the customers' business profile and operation, the Directors foresee a steady growth in customers' demand for the Group's logistics services. Moreover, the Group is aimed to fully leverage the strengths of the company in Egypt to provide freight forwarding agency services to more Chinese enterprises in the region. The Group also expects to actively diversify the logistics services to a broader spectrum of industries, which in anticipation of any potential change in the customers' operation demand for logistics services, the Group will also actively consider to explore business opportunities to accommodate their needs.

On 26 April 2019, the Company has submitted a formal application to the Stock Exchange for the proposed transfer of listing of shares from GEM to the Main Board of the Stock Exchange (the "**Proposed Transfer of Listing**") pursuant to Chapter 9A and Appendix 28 of the Rules Governing the Listing of Securities on the Stock Exchange. The Proposed Transfer of Listing is subject to, among others, the Stock Exchange granting the relevant approvals and other conditions set out in the announcement of the Company dated 26 April 2019. Further announcement(s) will be made by the Company to keep the shareholders of the Company and prospective investors informed of the progress of the Proposed Transfer of Listing as and when appropriate.

Financial Review

Revenue

The revenue of the Group increased by approximately 15.3% from approximately RMB94.2 million for the six months ended 30 June 2018 to approximately RMB108.6 million for the six months ended 30 June 2019. The increase was mainly attributable to the increase in the transportation services and in-plant logistics services during the six months ended 30 June 2019.

Revenue generated from the transportation services increased by approximately 30.6% from approximately RMB42.0 million for the six months ended 30 June 2018 to approximately RMB54.8 million for the six months ended 30 June 2019. The increase of the transportation services was mainly attributable to the increased customers' orders for the international freight forwarding agency services during the six months ended 30 June 2019. Moreover, for the six months ended 30 June 2019, the Group had additional revenue generated from the expansion of transportation business overseas in Egypt.

Revenue generated from the warehousing services decreased by approximately 6.6% from approximately RMB20.7 million for the six months ended 30 June 2018 to approximately RMB19.3 million for the six months ended 30 June 2019. The decrease in revenue was mainly due to the decrease in leasable storage area owing to the expiration of the lease of one of the warehouses which had not been renewed since the end of 2018.

Revenue generated from the in-plant logistics services increased by approximately 9.9% from approximately RMB31.0 million for the six months ended 30 June 2018 to approximately RMB34.0 million for the six months ended 30 June 2019, which was mainly contributed by the increase in orders from our customers.

Revenue generated from the customisation services amounted to approximately RMB0.6 million and RMB0.4 million for the six months ended 30 June 2018 and 30 June 2019, respectively. The revenue contributed by this segment is subject to the demand for the Group's labelling and bundling services from its customers on an as-needed basis.

Other income, gains and losses

Other income, gains and losses mainly consisted of bank interest income, government subsidies and net exchange gains or losses. For the six months ended 30 June 2019, a net gain of approximately RMB0.5 million (2018: net loss of approximately RMB0.6 million) was recognised, mainly representing (i) a decrease in net exchange loss arising from the re-translation of foreign currency denominated monetary items, (ii) government subsidies received as reward for employment stabilisation of the Group, (iii) an increase in bank interest income, (iv) value-added tax credit and (v) recognition of an interest income on lease deposit due to the adoption of HKFRS 16 as explained in note 2 above.

Employee benefits expenses

Employee benefits expenses primarily consisted of (i) wages and salaries; (ii) social security fund and insurance contribution; and (iii) other allowances and benefits. The Group's employee benefits expenses amounted to approximately RMB32.9 million and RMB34.7 million for the six months ended 30 June 2018 and 30 June 2019, respectively. The increase in employee benefits expenses of RMB1.8 million as compared to that of the six months ended 30 June 2018 was primarily attributable to (i) the increase in the average monthly salary of our staff and workers and (ii) the increase in the overall benefits and the associated social security fund and insurance contribution. The Group had a total of 852 and 865 full-time employees as at 30 June 2018 and 30 June 2019, respectively.

