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INFINITY LOGISTICS AND TRANSPORT VENTURES LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1442)

DISCLOSEABLE TRANSACTIONS IN RELATION TO THE ACQUISITION OF PROPERTY

THE ACQUISITION

The Board is pleased to announce that on 22 February 2022 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the SP Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Property at a consideration of RM46,000,000 to be paid and settled in cash.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated in respect of the Acquisition exceeds 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement thereunder.

INTRODUCTION

The Board is pleased to announce that on 22 February 2022 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the SP Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Property at a consideration of RM46,000,000 to be paid and settled in cash.

THE ACQUISITION

The SP Agreement

The principal terms of the SP Agreement are summarised as follows:

Date: 22 February 2022 (after trading hours)

Parties: (i) the Purchaser: Infinity Logistics & Transport Sdn. Bhd.; and
(ii) the Vendor: Sea Hawk Global Lines Sdn. Bhd.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets to be acquired

The leasehold lands (the “**Lands**”) held under **Pajakan Negeri 81840, Lot 130721, Mukim Klang, Daerah Klang, Negeri Selangor and Pajakan Negeri 81841, Lot 130722, Mukim Klang, Daerah Klang, Negeri Selangor** together with the warehouses, buildings, facilities and other structures erected thereon and located at Lot 130721 & 130722, Jalan Sungai Pinang 5/14, Taman Perindustrian Pulau Indah, 42920 Pelabuhan Klang, Selangor Darul Ehsan, Malaysia.

The Consideration

Pursuant to the SP Agreement, the Consideration shall be RM46,000,000 payable by the Purchaser to the Vendor in the following manner:

- (i) an initial deposit of RM6,900,000, representing 15% of the Consideration, shall be payable upon signing of the SP Agreement;
- (ii) the balance of the Consideration, being RM39,100,000, shall be payable according to the following schedule:

Amount	Payment Schedule
RM16,100,000 (the “ First Instalment ”)	<ul style="list-style-type: none">(A) where the First Instalment or any part thereof is required to be utilised to redeem the Property from the Vendor’s Financiers, a sum equivalent to the redemption sum payable to the Vendor’s Financiers to redeem the Property shall be paid to the Vendor’s Financiers on or before the expiry of two (2) months from the Unconditional Date and the remaining balance of the First Instalment on or before the expiry of two (2) months from (aa) the date of receipt by the Purchaser’s solicitors of the Vendor’s solicitors’ written confirmation that the Discharge Documents have been received by the Vendor’s solicitors or (bb) if the Discharge Documents are forwarded by the Vendor’s Financiers directly to the Purchaser’s Financier’s solicitors, the date of receipt of the Discharge Documents by the Purchaser’s Financier’s solicitors, as the case may be; or(B) if the Purchaser or the Purchaser’s solicitors shall have received the Vendor’s solicitors’ written confirmation that the Property has been redeemed by the Vendor from the Vendor’s Financiers and the Discharge Documents have been deposited with the Vendor’s solicitors as stakeholders on or before the Unconditional Date, on or before the expiry of two (2) months from the Unconditional Date; or

(C) such extended time period as may be mutually agreed between the parties in writing;

RM18,400,000 On or before the expiry of two (2) months from the payment date of the First Instalment or such extended time period as may be mutually agreed between the parties in writing; and

RM4,600,000 On or before the expiry of one (1) month from the date of receipt by the Purchaser or the Purchaser's solicitors or the Purchaser's Financier or the Purchaser's Financier's solicitors, as the case may be, of the new title deed upon the completion of the amalgamation of the Lands and CCC duly issued in respect of the building together with the original "as-built" building plans and drawings in respect of the building or such extended time period as may be mutually agreed between the parties in writing.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to the prevailing market value of comparable properties in nearby locations. The Consideration will be satisfied in cash and financed by a bank loan and internal resources of the Group.

Conditions precedent

Completion is conditional upon the fulfilment of the following conditions precedent by the Purchaser on or before the expiry of six (6) months from the date of the SP Agreement or such extended period as may be mutually agreed between the parties to the SP Agreement (the "**Conditional Period**"):

- (a) the written approval or consent from the state authority of Selangor for the transfer of the Property from the Vendor to the Purchaser pursuant to the restriction in interest endorsed on the titles to the Property and the acquisition of the Property by the Purchaser pursuant to Section 433B of the National Land Code of Malaysia having been obtained by the Purchaser at its own cost and expense and the original letter containing such approval or consent having been delivered to the Purchaser's solicitors; and
- (b) the written approval or consent from the state authority of Selangor for the charge of the Property in favour of the Purchaser's Financier pursuant to the restriction-in-interest endorsed on the titles to the Property having been obtained and the original letter containing such approval or consent having been delivered to the Purchaser's solicitors.

