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CN Logistics International Holdings Limited
嘉泓物流國際控股有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2130)

ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2022

FINANCIAL HIGHLIGHTS

The Group recorded revenue of approximately HK\$1,472.9 million during the Reporting Period (1H2021: HK\$1,017.2 million), representing a period-on-period increase of approximately 44.8%.

The net profit attributable to equity shareholders was approximately HK\$51.2 million during the Reporting Period (1H2021: HK\$35.2 million), representing a period-on-period increase of approximately 45.5%.

The freight forwarding business (including air and ocean freight forwarding) recorded an increase in revenue of approximately HK\$425.7 million in segment results during the Reporting Period, from approximately HK\$824.7 million in 1H2021 to approximately HK\$1,250.4 million in the Reporting Period, representing a period-on-period increase of approximately 51.6%.

Distribution and logistics segment recorded an increase in segment revenue of approximately HK\$29.9 million during the Reporting Period, from approximately HK\$192.5 million in 1H2021 to approximately HK\$222.5 million in the Reporting Period, representing a period-on-period increase of approximately 15.6%.

The Board has declared the payment of an interim dividend of HK 13 cents per ordinary share in respect of the Reporting Period.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces the unaudited consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2022 (the “**Reporting Period**”), together with the comparative figures for the corresponding period in 2021 (the “**1H2021**”).

The interim results of the Group for the Reporting Period is unaudited, but have been reviewed by the Company’s auditor in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). In addition, the interim results have been reviewed by the Company’s audit committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2022 – unaudited

(Expressed in Hong Kong dollars)

		Six months ended 30 June	
	<i>Note</i>	2022	2021
		\$’000	\$’000
Revenue	2	1,472,856	1,017,227
Cost of services		<u>(1,213,552)</u>	<u>(803,119)</u>
Gross profit		259,304	214,108
Other income		4,326	2,238
Other net gain		733	1,555
Administrative and other operating expenses		<u>(174,125)</u>	<u>(147,329)</u>
Profit from operations		90,238	70,572
Finance costs	3(a)	(5,014)	(4,063)
Share of profits of associates and joint ventures		<u>189</u>	<u>195</u>
Profit before taxation	3	85,413	66,704
Income tax	4	<u>(27,447)</u>	<u>(19,389)</u>
Profit for the period		<u>57,966</u>	<u>47,315</u>
Attributable to:			
Equity shareholders of the Company		51,198	35,161
Non-controlling interests		<u>6,768</u>	<u>12,154</u>
Profit for the period		<u>57,966</u>	<u>47,315</u>
Earnings per share (Hong Kong cents)			
Basic and diluted	5	<u>18.9</u>	<u>14.0</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022 – unaudited

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2022 \$'000	2021 \$'000
Profit for the period	57,966	47,315
Other comprehensive income for the period (after taxation)		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of defined benefit retirement obligations	2,479	1,276
Remeasurement of equity investment at fair value through other comprehensive income	(572)	–
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of subsidiaries and associates outside Hong Kong	<u>(14,341)</u>	<u>(1,847)</u>
Total comprehensive income for the period	<u>45,532</u>	<u>46,744</u>
Attributable to:		
Equity shareholders of the Company	40,523	35,336
Non-controlling interests	<u>5,009</u>	<u>11,408</u>
Total comprehensive income for the period	<u>45,532</u>	<u>46,744</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2022 – unaudited

(Expressed in Hong Kong dollars)

	Note	30 June 2022 \$'000	31 December 2021 \$'000
Non-current assets			
Property, plant and equipment		224,070	226,667
Prepayment for acquisition of property, plant and equipment		28,052	14,485
Intangible assets		7,536	2,222
Goodwill	7	199,569	25,142
Interests in associates		8,881	8,856
Interests in joint ventures		2,214	2,219
Other financial assets		1,850	408
Deferred tax assets		1,393	2,622
		<u>473,565</u>	<u>282,621</u>
Current assets			
Trade and other receivables and contract assets	8	709,385	578,677
Amounts due from Cargo Services Group		6,068	8,109
Amounts due from EV Cargo Group		16,842	98,632
Amounts due from associates		328	354
Amounts due from joint ventures		3,534	1,508
Pledged bank deposits		5,233	5,827
Cash and cash equivalents		338,045	295,143
		<u>1,079,435</u>	<u>988,250</u>
Current liabilities			
Trade and other payables and contract liabilities	9	443,141	472,673
Amounts due to Cargo Services Group	10	282,349	8,147
Amounts due to EV Cargo Group		5,685	9,416
Amounts due to associates		165	187
Amounts due to joint ventures		813	623
Bank loans and overdrafts		217,673	158,948
Lease liabilities		52,086	50,049
Current taxation		42,309	25,954
		<u>1,044,221</u>	<u>725,997</u>
Net current assets		<u>35,214</u>	<u>262,253</u>
Total assets less current liabilities		<u>508,779</u>	<u>544,874</u>

	<i>Note</i>	30 June 2022 \$'000	31 December 2021 \$'000
Non-current liabilities			
Bank loans		1,958	2,648
Lease liabilities		61,060	62,472
Defined benefit retirement obligations		7,547	12,249
Deferred tax liabilities		4,910	2,990
		<u>75,475</u>	<u>80,359</u>
NET ASSETS		<u>433,304</u>	<u>464,515</u>
CAPITAL AND RESERVES			
Share capital		2,154	2,154
Reserves		367,384	400,953
Total equity attributable to equity shareholders of the Company		369,538	403,107
Non-controlling interests		63,766	61,408
TOTAL EQUITY		<u>433,304</u>	<u>464,515</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim financial results set out in this announcement do not constitute the Group's interim financial report for the six months ended 30 June 2022, but are extracted from the interim financial report.

