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

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

**(Stock Code: 1442)**

### **FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021**

The board (the “**Board**”) of directors (the “**Directors**”) of Infinity Logistics and Transport Ventures Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2021 as follows:

#### **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*Year ended 31 December 2021*

	<i>Notes</i>	<b>2021</b>	2020
		<b><i>RM’000</i></b>	<i>RM’000</i>
<b>Revenue</b>	5	<b>275,561</b>	223,669
Cost of services and goods sold		<u><b>(205,519)</b></u>	<u>(170,656)</u>
<b>Gross profit</b>		<b>70,042</b>	53,013
Other income	6	<b>1,574</b>	903
Administrative and other operating expenses		<b>(19,186)</b>	(18,559)
Reversal of loss allowance of trade receivables, net		<b>596</b>	187
Finance costs	7	<b>(4,418)</b>	(4,132)
Share of results of associates		<b>58</b>	100
Listing expenses		<u><b>–</b></u>	<u>(544)</u>
<b>Profit before tax</b>	7	<b>48,666</b>	30,968
Income tax expenses	8	<u><b>(6,150)</b></u>	<u>(5,859)</u>
<b>Profit for the year</b>		<u><b>42,516</b></u>	<u>25,109</u>

	<i>Notes</i>	<b>2021</b> <b><i>RM'000</i></b>	2020 <i>RM'000</i>
<b>Other comprehensive income (loss)</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange differences on translation of the Company's financial statements to presentation currency		<b>484</b>	(661)
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on consolidation		<u>770</u>	<u>(454)</u>
<b>Other comprehensive income (loss) for the year</b>		<u><b>1,254</b></u>	<u>(1,115)</u>
<b>Total comprehensive income for the year</b>		<u><b>43,770</b></u>	<u>23,994</u>
<b>Earnings per share attributable to equity holders of the Company</b>			
Basic and diluted	9	<u><b>2.10 RM sen</b></u>	<u>1.27 RM sen</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2021

	<i>Notes</i>	<b>2021</b> <i>RM'000</i>	2020 <i>RM'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>220,197</b>	157,801
Club membership		<b>90</b>	90
Goodwill		—	—
Interest in associates		<b>559</b>	501
Deposits paid for acquisition of property, plant and equipment		<b>6,576</b>	—
		<b>227,422</b>	158,392
<b>Current assets</b>			
Inventories		<b>15,741</b>	13,048
Trade and other receivables	<i>11</i>	<b>114,067</b>	53,323
Income tax recoverable		<b>2,085</b>	—
Restricted bank balances		<b>35</b>	35
Bank balances and cash		<b>53,684</b>	72,065
		<b>185,612</b>	138,471
<b>Current liabilities</b>			
Trade and other payables	<i>12</i>	<b>45,036</b>	32,681
Bank overdrafts		<b>12,674</b>	8,455
Interest-bearing borrowings		<b>5,037</b>	5,005
Lease liabilities		<b>5,537</b>	6,157
Income tax payables		—	292
		<b>68,284</b>	52,590
<b>Net current assets</b>		<b>117,328</b>	85,881
<b>Total assets less current liabilities</b>		<b>344,750</b>	244,273

	<i>Notes</i>	<b>2021</b> <i>RM'000</i>	2020 <i>RM'000</i>
<b>Non-current liabilities</b>			
Interest-bearing borrowings		<b>40,650</b>	45,730
Lease liabilities		<b>33,438</b>	22,944
Deferred tax liabilities		<b>5,163</b>	1,715
		<u><b>79,251</b></u>	<u>70,389</u>
<b>NET ASSETS</b>		<u><b>265,499</b></u>	<u>173,884</u>
<b>Capital and reserves</b>			
Share capital	<i>13</i>	<b>10,866</b>	10,518
Reserves		<b>254,633</b>	163,366
<b>TOTAL EQUITY</b>		<u><b>265,499</b></u>	<u>173,884</u>

## 1. CORPORATE INFORMATION AND BASIS OF PREPARATION

Infinity Logistics and Transport Ventures Limited (the “**Company**”, together with its subsidiaries are collectively referred to as the “**Group**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 7 March 2019. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 21 January 2020 (the “**Listing**”). In the opinion of the Directors of the Company, the immediate and ultimate holding company is 2926 Holdings Limited (“**2926 Holdings**”), which is incorporated in the British Virgin Islands (the “**BVI**”). The ultimate controlling parties of the Group are Dato’ Chan Kong Yew and Dato’ Kwan Siew Deeg (collectively referred to as the “**Ultimate Controlling Parties**”). The registered office of the Company is situated at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands. The Company’s principal place of business is situated at Unit B, 13th Floor, Winsan Tower, 98 Thomson Road, Wan Chai, Hong Kong and the Group’s headquarter is situated at No. 2, Jalan Kasuarina 8, Bandar Botanic, 41200 Klang, Selangor Darul Ehsan, Malaysia.

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of (i) integrated freight forwarding services; (ii) logistics centre and related services; (iii) land transportation services; (iv) flexitank solution and related services; and (v) Fourth-party Logistics (“**4PL**”) services.

## 2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”), which collective term includes all applicable individual IFRSs, International Accounting Standards (“**IASs**”) and Interpretations issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The consolidated financial statements are presented in Malaysian Ringgit (“**RM**”) and all amounts have been rounded to the nearest thousand (“**RM’000**”), unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2020 consolidated financial statements except for the adoption of the new / revised IFRSs that are relevant to the Group and effective from the current year as set out below.

A summary of the principal accounting policies adopted by the Group in preparing the consolidated financial statements is set out below.

