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## **INFINITY LOGISTICS AND TRANSPORT VENTURES LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1442)**

### **VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE ACQUISITION OF THE TARGET COMPANY**

#### **THE ACQUISITION**

The Board is pleased to announce that on 31 January 2022 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Company (as guarantor for the Purchaser's obligations) entered into the Share Purchase Agreement with the Seller, pursuant to which, the Seller has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Target Shares (which represent the entire issued share capital of the Target Company) at the Consideration, which is equal to the Purchase Price of US\$176.7 million (equivalent to approximately HK\$1,374.7 million) as adjusted by the Adjustments with reference to the financial condition of the Target Group immediately prior to Completion. Notwithstanding the Adjustments, the Consideration shall be not more than US\$180.0 million (equivalent to approximately HK\$1,400.4 million).

The Consideration will be satisfied in cash and will be partly financed by a bank loan, a loan provided by two Shareholders and internal resources of the Group. The Company would consider an equity fund raising exercise to be conducted after the release of this announcement to replace the shareholders loan as and when appropriate.

After the Completion, the Target Company will be wholly owned by the Purchaser and will become an indirect subsidiary of the Company. As a result, the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company.

## **LISTING RULES IMPLICATIONS**

As some of the applicable percentage ratios (as defined under the Listing Rules) exceed 100%, the Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules and is therefore subject to the approval by the Shareholders at the EGM.

## **EGM AND DESPATCH OF CIRCULAR**

The EGM will be convened at which ordinary resolution(s) will be proposed for the Shareholders to consider, and if thought fit, to approve, among others, the Share Purchase Agreement and the transactions contemplated thereunder. As set out in the announcement of the Company dated 15 October 2021, Dato' Chan Kong Yew, an executive Director, the chief executive officer of the Group and a controlling shareholder (as defined in the Listing Rules) of the Company who is interested in 65.63% of the issued share capital of the Company, and Tan Sri Datuk Tan Jyh Yaong, a non-executive Director who is interested in 7.09% of the issued share capital of the Company, have executed a voting undertaking in favour of the Company under which each of Dato' Chan Kong Yew and Tan Sri Datuk Tan Jyh Yaong has given an irrevocable undertaking that he will procure his controlled companies to exercise all their voting rights in the Company to vote in favour of the relevant resolution(s) to be proposed at the EGM to be convened for approving the Acquisition. On 31 January 2022, 2926 Holdings Limited, Multiway Trading Limited, Dato' Chan Kong Yew, Tan Sri Datuk Tan Jyh Yaong and Dato' Kwan Siew Deeg (an executive Director), who are in aggregate interested in approximately 72.19% of the issued share capital of the Company, have executed a shareholders' undertaking to, among others, undertake to exercise or procure the exercise of all voting rights in favour of any resolution which is proposed at any general meeting of the Company necessary to implement the Acquisition.

A circular containing, among other information, (i) further details on the Acquisition; (ii) financial information of the Target Group; (iii) unaudited pro-forma financial information of the Enlarged Group; (iv) property valuation reports on the Target Group (if necessary); and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before 20 May 2022 in order to allow sufficient time for the Company to prepare the information required to be included in the circular.

### **Warning**

**Shareholders and potential investors should note that the Share Purchase Agreement is subject to the conditions set out under the section headed "Share Purchase Agreement – Conditions Precedent" in this announcement and therefore the Acquisition may or may not proceed to Completion. Shareholders and potential investors are therefore reminded to exercise caution when dealing in the securities of the Company.**

## SHARE PURCHASE AGREEMENT

Reference is made to the announcement of the Company dated 15 October 2021 regarding the submission of binding offer (the “**Offer**”) by the Company in a bidding process for the acquisition of the entire issued share capital of the Target Company.

The Board is pleased to announce that on 31 January 2022 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Company (as guarantor for the Purchaser’s obligations) entered into the Share Purchase Agreement with the Seller, pursuant to which, the Seller has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Target Shares (which represent the entire issued share capital of the Target Company) at the Consideration, which is equal to the Purchase Price of US\$176.7 million (equivalent to approximately HK\$1,374.7 million) as adjusted by the Adjustments with reference to the financial condition of the Target Group immediately prior to Completion. Notwithstanding the Adjustments, the Consideration shall be not more than US\$180.0 million (equivalent to approximately HK\$1,400.4 million).

