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

If you have sold or transferred all your shares in World-Link Logistics (Asia) Holding Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s), or to the bank or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or transferee(s).

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WORLD-LINK LOGISTICS (ASIA) HOLDING LIMITED

環宇物流(亞洲)控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6083)

**(1) PROPOSED ISSUE OF NEW SHARES
PURSUANT TO SPECIFIC MANDATE
(2) CONNECTED TRANSACTION IN RELATION TO
THE PROPOSED ISSUE OF NEW SHARES
TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Independent Financial Adviser to the Independent Shareholders



A letter from the Board is set out on pages 3 to 18 of this circular. A letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Shareholders is set out on pages 19 to 39 of this circular.

A notice convening the extraordinary general meeting of World-Link Logistics (Asia) Holding Limited to be held at 3/F, Allied Cargo Centre, 150-160 Texaco Road, Tsuen Wan, Hong Kong on Wednesday, 9 May 2018, at 9:15 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed. Whether or not you intend to attend and vote at the extraordinary general meeting or any adjourned meeting (as the case may be) in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for holding such meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjourned meeting (as the case may be) should you so wish.

20 April 2018

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 19 January 2018 in relation to (i) the proposed issue of new Shares pursuant to specific mandate and (ii) connected transaction in relation to the proposed issue of new Shares to connected persons pursuant to specific mandate
“Award Date”	19 January 2018, being the date on which new Shares are conditionally awarded to the Selected Individuals
“Award Shares”	An aggregate of up to 12,000,000 new Shares, comprising (i) 10,224,000 Connected Award Shares to be issued and allotted to the Connected Selected Individuals and (ii) 1,776,000 Independent Award Shares to be issued and allotted to the Independent Selected Individuals at the Subscription Price
“Company”	World-Link Logistics (Asia) Holding Limited (環宇物流(亞洲)控股有限公司), a company incorporated in the Cayman Islands on 27 July 2015 as an exempted company with limited liability
“Connected Award Shares”	an aggregate of up to 10,224,000 Award Shares which are proposed to be issued and allotted to the Connected Selected Individuals
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Connected Selected Individuals”	Selected Individuals who are the executive Directors and independent non-executive Directors, being the connected persons of the Company
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider, and if thought fit, to approve the issue and allotment of the Award Shares to the Selected Individuals
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Award Shares”	an aggregate of up to 1,776,000 Award Shares which are proposed to be awarded to the Independent Selected Individuals
“Independent Financial Adviser” or “Donvex Capital”	Donvex Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser appointed for the purpose of advising the Independent Shareholders as to the allotment and issue of the Connected Award Shares to the Connected Selected Individuals
“Independent Selected Individuals”	Selected Individuals who are the employees of the Group, being independent of the Company and connected persons of the Company
“Independent Shareholders”	the Shareholders who are independent of, and not connected with, the Connected Selected Individuals and their respective associates and are not required to abstain from voting at the EGM
“Latest Practicable Date”	18 April 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Selected Individual”	being a Director or an employee of the Group (as the case may be) who has been conditionally awarded the Award Shares by the Board on the Award Date
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.5 per Award Share

LETTER FROM THE BOARD

WORLD-LINK LOGISTICS (ASIA) HOLDING LIMITED

環宇物流(亞洲)控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6083)

Executive Directors:

Mr. Yeung Kwong Fat
Mr. Lee Kam Hung
Mr. Luk Yau Chi, Desmond

Independent non-executive Directors:

Mr. How Sze Ming
Mr. Jung Chi Pan, Peter
Mr. Mak Tung Sang

Registered office:

Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Head office and principal place
of business:*

3/F, Allied Cargo Centre
150-160 Texaco Road
Tsuen Wan
Hong Kong

20 April 2018

To all Shareholders

Dear Sir or Madam,

**(1) PROPOSED ISSUE OF NEW SHARES
PURSUANT TO SPECIFIC MANDATE
(2) CONNECTED TRANSACTION IN RELATION TO
THE PROPOSED ISSUE OF NEW SHARES
TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement.

As disclosed in the Announcement, the Board has resolved to conditionally award up to an aggregate of 12,000,000 Award Shares to 13 Selected Individuals at the Subscription Price of HK\$0.5 per Award Share.

The purpose of this circular is to provide you with further details of the Award Shares and to give notice to the Shareholders of the EGM at which ordinary resolutions will be proposed to approve the grant of specific mandate for the allotment and issue of the Award Shares and to provide other relevant information in accordance with the Listing Rules.

LETTER FROM THE BOARD

Independent Financial Adviser has been appointed to advise the Independent Shareholders in relation to the award of the Connected Award Shares to the Connected Selected Individuals.

DETAILS OF AWARD OF THE AWARD SHARES

On 19 January 2018, the Board has resolved to, subject to, inter alia, (i) the approval of the Independent Shareholders/Shareholders (as the case may be); and (ii) the granting by the Stock Exchange the listing of, and permission to deal in, the Award Shares, award up to an aggregate of 12,000,000 Award Shares to 13 Selected Individuals by way of issue and allotment of new Shares at the Subscription Price of HK\$0.5 per Award Share pursuant to the specific mandate which may be granted by the Independent Shareholders/Shareholders (as the case may be) at the EGM.

Amongst the 12,000,000 Award Shares:

- (i) 10,224,000 Connected Award Shares will be awarded to six Connected Selected Individuals; and
- (ii) 1,776,000 Independent Award Shares will be awarded to seven Independent Selected Individuals.

AWARD TO THE CONNECTED SELECTED INDIVIDUALS

Up to 10,224,000 Connected Award Shares are proposed to be granted to six Connected Selected Individuals at the Subscription Price per Award Share. As the six Connected Selected Individuals, who are the executive Directors and the independent non-executive Directors, are the connected persons (as defined in Chapter 14A of the Listing Rules) of the Company, the issue and allotment of the Connected Award Shares to the Connected Selected Individuals shall constitute connected transactions of the Company under Chapter 14A of the Listing Rules. The issue and allotment of the Connected Award Shares to the Connected Selected Individuals are not inter-conditional to each other and shall be subject to, among others, the approval by the Independent Shareholders at the EGM.

LETTER FROM THE BOARD

The Connected Award Shares are proposed to be granted to the following Connected Selected Individuals, who are connected persons of the Company:

Name of Connected Selected Individuals	Relationship with the Group	Aggregate maximum number of Connected Award Shares to be granted
Yeung Kwong Fat	Executive Director and Chairman	3,344,000
Lee Kam Hung	Executive Director	3,344,000
Luk Yau Chi, Desmond	Executive Director	3,344,000
How Sze Ming	Independent non-executive Director	64,000
Jung Chi Pan, Peter	Independent non-executive Director	64,000
Mak Tung Sang	Independent non-executive Director	64,000
Total		10,224,000

The number of Connected Award Shares issued to each Connected Selected Individual was determined after consideration of his historical contribution to the development of the Group, most notably the expansion of the Group into the cold chain logistics business since 2016, the securing of engagement by a multi-national customer in 2017, and the successful transfer of listing of the Shares from GEM to Main Board in 2017, and his continuing performance in the Group going forward. In particular, the Directors have taking into account the following factors:

(i) Issue of Connected Award Shares in a single and multiple tranche(s)

As further elaborated under the paragraph headed “Further details of the Award Shares” below, under the current scheme of issue of Award Shares, the Connected Award Shares are to be issued to each independent non-executive Director in a single tranche, whereas the Connected Award Shares are to be issued to each executive Director in multiple tranches.

The Directors considered that the Connected Award Shares are issued to the independent non-executive Directors primarily as a form of reward and gratitude from the Company for their historical effort in assisting in the transfer of listing of the Company’s Shares from the GEM to the Main Board. In this connection, the Directors believe that issuing the Award Shares in a single tranche serves the above purpose.

LETTER FROM THE BOARD

With respect to the issue of Award Shares to the executive Directors, the purpose of the Award Shares are two folds. First of all, it is for showing the gratitude of the Company for the executive Directors' past effort on the business development of the Group, and the achievement of transfer of listing of the Company's shares from GEM to the Main Board. Secondly, and more importantly, it is intended to be a motivation for the executive Directors' continuing contribution to the Group's future development. In view of the above, the Directors consider that a multiple tranches structure is more appropriate in this regard.

(ii) Basis of the number of Connected Award Shares to be issued to the Connected Selected Individuals

The Directors have considered (a) the historical contributions and job responsibilities of the Connected Selected Individuals; and (b) their continuing contribution to the Group's future development when contemplating the number of Award Shares to be issued to each Connected Selected Individual. Given the critical role of the executive Directors in the business operation and development of the Group, significantly more Connected Award Shares are proposed to be issued to the executive Directors than that to the independent non-executive Directors.

When determining the number of Award Shares to be issued to each Connected Selected Individual, the Directors also took into account the potential benefit of the Award Shares in terms of monetary value, with reference to the discount of the Subscription Price to the market price for the Connected Award Shares as at the Award Date, to the Connected Selected Individuals. Accordingly, it is estimated that the total potential benefit of the Connected Award Shares for each executive Director and independent non-executive Director is approximately HK\$2,642,000 and HK\$51,000 respectively.

The Directors considered that the total estimated potential benefit of the Connected Award Shares for each Connected Selected Individual is (a) a fair representation of their respective historical contributions to the Group with reference to their respective job responsibilities; and/or (b) a sufficient motivation for their continuing contribution in the Group.