Sub-contracting expenses

Sub-contracting expenses primarily represented the amount paid to subcontractors for the provision of certain transportation services. The Group's sub-contracting expenses amounted to approximately RMB27.5 million and RMB35.4 million for the six months ended 30 June 2018 and 30 June 2019, respectively. In general, the subcontractors charged the Group based on the price stated in the subcontracting agreements which specify the price for each type of services they provided. The increase of sub-contracting expenses was mainly attributable to the increased orders for the international freight forwarding agency services by our customers during the six months ended 30 June 2019, whereby the Group, through outsourcing to independent subcontractors, assisted the customers to obtain cargo space from shipping companies or shipping agents that meet their requirements.

Operating lease rentals and depreciation of right-of-use assets

Operating lease rentals include the lease rentals in respect of (i) rented premises comprising warehouses, office premises and temporary staff quarters; and (ii) rented plant and machinery and office equipment such as forklifts. Due to the adoption of HKFRS 16 as stated in note 2 above, operating lease rentals decreased significantly by approximately 91.5% from approximately RMB12.3 million for the six months ended 30 June 2018 to approximately RMB1.0 million for the six months ended 30 June 2019. Upon adoption of HKFRS 16 on 1 January 2019, the Group has recognised right-of-use assets and the corresponding lease liabilities in respect of all leases, except for short-term leases and leases of low value assets. Under HKFRS 16, right-of-use assets are initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liabilities. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the right-of-use assets. As a result, depreciation of right-of-use assets of approximately RMB8.2 million was recognised for the six months ended 30 June 2019.

Interest expense on lease liabilities

Upon adoption of HKFRS 16 on 1 January 2019, the lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liabilities are adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. As a result, an interest expense on lease liabilities of approximately RMB1.6 million was recognised for the six months ended 30 June 2019.

Other expenses

Other expenses mainly include (i) fleet vehicles operating expenses which mainly include fuel costs and maintenance expenses of our fleet vehicles; (ii) utilities expenses which mainly include water and electricity expenses; (iii) office and telephone expenses which mainly include general office expenses and long-distance calling fees; (iv) insurance expenses for the warehouses and transportations; (v) entertainment and travelling expenses for business soliciting; and (vi) others which mainly include maintenance expenses for the warehouses, professional fees and other miscellaneous expenses. Other expenses amounted to approximately RMB9.2 million and RMB17.4 million for the six months ended 30 June 2018 and 30 June 2019, respectively, and such increase was primarily due to the professional service fees incurred in respect of the application for the Proposed Transfer of Listing, an increase in entertainment and travelling for business soliciting and additional professional fees incurred for the Company’s listing status.

Profit for the period

As a result of the aforesaid, the Group recorded a profit for the period of approximately RMB5.9 million for the six months ended 30 June 2019 (2018: approximately RMB7.4 million), representing a decrease of approximately RMB1.5 million.

Liquidity and financial resources

The Group's operation and investments were financed principally by cash generated from its own business operations and the proceeds from the Listing. As at 30 June 2019, the Group had net current assets of approximately RMB89.4 million (at 31 December 2018: approximately RMB107.4 million) and cash and cash equivalents of approximately RMB64.8 million (at 31 December 2018: approximately RMB64.3 million). The Directors confirm that the Group will have sufficient financial resources to meet its obligations as they fall due in the foreseeable future.

Gearing ratio

As at 30 June 2019, the gearing ratio (calculated on the basis of total bank and other borrowings divided by total equity at the end of the period/year) of the Group was zero (at 31 December 2018: zero).

Capital structure

For the six months ended 30 June 2019, the capital structure of the Group consisted of cash and cash equivalents and equity attributable to the owners of the Company, comprising issued share capital and reserves. The Group did not have any borrowing as at 30 June 2019 and up to the date of this announcement. The Directors review the Group's capital structure regularly. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debt and redemption of existing debt.

Foreign currency exposure

The Group's business activities are principally in the PRC and are primarily denominated in RMB. Certain subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the Directors will continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Charge on the Group's assets

The Group did not have any charge on its assets as at 30 June 2019 (at 31 December 2018: nil).

Contingent liabilities

The Group did not have any significant contingent liabilities as at 30 June 2019 (at 31 December 2018: nil).