The Consideration will be satisfied in cash and will be partly financed by a bank loan, a loan provided by two Shareholders and internal resources of the Group. The Company would consider an equity fund raising exercise to be conducted after the release of this announcement to replace the shareholders loan as and when appropriate.

The principal terms of the Share Purchase Agreement are set out below:

- Date:** 31 January 2022 (after trading hours)
- Parties:**
- (i) the Purchaser;
  - (ii) the Company (as guarantor for the Purchaser’s obligations); and
  - (iii) the Seller
- Subject matter:** The Target Shares (which represent the entire issued share capital of the Target Company)
- Consideration:** Purchase Price of US\$176.7 million (equivalent to approximately HK\$1,374.7 million) (the “**Purchase Price**”) as adjusted by the following items (the “**Adjustments**”):
- (i) plus an amount equal to the Net External Cash Balance (it being acknowledged that such amount may be a positive or negative number);
  - (ii) plus an amount equal to the Net Inter-Company Debt (it being acknowledged that such amount may be a positive or negative number);

- (iii) (a) plus, if there is a Working Capital Excess, an amount equal to the Working Capital Excess; or (b) minus, if there is a Working Capital Shortfall, an amount equal to the Working Capital Shortfall; and
- (iv) (a) plus, if there is an EBV Excess, an amount equal to the EBV Excess; or (b) minus, if there is an EBV Shortfall, an amount equal to the EBV Shortfall.

Notwithstanding the Adjustments, the Consideration shall be not more than US\$180.0 million (equivalent to approximately HK\$1,400.4 million).

*Notes:*

Borrowings = all outstanding borrowings and outstanding indebtedness in the nature of borrowings of any member of the Target Group for the payment or repayment of money, including without limitation any bank debit balances, bonds, notes, loan stock, debentures or other debt instruments or any overdraft and also interest on the foregoing items, pension liabilities, joint venture loans, and any corporate tax liabilities that have fallen due for payment, but excluding:

- (i) ordinary trade credit;
- (ii) acceptances of trade bills in respect of purchases in the ordinary course of trading;
- (iii) any amount taken into consideration in calculating the Inter-Company Payables;
- (iv) financial lease liabilities;
- (v) any amount owing from one member of the Target Group to another member of the Target Group; and
- (vi) the Glencore International Facility

Cash = any cash, bank deposits or cash equivalents owned or held by, or credited to, any member of the Target Group including, without limitation, cash at bank and in hand; cash in transit; cash held as part of cash pooling arrangements; the relevant portion of the loan (apportioned based on the Target Company's equity interest in a specified company in which the Target Company has minority interest) between a member of the Target Group as lender and the said company as borrower; treasury bills and other such securities which are liquid or easily realisable within three weeks to US\$ currency in the United Kingdom; and tax credits or refunds due or receivable, but excluding:

- (i) any amount taken into consideration in calculating the Inter-Company Receivables; and
- (ii) any amount due to one member of the Target Group from another member of the Target Group

EBV Excess	=	if the Equity Book Value is greater than the EBV Reference Amount, the absolute value of such deviation
EBV Reference Amount	=	US\$101.3 million
EBV Shortfall	=	if the Equity Book Value is less than the EBV Reference Amount, the absolute value of such deviation
Equity Book Value	=	the amount established by the completion accounts as the Equity Book Value, being equal to the net book value of equity (being the aggregate of the values of the share capital, reserves, retained earnings, other comprehensive income and equity capital held by the Target Group in its minority interests) of the Target Group immediately prior to Completion on the date of Completion calculated in accordance with the terms of the Share Purchase Agreement and excluding (for the avoidance of doubt) any amount taken into consideration in calculating the External Debt Value, the External Cash Value, the Working Capital, the Inter-Company Receivables and the Inter-Company Payables
External Cash Value	=	the aggregate of the amounts of Cash immediately prior to Completion on the date of Completion
External Debt Value	=	the aggregate of the amounts of Borrowings immediately prior to Completion on the date of Completion
Glencore International Facility	=	the borrowings and indebtedness outstanding on the date of Completion under the US\$150.0 million facility provided pursuant to a facility agreement dated 1 April 2020 between Glencore International AG and a wholly owned subsidiary of the Target Group
Inter-Company Payables	=	the aggregate of the amounts owing, including in respect of interest accrued on all such amounts, immediately prior to Completion on the date of Completion from members of the Target Group to members of the Retained Group (being the Seller and its affiliates but excluding members of the Target Group) (including any distribution declared by any member of the Target Group in favour of or payable to any member of the Retained Group), excluding the ordinary trading items and the Glencore International Facility