In the event that the above conditions precedent cannot be fulfilled by the expiry of the Conditional Period, either party shall be entitled by notice in writing to the other party to terminate the SP Agreement.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group is principally engaged in the provision of integrated freight forwarding and related services, logistics centre and related services, railroad transportation services, flexitank solution and related services and fourth party logistics and lead logistics provider services.

The Purchaser is a limited liability company incorporated in Malaysia and an indirect wholly-owned subsidiary of the Company. The Purchaser is principally engaged in integrated freight forwarding services, logistics centre and related services, railroad transportation services and investment holding.

INFORMATION ON THE VENDOR

The Vendor is a company incorporated in Malaysia with limited liability and providing custom clearance, freight forwarding, haulage, NVOCC and warehousing services.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Property is a warehouse located within Pulau Indah Industrial Park and has a gross floor area of approximately 11,925 square meters. The Group has been proactively expanding logistics centre and related services segment through acquisition of properties. Therefore, the Acquisition provides a good opportunity for the Group to strengthen its business segments and enhance its revenue sources.

The terms of the SP Agreement (including the Consideration) were arrived at after arm's length negotiations between the parties to the SP Agreement. Having considered the foregoing, the Directors are of the view that the terms of the SP Agreement (including the Consideration) are on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated in respect of the Acquisition exceeds 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement thereunder.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the terms and conditions of the SP Agreement
“Board”	the board of Directors

“CCC”	the certificate of completion and compliance given or granted under the Street, Drainage and Building Act 1974 (Act 133 of the Laws of Malaysia) and any by-laws made thereunder which certifies the completion of the building and that the building is safe and fit for occupation
“Company”	Infinity Logistics and Transport Ventures Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the SP Agreement
“Consideration”	the consideration of RM46,000,000 payable by the Purchaser to the Vendor under the SP Agreement
“Directors”	the directors of the Company
“Discharge Documents”	the original titles in respect of the Property together with all other documents required to effect the discharge of the charges registered in favour of the Vendor’s Financiers in respect of the Property
“Group”	the Company and its subsidiaries from time to time
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NVOCC”	non-vessel operating common carrier, which means a carrier which does not own or operate vessels and is engaged in the provision of shipping services
“Property”	the leasehold lands held under Pajakan Negeri 81840, Lot 130721, Mukim Klang, Daerah Klang, Negeri Selangor and Pajakan Negeri 81841, Lot 130722, Mukim Klang, Daerah Klang, Negeri Selangor together with the warehouses, buildings, facilities and other structures erected thereon and located at Lot 130721 & 130722, Jalan Sungai Pinang 5/14, Taman Perindustrian Pulau Indah, 42920 Pelabuhan Klang, Selangor Darul Ehsan, Malaysia
“Purchaser”	Infinity Logistics & Transport Sdn. Bhd., a limited liability company incorporated in Malaysia and an indirect wholly-owned subsidiary of the Company
“Purchaser’s Financier”	a licensed financial institution in Malaysia to which the Purchaser will apply for a financing facility to complete the acquisition of the Property

“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“SP Agreement”	the sale and purchase agreement dated 22 February 2022 entered into (after trading hours) between the Purchaser and the Vendor in respect of the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unconditional Date”	the date of fulfilment of the last of the conditions precedent as set out in the paragraph headed “Conditions precedent” in this announcement
“Vendor”	Sea Hawk Global Lines Sdn. Bhd., a limited liability company incorporated in Malaysia
“Vendor’s Financiers”	the licensed financial institutions in Malaysia to which the Lands are presently charged by the Vendor
“%”	per cent

By Order of the Board
Infinity Logistics and Transport Ventures Limited
Tan Sri Datuk Tan Jyh Yaong
Chairman and Non-executive Director

Hong Kong, 22 February 2022

As at the date of this announcement, the Company has four executive Directors, namely Dato’ Chan Kong Yew, Dato’ Kwan Siew Deeg, Datin Lo Shing Ping and Mr. Yap Sheng Feng; one non-executive Director, namely Tan Sri Datuk Tan Jyh Yaong (Chairman); and three independent non-executive Directors, namely Mr. Li Chi Keung, Mr. Tan Poay Teik and Ms. Yeung Hoi Yan Monica.