## Adoption of new / revised IFRSs

The Group has applied, for the first time, the following new / revised IFRSs:

Amendments to IAS 39, IFRSs 4, 7, 9 and 16      Interest Rate Benchmark Reform – Phase 2

The amendments address issues that might affect financial reporting when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the interest rate benchmark reform (the “**Reform**”). The amendments complement those issued in September 2019 and relate to:

- changes to contractual cash flows — a company will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the Reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- hedge accounting — a company will not have to discontinue its hedge accounting solely because it makes changes required by the Reform, if the hedge meets other hedge accounting criteria; and
- disclosures — a company will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

### 3. FUTURE CHANGES IN IFRSs

At the date of authorisation of these consolidated financial statements, the IASB has issued the following new / revised IFRSs that are not yet effective for the current year, which the Group has not early adopted:

Amendments to IFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021 <sup>[1]</sup>
Amendments to IAS 16	Proceeds before Intended Use <sup>[2]</sup>
Amendments to IAS 37	Cost of Fulfilling a Contract <sup>[2]</sup>
Amendments to IFRS 3	Reference to the Conceptual Framework <sup>[2]</sup>
Annual Improvements to IFRSs	2018–2020 Cycle <sup>[2]</sup>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current <sup>[3]</sup>
Amendments to IAS 1	Disclosure of Accounting Policies <sup>[3]</sup>
Amendments to IAS 8	Definition of Accounting Estimates <sup>[3]</sup>
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>[3]</sup>
IFRS 17	Insurance Contracts <sup>[3]</sup>
Amendment to IFRS 17	Initial Application of IFRS 17 and IFRS 9 – Comparative Information <sup>[3]</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>[4]</sup>

<sup>[1]</sup> Effective for annual periods beginning on or after 1 April 2021

<sup>[2]</sup> Effective for annual periods beginning on or after 1 January 2022

<sup>[3]</sup> Effective for annual periods beginning on or after 1 January 2023

<sup>[4]</sup> The effective date to be determined

The Directors of the Company do not anticipate that the adoption of the new / revised IFRSs in future periods will have any material impact on the Group's consolidated financial statements.

### 4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services rendered. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- 1) Integrated freight forwarding services segment: provision of non-vessel operating common carriers (“NVOCC”) and freight forwarding services;
- 2) Logistics centre and related services segment: provision of warehousing and container depot services;

- 3) Land transportation services segment: provision of land transportation services;
- 4) Flexitank solution and related services segment: provision of flexitank solution and related services; and
- 5) 4PL services segment: provision of 4PL services and 4PL handling services.

### **Segment revenue and results**

Segment revenue represents revenue derived from provision of (i) integrated freight forwarding services; (ii) logistics centre and related services; (iii) land transportation services; (iv) flexitank solution and related services; and (v) 4PL services.

Segment results represent the gross profit incurred by each segment without allocation of other income, administrative and other operating expenses, reversal of loss allowance of trade receivables, net, finance costs, share of results of associates, listing expenses and income tax expenses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

No analysis of the Group's assets and liabilities by operating segments is presented as it is not regularly provided to the CODM for review.

In addition, the Group's place of domicile is Malaysia, where the central management and control is located.

The followings are analysis of the Group's revenue and results by reportable and operating segments:

	Integrated freight forwarding services <i>RM'000</i>	Logistics centre and related services <i>RM'000</i>	Land transportation services <i>RM'000</i>	Flexitank solution and related services <i>RM'000</i>	4PL services <i>RM'000</i>	Total <i>RM'000</i>
<i>Year ended 31 December 2021</i>						
Revenue from contracts with customers within IFRS 15	85,772	39,037	47,127	84,880	9,566	266,382
Revenue from other source	–	9,179	–	–	–	9,179
	<u>85,772</u>	<u>48,216</u>	<u>47,127</u>	<u>84,880</u>	<u>9,566</u>	<u>275,561</u>
Segment results	<u>17,183</u>	<u>17,276</u>	<u>6,090</u>	<u>22,421</u>	<u>7,072</u>	70,042
<i>Unallocated income and expenses</i>						
Other income						1,574
Administrative and other operating expenses						(19,186)
Reversal of loss allowance of trade receivables, net						596
Finance costs						(4,418)
Share of results of associates						58
Profit before tax						48,666
Income tax expenses						(6,150)
Profit for the year						<u>42,516</u>
<i>Other information:</i>						
Depreciation ( <i>Note i</i> )	1,320	5,802	1,724	448	–	9,294
Provision for leakage claims	–	–	–	643	–	643
Additions to property, plant and equipment ( <i>Note ii</i> )	–	21,985	10,003	1,474	–	33,462
Payments made on behalf of a customer in respect of 4PL services ( <i>Note 11(b)</i> )	–	–	–	–	47,184	47,184

	Integrated freight forwarding services RM'000	Logistics centre and related services RM'000 <i>(Restated)</i> <i>(Note iii)</i>	Land transportation services RM'000 <i>(Restated)</i> <i>(Note iii)</i>	Flexitank solution and related services RM'000	4PL services RM'000	Total RM'000
<i>Year ended 31 December 2020</i>						
Revenue from contracts with customers within IFRS 15	77,584	29,170	39,684	68,935	–	215,373
Revenue from other source	–	8,296	–	–	–	8,296
	<u>77,584</u>	<u>37,466</u>	<u>39,684</u>	<u>68,935</u>	<u>–</u>	<u>223,669</u>
Segment results	<u>15,969</u>	<u>10,473</u>	<u>5,556</u>	<u>21,015</u>	<u>–</u>	<u>53,013</u>
<i>Unallocated income and expenses</i>						
Other income						903
Administrative and other operating expenses						(18,559)
Reversal of loss allowance of trade receivables, net						187
Finance costs						(4,132)
Share of results of associates						100
Listing expenses						<u>(544)</u>
Profit before tax						30,968
Income tax expenses						<u>(5,859)</u>
Profit for the year						<u>25,109</u>
<i>Other information:</i>						
Depreciation <i>(Note i)</i>	1,080	3,150	2,154	428	–	6,812
Provision for leakage claims	–	–	–	520	–	520
Additions to property, plant and equipment <i>(Note ii)</i>	<u>2,280</u>	<u>3,867</u>	<u>1,217</u>	<u>202</u>	<u>–</u>	<u>7,566</u>

Notes:

- (i) Depreciation not included in the measure of segment results during the year ended 31 December 2021 amounted to approximately RM5,203,000 (2020: RM6,139,000).
- (ii) Additions to property, plant and equipment not allocated to the segments during the year ended 31 December 2021 amounted to approximately RM47,109,000 (2020: RM20,973,000).
- (iii) During the year ended 31 December 2021, the management of the Group reclassified the business segments by presenting the land transportation services (included in the logistics centre and related services segment for the year ended 31 December 2020) with the landbridge transportation services and landfeeder transportation services (included in the railroad transportation services segment for the year ended 31 December 2020) as land transportation services segment (the “**Reclassification**”). In the opinion of the management of the Group, the land transportation services segment can reflect the Group’s future business development plan and prospect. In order to reflect the effect of the Reclassification, the comparative figures have been restated.