As all Directors are Connected Selected Individuals, each of them is regarded as having a material interests in the proposed issue of Award Shares. Accordingly, each of the Directors has abstained from approving the relevant board resolution(s) on the award of the relevant Connected Award Shares to himself.

As at the date of this circular, each Connected Selected Individual has indicated his intention to accept and subscribe for the Connected Award Shares as long as the market price of the Shares maintains above the Subscription Price.

Pursuant to Rule 13.39(6)(c) of the Listing Rules, in the event that all independent non-executive directors of an issuer have a material interest in the relevant transaction or arrangement, no independent board committee can be formed.

LETTER FROM THE BOARD

As all of the independent non-executive Directors are Connected Selected Individuals, each of them is regarded as having a material interest in the proposed issue of the Connected Award Shares. The independent non-executive Directors consider that their recommendations, if required, to the proposed issue of Connected Award Shares would to some extent influence, or be influenced by, the favorable (or unfavourable) recommendations to be made by the other independent non-executive Directors. In this connection, they have concerns as to their independence even if they abstain from giving recommendations to their respective interested resolutions. In light of the aforesaid and in compliance with Rule 13.39(6)(c) of the Listing Rules, no independent board committee can be formed. The Company has appointed the Independent Financial Adviser to advise the Independent Shareholders in this regard.

AWARD TO THE INDEPENDENT SELECTED INDIVIDUALS

Up to 1,776,000 Independent Award Shares are proposed to be granted to the Independent Selected Individuals, who are the employees of the Company as at the date of this circular but not Directors nor chief executive of the Group, at the Subscription Price per Award Share.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Independent Selected Individuals are third parties independent of the Company and the connected persons of the Company.

CONDITIONS

The issue and allotment of the Connected Awarded Shares to the Connected Selected Individuals shall be subject to, inter alia:

- (i) the granting by the Stock Exchange the listing of, and permission to deal in, the Connected Award Shares; and
- (ii) the approval by the Independent Shareholders at the EGM in respect of the specific mandate for the issue and allotment of the Connected Award Shares.

The issue and allotment of the Independent Award Shares to the Independent Selected Individuals shall be subject to, inter alia:

- (i) the granting by the Stock Exchange the listing of, and permission to deal in, the Independent Award Shares; and
- (ii) the approval by the Shareholders at the EGM in respect of the specific mandate for the issue and allotment of the Independent Award Shares.

Application will be made by the Company to the Stock Exchange for the granting of the listing of, and permission to deal in, the aggregate of 12,000,000 Award Shares.

LETTER FROM THE BOARD

FURTHER DETAILS OF THE AWARD SHARES

The information in relation to the issue and allotment of up to 12,000,000 Award Shares to the Selected Individuals is set out below:

- | | |
|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Securities to be issued: | An aggregate of up to 12,000,000 new Shares, comprising (i) 10,224,000 Connected Award Shares to be issued and allotted to the Connected Selected Individuals at the Subscription Price per Award Share; and (ii) 1,776,000 Independent Award Shares to be issued and allotted to the Independent Selected Individuals at the Subscription Price per Award Share. |
| Percentage of Award Shares in the share capital of the Company: | The maximum number of 12,000,000 Award Shares to be issued and allotted by the Company to the Selected Individuals represent 2.5% of the total number of Shares in issue as at the date of this circular and approximately 2.4% of the total number of Shares in issue as enlarged by the issue and allotment of the maximum number of Award Shares. |
| Market value of Award Shares: | Based on the closing price of HK\$1.31 per Share as quoted on the Stock Exchange as at the Latest Practicable Date, the market values of 10,224,000 Connected Award Shares and 1,776,000 Independent Award Shares are approximately HK\$13,393,400 and HK\$2,326,600, respectively. |
| Status of Award Shares: | The Award Shares, when issued and fully paid, shall rank <i>pari passu</i> among themselves and with those Shares in issue, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment. |
| Subscription Price and the funds to be raised: | <p>The Selected Individuals are required to pay HK\$0.5 per Award Share for the subscription of the Award Shares which represents:</p> <ul style="list-style-type: none">(i) a discount of approximately 61.2% to the closing price of HK\$1.29 per Share as quoted on the Stock Exchange on the Award Date;(ii) a discount of approximately 60.9% to the average closing price of HK\$1.28 per Share as quoted on the Stock Exchange for the last five consecutive Trading Days immediately prior to the Award Date; and |

LETTER FROM THE BOARD

- (iii) a discount of approximately 61.8% to the closing price of HK\$1.31 per Share as quoted on the Stock Exchange as at the Latest Practicable Date.

The discount of the subscription price of the Award Shares was determined after the consideration of (i) the historical contribution of the Selected Individuals to the development of the Group; and (ii) its effectiveness to encourage the Selected Individuals to subscribe for the Award Shares and retain in the Company for future contribution to the Group.

The maximum gross proceeds and the net proceeds (after deducting professional fees and other related expenses) from the subscription of Award Shares will be approximately HK\$6,000,000 and HK\$5,321,000 respectively. The net proceeds of the subscription of Award Shares, if any, will be used for general working capital of the Company.

Identity of the allottee(s): The Shares will be allotted and issued directly to the relevant Selected Individuals.

Further conditions and timing of issue: The proposed issue of Award Shares to each Selected Individual is subject to, among others, the following further conditions (together with the conditions as set out in the paragraph headed “Conditions” above, the “**Conditions**”):

- (i) (applicable to the first tranche of Award Shares only) the achievement of a 100% increment of unaudited revenue, attributed from such customers (i) who were in or commenced business with the Group in 2017 to 2018; and (ii) during the period when their business relationship with the Group is within one year (the “**Relevant Revenue**”), in the year ending 31 December 2018 over that in the year ended 31 December 2017.

LETTER FROM THE BOARD

It has been one of the Group's business strategies to diversify its customer base to ensure sustainability of its business. The Directors believe that this condition would encourage the Selected Individuals to foster the existing relationship between new customers and the Group and actively seek new customers from the market to expand the Group's revenue source. The Directors consider that the continuity of business relationship of new customers during 2017 and 2018 represents a fair performance indicator to the contribution of Selected Individual to the Group.

- (ii) the achievement of certain level of working conditions and performance by the Selected Individual in the Group which is to be determined in the absolute discretion of the Board.

With respect to the Connected Selected Individuals, each of them will be assessed on his level of achievement of the following working conditions and performance:

For executive Directors

Mr. Yeung Kwong Fat

- achievement of external promotion of the image of the Group i.e. to improve the frequency in the participation of media interviews and external events from once per year to three times per year
- achievement of new business development and expansion of customer base, i.e. to negotiate actively with potential customers and successfully secure two to three new customers per year, as an improvement comparing to the existing average of one new customer per year

LETTER FROM THE BOARD

Mr. Lee Kam Hung

- achievement of delivery services in a timely and effective manner i.e. to improve the on-time delivery efficiency for major customers from current 98.5% to 99% for 2018, 2019 and 2020 respectively
- improvement of operation of transportation department and warehouse department i.e. to improve the utilization rate of warehouse from current 95% to 98% for 2018, 2019 and 2020 respectively

Mr. Luk Yau Chi, Desmond

- improvement of provision of advice on the daily operations of the Group i.e. customer service, human resources and administration, finance, shipping and quality assurance i.e. to provide smooth operations of customer services, administration and finance department of the Group and improve the major customer satisfaction in delivery services from current 89% to 90% for 2018, 2019 and 2020 respectively
- achievement of new business development and expansion of customer base, i.e. to undertake a tendering process for potential new customers and successfully secure two to three new customers per year, as an improvement comparing to the existing average of one new customer per year

For independent non-executive Directors

Mr. How Sze Ming

- achievement of provision of professional advice on finance, internal control and corporate governance i.e. to improve the frequency, from a semiannual basis to a quarterly basis, in reviewing the relevant internal policies of the Company and providing professional advice on the announcement, circular, interim report, annual report and internal control report of the Company
- meeting attendance of 75% or more

LETTER FROM THE BOARD

Mr. Mak Tung Sang

- achievement of provision of advice on the remuneration of the directors and senior management of the Group i.e. to improve the frequency in comparing the remuneration of Directors with the market from a semiannual basis to a quarterly basis and evaluate whether it is fair and reasonable
- meeting attendance of 75% or more

Mr. Jung Chi Pan, Peter

- achievement of provision of advice on promoting the Group's image leveraging on the expertise i.e. to improve the frequency, from a semiannual basis to a quarterly basis, in reviewing the procedures conducted by the Group to promote its image and providing constructive advice in this regard
- meeting attendance of 75% or more

With the above criteria, the Company would assess the performance level for each executive Director and independent non-executive Director on a quarterly basis respectively. Accordingly, the Company would rate the performance of each Connected Selected Individual based on three different levels, i.e. excellent, good and poor, as the benchmark.

The management of the Company confirms that the performance level of the above Connected Selected Individuals is required to be benchmarked at an excellent level for each assessment in order to satisfy the conditions of the issue of Connected Award Shares. In the event that the performance requirement could not be achieved by the Connected Selected Individuals, they would not be qualified to be granted the relevant tranche(s) of Connected Award Shares.

- (iii) receipt of the Selected Individual's written notice of acceptance of the Award Shares by the Company.

