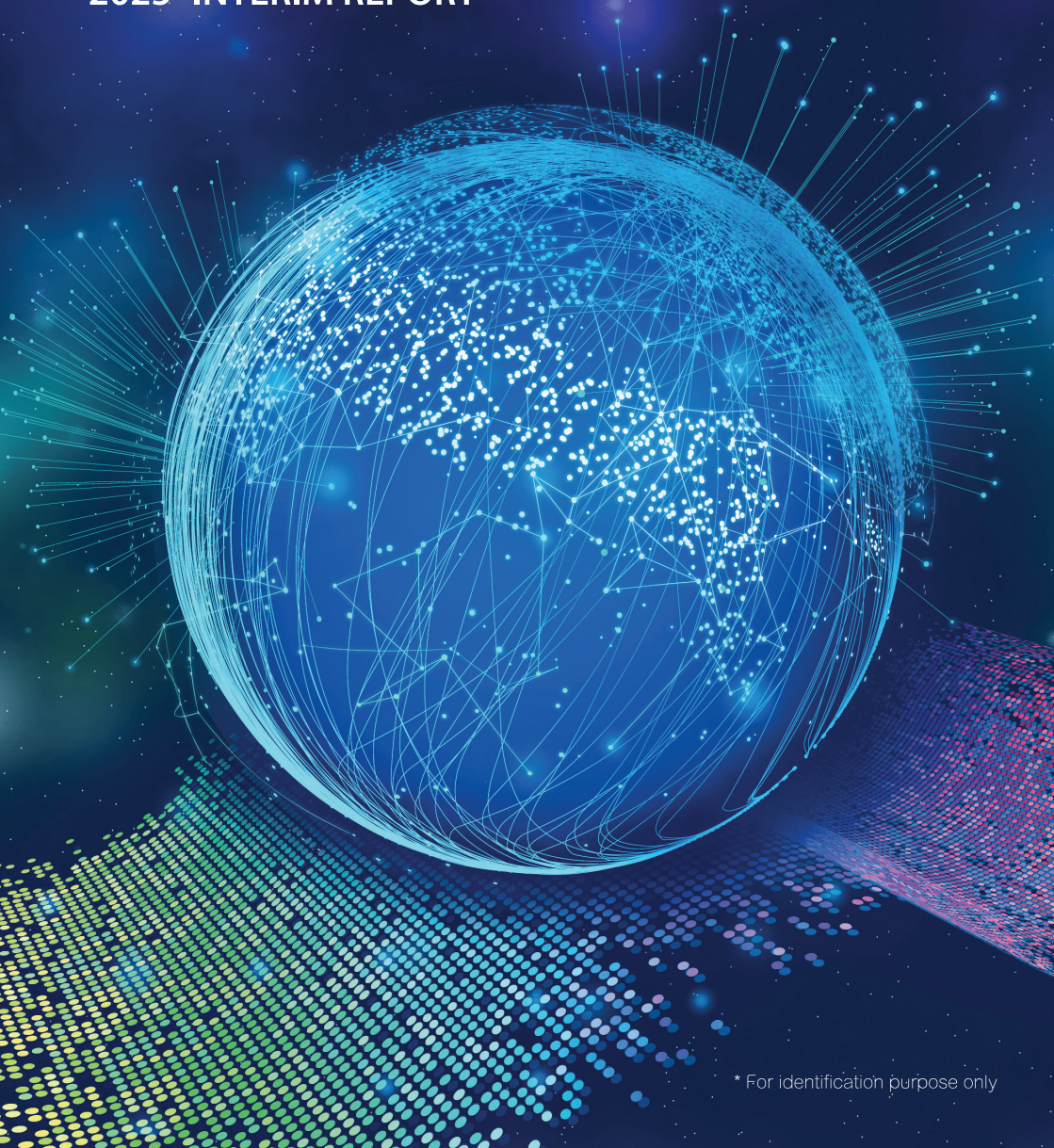


C&N Holdings Limited 春能控股有限公司*

Incorporated in the Cayman Islands with limited liability

Stock Code: 8430

2025 INTERIM REPORT



* For identification purpose only

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Main Board. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the “Directors”) of C&N Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and (2) there are no other matters the omission of which would make any statement herein or this report misleading.

The original report is prepared in the English language. This report is translated into Chinese. In the event of any inconsistencies between the Chinese and the English version, the latter shall prevail.

CONTENTS

	Pages
Highlights	3
Unaudited Interim Results:	
Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Unaudited Consolidated Statement of Financial Position	5
Unaudited Condensed Consolidated Statement of Changes in Equity	7
Unaudited Consolidated Statement of Cash Flows	8
Notes to the Condensed Consolidated Financial Statements	9
Management Discussion and Analysis	24
Other Information	31

- The Group's overall revenue amounted to approximately S\$10,438,000 for the six months ended 30 June 2025, representing a decrease of approximately S\$3,315,000 or 24.1% as compared to the six months ended 30 June 2024.
- The loss attributable to the owners of the Company was approximately S\$830,000 for the six months ended 30 June 2025 as compared to a loss of approximately S\$599,000 for the six months ended 30 June 2024.
- The Board does not recommend the payment of any dividend for the six months ended 30 June 2025.