### Geographical information

The following table sets out information about the geographical location of the Group’s revenue from external customers which are based on the location of customers.

	2021	2020
	<i>RM’000</i>	<i>RM’000</i>
<i>Revenue from external customers:</i>		
China	1,715	1,373
Indonesia	19,275	18,090
Malaysia	157,190	126,053
Netherlands	3,173	2,274
Singapore	46,302	27,067
South Korea	7,259	7,965
Thailand	22,334	17,278
Vietnam	2,319	2,898
Others	15,994	20,671
	<u>275,561</u>	<u>223,669</u>

No geographical analysis on segment assets is provided as substantially all of the Group’s assets were located at Malaysia.

### Information about major customers

No external customers individually contributing 10% or more of the total revenue during the years ended 31 December 2021 and 2020.

## 5. REVENUE

	2021 <i>RM'000</i>	2020 <i>RM'000</i> <i>(Restated)</i>
<u>Revenue from contracts with customers within IFRS 15</u>		
<b>Integrated freight forwarding services business</b>		
Air freight services income	2,802	2,291
Ocean freight services income	30,256	20,187
Forwarding services income	16,015	14,926
NVOCC services income	36,699	40,180
	<u>85,772</u>	<u>77,584</u>
<b>Logistics centre and related services business</b>		
Warehousing and container depot services income	39,037	29,170
<b>Land transportation services business</b>		
Income from land transportation	34,624	26,913
Landbridge transportation services income	8,786	8,860
Landfeeder transportation services income	3,717	3,911
	<u>47,127</u>	<u>39,684</u>
<b>Flexitank solution and related services business</b>		
Income from flexitank solution	84,880	68,935
<b>4PL services business</b>		
4PL handling income	1,495	—
4PL services income	8,071	—
	<u>9,566</u>	<u>—</u>
	<u>266,382</u>	<u>215,373</u>
<u>Revenue from other source</u>		
<b>Logistics centre and related services business</b>		
Rental income from warehouses	9,179	8,296
	<u>9,179</u>	<u>8,296</u>
	<u><u>275,561</u></u>	<u><u>223,669</u></u>

In addition to the information shown in segment disclosures, the revenue from contracts with customers within IFRS 15 is disaggregated as follows:

	2021 <i>RM'000</i>	2020 <i>RM'000</i> <i>(Restated)</i>
<i>Timing of revenue recognition:</i>		
<b>– at a point in time</b>		
Income from flexitank solution	84,880	68,935
4PL handling income	<u>1,495</u>	<u>–</u>
	<u>86,375</u>	<u>68,935</u>
<b>– over time</b>		
Air freight services income	2,802	2,291
Ocean freight services income	30,256	20,187
Forwarding services income	16,015	14,926
NVOCC services income	36,699	40,180
Warehousing and container depot services income	39,037	29,170
Income from land transportation	34,624	26,913
Landbridge transportation services income	8,786	8,860
Landfeeder transportation services income	3,717	3,911
4PL services income	<u>8,071</u>	<u>–</u>
	<u>180,007</u>	<u>146,438</u>
	<u><u>266,382</u></u>	<u><u>215,373</u></u>

## 6. OTHER INCOME

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
Bank interest income	292	470
Gain on disposal of property, plant and equipment, net	417	247
Gain on early termination of a lease	191	–
Sundry income	<u>674</u>	<u>186</u>
	<u>1,574</u>	<u>903</u>

## 7. PROFIT BEFORE TAX

This is stated after charging (crediting):

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
<b>Finance costs</b>		
Interest on bank overdrafts	75	169
Interest on interest-bearing borrowings	1,636	2,252
Interest on lease liabilities	3,498	1,711
	<hr/>	<hr/>
Total borrowing costs	5,209	4,132
Less: Borrowings costs capitalised into construction-in-progress ( <i>Note (a)</i> )	(791)	—
	<hr/>	<hr/>
	<b>4,418</b>	4,132
	<hr/> <hr/>	<hr/> <hr/>
<b>Staff costs (including directors' emoluments)</b>		
Salaries, allowances and other benefits in kinds	27,691	22,145
Contributions to defined contribution plans	3,251	2,817
	<hr/>	<hr/>
Total staff costs (charged to “cost of services and goods sold” and “administrative and other operating expenses” and included in “inventories”, as appropriate)	<b>30,942</b>	24,962
	<hr/> <hr/>	<hr/> <hr/>
<b>Other items</b>		
Auditors' remuneration	531	515
Cost of inventories	62,493	47,920
Depreciation (charged to “cost of services and goods sold” and “administrative and other operating expenses”, as appropriate)	14,497	12,951
Exchange loss (gain), net	559	(920)
Expenses recognised under short-term leases (charged to “cost of services and goods sold” and “administrative and other operating expenses”, as appropriate) ( <i>Note (b)</i> )	2,004	1,513
Expenses recognised under leases of low-value assets (charged to “cost of services and goods sold” and “administrative and other operating expenses”, as appropriate) ( <i>Note (b)</i> )	471	282
Gain on disposal of property, plant and equipment, net	(417)	(247)
Gain on early termination of a lease	(191)	—
Impairment loss on club membership	—	33
Write-off of property, plant and equipment	264	—
Provision for leakage claims	643	520
	<hr/> <hr/>	<hr/> <hr/>

Notes:

- (a) During the year ended 31 December 2021, the weighted average capitalisation rate used to determine the amount of borrowings costs eligible for capitalisation is 3.52% (2020: Nil).
- (b) The Group does not recognise right-of-use assets and corresponding lease liabilities under short term lease and lease of low-value assets during the years ended 31 December 2021 and 2020.