This interim financial report of CN Logistics International Holdings Limited (“the **Company**”) and its subsidiaries (“together referred to as “**the Group**”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial statements of the Group for the year ended 31 December 2021, except for the accounting policy changes that are expected to be reflected in the annual financial statements for the year ending 31 December 2022. Details of any changes in accounting policies are set out below.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2021. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”).

The interim financial report is unaudited, but has been reviewed by KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2021 that is included in the interim financial report as comparative information does not constitute the Group's annual consolidated financial statements for that financial year, but is derived from those financial statements.

Changes in accounting policies

- (i) The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:
- Amendments to HKAS 16, *Property, plant and equipment: Proceeds before intended use*
 - Amendments to HKAS 37, *Provisions, contingent liabilities and contingent assets: Onerous contracts — cost of fulfilling a contract*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(ii) Business acquisition

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

2. REVENUE AND SEGMENT INFORMATION

(a) Revenue

The principal activities of the Group are provisions of air freight forwarding services, ocean freight forwarding services and distribution and logistics services. Further details regarding the Group's principal activities are disclosed in note 2(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines is as follows:

	Six months ended 30 June	
	2022	2021
	\$'000	\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major service lines		
– Provision of air freight forwarding services	700,330	593,233
– Provision of ocean freight forwarding services	550,105	231,499
– Provision of distribution and logistics services	222,421	192,495
	<u>1,472,856</u>	<u>1,017,227</u>

Disaggregation of revenue from contracts with customers by geographic locations is disclosed in note 2(b)(ii).

Revenue arising from the provisions of air freight forwarding services and ocean freight forwarding services is recognised over time as customers simultaneously receive and consume the benefits provided by the Group's performance as the Group performs. The revenue is recognised using output method based on either time lapse or units processed.

Revenue arising from the provision of distribution and logistics services is recognised at a point in time when the relevant services are rendered.

All of the Group's revenue either have contracts with an original expected duration of one year or less or is recognised in the amount to which the Group has a right to invoice by applying the practical expedient in paragraph B16 of HKFRS 15. Accordingly, the Group has elected to apply the practical expedient in paragraph 121 of HKFRS 15 and does not disclose the aggregate amount of transaction price allocated to the unsatisfied performance obligations in these contracts.

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geographical locations. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Air freight: this segment provides freight forwarding services by air
- Ocean freight: this segment provides freight forwarding services by ocean
- Distribution and logistics: this segment provides cost-effective supply chain solutions

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and costs of services are allocated to the reportable segments with reference to service income generated by those segments and the direct costs incurred by those segments, including the depreciation or amortisation of assets attributable to those segments. However, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2022 and 2021 is set out below.

	Six months ended 30 June 2022			
	Air freight	Ocean freight	Distribution and logistics	Total
	\$'000	\$'000	\$'000	\$'000
Reportable segment revenue – external sales	<u>700,330</u>	<u>550,105</u>	<u>222,421</u>	<u>1,472,856</u>
Reportable segment gross profit	114,361	109,868	35,075	259,304
Other income				4,326
Other net gain				733
Administrative and other operating expenses				(174,125)
Finance costs				(5,014)
Share of profits of associates and joint ventures				<u>189</u>
Profit before taxation				<u><u>85,413</u></u>
	Six months ended 30 June 2021			
	Air freight	Ocean freight	Distribution and logistics	Total
	\$'000	\$'000	\$'000	\$'000
Reportable segment revenue – external sales	<u>593,233</u>	<u>231,499</u>	<u>192,495</u>	<u>1,017,227</u>
Reportable segment gross profit	129,112	46,820	38,176	214,108
Other income				2,238
Other net gain				1,555
Administrative and other operating expenses				(147,329)
Finance costs				(4,063)
Share of profits of associates				<u>195</u>
Profit before taxation				<u><u>66,704</u></u>

(ii) *Geographic information*

The following table sets out information about the geographical locations of the Group's revenue from external customers. The geographical locations of revenue from customers are based on the locations at which the services are provided.

Revenue from external customers:

	Six months ended 30 June	
	2022	2021
	\$'000	\$'000
Hong Kong	286,346	300,263
Mainland China	332,658	325,392
Italy	571,198	261,975
Taiwan	68,820	65,356
USA	89,206	–
Other countries	124,628	64,241
	<u>1,472,856</u>	<u>1,017,227</u>

(iii) *Segment assets and liabilities*

No analysis of the Group's assets and liabilities by operating and reportable segment is disclosed as it is not regularly provided to the chief operating decision maker for review.

3. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2022	2021
	\$'000	\$'000
(a) <i>Finance costs</i>		
Interest on bank loans and overdrafts	2,437	1,159
Interest on lease liabilities	2,577	2,904
	<u>5,014</u>	<u>4,063</u>
(b) <i>Other items</i>		
Depreciation charge		
– owned property, plant and equipment	10,369	9,863
– right-of-use assets	34,022	33,638
Amortisation cost of intangible assets	3,346	81
Net reversal of impairment loss on trade receivables	(188)	(718)
	<u>(188)</u>	<u>(718)</u>

4. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Six months ended 30 June	
	2022	2021
	\$'000	\$'000
Current tax – Hong Kong Profits Tax	2,911	2,554
Current tax – Outside Hong Kong	22,625	14,303
Withholding tax on distributable profits of a subsidiary	236	395
Deferred tax	<u>1,675</u>	<u>2,137</u>
	<u><u>27,447</u></u>	<u><u>19,389</u></u>

The provision for Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2021: 16.5%) of the estimated assessable profits for the six months ended 30 June 2022.