LETTER FROM THE BOARD

Subject to the fulfilment of the Conditions and the Selected Individuals remaining as a Director or employee of the Company (as the case maybe) on each relevant issue date, the new Shares will be issued in a single or multiple tranche(s) in accordance with the following timetable:

With respect to the issue of Connected Award Shares to each Connected Selected Individual who is an executive Director

- (i) approximately 32.0% of the relevant Connected Award Shares on the first anniversary of the Award Date;
- (ii) approximately 34.0% of the relevant Connected Award Shares on the second anniversary of the Award Date; and
- (iii) approximately 34.0% of the relevant Connected Award Shares on the third anniversary of the Award Date.

With respect to the issue of Connected Award Shares to each Connected Selected Individual who is an Independent non-executive Director

- 100% of the relevant Connected Award Shares on the first anniversary of the Award Date.

With respect to the issue of Independent Award Shares to each Independent Selected Individual who is an employee of the Group

- (i) approximately 33.4% of the relevant Independent Award Shares on the first anniversary of the Award Date;
- (ii) approximately 33.3% of the relevant Independent Award Shares on the second anniversary of the Award Date; and
- (iii) approximately 33.3% of the relevant Independent Award Shares on the third anniversary of the Award Date.

LETTER FROM THE BOARD

Lapse of award of
Award Shares:

The award of the relevant tranche of Award Shares to a Selected Individual shall automatically lapse forthwith if the Selected Individual fails to issue a written notice of acceptance to the Company prior to the corresponding issue date, notwithstanding the fulfilment of the other Conditions.

In the event the Selected Individual ceases to be a Director or employee of the Company before the relevant issue date of Award Shares, he/she shall cease to be awarded the remaining Award Shares which are yet to be issued to him/her (if any). For the avoidance of doubt, it shall not affect the Selected Individual's rights and title to the Award Shares already issued and allotted to him/her.

EFFECT OF THE GRANT OF AWARD SHARES ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the effect of the grant of the Award Shares on the shareholding structure of the Company based on the total number of issued Shares as at the Latest Practicable Date and assuming the Selected Individuals have fulfilled all Conditions and accepted all relevant tranche(s) of Award Shares, without taking into account any other new Shares, if any, issued and allotted after the Latest Practicable Date and prior to the allotment and issue of the relevant tranche(s) of Award Shares:

Shareholders	As at the Latest Practicable Date		Immediately after the allotment and issue of Award Shares on the first anniversary of the Award Date		Immediately after the allotment and issue of Award Shares on the second anniversary of the Award Date		Immediately after the allotment and issue of Award Shares on the third anniversary of the Award Date	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Yeung Kwong Fat <i>(Note 1, 4)</i>	129,344,000	26.95	130,416,000	26.95	131,552,000	26.96	132,688,000	26.97
Lee Kam Hung <i>(Note 2, 4)</i>	130,244,000	27.13	131,316,000	27.13	132,452,000	27.14	133,588,000	27.15
Luk Yau Chi, Desmond <i>(Note 3, 4)</i>	64,784,000	13.50	65,856,000	13.61	66,992,000	13.73	68,128,000	13.85
How Sze Ming	0	0	64,000	0.01	64,000	0.01	64,000	0.01
Jung Chi Pan, Peter	0	0	64,000	0.01	64,000	0.01	64,000	0.01
Mak Tung Sang	0	0	64,000	0.01	64,000	0.01	64,000	0.01
Seven Independent Selected Individuals	552,000	0.11	1,144,000	0.24	1,736,000	0.36	2,328,000	0.48
Other public Shareholders	155,076,000	32.31	155,076,000	32.04	155,076,000	31.78	155,076,000	31.52
Total	480,000,000	100.00	484,000,000	100.00	488,000,000	100.00	492,000,000	100.00

LETTER FROM THE BOARD

Notes:

- (1) As at the date of this circular, of the 129,344,000 Shares held by Mr. Yeung Kwong Fat, 5,748,000 Shares were held by Mr. Yeung Kwong Fat in his personal capacity, and 123,596,000 Shares were held via his wholly-owned company, Orange Blossom International Limited.
- (2) As at the date of this circular, of the 130,244,000 Shares held by Mr. Lee Kam Hung, 560,000 Shares were held by Mr. Lee Kam Hung in his personal capacity, and 129,684,000 Shares were held via his wholly-owned company, Best Matrix Global Limited.
- (3) As at the date of this circular, of the 64,784,000 Shares held by Mr. Luk Yan Chi, Desmond, 928,000 Shares were held by Mr. Luk Yan Chi, Desmond in his personal capacity, and 63,856,000 Shares were held via his wholly-owned company, Leader Speed Limited.
- (4) By virtue of a confirmatory deed dated 24 August 2015, Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond acknowledged and confirmed that they are parties acting in concert in respect of each of the members of the Group, and shall continue the same as at and after the date of the said confirmatory deed. As a result, each of them is also deemed to be interested in the Shares held by the other two parties. As at the Latest Practicable Date, by virtue of the aforesaid, each of them is deemed to be interested in an aggregate of 324,372,000 Shares, representing approximately 67.58% of the issued shares of the Company.

FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company had not carried out any equity fund raising activities in the past twelve months prior to the date of this circular.

REASONS AND BASIS FOR THE AWARD OF THE AWARD SHARES

The Selected Individuals are selected by the Board after consideration of, inter alia, (i) the role and responsibility; (ii) the years of service; and (iii) the contributions to the Group of the Selected Individuals. The Board believes that the issue of Award Shares to the Selected Individuals would (i) allow the Group to retain and provide incentives to the Selected Individuals for the continual operation and development of the Group; and (ii) allow the Company to recognise and motivate the contributions made by the Selected Individuals to the Group.

Prior to settling on the issue of Award Shares, the Board had considered other alternatives such as cash bonus payment and issue of share options to reward and motivate contributions from the Selected Individuals. Nevertheless, after careful deliberation, the Board considered the issue of the Award Shares as the relatively more effective and preferred mean to achieve the objectives for the following reasons:

- (i) it would not adversely affect the operation cash flow of the Group and therefore had minimal adverse impact on the daily operation of the Group;
- (ii) the grant of share options under the Company's share option scheme adopted on 16 December 2015 (the "**Share Option Scheme**") would also be subject to restrictions under the Listing Rules as to (a) the quantity of options permitted to be granted; and (b) the exercise price of the share options. In particular, Rule 17.03(9) of the Listing Rules requires that the exercise price must be at least the higher of: (i) the closing price of the securities as stated in the Stock

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Exchange's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

In view of the above, the Directors considered that the grant of share options within the limitations set out under the Share Option Scheme and Chapter 17 of the Listing Rules would not achieve the same scale of reward and motivation, i.e. in terms of the number of Award Shares to be granted and the discount to the market price to be made, as the current proposed issue of Award Shares does; and

- (iii) the issue of Award Shares would provide the Selected Individuals with an opportunity to acquire and/or expand their proprietary interests in the Company, which would align their interests with the Company and therefore motivate further achievements in the future. The issue of Award Shares would also have minimal dilution impact of approximately 2.45% on the other shareholders.

INFORMATION ABOUT THE GROUP

The Group is an established logistics service provider in Hong Kong which offers a wide range of logistics services to meet the needs of its customers' supply chains, including transportation, warehousing, customization and certain value-added services.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Donvex Capital Limited has been appointed as the Independent Financial Adviser to make recommendations to the Independent Shareholders on the allotment and issue of the Connected Award Shares to the Connected Selected Individuals.

EGM

An EGM will be convened and held to consider and, if thought fit, to approve, inter alia, the grant of specific mandate for issue and allotment of the Award Shares to the Selected Individuals.

As at the Latest Practicable Date, the Selected Individuals held in aggregate 324,924,000 Shares, representing approximately 67.69% of the issued shares of the Company. For further details on the number and percentage of Shares held by the Selected Individuals, please refer to the paragraph headed "Effect of the grant of Award Shares on the shareholding structure of the Company" in this letter above.

Each of the Selected Individuals and his/her respective associates and parties acting in concert with him/her are required to abstain from voting on the relevant resolution in respect of issue of the Award Shares to him/her. Furthermore, in light of the parties acting in concert arrangement between Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond, each of the aforesaid, their respective associates and parties acting in concert with each of them are required to abstain from voting on all relevant resolutions in respect of issue of Award Shares to any of them.

LETTER FROM THE BOARD

A form of proxy for the EGM is enclosed herewith. Whether or not you are able to attend the EGM in person, please complete and return the form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting (as the case may be) should you so wish. Pursuant to the Listing Rules, voting by poll is required for any resolution put to vote at the EGM.

VOTING BY POLL AT THE EGM

Pursuant to Rule 13.39 of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. An announcement on the poll results will be published after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the award of the Connected Award Shares to the Connected Selected Individuals is on normal commercial terms, in the ordinary and usual course of business of the Group and is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the grant of the specific mandate for the allotment and issue of the Connected Awarded Shares to the Connected Selected Individuals.

The Directors (including the independent non-executive Directors) consider that the award of the Independent Award Shares to the Independent Selected Individuals is on normal commercial terms, in the ordinary and usual course of business of the Group and is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the grant of the specific mandate for the allotment and issue of the Independent Awarded Shares to the Independent Selected Individuals.

Your attention is drawn to the letter from the Independent Financial Adviser set out on pages 19 to 39 of this circular, which contains its advice to the Independent Shareholders in relation to the award of the Connected Award Shares to the Connected Selected Individuals and reasons considered by it in arriving at its opinion.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is also drawn to the general information set out in the Appendix to this circular.