## 8. INCOME TAX EXPENSES

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
<b>Current tax</b>		
Malaysia CIT		
Current year	3,366	3,930
Over-provision in prior year	<u>(532)</u>	<u>—</u>
	<u>2,834</u>	<u>3,930</u>
Labuan CIT		
Current year	20	313
Over-provision in prior year	<u>(152)</u>	<u>—</u>
	<u>(132)</u>	<u>313</u>
<b>Deferred tax</b>		
Changes in temporary differences	<u>3,448</u>	<u>1,616</u>
	<u><u>6,150</u></u>	<u><u>5,859</u></u>

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax (“CIT”) of those jurisdictions.

Hong Kong Profits Tax has not been provided as the Group had no assessable profits in Hong Kong for the years ended 31 December 2021 and 2020.

Malaysia CIT is calculated at the rate of 24% (the “**standard rate**” in Malaysia) of the Group’s estimated assessable profits arising from Malaysia (except for Labuan) during the years ended 31 December 2021 and 2020.

Malaysian (except for Labuan) subsidiaries participating in a promoted activity or of producing a promoted product and intending that a factory be constructed, or where the factory is already in existence, be occupied in Malaysia for that purpose, are eligible to make application for pioneer status and investment tax allowance (the “**ITA**”). Malaysian (except for Labuan) subsidiaries under pioneer status were granted tax exemption on 70% of the statutory income for 5 years. The balance 30% of the statutory income will be taxed at the standard rate as detailed above. Malaysian (except for Labuan) subsidiaries under ITA were granted an allowance of 60% on its qualifying capital expenditures incurred within five years from the date the first qualifying capital expenditure is incurred and such allowance is allowed to offset against 70% of the statutory income until the allowance is fully utilised. Upon the time of the allowance is utilised, the balance 30% of the statutory income will be taxed at the standard rate as detailed above.

During the years ended 31 December 2021 and 2020, Infinity Bulk Logistics Sdn Bhd. (MY) (“**Infinity Bulk Logistics (MY)**”) obtained the pioneer status effective from 5 January 2018. A pioneers status company is eligible for exemption from Malaysia CIT on eligible activities and products for 5 years since the effective date.

During the year ended 31 December 2021, Infinity Logistic & Transport Sdn Bhd. (MY) (“**Infinity L&T (MY)**”) has obtained the ITA effective from 9 September 2021. An ITA company is eligible for offset the allowance from the qualifying capital expenditures with 70% of the statutory income since the effective date until the allowance is fully utilised.

The group entities incorporated in Labuan of Malaysia, CIT shall be charged at the rate of 3% for a year of assessment upon the chargeable profits for the years ended 31 December 2021 and 2020.

Singapore CIT is calculated at 17% of the assessable profits with no CIT rebate for the year ended 31 December 2021 (2020: CIT rebate of 25%, capped at Singapore Dollars (“**SGD**”) 15,000). The Group’s entities incorporated in Singapore can also enjoy 75% tax exemption on the first SGD10,000 of normal chargeable income and a further 50% tax exemption on the next SGD190,000 of normal chargeable income for the years ended 31 December 2021 and 2020. Singapore CIT has not been provided as the Group had no assessable profits in Singapore for the years ended 31 December 2021 and 2020.

## Reconciliation of income tax expenses

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
Profit before tax	<u>48,666</u>	<u>30,968</u>
Income tax at applicable tax rate	11,763	7,439
Non-deductible expenses	2,522	1,168
Tax exempt revenue	(289)	(482)
Tax incentive	(7,162)	(2,266)
Over-provision in prior year	<u>(684)</u>	<u>—</u>
Income tax expenses	<u>6,150</u>	<u>5,859</u>

## 9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following information:

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
Profit for the year attributable to the owners of the Company, used in basic and diluted earnings per share calculation	<u>42,516</u>	<u>25,109</u>
	<b>Number of shares</b>	
	2021	2020
Weighted average number of ordinary shares for basic and diluted earnings per share calculation ( <i>Note (a) and (b)</i> )	<u>2,026,301,370</u>	<u>1,972,677,596</u>

*Notes:*

- (a) The weighted average number of ordinary shares of 2,026,301,370 for the year ended 31 December 2021 is derived after taking into account the effect of placing of shares under general mandate on 3 August 2021 (*Note 13(iii)*).
- (b) The calculation of the weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share for the year ended 31 December 2020 has been determined based on the assumption that the issue of shares at incorporation of the Company, from the reorganisation of the Group and from the Capitalisation Issue (as defined in Note 13 below) to the shareholders had occurred on 1 January 2020.

Diluted earnings per share are the same as the basic earnings per share as there are no dilutive potential ordinary shares in existence during the years ended 31 December 2021 and 2020.

## 10. DIVIDENDS

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
Dividends declared to the owners of the Company	<u>—</u>	<u>6,000</u>

The Directors of the Company do not recommend the payment of a final dividend (2020: Nil) and interim dividend (2020: *United States dollars (“US\$”) 0.0007 per ordinary shares totalling approximately US\$1,400,000 (equivalent to approximately RM6,000,000)*) for the year ended 31 December 2021.

## 11. TRADE AND OTHER RECEIVABLES

	<i>Notes</i>	<b>2021</b> <i>RM'000</i>	2020 <i>RM'000</i>
<b>Trade receivables</b>			
From third parties		<b>59,066</b>	47,367
From related companies		<u>25</u>	<u>51</u>
		<b>59,091</b>	47,418
Less: Loss allowance		<u>(478)</u>	<u>(1,074)</u>
	<i>11(a)</i>	<u><b>58,613</b></u>	<u>46,344</u>
<b>Other receivables</b>			
Deposits paid		<b>2,496</b>	2,509
Payments made on behalf of a customer in respect of 4PL services	<i>11(b)</i>	<b>47,184</b>	–
Other receivables		<b>1,445</b>	895
Prepayments		<u><b>4,329</b></u>	<u>3,575</u>
		<u><b>55,454</b></u>	<u>6,979</u>
		<u><b>114,067</b></u>	<u>53,323</u>

All of the trade and other receivables that are classified as current assets are expected to be recovered or recognised as expense within one year.