Taxation for subsidiaries outside Hong Kong is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.

Withholding tax is charged by tax authority of France in respect of dividend income received from a subsidiary incorporated in France, at a rate of 10% (six months ended 30 June 2021: 10%).

5. EARNINGS PER SHARE

(a) Basic earnings per share

For the six months ended 30 June 2022, the calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$51,198,000 (1H2021: \$35,161,000) and the weighted average of 270,606,245 ordinary shares (1H2021: 250,600,195 ordinary shares) in issue during the Reporting Period.

(b) Diluted earnings per share

There were no dilutive potential ordinary shares in issue during the six months ended 30 June 2022, and therefore, diluted earnings per share is the same as basic earnings per share.

6. DIVIDEND

During the six months ended 30 June 2022, the Group's subsidiaries declared and paid dividends of \$2,651,000 (six months ended 30 June 2021: \$17,539,000) to non-controlling interests.

On 29 August 2022, the Company declared an interim dividend of HK\$13 cents per ordinary share in respect of the period ended 30 June 2022. Such dividend has not been recognised as a liability at the end of the Reporting Period.

7. GOODWILL

	30 June 2022 HK\$'000	31 December 2021 HK\$'000
At the beginning of the period/year	25,142	24,633
Additions (<i>note 12</i>)	175,986	–
Exchange adjustments	(1,559)	509
	<u>199,569</u>	<u>25,142</u>
At the end of the period/year	<u>199,569</u>	<u>25,142</u>

Goodwill at 31 December 2021 arose from the acquisition of Global Freight Forwarding Co., Limited on 12 March 2016. Global Freight Forwarding Co. Limited is engaged in the provision of freight forwarding services in Taiwan.

On 11 March 2022, the Group completed the acquisition of Allport Cruise Group. Allport Cruise Group is specialised in the provision of cruise logistics. Please refer to note 12 for more details.

8. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

The ageing analysis of trade debtors (which are included in trade and other receivables and contract assets), based on the invoice date and net of loss allowance, is as follows:

	30 June 2022 \$'000	31 December 2021 \$'000
Within 1 month	464,056	305,465
1 to 2 months	85,600	138,985
2 to 3 months	22,708	30,311
Over 3 months	21,143	26,011
Trade receivables, net of loss allowance	593,507	500,772
Other receivables, prepayments and deposits	73,852	66,433
	<u>667,359</u>	<u>567,205</u>
Contract assets	42,026	11,472
	<u>709,385</u>	<u>578,677</u>

Trade receivables are normally due within 30 – 60 days from the date of billing. Normally, the Group does not obtain collateral from customers.

Contract assets represent unbilled amounts from certain freight forwarding contracts, resulted from revenue recognised on these contracts using output method exceeding the amounts billed to the customers as at the end of the Reporting Period.

9. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

The ageing analysis of trade creditors (which are included in trade and other payables and contract liabilities), based on the invoice date, is as follows:

	30 June 2022 \$'000	31 December 2021 \$'000
Within 1 month	250,550	300,046
1 to 3 months	63,968	66,047
Over 3 months	11,189	10,805
Trade payables	325,707	376,898
Other payables and accrued charges	108,707	86,095
	434,414	462,993
Contract liabilities	8,727	9,680
	443,141	472,673

Contract liabilities represent amounts billed to customers in advance of the service performance under certain freight forwarding contracts as at the end of the Reporting Period.

10. AMOUNTS DUE TO CARGO SERVICES GROUP

Amounts due to Cargo Services Group mainly included an amount of approximately HK\$211,786,000, representing the consideration payable for the acquisition of Allport Cruise Group in March 2022. The consideration payable is expected to be settled by the issuance of ordinary shares by the Company in April 2023 (or otherwise by way of cash or promissory notes in accordance with the terms of the share purchase agreement).

11. SHARE CAPITAL

As at 30 June 2022 and 31 December 2021, 50,000,000,000 ordinary shares, with par value of US\$0.001 each, are authorised for issue.

As at 30 June 2022, the Company has 276,100,000 ordinary shares (31 December 2021: 276,100,000 ordinary shares) in issue.

12 ACQUISITIONS OF ALLPORT CRUISE GROUP

On 31 December 2021, CN Investment Limited (“**CN Investment**”), an indirect wholly-owned subsidiary of the Company, entered into the sale and purchase agreement with Cargo Services Seafreight Limited, pursuant to which Cargo Services Seafreight Limited has agreed to sell, and CN Investment has agreed to purchase, the entire shares in Allport Cruise Logistics Inc. (“**Allport Cruise**”) (the “**Sale Shares**”), and its subsidiaries (together, the “**Allport Cruise Group**”). The consideration of the acquisition amounted to approximately HK\$211,786,000, which is based on the fair value of the Sale Shares as at the date of completion and subject to adjustment based on the actual performance of Allport Cruise Group for the year ending 31 December 2022. Upon completion, Allport Cruise became an indirect wholly owned subsidiary of the Company.