Operating leases commitments

As at 30 June 2019, due to the adoption of HKFRS 16 effective 1 January 2019, the Group is committed to approximately RMB0.5 million for short-term leases and leases of low value assets.

As at 31 December 2018, the Group had commitments for future minimum leases payments under non-cancellable operating leases in respect of rented premises and plant and machinery of approximately RMB67.4 million.

Capital commitments

As at 30 June 2019, the Group had a total capital commitment of approximately RMB7.7 million (at 31 December 2018: approximately RMB14.8 million), representing capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment.

Material acquisitions and disposals of subsidiaries

During the six months ended 30 June 2019, the Group had no material acquisition and disposal of subsidiaries.

Significant investments held by the Group

During the six months ended 30 June 2019, the Group did not make any significant investments.

Employees and remuneration policies

As at 30 June 2019, the Group employed 865 (at 30 June 2018: 852) full time employees. The Group determines the employee's remuneration based on factors such as qualification, duty, contributions, work experience, the prevailing market conditions and the Group's remuneration policy. Employees' benefits include contributions to retirement scheme and share options under the Company's share option scheme. To enhance the expertise of our employees, the Group also provides them on-the-job training and sponsors them to attend external training courses and seminars.

Future Plans for Material Investments or Capital Assets

Save as disclosed in the sections headed "Comparison of business objectives with actual business progress" and "Use of proceeds" of this announcement, the Group does not have any concrete plan for material investments or capital assets for the coming year.

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the Prospectus with the Group's actual business progress for the period from the Listing Date to 30 June 2019 is set out below:

Business objectives	Implementation plans	Actual business progress
Upgrading one of the warehouses by installing automated storage facilities and systems	• Obtain quotation from service providers and discuss the scope of service with the service providers	• Service contracts with service providers have been signed and initial upgrade works on the construction of infrastructure facilities have been completed.
	• Install automated storage facilities and systems in one of the Group's existing warehouses	• The Group has entered into contracts with service providers for the design and installation of automated storage facilities and equipment and software systems enhancement in one of the warehouses. Preparation works for installation of the automated storage facilities and air-conditioning systems have been commenced in the first quarter of 2019.
Expanding the existing in-plant logistics business in the North China and East China regions	• Conduct market research on the industry trend and development especially in the North China and East China regions	• Market researches on the industry trend and development were performed.
	• Participate in the tendering process of potential customers	• The Group has participated in the tendering process of potential customers which include several large customers from the beverage, textile and pharmaceutical industries.
	• Hire approximately 30 additional staff for the in-plant logistics business	• The Group has hired over 30 additional staff for the in-plant logistics business.
	• Rent new forklifts and other equipment	• The plan has yet to be implemented.

Business objectives	Implementation plans	Actual business progress
Expanding vehicle fleet	• Acquire four trucks for transportation	• Four trucks have been purchased and put in use.
	• Hire approximately ten additional drivers for transportation business	• Seven additional drivers have been on board.
Enhancing sales and marketing efforts	• Participate in industry exhibitions and trade fairs	• The Group attended industry exhibitions which include the 2018 Shanghai International Container Exhibition (2018上海國際集裝箱展覽會) held in Shanghai, PRC and the Third Global Logistics Technology Conference 2018 (2018第三屆全球物流技術大會) held at Haikou, PRC.
	• Redesign and maintain the Company's website for marketing purpose	• The Company's website has been redesigned with more graphics and picturesque images and has also been enhanced by adding more company news and industry information.
	• Set up a sales and marketing department and hire approximately seven sales specialists	• The sales and marketing department has been set up and four sales specialists were employed.
		• Staff representatives of the Group visited customers' new factory plants overseas and a company has been set up in Egypt for expansion of the Group's logistics business overseas.

USE OF PROCEEDS

The net proceeds from the offering of the shares of the Company by way of share offer, net of underwriting commission and relevant expenses, amounted to approximately HK$38.8 million, among which, it is planned that approximately HK$36.2 million shall be fully utilised up to 30 June 2019.