Inter-Company Receivables	=	the aggregate of the amounts owing, including in respect of interest accrued on all such amounts, immediately prior to Completion on the date of Completion from members of the Retained Group to members of the Target Group, excluding the ordinary trading items
Net External Cash Balance	=	the External Cash Value less the External Debt Value, which may be a positive or a negative amount
Net Inter-Company Debt	=	the Inter-Company Receivables less the Inter-Company Payables, which may be a positive or a negative amount
Working Capital	=	the amount established by the completion accounts as the working capital, being equal to the aggregate of the value of the current assets less the aggregate of the value of the current liabilities of the Target Group immediately prior to Completion on the date of Completion, in each case calculated in accordance with the terms of the Share Purchase Agreement and excluding the Glencore International Facility and any amount taken into consideration in calculating the External Debt Value, the External Cash Value, the Equity Book Value, the Inter-Company Receivables and the Inter-Company Payables but including the ordinary trading items
Working Capital Excess	=	if the Working Capital is greater than the Working Capital Reference Amount, the absolute value of such deviation
Working Capital Reference Amount	=	US\$37.9 million
Working Capital Shortfall	=	if the Working Capital is less than the Working Capital Reference Amount, the absolute value of such deviation

**Payment term:**

1. Amounts payable at Completion (i.e. Completion Payment)

The amount payable by the Purchaser at Completion is equal to the Purchase Price of US\$176.7 million (equivalent to approximately HK\$1,374.7 million) as adjusted by the Adjustments based on estimated amounts of Net External Cash Balance, Net Inter-Company Debt, Working Capital and Equity Book Value as estimated by the Seller in good faith and notified by the Seller to the Purchaser not less than three (3) Business Days prior to Completion as follows:

- (i) plus an amount equal to the estimated Net External Cash Balance (it being acknowledged that such amount may be a positive or negative number);

- (ii) plus an amount equal to the estimated Net Inter-Company Debt (it being acknowledged that such amount may be a positive or negative number); and
- (iii) (a) plus, if the estimated Working Capital is greater than the Working Capital Reference Amount, the amount by which the estimated Working Capital exceeds the Working Capital Reference Amount; or (b) minus, if the estimated Working Capital is less than the Working Capital Reference Amount, the absolute value by which the estimated Working Capital is less than the Working Capital Reference Amount; and
- (iv) (a) plus, if the estimated Equity Book Value is greater than the EBV Reference Amount, the amount by which the estimated Equity Book Value exceeds the EBV Reference Amount; or (b) minus, if the estimated Equity Book Value is less than the EBV Reference Amount, the absolute value by which the estimated Equity Book Value is less than the EBV Reference Amount.

The payment shall be made via electronic funds transfer.

2. Amount payable after finalisation of completion accounts (in case there is any difference between the estimated amounts of the items for Adjustments and the actual amounts of the items for Adjustments based on the agreed completion accounts)

Pursuant to the Share Purchase Agreement, the Seller shall prepare draft completion accounts and deliver the same to the Purchaser as soon as reasonably practicable and, in any event, within forty-five (45) Business Days following Completion.

