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Asia-express Logistics Holdings Limited

亞洲速運物流控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8620)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE BUSINESS COOPERATION

This announcement is made by Asia-express Logistics Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 30 December 2021 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 愛國者共創匯(北京)科技有限公司 (Aigo Gongchuanghui (Beijing) Technology Company Limited*) (the “**Prospective Partner**”), in relation to the potential cooperation with the Prospective Partner for the development of warehousing and logistics services support to certain health products business in Hong Kong and the People’s Republic of China (“**PRC**”).

The Company and the Prospective Partner are in the process of discussing possible ways of cooperation, which may include (i) the formation of a joint venture between the Company and the Prospective Partner; or (ii) the Company’s investment in the Prospective Partner. It is intended that the Company will be responsible for providing warehousing services and logistics support to the Prospective Partner’s business in the sales of certain health products, while the Prospective Partner will be responsible for the production and sales of certain health products and hand over to the Company for warehousing and logistics services support. Upon the cooperation is materialised, a formal agreement will be signed between the parties. As at the date of the MOU, none of the material terms or the form of business cooperation has been finalised and no legally binding agreement in relation to the cooperation has been entered into between the parties.

BACKGROUND OF THE PROSPECTIVE PARTNER

The Prospective Partner is a limited company established in Beijing, PRC, and is principally engaged in the production and sales of certain health products, edible agricultural products and provision of logistic services in PRC.

To the best knowledge, information, and belief of the Directors, having made all reasonable enquiries, the Prospective Partner and its ultimate beneficial owners are independent third parties and are not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on GEM the Stock Exchange (the “**GEM Listing Rules**”)).

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Group is principally engaged in the provision of (i) air cargo terminal operation; (ii) transportation; and (iii) warehousing and other value-added services in Hong Kong and PRC.

The Directors consider that the entering into the MOU is in the interest of the Group and its shareholders (the “**Shareholders**”) as a whole as the transactions contemplated under the MOU, if materialised, are expected to broaden the income stream of the Group and to eventually increase the Group’s profitability and maximise the returns to the Shareholders. Having considered the above, the Board is of the view that the entering into of the MOU is in the interest of the Group and the Shareholders as a whole.

NATURE OF THE MOU

The MOU does not constitute any legally binding commitment in respect of the possible business cooperation, save and except that each party agrees to be legally bound by certain confidentiality clause pursuant to the MOU. The possible business cooperation is subject to the negotiation and execution of the formal agreement between the relevant parties.

GENERAL

The Board wishes to emphasise that the cooperation contemplated under the MOU may or may not proceed and that the parties have not entered into a legally binding agreement in relation to the transactions contemplated under the MOU as at the date of this announcement. If the transactions contemplated under the MOU materialise, the Company will make further announcements as and when appropriate in accordance with the GEM Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Asia-express Logistics Holdings Limited
Chan Le Bon
Executive Director and Chairman

Hong Kong, 30 December 2021

As at the date of this announcement, the executive Directors are Mr. Chan Le Bon and Mr. Chan Yu; the non-executive Director is Mr. Choy Wing Hang William; and the independent non-executive Directors are Mr. Fu Lui, Mr. Chan Chi Ho and Ms. Chui Sin Heng.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purposes of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company’s website at www.asia-expresslogs.com.

* *For identification purpose only*