## 11(a) Trade receivables

The trade receivables from related parties are unsecured, interest-free and with credit period ranged from 30 to 60 days.

The Group grants credit period ranged from 7 to 60 days from the date of issuance of invoices to its customers.

The ageing analysis of trade receivables based on invoice date at the end of each reporting period is as follows:

	2021 <i>RM'000</i>	2020 <i>RM'000</i>
Within 30 days	28,987	21,396
31 to 60 days	12,434	9,193
61 to 90 days	6,441	5,239
Over 90 days	<u>11,229</u>	<u>11,590</u>
	59,091	47,418
Less: Loss allowance	<u>(478)</u>	<u>(1,074)</u>
	<u><u>58,613</u></u>	<u><u>46,344</u></u>

## 11(b) Payments made on behalf of a customer in respect of 4PL services

At 31 December 2021, the amounts represented the payments specifically made on behalf of a customer under 4PL services business for the purchase of certain commodities by the customer in the ordinary course of 4PL services business. The amounts are repayable from the customer within the credit period of 14 days and are collateralised and secured by the commodities with market value which is not materially different from the payments made on behalf of a customer. In the opinion of the management of the Group, the Group did not entitle to the commodities as the Group solely acts as an agent on behalf of the customer and has no rights of direction to the commodities.

The management of the Group expected the credit risk in respect of the payments is minimal after taking into account the value of collaterals held. In the event of default, the Group retrieves the collaterals. Besides, the management of the Group closely monitors the payments and considers no forward-looking factors that give rise to significant default risk on the payments at the end of the reporting period. Save as aforementioned, the management of the Group estimates that any ECL against for these amounts is considered to be insignificant at the end of the reporting period.

The amounts were fully settled subsequent to the year ended 31 December 2021.

The management of the Group assessed that the payments contain no significant financing component which the customer is provided with no significant benefit of financing the transfer of goods and services provided. As of the period of financing is less than one year and the payments are collateralised and secured, the Group applies the practical expedient and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

## 12. TRADE AND OTHER PAYABLES

	<i>Notes</i>	<b>2021</b> <b>RM'000</b>	2020 <i>RM'000</i>
<b>Trade payables</b>			
To third parties		<b>30,736</b>	23,288
To related companies		<b>284</b>	193
	<i>12(a)</i>	<b>31,020</b>	23,481
<b>Other payables</b>			
Accruals and other payables		<b>4,957</b>	4,898
Other payables for acquisition of property, plant and equipment		<b>8,534</b>	4,150
Provision for leakage claims	<i>12(b)</i>	<b>525</b>	152
		<b>14,016</b>	9,200
		<b>45,036</b>	32,681

## 12(a) Trade payables

The trade payables to third parties are interest-free with normal credit terms up to 30 days.

The trade payables to related parties are unsecured, interest-free and with credit period of 30 days.

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	<b>2021</b> <i>RM'000</i>	2020 <i>RM'000</i>
Within 30 days	<b>21,848</b>	13,870
31 to 60 days	<b>4,049</b>	3,650
61 to 90 days	<b>1,630</b>	1,171
Over 90 days	<b>3,493</b>	4,790
	<b>31,020</b>	23,481

The credit term on trade payables is up to 30 days.

## 12(b) Provision for leakage claims

	<b>2021</b> <i>RM'000</i>	2020 <i>RM'000</i>
At the beginning of the reporting period	<b>152</b>	213
Provision	<b>643</b>	520
Utilisation	<b>(270)</b>	(581)
At the end of the reporting period	<b>525</b>	152

In the ordinary course of business, the Group will rectify any defects arising within two years from the date of provision of flexitank solution and related services. Provision is therefore made for the best estimate of the expected settlement under these agreements in respect of provision of flexitank solution and related services made within two years prior to the end of the reporting period. The amount of provision takes into account the Group's recent claims experience.

### 13. SHARE CAPITAL

	<i>Notes</i>	<b>Number of shares</b>	<i>HK\$</i>	<i>Equivalent to RM</i>
Ordinary share of HK\$0.01 each				
Authorised:				
<b>At 1 January 2020, 31 December 2020 and 31 December 2021</b>				
		<b>15,000,000,000</b>	<b>150,000,000</b>	<b>80,213,900</b>
Issued and fully paid:				
At 1 January 2020		2,000	20	11
Capitalisation Issue	<i>(i)</i>	1,499,998,000	14,999,980	7,888,489
Issue of shares pursuant to the Share Offer	<i>(ii)</i>	500,000,000	5,000,000	2,629,500
At 31 December 2020 and 1 January 2021				
		2,000,000,000	20,000,000	10,518,000
Placing of shares under general mandate	<i>(iii)</i>	64,000,000	640,000	347,975
<b>At 31 December 2021</b>		<b>2,064,000,000</b>	<b>20,640,000</b>	<b>10,865,975</b>

*Notes:*

- (i) Pursuant to the resolutions in writing of the Company's shareholders passed on 14 December 2020, subject to the share premium account of the Company being credited as a result of the issue of the Company's shares under the Listing, the directors of the Company were authorised to allot and issue a total of 1,499,998,000 shares of HK\$0.01 each to the existing shareholders, credited as fully paid at par by way of capitalisation of the sum of HK\$14,999,980 standing to be credit of the share premium account of the Company (the "**Capitalisation Issue**") and the shares to be allotted and issued pursuant to this resolution shall carry the same rights as all shares in issue (save for the rights to participate in the Capitalisation Issue). The Capitalisation Issue was fully completed on 21 January 2020.
- (ii) On 21 January 2020, the shares of the Company were listed on the Main Board of the Stock Exchange and 500,000,000 shares of HK\$0.01 each were issued at HK\$0.31 per share by way of share offer (the "**Share Offer**"). The gross proceeds from the share offer amounted to HK\$155,000,000 (equivalent to approximately RM81,515,000). The expenses attributable to issue of shares pursuant to the Share Offer of approximately RM8,922,000 were recognised in the share premium account of the Company.
- (iii) On 29 June 2021, the Company entered into four subscription agreements (the "**Subscription Agreements**") with four independent third parties to subscribe for 64,000,000 subscription shares at the subscriptions price of HK\$1.38 per subscribed share (the "**Subscription**"). The new shares were issued under the general mandate granted to the directors of the Company pursuant to an ordinary resolution of the Company passed at the annual general meeting held on 23 April 2021. All the conditions precedent to the Subscription Agreements have been fulfilled and completion of the Subscriptions took place on 3 August 2021. The gross proceeds from the subscription amounted to HK\$88,320,000 (equivalent to approximately RM48,020,000). The premium on the issue and allotment of 64,000,000 subscription shares with par value of HK\$0.01 per share of approximately HK\$87,357,000 (equivalent to approximately RM47,497,000), net of shares issue expenses of approximately HK\$323,000 (equivalent to approximately of RM175,000), was credited to the Company's share premium accounts.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL OVERVIEW