Upon finalising the said completion accounts, subject to the terms of the Share Purchase Agreement:

- (i) any difference between the final and estimated amounts for Net External Cash Balance shall be settled within five (5) Business Days of determination of the completion accounts;
- (ii) any difference between the final and estimated amounts for Working Capital shall be settled within five (5) Business Days of determination of the completion accounts;

- (iii) any difference between the final and estimated amounts for Equity Book Value shall be settled within five (5) Business Days of determination of the completion accounts; and
- (iv) the Seller and the Purchaser shall procure the discharge of outstanding Inter-Company Receivables and Inter-Company Payables, respectively, in accordance with the Share Purchase Agreement, within five (5) Business Days of determination of the completion accounts.

### **Basis for determination of the Consideration**

The Consideration is equal to the Purchase Price of US\$176.7 million (equivalent to approximately HK\$1,374.7 million) as adjusted by the Adjustments with reference to the financial condition of the Target Group immediately prior to Completion. Notwithstanding the Adjustments, the Consideration shall be not more than US\$180.0 million (equivalent to approximately HK\$1,400.4 million).

The maximum amount of the Consideration of US\$180.0 million (equivalent to approximately HK\$1,400.4 million) was submitted by the Company to the Seller during the bidding process. The Consideration was arrived at after negotiations between the parties during the exclusivity period granted by the Seller to the Company under an exclusivity agreement after taking into account, among others, (i) the estimated net asset value of the Target Group of approximately US\$101.3 million (equivalent to approximately HK\$788.1 million) as at 31 December 2021; (ii) the median price-to-book ratio of approximately 3.24 times for listed companies in Hong Kong engaging in similar business as the Target Group; (iii) the historical financial performance of the Target Group for the three financial years ended 31 December 2020; (iv) the financial condition of the Target Group immediately prior to Completion; (v) the business prospects and potential future growth of the Target Group; and (vi) the reasons for and benefits of the Acquisition as stated under the section headed “Reasons for and Benefits of the Acquisition” in this announcement.

### **Conditions Precedent**

Completion of the Acquisition is in all respects conditional upon fulfilment of the following conditions:

- (i) the Stock Exchange confirming or otherwise indicating in writing that the arrangements described in the Share Purchase Agreement constitute a very substantial acquisition for the Company under Chapter 14 of the Listing Rules, and such confirmation or indication (as applicable) not having been withdrawn or revoked by the Stock Exchange at any time prior to Completion;
- (ii) the passing at a duly convened and held general meeting of the Company of a resolution to approve the arrangements described in the Share Purchase Agreement as a very substantial acquisition for the Company as required by Rule 14.49 of the Listing Rules (the “**Shareholders’ Approval Condition**”); and



- (iii) the Competition Commission of South Africa, the Fair Competition Commission of Tanzania and the Competition and Consumer Protection Commission of Zambia having issued all clearances, approvals, notices and consents (or equivalent) that are required for Completion to take place (the “**Merger Control Condition**”).

If any of the conditions precedent is not fulfilled by the Purchaser on or before 5:00pm (London time) on the Long Stop Date, the Seller and the Purchaser may agree in writing to postpone the Long Stop Date by up to sixty (60) Business Days. If the Long Stop Date is not postponed or the conditions precedent remain to be fulfilled by 5:00pm (London time) on the postponed Long Stop Date, the Seller (provided that it has complied with its obligations relating to the satisfaction of the conditions precedent) or the Purchaser (provided that it and the Company have complied with their obligations relating to the satisfaction of the conditions precedent) may terminate the Share Purchase Agreement on written notice to the other parties, and all obligations of the parties to the Share Purchase Agreement shall cease except customary surviving provisions and save for rights and liabilities of the parties which have already accrued before termination.

## **Completion**

Completion is expected to take place on (a) the later of: (i) the thirty-fifth (35th) Business Day following the date on which the Shareholders’ Approval Condition under the Share Purchase Agreement is satisfied; and (ii) the fifth (5th) Business Day following the date on which the Merger Control Condition under the Share Purchase Agreement is satisfied; or (b) such later date as the Seller and the Purchaser may agree in writing. Upon Completion, the Target Company will be wholly owned by the Purchaser and will become an indirect subsidiary of the Company. As a result, the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company.