An analysis of the utilisation of the net proceeds from the Listing Date up to 30 June 2019 is set out below:

	Planned use of net proceeds (as stated in the Prospectus) *HK$'million*	**Planned use of net proceeds (as stated in the Prospectus) up to 30 June 2019** *HK$'million*	**Actual use of net proceeds up to 30 June 2019** *HK$'million*
Upgrading one of the warehouses by installing automated storage facilities and systems	18.0	18.0	10.8
Expanding existing in-plant logistics business in the North China and East China regions	6.0	4.8	1.5
Expanding vehicle fleet	4.0	3.6	2.6
Enhancing sales and marketing efforts	4.0	3.0	1.7
Repaying the bank loans	4.0	4.0	4.0
General working capital	2.8	2.8	2.8
Total	38.8	36.2	23.4

The business objectives as stated in the Prospectus were based on the best estimation of the future market conditions made by the Group at the time of preparing the Prospectus. The use of proceeds was applied in accordance with the actual development of the market.

As at 30 June 2019, approximately HK$23.4 million of the net proceeds from the Listing had been used. The unused net proceeds have been deposited in licensed banks.

In connection with the business objective of upgrading one of the warehouses with automated storage facilities and systems, the Group commenced the initial upgrade works on the construction of infrastructural facilities of the designated warehouse and preparation works for installation of the automated storage facilities and air-conditioning systems in the year ended 31 December 2018 and the six months ended 30 June 2019. The installation of automated storage facilities and systems in the designated warehouse was originally scheduled to be completed during the year ended 31 December 2018. However, due to the unanticipated conditions of the infrastructural facilities of the designated warehouse, additional time and work have been taken for the modification and variation of such facilities. Further, the global economic growth slowed down and certain import and export businesses remained stagnant as a result of the China-US trade dispute. As a result, the completion of the automation upgrade of the designated warehouse has been extended to the year ending 31 December 2019 by the Group after conducting more cautious review on its capital expenditure plans and business development requirements.

The Company intends to apply the net proceeds in the manner as stated in the Prospectus. However, the Directors will constantly evaluate the Group's business objectives and may change or modify plans against the changing market condition to attain sustainable business growth of the Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties. All the principal risks relating to the Group's business have been set out in the section headed "Risk Factors" in the Prospectus.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2019, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

Long position in the shares of the Company

Name of Directors	Capacity	Number and class of securities	Approximate percentage of shareholding
Mr. Li Jianxin ("**Mr. Li JX**") *(Note)*	Interest in a controlled corporation; interest held jointly with another person	303,300,000 Ordinary Shares	37.91%
Mr. Li Jianming ("**Mr. Li JM**") *(Note)*	Interest in a controlled corporation; interest held jointly with another person	303,300,000 Ordinary Shares	37.91%

Note:

Goal Rise Profits Limited ("**Goal Rise**") is the registered and beneficial owner holding approximately 37.91% of the issued shares of the Company. The issued share capital of Goal Rise is owned as to 80% by Mr. Li JX and 20% by Mr. Li JM. By virtue of acting in concert arrangement between Mr. Li JX and Mr. Li JM which is confirmed and documented in the Concert Parties Confirmatory Deed, each of Mr. Li JX and Mr. Li JM is deemed to be interested in the entire shareholding interests of Goal Rise in the Company under the SFO.

Save as disclosed above, as at 30 June 2019, none of the Directors and the chief executive of the Company or their associates (as defined in the GEM Listing Rules) had any interests and short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2019, so far as is known to the Directors, the following persons, not being Directors or chief executive of the Company had, or were deemed to have, interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or which were recorded in the register required to be kept by the Company under section 336 of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name of shareholders	**Capacity**	**Number and class of securities**	**Approximate percentage of shareholding**
Goal Rise	Beneficial owner	303,300,000 Ordinary Shares	37.91%
Ms. Chen Ruihua ("**Ms. Chen**") *(Note 1)*	Interest of spouse	303,300,000 Ordinary Shares	37.91%
Ms. Wu Xiaojie ("**Ms. Wu**") *(Note 2)*	Interest of spouse	303,300,000 Ordinary Shares	37.91%
Mr. Zhu Zhijian ("**Mr. Zhu**") *(Note 3)*	Interest in a controlled corporation	166,700,000 Ordinary Shares	20.84%
Portree Wealth Limited ("**Portree Wealth**") *(Note 3)*	Beneficial owner	166,700,000 Ordinary Shares	20.84%

Notes:

1. Ms. Chen is the spouse of Mr. Li JX and is deemed, or taken to be, interested in the entire shareholding interests of Goal Rise in the Company under the SFO.