Fair value of assets acquired and liabilities recognised at the date of acquisition are as follows:

	<i>HK\$'000</i>
Fixed assets	2,293
Intangible assets	8,878
Trade receivables	89,478
Cash and cash equivalent	16,084
Amount due from Cargo Services Group	390
Amount due to Cargo Services Group	(72,308)
Trade payables	(5,650)
Tax payable	<u>(3,365)</u>
Total	35,800
Goodwill arising on acquisition	<u>175,986</u>
Consideration	<u>211,786</u>
Net cash inflow arising on acquisition:	<i>HK'000</i>
Cash and cash equivalent acquired	<u><u>16,084</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Board announces the unaudited interim results of the Group for the Reporting Period. The relevant financial figures for the corresponding period in 1H2021 or other dates/periods are also set out in this announcement for comparative purposes.

Overview

The Group primarily engages in the provision of comprehensive logistics services, comprising air freight forwarding services, distribution, and logistics services as well as ocean freight forwarding services, with a primary focus on high-end fashion (including luxury and affordable luxury) and fine wine products, as well as cruise logistics. Our long-standing customers in the high-end fashion market include various international, well-known, premium, and luxury brands and other apparel.

The Group operates local offices in 19 cities across 12 countries and/or regions, namely the PRC, Hong Kong, Taiwan, Italy, Japan, USA, Malaysia, Thailand, Vietnam, Korea, France and Switzerland. The Group also works with a network of over 100 freight forwarder business partners, covering over 100 countries around the world.

During the Reporting Period, the COVID-19 pandemic continues to cause disruptions to the logistics industry. The Group as a comprehensive logistics solution provider with global business footprint, has successfully overcome the challenges and met the needs of its brand customers. Leveraging its long-standing relationships with airlines and carriers, the Group was able to secure cargo spaces and in turn, provide services at a higher rate in light of the shortage of flights and container ships.

Particularly, the lockdown in Shanghai for more than two months during the Reporting Period brought unprecedented challenges to the Group's operation in providing freight forwarding services to its customers. With the rich experience in the logistics industry and the Group's high flexibility in its business operation, the Group has striven to minimise the impacts of the lockdown to the Group's freight forwarding business by relocating the shipments to other cities in the PRC. In particular, customer orders from Shanghai were fulfilled through relocation of both import and export shipments to other cities, which minimised the adverse impact under the period of lockdown.

Expansion of the Group's global presence

On 31 December 2021, the Group entered into a share purchase agreement (the “**Share Purchase Agreement**”) with Cargo Services Seafreight Limited for the acquisition of Allport Cruise Group. The acquisition was completed in March 2022. Since the acquisition, the Group expanded its presence to the USA and diversified its customer base by offering freight forwarding services to cruise operators primarily located in the USA. The cruise logistics is a niche market which requires special expertise on, amongst other things, 1) consolidation of different goods into a larger consignment for better unpacking to different areas of the cruise; 2) on-site consultation on custom clearance and deconsolidation of consignments; and 3) on time delivery as there are booking restriction for each dry dock project. Therefore, the margin in cruise logistics is relatively higher. It is expected that this acquisition will also create further synergies with other businesses of the Group. For example, by leveraging the business networks of Allport Cruise Group, the Group would be able to expand its freight forwarding services to high end customers located in the USA. Following the development of the business network and reputation of the Allport Cruise Group in the global logistics industry and the relaxation of international travel restrictions in various countries and regions and in view of (i) the business growth of Allport Cruise Group in the Reporting Period; and (ii) the expected recovery of the global tourism industry, it is expected that demand for shipments for drydock project and cruise replenishment will continue to increase in the second half of 2022. On such basis, the Directors consider that it is likely that the benchmark for the determination and adjustment of the consideration under the Share Purchase Agreement would be achievable.

For European operations, the Group continued the consolidation of business resources and achieved greater synergies. After the successful acquisition of the remaining shares in CN Logistics S.R.L. (“**CN Italy**”) and CN Logistics SA in 2021, the Group is able to better coordinate and consolidate the valuable resources in these regions, including business network and logistics infrastructures and industry talents. Hence, the Group was able to ride on the economic recovery in Europe and attracted a number of new customers. As a result, the revenue from Italy increased by 118.0% from HK\$262.0 million in 1H2021 to HK\$571.2 million in the Reporting Period.

Apart from the developed markets, the Group also extended its business footprint to Southeast Asia by setting up a local branch in Vietnam, which is the Group's second foothold in the region after Malaysia. Following the implementation of Regional Comprehensive Economic Partnership (RCEP) at the beginning of this year, the Group saw additional business opportunities and strived to further develop into the region.

Since its establishment in 1990s, the Group has been devoted to the promotion of sustainable development and environmental protection. As the global awareness on environmental, social and governance continue to rise, the Group has launched its green logistics services, comprising the recycling and reverse logistics services for tens of brand customers, in order to create a greener supply chain and increase customers' stickiness. The Group also partnered with Redress, a non-profit organisation in Hong Kong, to further promote sustainability. The Group's office in Hong Kong also purchased three electric vehicles and put them into operation in May 2022 to further promote the green transportation in local logistics industry. Echoing the Hong Kong Government's initiative on carbon neutrality, the

Group will work with brand customers to build a greener supply chain and move towards a more eco-friendly and sustainable future.

To promote waste reduction in the fashion industry and a cleaner supply chain, the three newly-purchased electric vehicles will be deployed together with the existing electric vans to support customers' daily operations and transportation of recycling materials. With the expanded electric fleet, the Group expected to reduce carbon footprint by 6,091 tons this year and increase the efficiency of emission reduction by 126% year-on-year.