The Group is pleased to report the results for the year ended 31 December 2021. During the year ended 31 December 2021, the Group recorded a revenue of approximately RM275,561,000 (2020: approximately RM223,669,000), representing an increase of approximately 23.2% over the same period last year. The Group recorded a gross profit of approximately RM70,042,000 for the year ended 31 December 2021 (2020: approximately RM53,013,000), representing an increase of approximately 32.1% over the same period last year. The gross profit margin of the Group increased from approximately 23.7% for the year ended 31 December 2020 to approximately 25.4% for the year ended 31 December 2021. The Group recorded a net profit of approximately RM42,516,000 for the year ended 31 December 2021 (2020: approximately RM25,109,000).

### BUSINESS OVERVIEW

The Group generated revenue from the provision of (i) integrated freight forwarding services; (ii) logistics centre and related services; (iii) land transportation services (renamed from railroad transportation services); (iv) flexitank solution and related services; and (v) 4PL services. The sustained performance of the Group is attributable to strategic portfolios of integrated logistics services offered to varied customers and industries across Malaysia and neighboring countries.

Effective from year 2021, railroad transportation segment, which previously included the railroad business, is renamed as land transportation segment by including entire land transportation business of the Group. The Group is expanding its own fleets of haulage vehicles to support the growth of the land transportation business. Based on the aforesaid reason, the Group expects the land transportation business to become one of the core business segments, therefore land transportation business under the logistics centre and related services segment was reclassified to the land transportation segment (the “**Reclassification**”). In order to reflect the effect of the Reclassification, the comparative figures of the segment revenue and result as set out in the “Note 4 Segment Information” to the consolidated financial statements has been restated.

After Reclassification, revenue from the logistics centre and related services is approximately RM 37,466,000 for year ended 31 December 2020, increased by 28.7% to approximately RM 48,216,000 for the year ended 31 December 2021. The gross profit contribution from this segment increased by approximately 65.0% to approximately RM17,276,000 for the year ended 31 December 2021. The main reasons of increase are attributed to the depot services that started operating since September 2020 and higher demand on warehouse storage during the COVID-19 pandemic.

After Reclassification, revenue from land transportation services is approximately RM 39,684,000 for the year ended 31 December 2020, and increased by approximately 18.8% to approximately RM47,127,000 for the year ended 31 December 2021. The gross profit contribution increased by 9.61% to approximately RM6,090,000 for the year ended 31 December 2021 mainly due to the increased demand on land transportation business.

Revenue from integrated freight forwarding services increased by approximately 10.6% to approximately RM85,772,000 for the year ended 31 December 2021. This was mainly due to an increase in revenue contributed by ocean freight services. The freight chargeable rate was higher as a result of the COVID-19 pandemic which observed less container ship carrying capacity, container shortages, labour shortages, continued COVID-19 restrictions across port regions as well as congestion at ports. The gross profit contribution from this segment increased by approximately 7.6% to approximately RM17,183,000 for the year ended 31 December 2021.

Revenue from flexitank solution and related services increased by approximately 23.1% to approximately RM84,880,000 for the year ended 31 December 2021, mainly due to the increase in volume from our major customers. The gross profit contribution from this segment increased by approximately 6.7% to approximately RM22,421,000 for the year ended 31 December 2021.

Revenue from 4PL services contributed approximately RM9,566,000 which started operating since July 2021. The gross profit contribution from 4PL services is approximately RM7,072,000.

The Group's operational costs totalled approximately RM205,519,000 for the year ended 31 December 2021, representing an increase of approximately RM34,863,000 or 20.4% as compared to the same period last year.

The Group's other income amounted to approximately RM1,574,000, representing an increase of approximately RM671,000 or 74.3 % as compared to the same period last year. Such increase is mainly attributable to an increase in net gain on disposal of prime mover, trailer, container, and truck.

## **COMPANY PROSPECT**

We anticipate that the coming year will be equally, if not more, adventurous for the Group with a number of corporate exercises already in the pipeline.

In the next phase, the Group will be focusing on further developing several areas as follows:

- Embrace automation to increase work efficiency and productivity
- Adopt digitalization and embrace new technologies to improve customer experience.
- Invest in human capital by increasing headcount as part of business expansion.
- Embracing solar technology by investing in solar rooftops to reduce carbon emission.