By Order of the Board
World-Link Logistics (Asia) Holding Limited
Yeung Kwong Fat
Chairman and Chief Executive Officer

LETTER FROM DONVEX CAPITAL

The following is the full text of the letter from Donvex Capital Limited setting out their advice to the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



Unit 1305, 13th Floor
Carpo Commercial Building
18-20 Lyndhurst Terrace
Central
Hong Kong

20 April 2018

*The Independent Shareholders of
World-Link Logistics (Asia) Holding Limited*

Dear Sir/Madam,

CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED ISSUE OF NEW SHARES TO CONNECTED PERSONS PURSUANT TO SPECIFIC MANDATE

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Shareholders in relation to the grant of Connected Award Shares ("**Connected Award Shares Grant**"), 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 20 April 2018 to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used herein have the same meanings as those defined in the Circular unless otherwise stated.

On 19 January 2018, the Board has resolved to conditionally award up to an aggregate of 12,000,000 Award Shares to thirteen Selected Individuals at the Subscription Price of HK\$0.5 per Award Share, of which (i) up to 10,224,000 Connected Award Shares will be awarded to six Connected Selected Individuals by way of issue and allotment of new Shares; and (ii) up to 1,776,000 Independent Award Shares will be awarded to seven Independent Selected Individuals by way of issue and allotment of new Shares.

As the Connected Selected Individuals are the connected persons of the Company, the issue and allotment of the Connected Award Shares to those Connected Selected Individuals constitute connected transactions of the Company under Chapter 14A of the Listing Rules and shall be subject to the approval by the Independent Shareholders.

Each of the Connected Selected Individuals and his/her respective associates and parties acting in concert with him/her are required to abstain from voting on the relevant resolution in respect of issue of the Connected Award Shares to him/her at the EGM. Furthermore, in light of the parties acting in concert arrangement among Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond, each of the aforesaid, their respective associates and parties acting in concert with each of them are required to abstain from voting on all relevant resolutions in respect of issue of Connected Award Shares to any of them at the EGM.

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As all of the independent non-executive Directors are Connected Selected Individuals, each of them is regarded as having a material interest in the proposed Connected Award Shares Grant. The independent non-executive Directors consider that their recommendations, if required, to the proposed issue of Connected Award Shares would, to some extent, influence, or be influenced by the favorable (or unfavourable), recommendations to be made by the other independent non-executive Directors. In this connection, they have concerns as to their independence even if they abstain from giving recommendations to their respective interested resolutions. As such, no independent board committee can be formed, pursuant to Rule 13.39(6)(c).

We, Donvex Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Shareholders on (i) whether the terms of the Connected Award Shares Grant are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the Connected Award Shares Grant is in the interests of the Company and the Independent Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolution(s) to approve the Connected Award Shares Grant and the transactions contemplated thereunder at the EGM.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company or any other parties that could reasonably be regarded as relevant to our independence. In the last two years, Donvex Capital Limited has not acted as an independent financial adviser to the then independent board committee and independent shareholders of the Company for any transaction.

We were independent from and not connected with the Group pursuant to Rule 13.84 of the Listing Rules and, accordingly, were qualified to advise the Independent Shareholders in respect of the Connected Award Share Grant and the transactions contemplated thereunder. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Company.

BASIS OF OUR OPINION

In formulating our opinion, we consider that we have reviewed sufficient and relevant information and documents and have taken reasonable steps as required under Rule 13.80 of the Listing Rules to reach an informed view and to provide a reasonable basis for our recommendation. We have relied on the information, statements, opinion and representations contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so at the date hereof. We have also assumed that all statements of belief, opinion and intention of the Directors as set out in the Letter from the Board contained in the Circular were reasonably made after due and careful inquiry. We have also sought and obtained confirmation from the Company that no material facts have been omitted from the information provided and referred to in the Circular.

LETTER FROM DONVEX CAPITAL

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 material facts and representations the omission of which would make any statement in the Circular or the Circular misleading.

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, conducted any independent in-depth investigation into the business and affairs of the Company, or its subsidiaries or associates, nor have we considered the taxation implication on the Group or the qualifying Shareholders as a result of the Connected Award Shares Grant and the transactions contemplated thereunder.

Our opinion is 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.

This letter is issued for the information of the Independent Shareholders solely in connection with their consideration of the Connected Award Shares Grant and the transactions contemplated thereunder and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Connected Award Shares Grant, we have taken into consideration the following principal factors and reasons:

1. Background information on the Group

1.1 Principal business and information on the Group

The Group is an established logistics service provider in Hong Kong which offers a wide range of logistics services to meet the needs of its customers' supply chains, including transportation, warehousing, customization and certain value-added services.

LETTER FROM DONVEX CAPITAL

1.2 Historical financial information

Set out below is a summary of the financial information of the Group for (i) the years ended 31 December 2015 and 2016; and (ii) the six months ended 30 June 2016 and 2017 as extracted from the Company's annual report for the year ended 31 December 2016 (the "2016 Annual Report") and the Company's interim report for the six months ended 30 June 2017 (the "2017 Interim Report").

	For the six months ended		For the year ended	
	30 June		31 December	
	2017	2016	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(Audited)	(Audited)
Revenue	76,087	67,694	149,724	125,161
Profit/(loss) for the year/period	10,596	8,904	23,511	12,815 <i>(Note)</i>

Note: The profit for the year ended 31 December 2015 of approximately HK\$12.82 million is excluded from the listing expense of approximately HK\$12.67 million incurred for the year 2015.

According to the 2016 Annual Report, the revenue of the Group increased from approximately HK\$125.16 million for the year ended 31 December 2015 ("FY2015") to approximately HK\$149.72 million for the year ended 31 December 2016 ("FY2016") mainly due to the increase in the revenue from the retailing sector, fast-moving consumer goods sector and the food and beverage sector respectively. The net profit recorded by the Group significantly increased from approximately HK\$12.82 million for the FY2015 (excluding the listing expenses) to approximately HK\$23.51 million for the FY2016 mainly due to (i) an increase in revenue; (ii) a stringent control in operating expenses of the Group; and (iii) the improvement in the capacity utilization of the warehouses.

According to the 2017 Interim Report, the revenue of the Group increased from approximately HK\$67.69 million for the six months ended 30 June 2016 ("HY2016") to approximately HK\$76.09 million for the six months ended 30 June 2017 ("HY2017"), representing an increase of approximately 12.4%. Such increase in revenue was mainly attributable to the increase in revenue derived from the warehousing and transportation sectors during the HY2017. As such, the net profit recorded by the Group increased from approximately HK\$8.90 million for the HY2016 to approximately HK\$10.60 million for the HY2017 accordingly.

LETTER FROM DONVEX CAPITAL

2. Background of Connected Award Shares Grant

On 19 January 2018, the Board has resolved to conditionally award up to an aggregate of 10,224,000 Connected Award Shares to six Connected Selected Individuals by way of issue and allotment of new Shares under the specific mandate.

The Connected Award Shares are proposed to be granted to the following Connected Selected Individuals, after taking into account the following benchmarks:

- (i) the role and responsibility;
- (ii) the years of services; and
- (iii) contributions to the Group of the Connected Selected Individuals;

Details of the Connected Selected Individuals are set out as follows:

Name of Connected Selected Individuals	Role in the Group	Aggregate maximum number of Connected Awards Shares to be granted
Yeung Kwong Fat	Executive Director and Chairman	3,344,000
Lee Kam Hung	Executive Director	3,344,000
Luk Yau Chi, Desmond	Executive Director	3,344,000
How Sze Ming	Independent non-executive Director	64,000
Jung Chi Pan, Peter	Independent non-executive Director	64,000
Mak Tung Sang	Independent non-executive Director	64,000
Total		10,224,000

As stated in the Letter from the Board, the issue and allotment of the Connected Award Shares to the Connected Selected Individuals shall be subject to the following conditions, inter alia:

- (i) the granting by the Stock Exchange the listing of, and permission to deal in, the Connected Award Shares; and
- (ii) the approval by the Independent Shareholders at the EGM in respect of the specific mandate for the issue and allotment of the Connected Award Shares.

Having considered that (i) the Connected Award Shares are proposed to be granted to the each Connected Selected Individual based on certain benchmarks i.e. role and responsibility, historical contributions of the Connected Selected Individuals, as stated above; (ii) the Connected Award Shares are issued to each executive Director in multiple tranches as a motivation for their continuing contribution in the Group's future

LETTER FROM DONVEX CAPITAL

development; and (iii) the aggregate 10,224,000 Connected Award Shares represent approximately 2.13% of the total number of Shares in issue of the Company as at the Latest Practicable Date and approximately 2.08% of the total number of Shares in issue of the Company as enlarged by the issue of the 12,000,000 Award Shares, we are of the view that the number of Connected Award Shares proposed to be granted to each Connected Selected Individual is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

3. Subscription Price

The Subscription Price of HK\$0.50 per Connected Award Share represents:

- (i) a discount of approximately 61.2% to the closing price of HK\$1.29 per Share as quoted on the Stock Exchange on the Award Date;
- (ii) a discount of approximately 60.9% to the average closing price of HK\$1.28 per Share as quoted on the Stock Exchange for the last five consecutive Trading Days immediately prior to the Award Date; and
- (iii) a discount of approximately 61.8% to the closing price of HK\$1.31 per Share as quoted on the Stock Exchange as at the Latest Practicable Date.

