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## **SMART GLOBE HOLDINGS LIMITED**

**竣球控股有限公司**

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

**(Stock Code: 1481)**

**COMPLETION OF (I) DISCLOSEABLE TRANSACTION IN RELATION  
TO THE ACQUISITION OF LAND;  
(II) DEEMED DISPOSAL OF INTEREST IN A SUBSIDIARY;  
AND  
(III) ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

Reference is made to the announcement of the Company dated 26 November 2024 in relation to, among other things, the Acquisition, the CB Subscription and the Share Subscription (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

### **Completion of the Acquisition of the Land**

The Board is pleased to announce that following the consent to assign the Land from the State (which refers to the President of Zambia, whose presidential consent to assign the Land is given through the Ministry of Lands of Zambia) and Heng Qu having obtained the property transfer tax receipts and tax clearance certificates from Zambia Revenue Authority on 21 December 2024 and 22 December 2024 which are part of the conditions precedent to completion of the Acquisition, all the conditions precedent under the Sale and Purchase Agreement have been fulfilled. Accordingly, completion of the Acquisition took place on 3 January 2025. Upon completion of the Acquisition (and prior to completion of the Share Subscription), the Land is owned by Tera Logistics, which is in turn wholly owned by Huge Cheer (an indirect wholly owned subsidiary of the Company).

## **Completion of Share Subscription**

The Board is pleased to announce that following completion of the Acquisition, all the conditions precedent under the Share Subscription Agreement have been fulfilled. Pursuant to the terms under the Sale and Purchase Agreement, HK\$5.425 million (equivalent to US\$700,000) has been applied towards the payment of the subscription money under the Share Subscription and the completion of the Share Subscription took place on 3 January 2025.

The consideration and amount of Subscription Shares were determined after arm's length negotiations between parties to the Share Subscription Agreement on normal commercial terms with reference to, among other things, (i) Huge Cheer will become the indirect owner of the Land upon completion of the Acquisition; (ii) the Land will be the only material asset of Tera Logistics (which is wholly owned by Huge Cheer) upon completion of the Acquisition; (iii) the only material asset of Huge Cheer is its investment in Tera Logistics upon completion of the Acquisition; (iv) the investment potential of the Land upon completion of the Acquisition; and (v) the arrangement under the Sale and Purchase Agreement such that HK\$5.425 million shall be applied towards payment of the subscription money under the Share Subscription Agreement, being approximately 20% of the total consideration of the Acquisition which aligns with the Subscription Shares representing 20% of total issued shares of Huge Cheer as enlarged by the Subscription Shares.

Upon completion of the Acquisition and the Share Subscription, the Group's shareholding in Huge Cheer has been decreased from 100% to 80%. Huge Cheer (being the owner of the Land through Tera Logistics) becomes an indirect non-wholly owned subsidiary of the Company with the financial results of Huge Cheer continuing to be consolidated into the financial statements of the Company. The Company intends to utilise the proceeds from the Share Subscription (together with the proceeds from CB Subscription) as funding for general working capital for its logistics business.

## **Completion of issue of CB under the General Mandate**

The Board is pleased to announce that following the completion of Acquisition and the Share Subscription which are part of the conditions precedent to completion of the CB Subscription, all the conditions precedent under the CB Subscription Agreement have been fulfilled. Pursuant to the terms under the Sale and Purchase Agreement, HK\$20.1 million (equivalent to approximately US\$2,593,548) has been applied towards payment of the subscription money under the CB Subscription and the completion of CB Subscription took place on 3 January 2025. The CB in the principal amount of HK\$20,100,000 has been issued to DCQ in accordance with the terms and conditions of the CB Subscription Agreement.

The Company intends to utilise the proceeds from the CB Subscription (together with the proceeds from the Share Subscription) as funding for general working capital for its logistics business.

## **The business plan for the logistics business**

The Group is principally engaged in the production, distribution and printing of books, novelty and packaging products. Whilst the Group will continue its current businesses with the same model and same scale, the Group has been exploring and identifying potential business opportunities in order to diversify its income streams and achieve sustainable growth in the long run, thereby maximising the return to the Shareholders. The Board considers that an integrated business approach combining the exploration of new business opportunities and the solidification of its existing business is in the best interest of the Group in the long run, as it would mitigate the overall risk exposure of the business of the Group and enable the Group to adapt to shifting market conditions in any global crisis and uncertainty.

To participate in the future growth of the Group, Mr. Du (being the ultimate majority beneficial owner of Heng Qu), through his wholly owned entity DCQ, subscribed for the CB and the Subscription Shares in Huge Cheer (an indirect wholly owned subsidiary of the Company) pursuant to the CB Subscription Agreement and the Share Subscription Agreement, respectively. It is expected that Mr. Du, who is experienced in operating logistics business in Sub-Saharan Africa and as the minority shareholder of Huge Cheer, will assist the Group in filling the gap of the requisite experience and knowledge of the Group in managing the new logistics business. As at the date of this announcement, the Board is in the process of coordinating a team of experts (with experience in managing logistics business in Sub-Saharan Africa) to further expand its trucking fleets and manage the new logistics center to be constructed on the Land and will further appoint director(s) and/or senior management who have expertise in management of logistics business as and when necessary.

Upon completion of the Acquisition, the parties to the MOU, namely Tera Logistics, Heng Qu and COSCO SHIPPING Africa (Pty) Ltd (“**COSCO SHIPPING Africa**”, being the Potential Strategic Partner as referred to in the Announcement) will leverage their respective advantages and resources to explore the potential business cooperation on the Land and shall use their best endeavours to procure the entering into of a legally binding formal agreement and other relevant legal documents in relation to the proposed strategic cooperation.

As at the date of this announcement, COSCO SHIPPING Africa is a private company incorporated in the Republic of South Africa and a wholly owned subsidiary of China COSCO SHIPPING Corporation Limited (being a Chinese state-owned enterprise). For the avoidance of doubt, COSCO SHIPPING Africa is not directly or indirectly held by COSCO SHIPPING Holdings Co., Ltd. (being a company listed on the Main Board of the Stock Exchange)(stock code: 1919).

**It should be noted that the MOU may or may not lead to the entering into of the definitive agreement and transactions contemplated thereunder may or may not be consummated. No binding agreement in relation to the strategic cooperation with COSCO SHIPPING Africa has been entered into by the Group as at the date of this announcement. If any transaction contemplated under the MOU constitutes a notifiable transaction for the Company under the Listing Rules, further announcement(s) will be made by the Company as and when appropriate.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Smart Globe Holdings Limited**  
**NG Ho Lun**  
*Chairman*

Hong Kong, 3 January 2025

*As at the date of this announcement, the executive Directors are Mr. NG Ho Lun, Mr. CHU Lok Fung Barry, Mr. CHEN Kun and Mr. LAM Tak Ling Derek; and the independent non-executive Directors are Dr. WU Ka Chee Davy, Mr. YIU Ho Chi Stephen and Ms. LAW Ying Wai Denise.*

*For the purpose of illustration only and unless otherwise stated, conversion of US\$ into HK\$ in this announcement is based on the exchange rate of 1 to 7.75.*