INFINITY LOGISTICS AND TRANSPORT VENTURES LIMITED
鷹輝物流有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1442)

SUPPLEMENTAL ANNOUNCEMNT
DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF
20% EQUITY INTEREST IN THE TARGET COMPANY

Reference is made to the announcement of Infinity Logistics and Transport Ventures Limited (the "**Company**") dated 29 April 2025 (the "**Announcement**") in relation to the Acquisition. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise specified.

The Company hereby provides the following additional information under the section headed "REASONS FOR AND BENEFITS OF THE ACQUISITION" in the Announcement.

The Consideration was arrived after arm's length negotiations between the Purchaser and the Seller based on normal commercial terms, with reference to various factors including but not limited to (i) the financial performance and profitability of the Target Company; (ii) the increased strategic value of the Target Company as a wholly-owned subsidiary of the Company; and (iii) the negotiable nature of the Acquisition, reflecting both the Seller's willingness to divest the Sale Shares and the Purchaser's intent to secure full ownership for strategic consolidation.

First, the Target Company has demonstrated strong financial performance in recent years. From financial year 2022 to 2024, it achieved an average annual revenue growth rate of approximately 10.5%, reflecting sustained top-line expansion and growing market demand for its products. During the same period, the Target Company recorded significant improvements in operational efficiency, as evidenced by an average annual growth in EBITDA (i.e. earnings before interest, taxes, depreciation and amortization) of approximately 48.4%, indicating enhanced profitability and stronger cost management. In terms of net profit margin, the Target Company recorded steady growth from 12.6% in financial year 2022 to 20.7% in financial year 2023, and further to 21.6% in financial year 2024, demonstrating successful cost optimisation and improved revenue quality.

As at 31 December 2024, the audited total assets of the Target Company amounted to EUR8,554,545 (equivalent to approximately RM39,886,422), which included bank balances and cash of EUR1,329,199 (equivalent to approximately RM6,197,523), short term fixed deposit of EUR2,010,583 (equivalent to approximately RM9,374,544) and net assets of EUR7,619,137 (equivalent to approximately RM35,524,988). The stable profitability, solid net asset base, and positive cash flow generation reflect the Target Company's strong financial position and provide a robust foundation for future growth.

In addition to its financial performance, the Consideration reflects the increased strategic value of the Target Company as a fully integrated and wholly-owned subsidiary within the Group. Full ownership enables the Group to realise a wide range of benefits, including anticipated operational synergies such as supply chain optimisation, shared infrastructure, and centralised functions. It also facilitates enhanced management control, supporting the consistent execution of business strategies, unified leadership, and more effective performance monitoring. Moreover, full ownership supports streamlined governance and accelerated decision-making, which are critical for the Group to respond swiftly to evolving market dynamics and capitalise on strategic opportunities. Furthermore, full integration allows for optimised resource allocation, ensuring that capital, talent, and other strategic resources are aligned with the Group's long-term business objectives. These combined advantages are expected to drive improved profitability, operational efficiency, and long-term shareholder value.

The Consideration also take into account the negotiable nature of the Acquisition, which was the outcome of arm's length discussions between the Purchaser and the Seller. The terms reflect the Seller's commercial decision to divest its remaining equity interest in the Target Company, guided by its own financial and strategic priorities. At the same time, the Acquisition reflects the Purchaser's strategic objective to secure full ownership to enhance strategic consolidation and business integration mentioned above.

The mutually agreed terms represent a balanced outcome, taking into account the parties' commercial interests and the underlying value of the Target Company. Accordingly, the Consideration is not only a reflection of the Target Company's financial and strategic position, but also the commercial dynamics and bargaining positions present throughout the negotiation process.

To secure the Acquisition from the Seller on one hand and to ensure that the Consideration remains fair and reflective of the Target Company's actual financial position at Completion on the other, the SPA includes an adjustment mechanism (the "**Adjustment Mechanism**") involving the actual net equity of the Target Company as at 30 April 2025 (the "**Actual Net Equity**"). At the time of finalising the SPA, the Seller and the Purchaser have agreed to determine the Consideration with reference to, among others, the preliminary net equity of the Target Company as at 30 April 2025, which was calculated based on the net equity of the Target Company as at 31 March 2025 and an average of its recent monthly profits (the "**Preliminary Net Equity**"). The Purchaser will then ascertain the Actual Net Equity within the Adjustment Period and any required upward or downward adjustment to the Consideration will be calculated at 20% of the difference between the Preliminary Net Equity and the Actual Net Equity and notified to the Seller for approval. As at the date of this announcement, the Adjustment Amount has not yet been finalised. However, based on the Board's assessment of the latest available information, the Directors expect that any upward adjustment to the Consideration would not exceed EUR160,000.

Having considered the above, including the long-term strategic fit of the Target Company within the Group and the operational synergies expected to be realised through full ownership, and based on the Directors' assessments that the future benefits such as more effective implementation of business strategies, enhanced operational efficiency, and stronger support for the Group's long-term growth ambitions, would outweigh the associated costs of investments, the Directors are of the view that the Consideration and the Adjustment Mechanism are fair and reasonable, on normal commercial terms and in the interest of the Company and its shareholders as a whole.

Except as disclosed above, all the information contained in the Announcement remains unchanged.

By Order of the Board
Infinity Logistics and Transport Ventures Limited
Dato' Seri Chan Kong Yew
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 9 May 2025

As at the date of this announcement, the Company has four executive Directors, namely Dato' Seri Chan Kong Yew (Chairman), Dato' Kwan Siew Deeg, Datin Seri Lo Shing Ping and Mr. Yap Sheng Feng and three independent non-executive Directors, namely Mr. Li Chi Keung, Datin Paduka TPr. Noraini Binti Roslan and Dato' Che Nazli Binti Jaapar.