FINANCIAL RESULTS

The Group recorded revenue of approximately HK\$1,472.9 million during the Reporting Period (1H2021: HK\$1,017.2 million), representing a period-on-period increase of approximately 44.8%. Gross profit amounted to approximately HK\$259.3 million during the Reporting Period (1H2021: HK\$214.1 million), representing a period-on-period increase of 21.1%. The net profit attributable to equity shareholders of the Company was approximately HK\$51.2 million during the Reporting Period (1H2021: HK\$35.2 million), representing a period-on-period increase of approximately 45.5%.

The increases in revenue and net profit were mainly due to (a) the continuous growth in revenue and profit generated by the Italy office of the Group resulting from the expansion of customer base and its ability in shifting part of the increased cost of operation to its customers; (b) revenue and net profit contributed by Allport Cruise Group which was acquired by the Group in March 2022; (c) the elimination of certain non-controlling interests upon the completion of the acquisition of the minority shareholding interests in CN Italy in November 2021; (d) expansion of the Group's local presence by setting up offices in South East Asia and USA, which principally provide freight forwarding services to high end fashion customers and cruise operators, respectively; and (e) the persistently high freight rates charged to customer due to limited supply of cargo spaces and containers under the COVID-19 pandemic.

SEGMENTAL ANALYSIS

The Group principally involves in the provision of freight forwarding services and distribution and logistics services.

Air freight forwarding services

The air freight forwarding business constituted the largest segment of the Group, representing approximately 47.5% of the Group's total revenue during the Reporting Period (1H2021: 58.3%). The services include arranging for consignment upon receipt of booking instructions from customers, cargo pick up, obtaining cargo spaces, preparation of freight documentation, arranging for customs clearance and cargo handling at origin and destination as well as other related logistics services such as supporting transportation for freight forwarding purposes. In addition, the Group is one of the few specialists in providing freight forwarding services for the export of wine from France and the United Kingdom to Hong Kong. The Group is a member of International Air Transport Association in Hong

Kong, Taiwan, Italy, France and Japan which provide the access to space procurement for air cargo routes worldwide in these locations and also capable of procuring air cargo space directly from airline carriers in the PRC.

During the Reporting Period, the air freight forwarding business recorded revenue of approximately HK\$700.3 million (1H2021: HK\$593.2 million), representing an increase of approximately 18.1% as compared to the corresponding period of 2021. Gross profit of the segment decreased from HK\$129.1 million in the corresponding period of 2021 to approximately HK\$114.4 million during the Reporting Period. The decrease in gross profit was mainly due to the unexpected significant increase in freight cost worldwide brought by the Russia-Ukraine war since February 2022. To maintain long-term relationships with major customers, the Group did not recharge the increase in freight cost to these customers in full.

Distribution and logistics services

The distribution and logistics segment contributed approximately 15.1% of the total revenue of the Group during the Reporting Period (1H2021: 18.9%). The Group is one of the pioneers in the PRC and Hong Kong to provide comprehensive and customised business to business distribution and logistics services to meet its customers' warehousing and logistics needs with cost-effective supply chain solutions. The Group is also one of the pioneers in the PRC to establish its own highly-automated distribution centre to provide tailor-made logistics solutions for high-end fashion products. The distribution and logistics services operations of the Group are primarily located in Hong Kong, the PRC, Italy, Taiwan and Korea with the PRC and Hong Kong being the two largest contributors of revenue for this segment. The Group manages and operates 28 distribution centres with a total gross floor area of approximately 1,289,000 sq.ft.. This business segment involves the provision of a wide range of logistics services, such as managing vendor inventory, pick and pack finished goods, delivery, recycling, quality control and various ancillary value-added services such as supply chain management and storage services through the proprietary warehouse management system of the Group.

In addition, as one of the few specialists in providing distribution and logistics services for wine in Hong Kong, the Group's comprehensive logistics services include specialty storage, logistics and other value-added services such as branded packaging, polymorph repacking, same day local door-to-door and temperature-controlled delivery in Hong Kong. We manage a storage and distribution space of approximately 58,000 sq.ft. dedicated to wine storage, of which the temperature and humidity are kept at an optimal level.

During the Reporting Period, the revenue from this segment was approximately HK\$222.5 million (1H2021: HK\$192.5 million), representing an increase of approximately 15.6% as compared with the corresponding period of 2021 and the gross profit was approximately HK\$35.1 million (1H2021: HK\$38.2 million), representing a decrease of approximately 8.1% as compared with the corresponding period of 2021.

Ocean freight forwarding services

The ocean freight forwarding business contributed approximately 37.4% of the total revenue of the Group during the Reporting Period (1H2021: 22.8%). The holistic logistics solutions of the Group also include the provision of ocean freight forwarding services mainly to its air freight forwarding services customers and other customers in Italy and Taiwan when they require us to ship some of their products by sea incidentally or on a stand-alone basis. The ocean freight forwarding operations of the Group in Italy, Taiwan and USA were the largest revenue contributors of this segment which included the export of electronics, machineries and large equipment from Taiwan, furniture and household and electrical appliances and cruise logistics. In addition, since our acquisition of Allport Cruise Group, the Group has expanded its ocean freight forwarding business to cruise operators in the USA.

During the Reporting Period, the revenue from this segment was approximately HK\$550.1 million (1H2021: HK\$231.5 million), representing an increase of approximately 137.6% as compared with the corresponding period of 2021 and gross profit was approximately HK\$109.8 million (1H2021: HK\$46.8 million) representing an increase of approximately 134.6% as compared with the corresponding period of 2021 due to 1) significant growth in the revenue and gross profit generated from the Group's Italy office, in particular for the import shipment as a result of (a) the continuous increase in the ocean freight rate throughout the Reporting Period and the ability of the Italy office to charge its customers at a similar margin; and (b) the strong demand on luxury products due to travel restrictions and that Italy as a famous city of producing luxury brands, there were significant growth on the import shipment of raw materials for high-end fashion products from the PRC and South East Asia; and 2) the acquisition of Allport Cruise Group in March 2022.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has adopted a prudent financial and surplus funds management approach towards its treasury policies. 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.