4. Further Details of the Connected Award Shares Grant

The further information in relation to the Connected Award Shares Grant is set out as follows:

Percentage of Connected Award Shares in the share capital of the Company:	The 10,224,000 Connected Award Shares to be granted represent approximately 2.13% of the total number of Shares in issue of the Company as at the Latest Practicable Date and approximately 2.08% of the total number of Shares in issue of the Company as enlarged by the issue of the 12,000,000 Award Shares.
Market value of Connected Award Shares:	Based on the closing price of HK\$1.29 per Share as quoted on the Stock Exchange as at the Award Date, the market values of 10,224,000 Connected Award Shares amounted to approximately HK\$13,188,960.
Subscription price and the funds to be raised:	<p>The Connected Selected Individuals are required to pay HK\$0.5 per Connected Award Share for the subscription of the Connected Award Shares.</p> <p>The maximum gross proceeds and the net proceeds (after deducting professional fees and other related expenses) from the subscription of the Connected Award Shares will be approximately HK\$5,112,000 and HK\$4,534,000 respectively. The net proceeds of the subscription of Connected Award Shares, if any, will be used for general working capital of the Company.</p>

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Additional conditions: The proposed issue of Connected Award Shares to each Connected Selected Individual will be made in a single or multiple tranches in the event that the following conditions are satisfied:

- (i) the achievement of an increment of 100% in the unaudited revenue, attributed from the customers who commenced business with the Group during 2017 to 2018 ("**2017 to 2018 New Customers**"), within one year after the commencement of the business with the Group ("**Relevant Revenue**").

To determine the fulfilment of the increment in the Relevant Revenue, the revenue generated from the 2017 to 2018 New Customers for the first year after the commencement of business with the Group will be split off into (i) the Relevant Revenue recorded for the year ended 31 December 2017 (the "**2017 Revenue Period**"); and (ii) the Relevant Revenue recorded for the remaining period in 2018, i.e. the twelve-month period minus the 2017 Revenue Period (the "**2018 Revenue Period**"). Based on the condition, an increment of 100% in the Relevant Revenue for the 2018 Revenue Period over that for the 2017 Revenue Period is required to be granted with the first tranche of the Connected Award Shares Grant;

- (ii) the achievement of certain level of working conditions and performance of each Connected Selected Individual which is to be determined in the absolute discretion of the Board; and
- (iii) receipt of the Connected Selected Individual's written notice of acceptance of the Connected Award Shares.

Tranche(s) of
Connected Award
Shares Grant:

Subject to the fulfilment of all conditions as stated above, the new Shares will be issued in a single or multiple tranche(s) in accordance with the following timetable:

With respect to the issue of Connected Award Shares to each executive Director:

- (i) approximately 32.0% of the relevant Connected Award Shares on the first anniversary of the Award Date;

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- (ii) approximately 34.0% of the relevant Connected Award Shares on the second anniversary of the Award Date; and
- (iii) approximately 34.0% of the relevant Connected Award Shares on the third anniversary of the Award Date.

With respect to the issue of Connected Award Shares to each independent non-executive Director:

100% of the relevant Connected Award Shares on the first anniversary of the Award Date.

Assessment on the Subscription Price

To assess the fairness and reasonableness of the Subscription Price, we have reviewed (a) the recent price performance of the Shares; (b) trading liquidity of the Shares respectively as set out below and (c) the comparison with other subscription transactions as set out below.

(a) Historical price performance of the Shares

We have reviewed the trading price of the Shares for the period from 19 January 2017, being the 12-month period prior to the date of the announcement of the issue of Award Shares (the “**Review Period**”).



Source: The Stock Exchange

As shown in the above chart, during the Review Period, the lowest closing price was HK\$1.12 per share during the period of 13 September 2017 to 14 September 2017 and the highest closing price was HK\$2.90 per Share on 8 March 2017, with an average daily closing price of the Shares of approximately HK\$2.00. In this regard, the Subscription Price of HK\$0.50 is (i) lower than the highest closing price of the Shares, representing a discount of approximately 82.8%; (ii) lower than the lowest closing price of the Shares, representing a discount of approximately 55.4%; and (iii) lower than the average of the closing price of the Shares, representing a discount of approximately 75.0%.

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(b) Trading liquidity of the Shares

Regarding the trading liquidity of the Shares, for illustrative purpose, a table showing the average daily volume of the Shares per month and the total number of issued Shares as at the end of the month during the Review Period is stated as below:

	Total trading volume of the Shares	Number of trading days	Average daily trading volume of the Shares	Number of issued Shares as at the end of the month/ period	Percentage of average daily trading volume to the total number of issued Shares as at the end of month/ period
2017					
January (from 19 January 2017)	968,000	7	138,286	480,000,000	0.03%
February	46,868,000	20	2,343,400	480,000,000	0.49%
March	35,648,000	23	1,549,913	480,000,000	0.32%
April	25,256,000	17	1,485,647	480,000,000	0.31%
May	26,320,000	20	1,316,000	480,000,000	0.27%
June	35,088,000	22	1,594,909	480,000,000	0.33%
July	35,208,000	21	1,676,571	480,000,000	0.35%
August	35,920,000	22	1,632,727	480,000,000	0.34%
September	80,120,000	21	3,815,238	480,000,000	0.79%
October	59,944,000	20	2,997,200	480,000,000	0.62%
November	97,536,112	22	4,433,460	480,000,000	0.92%
December	21,392,000	19	1,125,895	480,000,000	0.23%
2018					
January (up to the Award Date)	17,872,000	13	1,374,769	480,000,000	0.29%

Source: The Stock Exchange

As illustrated from the table above, the average daily trading volume of the Shares was low. The lowest of the Group's average daily trading volume was approximately 138,286 Shares in January 2017 and the highest was approximately 4,433,460 Shares in November 2017. The average daily trading volume of the Shares falls in the range of approximately 0.03% to approximately 0.92%, which is only a tiny portion of the total issued Shares at the end of each month since January 2017. As such, we consider that the trading volume of the Shares from 19 January 2017 to 18 January 2018, being the last trading day before the Connected Award Shares Grant, was thin. Therefore, it is reasonable to set the Subscription Price at a discount to the latest closing price of the Shares to balance the low liquidity of the Shares during the Review Period.

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(c) Comparison with other subscription transactions

We have compared the terms of the Connected Award Shares Grant with the subscriptions of new shares conducted by other companies listed on the Main Board of the Stock Exchange. We have identified an exhaust list of 11 transactions which involve subscription of new shares under specific mandate by a connected person during the six-month period immediately before the Award Date (the “**Comparables**”), excluding the transactions involving (i) an acquisition and/or restructuring of assets or business conducted by companies; (ii) H-share companies whose share capital structure is different from that of the Company; (iii) reverse takeovers; and (iv) the companies under prolonged suspension.

We consider that the list of Comparables is fair and representative after taking into account that the sampling period of six months is adequate and appropriate given that such length of the period is sufficient to capture the recent market conditions in relation to (i) the subscription price and (ii) the relevant premium or discount of the subscription price of other subscription transactions. However, in view of the differences between the listed issuers of the Comparables and the Group in respect of business nature, operations, financial positions and prospects, we are of the view that the Comparables might not constitute an absolute close reference to the Connected Award Shares Grant.

Company Name	Stock Code	Date of initial announcement of allotment and issue of new shares to employees and directors	Nature of Business	Market Capitalization (HK\$' million)	Subscription Price (HK\$)	Premium/ (discount) of subscription price over/ to the closing price quoted on the date of announcement (%)	Additional Conditions of allotment and issue of new shares (Yes or No)
Brockman Mining Limited	159	6/12/2017	development and exploration of iron ore mining projects	989.0	0.10	(18.70)	No
Chinese people Holdings Company Limited	681	29/12/2017	sales and distribution of natural gas and LPG in the PRC	787.0	0.104	0.00	No
AKM Industrial Company Limited	1639	30/11/2017	manufacture and sale of flexible printed circuit, flexible packaging substrates and respective components	301.5	1.50	(7.98)	No
Alibaba Health Information Technology Limited	241	17/11/2017	provision of health-care product sales and services, tracking services, and intelligent medicine business and health-care management services.	39,612.0	4.31	(4.30)	No

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Company Name	Stock Code	Date of initial announcement of allotment and issue new shares to employees and directors	Nature of Business	Market Capitalization (HK\$' million)	Subscription Price (HK\$)	Premium/ (discount) of subscription price over/ to the closing price quoted on the date of announcement (%)	Additional Conditions of allotment and issue of new shares (Yes or No)
Pak Tak International Limited	2668	11/10/2017	manufacture and trading in garment, money lending, leasing business, general trading and property and securities investment	1,146.0	0.224	(21.40)	No
Eagle Legend Asia Limited	936	11/10/2017	trading and leasing of construction machinery and spare parts, and provision of repair and maintenance services of machinery	965.0	1.10	7.8	No
Truly International Holdings Limited	732	13/9/2017	manufacture and sale of liquid crystal display products and electronic consumer products	8,332.0	2.02	(12.9)	No
Ourgame International Holdings Limited	6899	12/9/2017	development and operation of online card and board games, organising and broadcasting online to offline mind-sports events, tournaments, TV shows and contents	2,789.0	1.85	(3.65)	No
C&D International Investment Group Limited	1908	30/8/2017	property development, real-estate industrial chain investment service and emerging industry investment in the PRC	6,533.0	4.51	(13.1)	No
Yida China Holdings Limited	3639	17/8/2017	development of business park in the PRC	7,726.0	2.3	1.77	No
Beijing Sports and Entertainment Industry Group Limited	1803	25/7/2017	investments in the sports and entertainment industry in the PRC	3,553.0	1.88	(21.0)	No
Maximum						7.80	
Minimum						(21.40)	
Average						(8.50)	
the Company	6083	19/01/2018		576.0	0.50	(61.2)	Yes

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As demonstrated in the above table, the subscription price of the Comparables ranged from a premium of approximately 7.80% to a discount of approximately 21.40% over their respective closing share price quoted on the last trading day prior to/on the date of announcement (the “**Comparables Range**”), with an average of the discount of approximately 8.50%.