## **INFORMATION OF THE GROUP AND THE PURCHASER**

The principal activity of the Company is investment holding. The Group is principally engaged in (i) the provision of integrated freight forwarding services; (ii) logistics centre and related services; (iii) railroad transportation services as an integrated logistics services provider; and (iv) provision of flexitank solution and related services. As set out in the announcement of the Company dated 24 June 2021, the Company commenced the fifth business segment to provide fourth-party logistics and lead logistics provider services.

The Purchaser is an investment holding company wholly owned by the Company.

## **INFORMATION OF THE SELLER**

The Seller is an investment holding company incorporated in the Netherlands with limited liability and an Independent Third Party. It is an indirect wholly owned subsidiary of Glencore Plc, a company listed on London Stock Exchange Plc under stock code GLEN and JSE Limited under stock code GLN. Glencore Plc is a multinational commodity trading and mining company. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Seller and Glencore Plc are Independent Third Parties.

## INFORMATION OF THE TARGET GROUP

Founded in Italy in 1933, the Target Group has been expanding its logistics business for more than 80 years and has gradually become a global integrated logistics service provider with operations in over 25 countries in Asia, Africa, Europe, the Middle East, North America and South America with its headquarters in Switzerland. The Target Group is principally engaged in the provision of services including (i) the storage of commodities such as ferrous and non-ferrous metals in warehouses approved by the London Metal Exchange (LME) and the Commodity Exchange, Inc (COMEX) as well as in non-exchange licensed warehouses; (ii) logistics services including the handling and transportation of cargo by way of truck, railway, ship or air freight covering the full supply chain from the place of production to the place of consumption; and (iii) other value-added services such as collateral management, cutting and packaging of metals, import and export customs clearance and screening and crushing of bulk ferro alloys. The Target Group provides services to all major commodity markets such as ferrous and non-ferrous metals, forest and agricultural products, project cargo, polymers and oil and gas. It has over 300 warehouses worldwide, some of which are approved to store materials to be warranted on the LME and COMEX, and employs over 1,000 employees globally.

The financial information of the Target Group for the financial year ended 31 December 2020 based on the consolidated financial statements reviewed by auditor of the Target Group from its ordinary course of business provided by the Seller and the financial information of the Target Group for the financial year ended 31 December 2021 based on the preliminary unaudited management account of the Target Group provided by the Seller are set out below:

	<b>For the financial year ended</b>	
	<b>31 December 2020</b>	<b>31 December 2021</b>
	<i>(US\$ million approx.)</i>	<i>(US\$ million approx.)</i>
EBITDA <sup>(Note)</sup>	25.6	38.3
(Loss)/Profit before taxation	(27.3)	2.9
(Loss)/Profit after taxation	(29.3)	(0.5)

*Note: EBITDA is the abbreviation for earnings before interests, taxes and depreciation and amortisation.*

The audited net asset value of the Target Group as at 31 December 2020 was approximately US\$84.3 million.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

**The Acquisition is in line with the Group's strategy to expand its full chain logistics services to capture the increasing business opportunities**

As disclosed in the annual report of the Company for the year ended 31 December 2020, after the outbreak of COVID-19, companies no longer overly rely on single hubs. Thus, the Directors foresee plenty of opportunities for warehousing services around the world.

The Target Group offers full supply chain of warehousing and logistics services globally to customers from over 25 countries in four regions, including Asia, Africa, Europe and the Middle East, and the Americas. As at 31 December 2020, the Target Group operates more than 300 warehouses in over 25 countries. The Directors believe that the Acquisition will (i) complement and strengthen the Group's warehousing services by utilising the global warehousing network offered by the Target Group so as to satisfy market demand for warehousing services; (ii) enable the Group to reduce its reliance on its overseas agents for providing services to customers and take advantage of the direct customer base maintained by the Target Group; (iii) enrich and diversify the commodities portfolio for warehousing and storage services and types of cargo handled under the Group's full chain logistics services; (iv) expand the transportation business of the Group geographically; (v) utilise the business network of the Target Company to further develop the Group's flexitank solution and related services outside Malaysia; and (vi) consolidate the Group's position in the logistics industry.