The Group's working capital decreased from approximately HK\$262.3 million as at 31 December 2021 to HK\$35.2 million as at 30 June 2022. The current ratio of the Group decreased from approximately 1.36 times as at 31 December 2021 to approximately 1.03 times as at 30 June 2022. Such decrease in working capital was mainly attributable to the consideration payable (the "**Consideration**") in connection with the acquisition of Allport Cruise Logistics Inc., which is expected to be settled in or around April 2023 by way of allotment and issue of shares of the Company (the "**Share(s)**") (or by cash or promissory notes in accordance with the term of the Share Purchase Agreement), which was accounted as current liabilities of the Company as at 30 June 2022. For further details of the acquisition, please refer to the announcement and circular of the Company dated 31 December 2021 and 31 January 2022, respectively. Excluding the effect of the Consideration on the current liabilities of the Group as at June 2022, the working capital and the current ratio of the Group have remained stable as at June 2022.

As at 30 June 2022, the Group's cash and cash equivalents amounted to approximately HK\$338.0 million, representing an increase of approximately 14.5% from approximately HK\$295.1 million as at 31 December 2021. During the Reporting Period, the Group had operating cash inflow of approximately HK\$114.8 million (1H2021: operating cash inflow of approximately HK\$67.9 million). As at 30 June 2022, the Group's outstanding bank loans and overdrafts amounted to approximately HK\$219.6 million (as at 31 December 2021: approximately HK\$161.6 million). The gearing ratio of the Group was approximately 76.8% as at 30 June 2022 (as at 31 December 2021: 59.0%). The gearing ratio was calculated as total of bank loans and overdrafts and lease liabilities divided by total equity of the Group. As at 30 June 2022, the Group maintained a net cash position (as at 31 December 2021: net cash position). The Group will continue to secure financing as and when the need arises.

FOREIGN EXCHANGE RISK

In light of the nature of the Group's business, the Group is exposed to certain foreign exchange risks in respect of depreciation or appreciation including EUR, GBP, RMB, TWD and USD among which, RMB and USD are mostly used in our business apart from HKD. Nevertheless, the Group's operations are predominately subject to the fluctuations of RMB since HKD is pegged to USD. We have, however, not maintained any specific hedging policy or foreign currency forward contracts in respect of such foreign exchange risks. The Group continued to exercise a strict control policy and did not engage in any speculative trading in debt securities or financial derivatives during the Reporting Period.

SIGNIFICANT INVESTMENT

During the Reporting Period, the Group did not hold any material investment.

CAPITAL EXPENDITURE COMMITMENTS

As at 30 June 2022, the Group had capital expenditure commitments of approximately HK\$15.1 million (as at 31 December 2021: HK\$34.2 million).

CONTINGENT LIABILITIES

As at 30 June 2022, financial guarantees are given by the Company to the banks for the banking facilities entered by certain subsidiaries of the Group. The directors do not consider it probable that a claim will be made against the Group under the banking facilities. The maximum liability of the Group under the banking facilities as at 30 June 2022 is the amount of the facilities drawn by the Group, being HK\$216.8 million (as at 31 December 2021: HK\$152.3 million).

CHARGE ON GROUP ASSETS

As at 30 June 2022, certain interest-bearing bank borrowings and bank guarantees were secured by pledged bank deposit amounted to approximately HK\$5.2 million (as at 31 December 2021: HK\$5.8 million).

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in paragraph headed “Interim Dividend”, there are no events causing material impact on the Group from the end of the Reporting Period to the date of this announcement.

MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

On 31 December 2021, CN Investment Limited (“**CN HK**”), a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company, entered into the Share Purchase Agreement with Cargo Services Seafreight Limited, being one of the controlling shareholders of the Company (the “**Vendor**”), pursuant to which CN HK has conditionally agreed to acquire from the Vendor the entire issued share capital in Allport Cruise at the aggregate consideration of HK\$185,840,000 (subject to adjustment). The consideration for the acquisition of the Sale Shares shall be settled by the allotment and issue of the aggregate number of new Shares to be allotted and issued by the Company, credited as fully paid, which shall be the quotient of (a) the consideration for the acquisition (as adjusted in accordance with the terms of the share purchase agreement), as divided by (b) the issue price of HK\$9.2 per Share (round down to the nearest whole board lot of 1,000 Shares), subject however to the maximum number of Shares that may be issuable by the Company in accordance with the terms of the Share Purchase Agreement, for the purpose of settling the consideration for the acquisition (the “**Consideration Shares**”), and the balance of the consideration shall be satisfied by CN HK partly by cash and partly by the issue of two promissory notes. The final consideration will be subject to the results of the audited consolidated financial statements of the Allport Cruise Group for the year ending 31 December 2022. The acquisition of the Sale Shares was completed in March 2022 at which time the fair value of the Shares was HK\$10.26 per Share. Upon completion of the acquisition, Allport Cruise became an indirect wholly owned subsidiary of the Company.

Saved as disclosed above, the Group did not have any significant investment held or any material acquisition or disposal of subsidiaries or associated companies of the Company during the Reporting Period.