Despite the discount of the Subscription Price of approximately 61.2% to the closing price of the date of announcement is higher than the aforesaid Comparables Range, it should be noted that only the Company has imposed certain additional conditions, a major term of the Connected Award Shares Grant, to allot and issue the new shares to connected persons as compared to other Comparables, such as (i) achievement of a 100% increment in the Relevant Revenue and (ii) achievement of certain performance level of the Connected Selected Individuals.

As the discount of the Subscription Price has been determined based on the Connected Selected Individuals’ historical contributions to the Group and incentive for future achievements, save for the historical Shares price performance, trading volume and comparison with the Comparables, we have also conducted the assessments from the following perspectives:

Assessment on the contributions from the Connected Award Individuals to the Group

We have reviewed the background information of the Connected Award Individuals, including the main responsibility, length of service and contributions to the Group.

Name of Connected Selected Individuals	Role in the Group	Main Responsibility	Length of Service
Yeung Kwong Fat	Executive Director and Chairman (Co-founder)	Overall corporate strategic planning, business development and major decision-making for the Group	28 years
Lee Kam Hung	Executive Director (Co-founder)	Monitoring of the overall business operations of the Group	28 years
Luk Yau Chi, Desmond	Executive Director	Monitoring of the overall business development of the Group and supervision of the support-service division of the Group	9 years

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Name of Connected Selected Individuals	Role in the Group	Main Responsibility	Length of Service
How Sze Ming	Independent non-executive Director	Monitoring of the Board and management of the Company	2 years
Jung Chi Pan, Peter	Independent non-executive Director	Monitoring of the Board and management of the Company	1 year
Mak Tung Sang	Independent non-executive Director	Monitoring of the Board and management of the Company	1 year

Main contributions from the Connected Selected Individuals

After the discussion with the management, we understand that the Connected Selected Individuals have made their significant contributions in the recent development and expansion in the business of the Company as follows:

Contributions from executive Directors

(i) Transfer of listing from GEM to the Main Board

On 17 March 2017, an application was made by the Company to the Stock Exchange for the transfer of listing of the Shares from the Growth Enterprise Market of the Stock Exchange (“GEM”) to the Main Board of the Stock Exchange (“Main Board”). On 7 November 2017, the approval-in-principle for the transfer of listing was granted by the Stock Exchange on 7 November 2017 for the Shares to be listed on the Main Board and de-listing from GEM.

The transfer of listing would enhance the profile of the Company and increase the thin trading liquidity of Shares as stated above. As such, it would be beneficial to the future growth and business development of the Group and the entire interests of the Company and the Shareholders.

Based on the financial statements of the Company for the two years ended 31 December 2016, we note that, immediately after the listing on GEM in late 2015, the revenue and the net profit of the Group for the year ended 31 December 2016 were approximately HK\$149.7 million and HK\$23.5 million respectively, representing an increase of approximately 19.6% and 83.5% as compared to those in the corresponding period of 2015 (regardless of the listing expenses of the Company incurred in 2015). In this regard, the Company has satisfied the relevant financial requirement of listing on Main Board and therefore the approval-in-principle for transfer of listing from GEM to Main Board of the Company was granted by the Stock Exchange in November 2017.

LETTER FROM DONVEX CAPITAL

We consider that the above increase in financial performance of the Company in 2016 was mainly attributable to the continuing improvement in operation of the Group that Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond as the executive Directors, are mainly responsible for.

(ii) Enhancement of the existing business

With reference to the announcement of the Company dated 7 November 2017, the Company has been selected through a tender process and entered into a service agreement with a new customer, namely Customer C, in relation to the provision of temperature-controlled storage and delivery services. The business between the Company and Customer C has commenced since October 2017.

As Customer C is a multi-national manufacturer of confectionery and pet care brand, its annual volumes from Customer C have been proven to be substantial. As such, it is expected that the Group would significantly benefit from the establishment of business relationship with Customer C.

We have enquired with the management and understand that it took the Company about 10 months to secure the service agreement with Customer C after the tender was submitted in November 2016. We have also noted that, during such period, Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond as the executive Directors have

- (i) attended several key meetings to negotiate with Customer C in relation to the specific terms of the service agreement; and
- (ii) assessed certain business plans of the Group to expand and upgrade the existing logistics facilities in order to meet the requirement of Customer C.

Contributions from independent non-executive Directors

Based on the discussion with the management, we consider that, during the transfer of listing from GEM to the Main Board, the independent non-executive Directors have constructively provided advices for the Company from the perspective of the corporate governance and the compliance of the Listing Rules.

As such, we consider and concur with the Company that the Connected Selected Individuals have made significant contributions in relation to the transfer of listing from GEM to the Main Board and the enhancement of the existing business.

Assessment on the conditions of the Connected Award Shares Grant

As stated above in the paragraph "Additional conditions", the Connected Award Shares Grant will be subject to the achievement of (i) an increment of 100% in the Relevant Revenue for the 2018 Revenue Period as compared to that for the 2017 Revenue Period; and (ii) the certain performance level of Connected Selected Individuals, respectively.

LETTER FROM DONVEX CAPITAL

Based on the assessment, we understand that:

- Achievement of 100% increment in Relevant Revenue

We have enquired with the management and understand that, during the year 2017, there were 10 new customers that commenced their businesses with the Group, including Customer C as mentioned above.

Based on our review, we note that the total revenue generated from the 2017 to 2018 New Customers for the 2017 Revenue Period was approximately HK\$12.3 million. According to the condition of the Connected Award Shares Grant, in the event that the first tranche of the Connected Award Shares is granted to the Connected Selected Individuals, the revenue generated from the 2017 to 2018 New Customers for the 2018 Revenue Period shall be at least HK\$24.6 million, representing a 100% increment.

- Achievement of certain performance levels

We have reviewed and enquired with the management of the Company and understand that the Company has established sufficient procedures to assess the performance level for the Connected Selected Individuals, including the executive Directors and independent non-executive Directors, based on the following criteria:

For executive Directors

Mr. Yeung Kwong Fat

- achievement of external promotion of the image of the Group i.e. to improve the frequency in the participation of media interviews and external events from once per year to three times per year
- achievement of new business development and expansion of customer base i.e. to negotiate actively with potential customers and successfully secure two to three new customers per year, as an improvement comparing to the existing average of one new customer per year

Mr. Lee Kam Hung

- achievement of delivery services in a timely and effective manner i.e. to improve the on-time delivery efficiency for major customers from current 98.5% to 99% for 2018, 2019 and 2020 respectively
- improvement of operation of transportation department and warehouse department i.e. to improve the utilization rate of warehouse from current 95% to 98% for 2018, 2019 and 2020 respectively

LETTER FROM DONVEX CAPITAL

Mr. Luk Yau Chi, Desmond

- improvement of provision of advice on the daily operations of the Group i.e. customer services, human resources and administration, finance, shipping and quality assurance i.e. to provide smooth operations of customer services, administration and finance department of the Group and improve the major customer satisfaction in delivery services from current 89% to 90% for 2018, 2019 and 2020 respectively
- achievement of new business development and expansion of customer base i.e. to undertake a tendering process for potential new customers and successfully secure two to three new customers per year, as an improvement comparing to the existing average of one new customer per year

For independent non-executive Directors

Mr. How Sze Ming

- achievement of provision of professional advice on finance, internal control and corporate governance i.e. to improve the frequency, from a semiannual basis to a quarterly basis, in reviewing the relevant internal policies of the Company and providing professional advice on the announcement, circular, interim report, annual report and internal control report of the Company
- meeting attendance of 75% or more

Mr. Mak Tung Sang

- achievement of provision of advice on the remuneration of the directors and senior management of the Group i.e. to improve the frequency in comparing the remuneration of Directors with the market from a semiannual basis to a quarterly basis and evaluate whether it is fair and reasonable
- meeting attendance of 75% or more

Mr. Jung Chi Pan, Peter

- achievement of provision of advice on promoting the Group's image leveraging on the expertise i.e. to improve the frequency, from a semiannual basis to a quarterly basis, in reviewing the procedures conducted by the Group to promote its image and providing constructive advice in this regard.
- meeting attendance of 75% or more

LETTER FROM DONVEX CAPITAL

We have reviewed the relevant documents and records in relation to the public relationship, internal operation and customer base of the Group etc.. We note that the basis of the criteria in assessing the performance level of each Connected Selected Individual has been determined by way of setting an incentive improvement on the current operational performance of the Group. Having considered that the Group would ultimately benefit from such improvement, we are of the view that the determination basis of each criterion for the Connected Selected Individual is fair and reasonable.

Besides, we note that, with the above criteria, the Company would assess the performance level for each executive Director and independent non-executive Director on a quarterly basis respectively. Accordingly, the Company would rate the performance of each Connected Selected Individual based on three different levels, i.e. excellent, good and poor, as the benchmark.