2. Ms. Wu is the spouse of Mr. Li JM and is deemed, or taken to be, interested in the entire shareholding interests of Goal Rise in the Company under the SFO.

3. Portree Wealth is the registered owner holding approximately 20.84% of the issued shares in the Company. The entire issued share capital of Portree Wealth is owned by Mr. Zhu. Under the SFO, Mr. Zhu is deemed to be interested in all the shares registered under the name of Portree Wealth.

All the interests disclosed above represent long positions in the shares and underlying shares of the Company.

Save as disclosed above, as at 30 June 2019, the Directors are not aware of any other person, other than Directors and the chief executive of the Company who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or which were recorded in the register required to be kept by the Company under section 336 of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or options in respect of such share capital.

SHARE OPTION SCHEME

Pursuant to the written resolutions of the shareholders of the Company passed on 26 September 2017, the Company has adopted a share option scheme (the "**Share Option Scheme**"). The principal terms of the Share Option Scheme are set out in the section headed "Statutory and General Information — D. Share Option Scheme" in Appendix IV to the Prospectus. No share options had been granted as at 30 June 2019.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme, during the six months ended 30 June 2019, the Company or any of its subsidiaries was not a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate. No share option has been granted, lapsed, exercised or cancelled pursuant to such Share Option Scheme since its adoption by the Company and up to the date of this announcement. As at 30 June 2019, none of the Directors or chief executives of the Company held any share options of the Company.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2019 and up to the date of this announcement.

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard interests of the shareholders of the Company. To accomplish this, the Group will continue to comply with the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules and the associated GEM Listing Rules (the "**CG Code**").

To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the six months ended 30 June 2019 and up to the date of this announcement.

COMPETING INTERESTS

For the six months ended 30 June 2019, the Directors are not aware of any business or interest of the Directors, the substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) that competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests which any such person has or may have with the Company.

COMPLIANCE ADVISER'S INTERESTS

As at 30 June 2019 and up to the date of this announcement, as notified by Titan Financial Services Limited ("**Titan**"), save for the compliance adviser agreement entered into between the Company and Titan on 17 January 2019, neither Titan, as the compliance adviser of the Company, nor any of its directors, employees or close associates (as defined in the GEM Listing Rules) has any interests in the securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities) pursuant to Rule 6A.32 of the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors in accordance with Rules 5.46 to 5.67 of the GEM Listing Rules (the "**Code**"). The Company has made specific inquiry with all the Directors, and has not been notified of any non-compliance with the required standard of dealings and the Code by the Directors during the six months ended 30 June 2019 and up to the date of this announcement.

AUDIT COMMITTEE

The Company has established an Audit Committee on 26 September 2017 with written terms of reference (as revised on 30 January 2019) in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and paragraph C.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of external auditors; review the financial statements and material advice in respect of financial reporting; and oversee internal control and risk management procedures of the Group. The Audit Committee comprises three independent non-executive Directors, namely, Dr. Wan Ho Yuen, Terence, Dr. Wu Ka Chee, Davy and Mr. Shao Wei. Dr. Wan Ho Yuen, Terence is the chairman of the Audit Committee. The Audit Committee has reviewed the Group's unaudited consolidated financial statements for the six months ended 30 June 2019 and is of the view that such financial statements have been prepared in compliance with the applicable accounting standards, and that adequate disclosures have been made.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in this announcement, the Board is not aware of any important events affecting the Group, which have occurred subsequent to 30 June 2019 and up to the date of this announcement.

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

Hong Kong, 8 August 2019

As at the date of this announcement, the Board consists of two executive Directors, Mr. Li Jianxin and Mr. Li Jianming, and three independent non-executive Directors, Dr. Wan Ho Yuen Terence, Dr. Wu Ka Chee Davy and Mr. Shao Wei.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the website of the Company at www.goalrise-china.com.

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