USE OF PROCEEDS

Use of net proceeds from the initial public offering

The shares of the Company (the “Shares”) were listed on the Main Board of the Stock Exchange on the 15 October 2020 with the offering of a total of 53,700,000 Shares at the final offer price of HK\$2.66 per Share (the “Global Offering”). The net proceeds of the Global Offering, after deducting related underwriting fees and commissions and relevant expenses in connection with the Global Offering, were approximately HK\$87.4 million (the “Net Proceeds”). An analysis of the utilisation of the Net Proceeds up to 30 June 2022 is set out below:

	Intended use of Net Proceeds as set out in the Prospectus	Amount utilised during the Reporting Period	Amount utilised as at 30 June 2022	Amount unutilised as at 30 June 2022
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Enhancement and expansion of distribution and logistics business and local presence	63.1	8.3	63.1	–
Expansion of Business to Consumer (“B2C”) services	15.6	–	15.6	–
General working capital purpose	8.7	–	8.7	–
	<u>87.4</u>	<u>8.3</u>	<u>87.4</u>	<u>–</u>

As at the date of this announcement, the Net Proceeds have been fully utilised.

Use of net proceeds from subscription of Shares

- (i) On 18 May 2021, the Company entered into a subscription agreement (the “**First Subscription Agreement**”) with Mr. Chan Wing Luk, being an Independent Third Party. Pursuant to the First Subscription Agreement, the Company agreed to allot and issue and Mr. Chan Wing Luk agreed to subscribe for 5,000,000 Shares, with a nominal value of US\$5,000, at a subscription price of HK\$7.23 per Share (the “**First Subscription**”), representing a discount of approximately 3.0% to the closing price of HK\$7.45 per Share on the date of the First Subscription Agreement. The Directors consider that the First Subscription allowed the Company to broaden its shareholder base and represented an opportunity for the Company to strengthen its capital base and financial position without any interest burden, within a relatively short time frame and at lower costs when compared with other means of fund raising.

The First Subscription was completed on 3 June 2021. The net proceeds raised from the First Subscription, after deduction of professional fees and other related expenses, were approximately HK\$35.6 million and accordingly, the net price for the First Subscription was HK\$7.12 per Share. The net proceeds from the First Subscription were intended to be fully used as the initial capital for the expansion of business and local presence of the Group in Hainan Province in the PRC, Southeast Asia and the United Kingdom. As at 30 June 2022, the Company had utilised HK\$3.2 million of net proceeds from the First Subscription. The Company anticipates to use up the unutilised net proceeds from the First Subscription within three years from the completion date of the First Subscription. For further details of the First Subscription, please refer to the Company’s announcements dated 18 May and 3 June 2021.

- (ii) On 29 November 2021, the Company entered into a subscription agreement (the “**Second Subscription Agreement**”) with YesAsia Holdings Limited (“**YesAsia**”), a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 2209) and an Independent Third Party, pursuant to which the Company agreed to allot and issue and YesAsia agreed to subscribe 1,100,000 Shares, with a nominal value of US\$1,100, at a subscription price of HK\$9.2 per Share (the “**Second Subscription**”), representing a discount of approximately 2.7% to the closing price of HK\$9.46 per Share on the date of the Second Subscription Agreement. YesAsia, together with its subsidiaries, are principally engaged in trading of fashion wear, cosmetics and accessories and entertainment products through its own e-commerce platforms (including websites and mobile application). The Directors consider that the Second Subscription would foster a closer business relationship between the Group and YesAsia which in turn strengthen the Group’s market position in the B2C business.

The Second Subscription was completed on 8 December 2021. The net proceeds raised from the Second Subscription, after deduction of professional fees and other related expenses, were approximately HK\$10.0 million and accordingly, the net price for the Second Subscription was HK\$9.09 per Share. The net proceeds raised from the Second Subscription were intended to be fully used to further expand and develop the Group's B2C business, including enhancing its e-commerce platform, which provides one-stop sale and logistics solutions to consumers, and recruiting expertise for the day-to-day operation management. As at 30 June 2022, the Company had utilised HK\$3.8 million of net proceeds from the Second Subscription. The Company anticipates to use up the unutilised net proceeds from the Second Subscription within three years from the completion date of the Second Subscription. For further details of the Second Subscription, please refer to the Company's announcements dated 29 November and 8 December 2021.

PROSPECTS

The Group has achieved remarkable results despite the challenging environment in the first half of 2022. Looking ahead, the Group remains optimistic about the future of the logistics industry, as the global economy gradually recovers. To seize the opportunities in the post-pandemic era, the Group will strive to grow its business in the following aspects.

1. Further strengthen Group's business foothold in Europe and East Asia

The Group will strive to develop its business and explore more business opportunities in the field of luxury, high-end products, as well as premium wine products in Europe and East Asia, where it has established a strong business network and a comprehensive clientele over decades. Following the successful acquisition of its European subsidiaries, the Group will continue to achieve organic growth driven by the post-pandemic recovery, while tapping into more regional markets such as Germany to attract new brand customers and create additional synergies with a greater business scale.

In Greater China, the Group will strive to seize the surging demand on comprehensive logistics services, primarily in the field of luxury and high-end products, following the resumption of consumption in the post-pandemic stage. Seeing strong demand for luxury products in the first half of 2022, after the flagship warehouses in Shanghai were successfully expanded in 2021, the Group entered into phase 2 expansion of its flagship warehouses located in Fu Jin Lu and Wai Gao Qiao in Shanghai, respectively, to cater the strong demand from its long-standing clients in the coming few years. The expansion of Fu Jin Lu warehouse and Wai Gao Qiao warehouse are expected to be completed in third quarter of 2022.