The management of the Company confirms that the performance level of the above Connected Selected Individuals is required to be benchmarked at an excellent level for each assessment in order to satisfy the condition of the Connected Award Shares Grant. In the event that the performance requirement could not be achieved by the Connected Selected Individuals, they would not be qualified to be granted the relevant tranche(s) of Connected Award Shares.

Our Views

Having considered that

- (i) the executive Directors have been serving the Group for a long period of time, i.e. 28 years, 28 years and 9 years respectively;
- (ii) all of the Connected Selected Individuals have already made significant contributions to the establishment of the business relationship with Customer C and recent success of the transfer of listing of the Company from GEM to the Main Board, which is beneficial to the Group ultimately;
- (iii) in the event that the relevant tranches of the Connected Award Shares are granted to the Connected Selected Individuals, the revenue generated from 2017 to 2018 New Customers for the 2018 Revenue Period is expected to be at least HK\$24.6 million representing an increase of 100% in that for 2017 Revenue Period, which would outweigh the difference between the market value of and the gross proceeds from the Connected Award Shares of approximately HK\$8,076,960, as a result of the discount of the Subscription Price of approximately 61.2% to the latest closing price quoted on the Award Date; and
- (iv) the Connected Award Shares would be granted to the Connected Selected Individuals only when their performance levels are assessed to be excellent level before the relevant tranche(s) of the Connected Award Shares Grant,

we are of the view that the terms of the Connected Award Shares Grant, including the Subscription Price, are fair and reasonable so far as the Independent Shareholders are concerned, despite that a relatively higher discount has been applied on the Subscription Price as compared to the recent subscription transactions in the market.

5. Fundraising activities in the past twelve months

The Company had not carried out any equity fund raising activities in the past twelve months prior to the Latest Practicable Date.

6. Reasons for and benefits of the Connected Award Shares Grant

The Connected Award Shares Grant is mainly due to following reasons:

- (i) The Connected Award Shares Grant would recognise the continual supports and contributions from the relevant Connected Selected Individuals, in particular for the recent development of the business of the Group and success in transferring listing from GEM to the Main Board as stated above; and
- (ii) The Connected Award Shares Grant would encourage and retain key persons to make contributions to the long-term growth and expansion of the Group in the future.

Given the extensive working experience and knowledge of the Connected Selected Individuals, the Connected Selected Individuals are essential for the development of the Group. The Connected Award Shares Grant would further motivate them to maximise the Company's long-term interests while highlighting the principle of performance-based awards for other employees to create more value for the Group.

Save for the above, we have further discussed with the management of the Company regarding the other alternatives of providing incentive to the Connected Selected Individuals, e.g. cash bonuses. However, the Directors consider that cash bonuses would require cash outflows which may impose negative impact on the Group's cash flow position. As such, the issue of the Connected Award Shares is the most appropriate method to provide incentive to the Connected Selected Individuals without the additional burden on the Group's cash flow.

In addition, the economic benefits of the Connected Award Shares would be dependent on the future performance of the Group and therefore the Connected Selected Individuals could only benefit when all the Shareholders are in a same position to benefit. As a result, the Connected Award Shares Grant will further align the interests of the Connected Selected Individuals with the Company together with the Shareholders.

In view of the aforementioned reasons for and benefits of the Connected Award Shares Grant, we are of the view that the issue of the Connected Award Shares to the Connected Selected Individuals is justifiable and in the interests of the Company and the Shareholders as a whole.

7. Potential dilution effect on the shareholding interests

Set below is the table illustrating the change in the shareholding structure of the Company based on the total number of Shares in issue as at the Latest Practicable Date

LETTER FROM DONVEX CAPITAL

and, for illustrative purpose only, upon the allotment and issue of each tranche of the Award Shares (including the Connected Award Shares and Independent Award Shares), assuming that (i) the Selected Individuals (including the Connected Selected Individuals and Independent Selected Individuals) have accepted all relevant Award Shares; and (ii) there is no further allotment and issue of new Shares after the Latest Practicable Date and prior to the allotment and issue of relevant tranche(s) of Award Shares:

Shareholders	As at the Latest Practicable Date		Immediately after the allotment and issue of Award Shares on the first anniversary of the Award Date		Immediately after the allotment and issue of Award Shares on the second anniversary of the Award Date		Immediately after the allotment and issue of Award Shares on the third anniversary of the Award Date	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Yeung Kwong Fat (Note 1, 4)	129,344,000	26.95	130,416,000	26.95	131,552,000	26.96	132,688,000	26.97
Lee Kam Hung (Note 2, 4)	130,244,000	27.13	131,316,000	27.13	132,452,000	27.14	133,588,000	27.15
Luk Yau Chi, Desmond (Note 3, 4)	64,784,000	13.50	65,856,000	13.61	66,992,000	13.73	68,128,000	13.85
How Sze Ming	0	0	64,000	0.01	64,000	0.01	64,000	0.01
Jung Chi Pan, Peter	0	0	64,000	0.01	64,000	0.01	64,000	0.01
Mak Tung Sang	0	0	64,000	0.01	64,000	0.01	64,000	0.01
Seven Independent Selected Individuals	552,000	0.11	1,144,000	0.24	1,736,000	0.36	2,328,000	0.48
Other public Shareholders	155,076,000	32.31	155,076,000	32.04	155,076,000	31.78	155,076,000	31.52
Total	480,000,000	100.00	484,000,000	100.00	488,000,000	100.00	492,000,000	100.00

Notes:

- (1) As at the date of this circular, of the 129,344,000 Shares held by Mr. Yeung Kwong Fat, 5,748,000 Shares were held by Mr. Yeung Kwong Fat in his personal capacity, and 123,596,000 Shares were held via his wholly-owned company, Orange Blossom International Limited.
- (2) As at the date of this circular, of the 130,244,000 Shares held by Mr. Lee Kam Hung, 560,000 Shares were held by Mr. Lee Kam Hung in his personal capacity, and 129,684,000 Shares were held via his wholly-owned company, Best Matrix Global Limited.
- (3) As at the date of this circular, of the 64,784,000 Shares held by Mr. Luk Yan Chi, Desmond, 928,000 Shares were held by Mr. Luk Yan Chi, Desmond in his personal capacity, and 63,856,000 Shares were held via his wholly-owned company, Leader Speed Limited.
- (4) By virtue of a confirmatory deed dated 24 August 2015, Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond acknowledged and confirmed that they are parties acting in concert in respect of each of the members of the Group, and shall continue the same as at and after the date of the said confirmatory deed. As a result, each of them is also deemed to be interested in the Shares held by the other two parties. As at the Latest Practicable Date, by virtue of the aforesaid, each of them is deemed to be interested in an aggregate of 324,372,000 Shares, representing approximately 67.58% of the issued shares of the Company.

LETTER FROM DONVEX CAPITAL

As illustrated above, upon the completion of the allotment and issue of the Award Shares, an aggregate of 12,000,000 Award Shares will be allotted and issued, representing approximately 2.5% of the total number of Shares in issue as at the Latest Practicable Date and approximately 2.4% of the total number of Shares in issue as enlarged by the allotment and issue of the maximum number of Award Shares.

Assuming that there will no new Shares to be issued and/or repurchased by the Company from the Latest Practicable Date and prior to the allotment and issue of relevant tranche(s) of Award Shares, the shareholding of the public Shareholders will gradually decrease from approximately 32.31% to approximately 32.04%, 31.78% and 31.52% upon the completion of the allotment and issue of each tranche of Award Shares respectively, representing a ultimate potential dilution in public shareholding of approximately 2.45%.

Having taken into account that (i) the reasons for and benefits of the Connected Award Shares Grant as set out in the section headed as discussed above; and (ii) the Subscription Price is considered to be fair and reasonable, we consider that the dilution effect to the shareholding interest of the existing public Shareholders as a result of the Connected Award Shares Grant is justifiable and acceptable.

8. Financial effect of the Connected Award Shares Grant

According to the 2017 Interim Report, the cash balance of the Group amounted to approximately HK\$12.1 million as at 30 June 2017.

As the Connected Award Shares Grant would provide new capital of HK\$4,534,000 (after deducting relevant expenses) as the net proceeds to be utilised for general working capital of the Company, it is expected that the cash position of the Group will be enhanced immediately upon the completion of the Connected Award Shares Grant.

LETTER FROM DONVEX CAPITAL

RECOMMENDATION

Having taken into account all factors and reasons as stated above, we are of the view that (i) the terms of the Connected Award Shares Grant are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the Connected Award Shares Grant is conducted in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Connected Award Shares Grant and the transaction contemplated thereunder.