### **The Acquisition will enable the Group to strengthen its cash flows and financial position**

Both the Group and the Target Group have been operating in the same industry over the years, i.e. the logistics service industry. By combining the well-established customer network, dedicated sales force and other resources and expertise of the Group and the Target Group, the Acquisition is expected to be a driving force for the business growth of the Group. The Directors also believe that the Acquisition will enable the Enlarged Group to operate in a more efficient manner with higher profit margins benefiting from economies of scale.

The Target Group generated revenue of approximately US\$372.5 million for the year ended 31 December 2020. After the Completion, the results of the Target Group would be consolidated into the accounts of the Group. The Directors believe that the Acquisition will enable the Group to strengthen its cash flows and financial position.

### **The Group's management possess relevant expertise and experience and the Acquisition brings human capital synergy to the Group**

The management of the Group has in-depth experience in the logistics service industry. The relevant experience of the Directors and management personnel in logistics services was acquired and accumulated through running the business of the Group over the years. The business of the Target Group is not an entirely new business for the existing management personnel of the Group and instead, they can leverage their existing expertise acquired over the years in managing the acquired businesses going forward. Through the Acquisition, the Group also acquires the expertise and experience in the logistics industry accumulated from the staff and management of the Target Group. The Directors believe that knowledge and experience sharing between the Group and the Target Group will enhance the quality and comprehensiveness of the full chain logistics services provided by the Enlarged Group following the Acquisition. The Directors are confident that the Group's management personnel would be able to operate the business of the Enlarged Group in an efficient manner with extended product/service offerings, capacity and expertise thereby creating greater customer value.

## **The Acquisition will enhance the Group's corporate profile and reputation**

The Target Group is a well-established global logistics service provider with more than 80 years of operation. The Directors believe that the Acquisition will raise the Group's brand awareness and publicity on an international level, enabling the Group to be in a better position to attract more potential customers in different countries. The Directors believe that acquiring the Target Group will assist the Group to reinforce its image and enhance the Group's reputation which is beneficial to the future development of the Group.

Having considered the above, the Directors are of the view that the terms of the Acquisition are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, save for the Share Purchase Agreement, the Company has not entered into any agreement about acquisition of assets or business or agreed on any asset or business injection. The Company will continue to operate its current business and there is no agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) about termination or scaling-down of the Company's existing business or assets.

## **LISTING RULES IMPLICATIONS**

As some of the applicable percentage ratios (as defined under the Listing Rules) exceed 100%, the Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules and is therefore subject to the approval by the Shareholders at the EGM.

## **EGM AND DESPATCH OF CIRCULAR**

The EGM will be convened at which ordinary resolution(s) will be proposed for the Shareholders to consider, and if thought fit, to approve, among others, the Share Purchase Agreement and the transactions contemplated thereunder. To the best of the knowledge, information and belief of the Directors, no Shareholder has a material interest in the Acquisition and as such, no Shareholder is required to abstain from voting at the EGM. As set out in the announcement of the Company dated 15 October 2021, Dato' Chan Kong Yew, an executive Director, the chief executive officer of the Group and a controlling shareholder (as defined in the Listing Rules) of the Company who is interested in 65.63% of the issued share capital of the Company, and Tan Sri Datuk Tan Jyh Yaong, a non-executive Director who is interested in 7.09% of the issued share capital of the Company, have executed a voting undertaking in favour of the Company under which each of Dato' Chan Kong Yew and Tan Sri Datuk Tan Jyh Yaong has given an irrevocable undertaking that he will procure his controlled companies to exercise all their voting rights in the Company to vote in favour of the relevant resolution(s) to be proposed at the EGM to be convened for approving the Acquisition. On 31 January 2022, 2926 Holdings Limited, Multiway Trading Limited, Dato' Chan Kong Yew, Tan Sri Datuk Tan Jyh Yaong and Dato' Kwan Siew Deeg (an executive Director), who are in aggregate interested in approximately 72.19% of the issued share capital of the Company, have executed a shareholders' undertaking to, among others, undertake to exercise or procure the exercise of all voting rights in favour of any resolution which is proposed at any general meeting of the Company necessary to implement the Acquisition.