In addition, the Group has recently obtained new business opportunities with brand customers in South Korea and Taiwan, and it is expected that the demand in logistics services in both countries/regions will remain robust. Riding on the favorable trend, the Group believes its core business in Europe and East Asia will continue to flourish and contribute further in the second half of the year and beyond.

2. Tap into Southeast Asia and North America markets

As a fast-growing logistics service provider, the Group always strives to replicate its success in Europe and the PRC, to new markets with high potentials and opportunities.

In Southeast Asia, the Group expects to benefit from the implementation of the RCEP since the beginning of 2022. Driven by the agreement, the Group will enjoy more vigorous development opportunities in countries under the Association of Southeast Asian Nations, such as Vietnam, Malaysia, and Singapore. Upon the establishment of local offices in Malaysia and Vietnam, the Group will actively seek for collaboration opportunities with brand customers that it has served over the years, while exploring business opportunities with renowned brands in the region, to build a more diversified clientele.

Following the successful acquisition of Allport Cruise Group in March 2022, the Group extended its network into North America, laying a solid foundation for business development in the region. The Group plans to establish new offices in Canada and Mexico, to replicate its success in the field of luxury and high-end products in this newly entered market. With decades of experience in serving brand customers, the Group is confident that it can gain trusts from brand clients in the region, to diversity its revenue stream, and eventually contributes to financial performance.

3. Develop into new vertical markets, echoing the Group's strategic positioning

Since its establishment, the Group has positioned itself as a premium logistics services provider which focuses on niche and high-end markets. In addition to luxury goods, high-end fashion products, fine wine, the Group has successfully tapped into the cruise logistics market, creating a new revenue stream with sustainability and prospects.

Looking ahead, the Group will continue to explore opportunities of tapping into new verticals. For example, consumers are more willing to purchase imported fine food (fruit, sweet, meat and vegetables) with higher price and quality. The Group is actively liaising with its business partners across the world and explore the opportunities of tapping into this segment. The Group will also study the feasibility of developing into the fields with high potentials, and will continue to diversify its business portfolio.

4. Expand green logistic services to enhance client stickiness

As an ESG-focused comprehensive logistics service provider, the Group will continue to promote a cleaner supply chain in its daily operations. The Group will carry out a series of measures to pursue energy-saving and emission reduction, including the expansion of its electric fleets in Hong Kong and the PRC and the installation of solar panels in suitable overseas warehouses.

As an increasing number of brand customers uphold the concept of sustainable development, the Group will continue to introduce its green logistics services to brand customers. In addition to the existing scope such as recycling service, carbon emission consulting and carbon footprint neutralisation, the Group will regularly consider introducing new elements to its green logistics services, so as to satisfy brand customers' needs and strengthen its customer stickiness.

HUMAN RESOURCES

As at 30 June 2022, the Group employed 670 employees (as at 30 June 2021: 612 employees). During the Reporting Period, employee cost, including Directors' remuneration, was approximately HK\$149,935,000 (1H2021: approximately HK\$138,957,000). Remuneration packages are generally structured to market terms, individual employee performance, qualification and experiences. The Company has also adopted share option scheme and share award scheme for the purpose of providing incentives and rewards to eligible participants, including the employees of the Group, who contribute to the success of the Group's operations. During the Reporting Period, regular in-house and external trainings have been provided to the Group's employees.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK13 cents per ordinary Share absorbing a total amount of HK\$35,893,000, in respect of the Reporting Period. The proposed interim dividend is expected to be paid on Friday, 30 September 2022 to all Shareholders whose names to be appeared on the register of members of the Company on Friday, 16 September 2022.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend, the register of members of the Company will be closed from Wednesday, 14 September 2022 to Friday, 16 September 2022 (both days inclusive) during which period no transfer of shares will be registered. In order to be qualified for the interim dividend, all share transfer documents accompanied by the corresponding share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. (Hong Kong time) on Tuesday, 13 September 2022.

CORPORATE GOVERNANCE PRACTICES

The Board has adopted the code provision of the Corporate Governance Code (the "CG Code") contained in Part 2 of Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"). The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provision set out in the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. After specific enquiry made by the Company, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct of the Company governing the Directors' securities transactions throughout the Reporting Period.

AUDIT COMMITTEE

The Company has established an audit committee which comprises three independent non-executive Directors, namely, Mr. Lam Hing Lun Alain, Mr. Chan Chun Hung Vincent and Mr. Chun Chi Man. Mr. Lam Hing Lun Alain is the chairman of the audit committee. The audit committee of the Company has discussed with the management of the Group and the Company's external auditors and reviewed the unaudited consolidated financial results of the Group for the Reporting Period, including the accounting principles and practices adopted by the Group, and discussed with the management on the financial reporting system and the risk management and internal control systems of the Company.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange and the Company. The interim report for the Reporting Period will be despatched to the shareholders of the Company and will be published on the websites of the Stock Exchange and the Company in due course in accordance with the Listing Rules.

By Order of the Board
CN Logistics International Holdings Limited
Ngan Tim Wing
Executive Director and chief executive officer

Hong Kong, 29 August 2022

As at the date of this announcement, the Board comprises Mr. Ngan Tim Wing, Ms. Chen Nga Man, Ms. Augusta Morandin and Mr. Fabio Di Nello as the executive Directors; Mr. Lau Shek Yau John as the non-executive Director; and Mr. Lam Hing Lun Alain, Mr. Chan Chun Hung Vincent and Mr. Chun Chi Man as the independent non-executive Directors.