Yours faithfully,
For and on behalf of
Donvex Capital Limited
Doris Sy
Director

Ms. Doris Sy is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Donvex Capital Limited who has over 17 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors having made all reasonable inquiries, 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. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES IN EQUITY OR DEBT SECURITIES

As at the Latest Practicable Date, the interests and short positions of each Director, chief executive of the Company and their respective associates in the Shares, underlying shares and debentures of the Company or any of its associated corporation(s) (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 and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered into the register referred to therein; or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange are set out below:

a. Long positions in Shares as at the Latest Practicable Date:

Name of Director/ chief executive	Capacity	Number and class of securities	Approximate percentage of total issued share capital <i>(Note 1)</i>
Yeung Kwong Fat <i>(Notes 1, 2)</i>	Interest in a controlled corporation; interest held jointly with another person; beneficial owner	324,372,000 ordinary Shares	67.58%
Lee Kam Hung <i>(Notes 1, 3)</i>	Interest in a controlled corporation; interest held jointly with another person; beneficial owner	324,372,000 ordinary Shares	67.58%
Luk Yau Chi, Desmond <i>(Notes 1, 4)</i>	Interest in a controlled corporation; interest held jointly with another person; beneficial owner	324,372,000 ordinary Shares	67.58%

Notes:

1. By virtue of a confirmatory deed dated 24 August 2015, Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond acknowledged and confirmed that they are parties acting in concert in respect of each of the members of the Group, and shall continue the same as at and after the date of the said confirmatory deed. As a result, each of them is also deemed to be interested in the Shares held by the other two parties.
2. 324,372,000 Shares in which Mr. Yeung Kwong Fat is interested consist of (i) 5,748,000 Shares directly held by Mr. Yeung Kwong Fat; (ii) 123,596,000 Shares held by Orange Blossom International Limited, a company wholly owned by Mr. Yeung Kwong Fat, in which Mr. Yeung Kwong Fat is deemed to be interested under the SFO; and (iii) 195,028,000 Shares in which Mr. Yeung Kwong Fat is deemed to be interested as a result of being a party acting-in-concert with Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond.
3. 324,372,000 Shares in which Mr. Lee Kam Hung is interested consist of (i) 560,000 Shares directly held by Mr. Lee Kam Hung; (ii) 129,684,000 Shares held by Best Matrix Global Limited, a company wholly owned by Mr. Lee Kam Hung, in which Mr. Lee Kam Hung is deemed to be interested under the SFO; and (iii) 194,128,000 Shares in which Mr. Lee Kam Hung is deemed to be interested as a result of being a party acting-in-concert with Mr. Yeung Kwong Fat and Mr. Luk Yau Chi, Desmond.
4. 324,372,000 Shares in which Mr. Luk Yau Chi, Desmond is interested consist of (i) 928,000 Shares directly held by Mr. Luk Yau Chi Desmond; (ii) 63,856,000 Shares held by Leader Speed Limited, a company wholly owned by Mr. Luk Yau Chi, Desmond, in which Mr. Luk Yau Chi, Desmond is deemed to be interested under the SFO; and (iii) 259,588,000 Shares in which Mr. Luk Yau Chi, Desmond is deemed to be interested as a result of being a party acting-in-concert with Mr. Yeung Kwong Fat and Mr. Lee Kam Hung.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executives of the Company and their respective associates had any interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporation(s) (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 and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered into the register referred to therein; or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors and chief executives of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and 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, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

(i) Interest in the Shares

Long positions in Shares and underlying shares of equity derivatives of the Company as at the Latest Practicable Date:

Name of shareholders	Capacity	Number and class of securities	Approximate percentage of total issued share capital (Note 1)
Orange Blossom International Limited	Beneficial owner	324,372,000 ordinary Shares	67.58%
Best Matrix Global Limited	Beneficial owner	324,372,000 ordinary Shares	67.58%
Leader Speed Limited	Beneficial owner	324,372,000 ordinary Shares	67.58%
Law Wai Yee (Note 2)	Interest of spouse	324,372,000 ordinary Shares	67.58%
Chan Pik Shan (Note 3)	Interest of spouse	324,372,000 ordinary Shares	67.58%
Wong Soo Fung (Note 4)	Interest of spouse	324,372,000 ordinary Shares	67.58%

Notes:

- On 24 August 2015, Mr. Yeung, Mr. Lee and Mr. Luk entered into a confirmatory deed to acknowledge and confirm, among other things, that they are parties acting in concert with each of the members of our Group. As such, pursuant to the parties acting in concert arrangement, each of the controlling shareholders of our Group, i.e. Best Matrix Global Limited (being wholly owned by Mr. Lee), Mr. Lee, Orange Blossom International Limited (being wholly owned by Mr. Yeung), Mr. Yeung, Leader Speed Limited (being wholly owned by Mr. Luk) and Mr. Luk, is deemed to be interested in 67.58% of the issued share capital of our Company.
- Ms. Law Wai Yee is the spouse of Mr. Yeung Kwong Fat. Under the SFO, Ms. Law Wai Yee is deemed to be interested in 324,372,000 Shares interested by Mr. Yeung Kwong Fat.
- Ms. Chan Pik Shan is the spouse of Mr. Lee Kam Hung. Under the SFO, Ms. Chan Pik Shan is deemed to be interested in 324,372,000 Shares interested by Mr. Lee Kam Hung.

4. Ms. Wong Soo Fung is the spouse of Mr. Luk Yau Chi, Desmond. Under the SFO, Ms. Wong Soo Fung is deemed to be interested in 324,372,000 Shares interested by Mr. Luk Yau Chi, Desmond.

Save as disclosed herein, as at the Latest Practicable Date, there was no other person so far as was known to the Directors and chief executives of the Company (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and 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, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. 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 was not expiring or determinable within one year without payment of compensation (other than statutory compensation).

5. OTHER INTERESTS OF THE DIRECTORS

As at the Latest Practicable Date:

- (a) none of the Directors has any direct or indirect interest in any assets which have been, since 31 December 2017, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group;
- (b) none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group; and
- (c) none of the Directors or chief executive of the Company and their respective close associates (as defined in the Listing Rules) has any competing interests which would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling Shareholder of the Company.

6. EXPERT'S CONSENT AND QUALIFICATION

The following is the qualification of the expert who has given opinion or advice which is contained in this circular:

Name	Qualification
Donvex Capital Limited	A licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO

The letter from the above expert is given as of the date of this circular for incorporation in this circular.

As at the Latest Practicable Date, Donvex Capital had no shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member of the Group.

As at the Latest Practicable Date, Donvex Capital was not interested, directly or indirectly, in any assets which had since 31 December 2017 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group or which are proposed to be acquired or disposed of by or leased to any member of the Group.

Donvex Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which it appears.

7. MATERIAL ADVERSE CHANGE

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 2017, being the date to which the latest published audited consolidated financial statements of the Group were made up.

8. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claim of material importance and, so far as the Directors were aware, no litigation or claims of material importance are pending or threatened by or against any member of the Group.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) at 3/F, Allied Cargo Centre, 150-160 Texaco Road, Tsuen Wan, Hong Kong from the date of this circular up to and including the date which is 14 days from the date of this circular:

- (a) the letter from the Independent Financial Adviser, the text of which is set out on pages 19 to 39 of this circular;
- (b) the written consent from the expert referred to in paragraph headed "Expert's consent and qualification" in this appendix;
- (c) the memorandum and articles of association of the Company;
- (d) the announcement of the Company dated 19 January 2018; and
- (e) this circular.

10. MISCELLANEOUS

The English text of this circular will prevail over the Chinese text in the case of any inconsistency.

NOTICE OF EXTRAORDINARY GENERAL MEETING

WORLD-LINK LOGISTICS (ASIA) HOLDING LIMITED

環宇物流(亞洲)控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6083)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of World-Link Logistics (Asia) Holding Limited (“**Company**”) will be held at 3/F, Allied Cargo Centre, 150-160 Texaco Road, Tsuen Wan, Hong Kong on Wednesday, 9 May 2018 at 9:15 a.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

“THAT

1. the grant, allotment and issue of up to 3,344,000 Award Shares (as defined in the circular of the Company dated 20 April 2018, the “**Circular**”) to Mr. Yeung Kwong Fat subject to the Conditions (as defined in the Circular) be and is hereby approved and confirmed;
2. the grant, allotment and issue of up to 3,344,000 Award Shares to Mr. Lee Kam Hung subject to the Conditions be and is hereby approved and confirmed;
3. the grant, allotment and issue of up to 3,344,000 Award Shares to Mr. Luk Yau Chi, Desmond subject to the Conditions be and is hereby approved and confirmed;
4. the grant, allotment and issue of up to 64,000 Award Shares to Mr. How Sze Ming subject to the Conditions be and is hereby approved and confirmed;
5. the grant, allotment and issue of up to 64,000 Award Shares to Mr. Jung Chi Pan, Peter subject to the Conditions be and is hereby approved and confirmed;
6. the grant, allotment and issue of up to 64,000 Award Shares to Mr. Mak Tung Sang subject to the Conditions be and is hereby approved and confirmed;
7. the grant, allotment and issue of an aggregate of up to 1,776,000 Award Shares to seven Independent Selected Individuals (as defined in the Circular) subject to the Conditions be and is hereby approved and confirmed;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- any one director of the Company be and is hereby authorised to do all things and sign all documents in connection with the allotment and issue of the Award Shares.”

By Order of the Board
World-Link Logistics (Asia) Holding Limited
Yeung Kwong Fat
Chairman and Chief Executive Officer

Hong Kong, 20 April 2018

Registered Office:

Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Principal Place of Business in Hong Kong:

3/F, Allied Cargo Centre
150-160 Texaco Road
Tsuen Wan
Hong Kong

Notes:

- Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not to be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- In order to be valid, the form of proxy together with the power of attorney, if any, under which it is signed, or a notarially certified copy of such power or authority must be lodged at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish. In such event, the form of proxy shall be deemed to have been revoked.

As at the date of this notice, the Executive Directors are Mr. Yeung Kwong Fat, Mr. Lee Kam Hung and Mr. Luk Yau Chi, Desmond; and the Independent Non-executive Directors are Mr. How Sze Ming, Mr. Jung Chi Pan, Peter and Mr. Mak Tung Sang.