None of the Directors are materially interested in the Acquisition and accordingly none of the Directors have abstained from voting on the relevant Board resolution(s) at the Board meeting.

A circular containing, among other information, (i) further details on the Acquisition; (ii) financial information of the Target Group; (iii) unaudited pro-forma financial information of the Enlarged Group; (iv) property valuation reports on the Target Group (if necessary); and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before 20 May 2022 in order to allow sufficient time for the Company to prepare the information required to be included in the circular.

## **Warning**

**Shareholders and potential investors should note that the Share Purchase Agreement is subject to the conditions set out under the section headed “Share Purchase Agreement – Conditions Precedent” in this announcement and therefore the Acquisition may or may not proceed to Completion. Shareholders and potential investors are therefore reminded to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Acquisition”	the proposed acquisition of the Target Shares pursuant to the terms and conditions of the Share Purchase Agreement
“Adjustments”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Board”	the board of Directors
“Borrowings”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Business Day”	a day (other than a Saturday or a Sunday) on which banks are open for general business in London, United Kingdom, Baar, Switzerland, Malaysia and Hong Kong
“Cash”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Company”	Infinity Logistics and Transport Ventures Limited (stock code: 1442), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Completion”	the completion of the Acquisition
“Completion Payment”	has the meaning as defined in “Payment term” under the section headed “Share Purchase Agreement” in this announcement
“Consideration”	the total consideration payable by the Purchaser under the Share Purchase Agreement for the Acquisition
“Director(s)”	the director(s) of the Company
“EBV Excess”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“EBV Reference Amount”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“EBV Shortfall”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“EGM”	the extraordinary general meeting of the Company at which, among others, the terms of the Share Purchase Agreement and the transactions contemplated thereunder will be considered, and if thought fit, approved by the Shareholders
“Enlarged Group”	the Group as enlarged by the Acquisition to include the Target Group
“Equity Book Value”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“External Cash Value”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“External Debt Value”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“General Mandate”	the general mandate granted to the Directors by the resolution of the Shareholders passed at the annual general meeting of the Company on 30 June 2021 to allot, issue, deal with up to 400,000,000 new shares of the Company, representing 20% of the total number of issued shares of the Company as at the date of the said annual general meeting
“Glencore International Facility”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement

“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of the Company and its connected persons within the meanings of the Listing Rules
“Inter-Company Payables”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Inter-Company Receivables”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	the date that is nine (9) months following the date of the Share Purchase Agreement, or such later date as may be agreed by the Purchaser and the Seller in writing
“Net External Cash Balance”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Net Inter-Company Debt”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Purchaser”	Solution Global Holdings Limited, a company incorporated in the British Virgin Islands, an indirect wholly-owned subsidiary of the Company
“Retained Group”	the Seller and its affiliates from time to time (excluding members of the Target Group)
“Seller”	Finges Investment B.V., a private company incorporated in the Netherlands with limited liability, which is indirectly wholly owned by Glencore Plc, a company listed on London Stock Exchange Plc under stock code GLEN and JSE Limited under stock code GLN

“Shareholder(s)”	the holder(s) of share(s) of the Company
“Share Purchase Agreement”	the conditional share purchase agreement dated 31 January 2022 entered into among the Purchaser, the Seller and the Company in relation to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Access World Group Holdings B.V., a private company incorporated in the Netherlands with limited liability
“Target Group”	the Target Company and its subsidiaries
“Target Shares”	18,000 shares in the Target Company, representing the entire issued share capital of the Target Company
“US\$”	United States dollars, the lawful currency of the United States of America
“Working Capital”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Working Capital Excess”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Working Capital Reference Amount”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“Working Capital Shortfall”	has the meaning as defined in “Consideration” under the section headed “Share Purchase Agreement” in this announcement
“%”	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, 31 January 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.*

*Note: For the purpose of this announcement, the currency exchange rate of US\$1:HK\$7.78 was used.*

*Figures are rounded to the nearest thousand.*