

**GOAL RISE LOGISTICS (CHINA) HOLDINGS LTD:
THIS COMPANY BORROWED MONEY
IN ORDER TO PAY FOR LISTING EXPENSES**

The Company Is Headed To Become A Dud

In order to obtain a listing on the secondary equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), Management of Goal Rise Logistics (China) Holdings Ltd ([]) (Code: 8457, The **G**rowth **E**nterprise **M**arket [the **GEM**], The Stock Exchange of Hongkong Ltd) was forced to go cap in hand in order to obtain an amount of money, sufficient to meet the Listing Expenses.

This is clearly stated in this Company's Share Offer Prospectus, dated September 29, 2017.

But there is more to this story than just the Listing Expenses.

The Initial Public Offering Of Goal Rise Logistics (China) Holdings Ltd

Goal Rise Logistics (China) Holdings Ltd pitched its **I**nitial **P**ublic **O**ffering (**IPO**) on the GEM, Offering 200 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of 25 cents to a high of 35 cents.

Investors of the HKSAR were Offered 20 million Shares and the remaining 180 million Shares were, eventually, Placed with 169 well-heeled investors.

On October 17, 2017, Management announced that the Offer Price Per Share had been struck at 30 cents and that the net proceeds of the IPO were, approximately, \$HK38.80 million.

According to the Allotment Results Announcement of October 17, the HKSAR share tranche had been 248 times over-subscribed and the Share Placing tranche had been *'slightly over-subscribed'*.

At Page Seven of this Announcement, one was told how the net proceeds of this IPO would be allocated:

1. About 46.40 percent, that is approximately \$HK18.00 million, *'will be used to upgrade one of our existing warehouses by installing automated storage facilities and system (sic)'*;
2. About 15.50 percent, that is approximately \$HK6.00 million, *'will be used to expand our existing in-plant logistics business in the North China and East China regions to better position us in the PRC logistics industry'*;
3. About 10.30 percent, that is approximately \$HK4.00 million, *'will be used to expand our vehicle fleet to enhance our transportation services and save our operating costs in the long run'*;
4. About 10.30 percent, that is approximately \$HK4.00 million, *'will be used to enhance our sales and marketing efforts'*;
5. About 10.30 percent, that is approximately \$HK4.00 million, *'will be used to repay part of the bank loans'*; and,
6. About 7.20 percent, that is approximately \$HK2.80 million, *'will be used as general working capital'*.

With reference to Item Five above – utilisation of \$HK4.00 million of the net proceeds of the IPO – at Page 237 of the Share Offer Prospectus, it is stated that Nanyang Commercial Bank Ltd () had granted Goal Rise Logistics a Revolving Loan Facility of 25,308,000 renminbi (about \$HK28,344,960), of which 8,519,000 renminbi (about \$HK9,541,280) had been drawn down.

The amount of money that had been drawn down was said to have been used as *'Payment of listing expenses.'*

The Business Of Goal Rise Logistics (China) Holdings Ltd

Goal Rise Logistics (China) Holdings Ltd is engaged in the business of being a logistics service provider in the ... [CLICK TO ORDER FULL ARTICLE](#)

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