The coming year will be an important year, representing a fresh start for efforts to achieve our goals and aspirations, including taking on challenges to excel in our business performance. The Group will thrive on changes and challenges to see the light of the day.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The Group finances its operations with internally generated cash flow, banking facilities provided by its principal bankers in Malaysia and fund raising activities for general working capital of the Group. The Group also entered into subscription agreement on 29 June 2021, the gross proceeds from the subscriptions amounted to approximately HK\$88.3 million was primary use in the investment and development business and expansion of fleet as well as general corporate expenses. The Group held bank balances and cash of approximately RM53,684,000 at 31 December 2021 (2020: approximately RM72,065,000). The Group leases various properties, lands, containers and motor vehicles with lease liabilities of approximately RM38,975,000 (2020: approximately RM29,101,000) with rental contracts typically made for fixed periods of two to thirty years (2020: two to thirty years). The Group had interest bearing borrowings from various banks of approximately RM45,687,000 (2020: approximately RM50,735,000) which are repayable ranging from within one year to over five years (2020: within one year to over five years) since inception. Also, the Group had other bank overdrafts of approximately RM12,674,000 at 31 December 2021 (2020: approximately RM8,455,000). At 31 December 2021, the weighted average effective interest rate on interest-bearing borrowings was 3.52% (2020: 4.72%) per annum. The carrying amounts of bank borrowings were denominated in Ringgit Malaysia. The Group's gearing ratio at 31 December 2021, calculated based on the total borrowings to the equity attributable to owners of the Company, was 0.37 (2020: 0.51). The Directors believe that the Group's cash position, liquid asset value, future revenue and available banking facilities will be sufficient to fulfill the working capital requirements of the Group. There has been no material change in the capital structure of the Company during the year ended 31 December 2021. The capital of the Company comprises the shares and other reserves.

### **Treasury policies**

The Group has adopted a prudent financial and surplus funds management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year ended 31 December 2021. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that sufficient financial resources are available to meet its funding requirements and commitment timely.

### **Hedging and exchange rate exposure**

The majority of the transactions, assets and liabilities on the Group was denominated in RM, United State Dollars and Hong Kong Dollars. During the year ended 31 December 2021, no financial instruments were used for hedging purposes, and the Group did not commit to any financial instruments to hedge its exposure to exchange rate risk, as the expected exchange rate risk is not significant. The Directors and senior management will continue to monitor the foreign exchange exposure and will consider applicable derivatives when necessary. The Group did not have any derivatives for hedging against the foreign exchange rate risk at 31 December 2021.

## Capital expenditure

During the year ended 31 December 2021, the Group's total capital expenditure amounted to approximately RM80,571,000 (2020: approximately RM28,539,000).

## Charge on group assets

At 31 December 2021, the Group's leasehold lands, and buildings with a total carrying amount of approximately RM69,113,000 (2020: approximately RM70,742,000) were pledged to secure bank facilities granted to the Group.

## Contingent liabilities

At 31 December 2021, the Group had no contingent liabilities.

## Material acquisitions or disposals

The Group did not have any material acquisition or disposals of subsidiaries or associated companies for the year ended 31 December 2021.

## Significant events after the reporting date

In addition to information disclosed elsewhere in the consolidated financial statements, subsequent to 31 December 2021, the Group has the following subsequent events:

- (a) On 31 January 2022, Solution Global Holdings Limited ("**Solution Global**"), an indirect wholly-owned subsidiary of the Company and the Company as a guarantor for Solution Global's obligations entered into a share purchase agreement with an independent third party (the "**Seller**"), pursuant to which, the Seller has conditionally agreed to sell and Solution Global has conditionally agreed to purchase the entire issued share capital of the Access World Group Holdings B.V. and its subsidiaries (collectively referred as the "**Target Group**") at an aggregate consideration of US\$176,700,000 (equivalent to approximately RM740,011,000) as adjusted with reference to the financial condition of the Target Group immediately prior to completion of the acquisition of the Target Group (the "**Acquisition**") and the consideration shall be not more than US\$180,000,000 (equivalent to approximately RM753,831,000) which to be settled in cash and to be partly financed by a bank loan, a loan provided by two shareholders of the Company and internal resources of the Group. The Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules.

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 Acquisition was not yet completed up to the date of this announcement. Upon completion of the Acquisition, the Target Group will become an indirect wholly owned subsidiaries of the Company. Details of the Acquisition were set out in the Company’s announcement dated 31 January 2022.

- (b) On 22 February 2022, Infinity L&T (MY), an indirect wholly-owned subsidiary of the Company, as an acquirer entered into a sales and purchase agreement with an independent third party (the “**Vendor**”), pursuant to which, the Vendor has conditionally agreed to sell and Infinity L&T (MY) has conditionally agreed to acquire leasehold lands located in Malaysia together with the warehouse, buildings, facilities and other structures erected thereon (collectively referred as “**Property**”) at a consideration of RM46,000,000 which to be settled in cash. Details of the acquisition of the Property were set out in the Company’s announcement dated 22 February 2022.

## **Employees**

As at 31 December 2021, the Group had a total of 574 employees (2020: 490) in Malaysia. Staff costs (including directors’ emoluments) for the year ended 31 December 2021 amounted to approximately RM30,942,000 (2020: approximately RM24,962,000). The Group ensures that the pay levels of its employees are competitive and according to market trends and its employees are rewarded on a performance related basis and within the general framework of the Group’s salary and bonus system.

## **DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: Nil).

## **ANNUAL GENERAL MEETING**

As of the date of this announcement, the Company had not fixed a date for its annual general meeting. When the date is selected, the notice of the annual general meeting, which constitutes part of a circular to shareholders, and proxy form, together with the annual report, will be dispatched to shareholders in due course.

## **USE OF PROCEEDS**

The shares of the Company were listed on the Stock Exchange on 21 January 2020 with net proceeds received by the Company from the share offer in the amount of approximately RM62.7 million after deducting underwriting commissions and other related expenses (the “**Net Proceeds**”). The Company had utilised approximately RM60.1 million of the Net Proceeds. The amount of the Net Proceeds which remained unutilised as at the date of this announcement was approximately RM2.6 million (the “**Amount Unutilised**”). The Board has resolved to reallocate the Amount Unutilised as follows:

	Net Proceeds <i>RM' million</i>	Amount Utilised <i>RM' million</i>	Amount Unutilised <i>RM' million</i>	Expected timeline for utilising the unutilised net proceeds
Construction of warehouse in Westport Free Zone in Port Klang	46.0	43.4	2.6	Before the end of 31 December 2022 <i>(Note)</i>
Purchase of haulage prime movers & trailers	8.0	8.0	–	Fully utilised
Replaced aged and acquire additional forklifts	3.0	3.0	–	Fully utilised
Upgrade of IT System	2.0	2.0	–	Fully utilised
General working capital purpose	3.7	3.7	–	Fully utilised
	<u>62.7</u>	<u>60.1</u>	<u>2.6</u>	

*Notes:*

Apart from this, retention fee representing 5% of the contract value was held back under a construction contract for the purpose of rectifying any defects in work after contract was completed. Typically, half of this fee is released on completion of the construction work and the other half at the end of the maintenance period which can be over a year after the construction work was carried out. Therefore, the Amount Unutilised is estimated to be fully utilised by the end of year 2022.

## COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the interest of the Company and its shareholders (the “**Shareholders**”).

Pursuant to code provision A.1.1 of the Corporate Governance Code (the “**CG Code**”), the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year ended 31 December 2021, only two regular board meetings were held to review and discuss various matters, including the annual results of the Company for the year ended 31 December 2020 and the interim results of the Company for the six months ended 30 June 2021. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary.

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dato' Chan Kong Yew (“**Dato' Chan**”) was the chairman of the Board (the “**Chairman**”) and the chief executive officer (the “**CEO**”) of the Company during the period from 1 January 2021 to 1 July 2021. Dato' Chan resigned as the Chairman with effect from 2 July 2021 and the Board appointed Tan Sri Datuk Tan Jyh Yaong (“**Tan Sri Datuk Tan**”) as the Chairman with effect from 2 July 2021. The Board considers that Tan Sri Datuk Tan is the appropriate person for the overall strategic planning and corporate policies as well as overseeing the operation of the Group and that the appointment is in the interest of the Company. Dato' Chan continues to act as the CEO and an executive Director after his resignation as the Chairman. Subsequent to the change in Chairman, the roles of chairman and chief executive are vested in separate individuals and code provision A.2.1 of the Code is now fully complied with.

Pursuant to code provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of Shareholders. The independent non-executive Directors, Mr. Tan Poay Teik was unable to attend the annual general meeting of the Company held on 30 June 2021 due to other commitments.

Pursuant to code provision F.1.1 of the CG Code, the Company can engage an external service provider as its company secretary, provided that the Company should disclose the identity of a person with sufficient seniority at the Company whom the external provider can contact. Mr. Lau Wai Piu Patrick (“**Mr. Lau**”) does not act as an individual employee of the Company, but as an external service provider in respect of the appointment of Mr. Lau as the company secretary of the Company. In this respect, the Company has nominated Dato' Chan as its contact point for Mr. Lau.

While the Company is well aware of the importance of the company secretary in supporting the Board on governance matters, the Company, after having considered Mr. Lau's employment at Ascent Corporate Services Limited, which provides corporate advisory and company secretarial services, both the Company and Mr. Lau are of the view that there will be sufficient time, resources and supporting for fulfilment of the company secretary requirements of the Company.

In view of Mr. Lau's experience in accounting and company secretarial functions and with stock exchange rules and regulations, the Directors believe that Mr. Lau has the appropriate accounting and company secretarial expertise for the purposes of Rule 8.17 of the Listing Rules.

Except for the above, the Company has adopted the applicable code provisions as set out in the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the year ended 31 December 2021.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors of the Company. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the Model Code during the year ended 31 December 2021.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES**

Save as disclosed elsewhere, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2021 and up to the date of this announcement.

## **SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE**

On 29 June 2021, the Company entered into the subscription agreements with the subscribers for the subscription of an aggregate 64,000,000 new shares of the Company at the subscription price of HK\$1.38 per subscription share (the “**Subscriptions**”). The gross proceeds from the Subscriptions amounted to approximately HK\$88.3 million. All conditions set out in the subscription agreements have been fulfilled and the Subscriptions were completed on 3 August 2021. Details of the Subscriptions were disclosed in the announcements of the Company dated 29 June 2021, 13 July 2021, 20 July 2021 and 4 August 2021.

## **SUFFICIENCY OF PUBLIC FLOAT**

Reference is made to the clarification announcement of the Company dated 14 July 2021 regarding the annual report of the Company for the year ended 31 December 2020.

As disclosed in the said announcement, the public float of the Company was approximately 19.68%, which was below the requirement of at least 25% of the total issued share capital of the Company to be held by the public as prescribed by Rule 8.08(1)(a) of the Listing Rules since 19 March 2021.

### **Steps taken by the Company to restore the public float**

2926 Holdings Limited, being the controlling shareholder of the Company, disposed of 63,000,000 Shares to an independent third party on 8 July 2021 (the “**Disposal**”). Details of the Disposal were disclosed in the announcement of the Company dated 8 July 2021.

Following the Disposal and completion of the Subscriptions, to the best knowledge, information and belief of the Directors, a total of 520,850,000 Shares, representing approximately 25.23% of the total number of issued Shares, were held by the public and the public float has accordingly been restored, and the Company has been in compliance with the public float requirement under Rule 8.08(1)(a) of the Listing Rules since 3 August 2021.

Saved as disclosed above and the announcement of Company dated 30 November 2021 in relation to high concentration of shareholding, based on the information that is publicly available to the Company and to the best knowledge, information and belief of the Directors, the Company has maintained the prescribed minimum public float under the Listing Rules during the year ended 31 December 2021 and at any time up to the date of this announcement.

## **REVIEW BY THE AUDIT COMMITTEE**

The audit committee of the Company has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2021.

## **SCOPE OF WORK OF THE COMPANY'S JOINT AUDITORS ON THE RESULTS ANNOUNCEMENT**

The figures in respect of the consolidated financial statements of the Group and the related notes thereto for the year ended 31 December 2021 as set out in this announcement have been agreed by the Company's joint auditors, Mazars CPA Limited, *Certified Public Accountants, Hong Kong* and Mazars LLP, *Public Accountants and Chartered Accountants, Singapore* to the amounts set out in the consolidated financial statements of the Group for the year ended 31 December 2021. The work performed by the Company's joint auditors in this respect did not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company's joint auditors on this announcement.

## **ACKNOWLEDGEMENT**

On behalf of the Board, I would like to offer my gratitude to our business partners and Shareholders for their continuous support. The management team and all staff members should also be lauded for their tireless efforts and dedication to the Group.

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

Hong Kong, 16 March 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.*