Unaudited Interim Results

The board of Directors (the “Board”) of the Company is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025, together with the unaudited comparative figures for the corresponding period in 2024, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 S\$ (Unaudited)	2024 S\$ (Unaudited)
Revenue	3	10,437,854	13,752,980
Cost of sales		(9,659,526)	(13,137,779)
Gross profit		778,328	615,201
Other income, gains and losses	4	143,773	100,750
Administrative expenses		(1,262,909)	(1,357,862)
Finance costs	5	(20,261)	(35,759)
Loss before tax	6	(361,069)	(677,670)
Income tax expense	7	—	—
Loss for the period		(361,069)	(677,670)
Other comprehensive (expense)/income Item that may be subsequently reclassified to profit or loss: Exchange differences arising from translation		(468,688)	78,902
Other comprehensive (expense)/income for the period		(468,688)	78,902
Total comprehensive expense attributable to owners of the Company		(829,757)	(598,768)
Basic and diluted loss per share	8	(0.002)	(0.004)

Unaudited Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 S\$ (Unaudited)	31 December 2024 S\$ (Audited)
Non-current assets			
Property, plant and equipment	10	5,317,975	6,495,796
Right-of-use assets		816,249	862,853
Total non-current assets		6,134,224	7,358,649
Current assets			
Trade receivables	11	7,908,400	7,786,066
Deposits and other receivables		749,289	560,804
Pledged deposits		539,098	535,373
Bank balances		369,010	623,969
Total current assets		9,565,797	9,506,212
Current liabilities			
Trade payables	12	1,074,507	901,139
Contract liabilities		–	71,347
Other payables and accruals		859,367	875,019
Bank borrowings	13	58,591	57,324
Lease liabilities	13	298,317	541,883
Total current liabilities		2,290,782	2,446,712

Unaudited Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 S\$ (Unaudited)	31 December 2024 S\$ (Audited)
Net current assets		7,275,015	7,059,500
Total assets less current liabilities		13,409,239	14,418,149
Non-current liabilities			
Bank borrowings		158,181	187,799
Lease liabilities	13	139,644	289,179
Total non-current liabilities		297,825	476,978
Net assets		13,111,414	13,941,171
Equity			
Share capital	14	5,725,993	5,725,993
Reserves		7,385,421	8,215,178
Total equity		13,111,414	13,941,171

Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital S\$	Share premium S\$	Share option reserves S\$	Exchange reserve S\$	Retained earnings S\$	Total equity S\$
As at 1 January 2024 (audited)	5,725,993	25,412,788	1,373,145	47,602	(18,436,370)	14,123,158
Total comprehensive loss for the period	–	–	–	78,902	(677,670)	(598,768)
As at 30 June 2024 (unaudited)	5,725,993	25,412,788	1,373,145	126,504	(19,114,040)	13,524,390
As at 1 January 2025 (audited)	5,725,993	25,412,788	198,693	277,241	(17,673,544)	13,941,171
Lapse of share options	–	–	(198,693)	–	198,693	–
Total comprehensive loss for the period	–	–	–	(468,688)	(361,069)	(829,757)
As at 30 June 2025 (unaudited)	5,725,993	25,412,788	–	(191,447)	(17,835,920)	13,111,414

Unaudited Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 S\$ (Unaudited)	2024 S\$ (Unaudited)
Net cash from/(used in) operating activities	50,950	(591,410)
Net cash from/(used in) investing activities	170,227	(417,294)
Net cash used in financing activities	(441,713)	(517,014)
Net decrease in cash and cash equivalents	(220,536)	(1,525,718)
Cash and cash equivalents at beginning of period	623,969	1,664,561
Effect of foreign exchange rate changes, net	(34,423)	162,817
Cash and cash equivalents at end of period	369,010	301,660

Notes to the Condensed Consolidated Financial Statements

1. GENERAL INFORMATION AND GROUP REORGANISATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The Company's registered office address is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is 21st Floor, CMA Building, 64 Connaught Road Central, Hong Kong. The head office and principal place of business of the Group is at 3 Soon Lee Street, #06-03, Pioneer Junction, Singapore 627606.

The Group is principally engaged in offering various transport and storage services in Singapore and Hong Kong, primarily transportation and storage services.

These interim unaudited condensed consolidated financial statements have been prepared under the historical cost convention and are presented in Singapore Dollar ("S\$"), which is also the functional currency of the Company.

These interim unaudited condensed financial statements were approved by the Board of Directors of the Company on 29 August 2025.

Notes to the Condensed Consolidated Financial Statements

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board and the applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange.

The unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards which include International Accounting Standards (“IASs”) and Interpretations promulgated by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance. The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Company’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the new and revised IFRS Accounting Standards effective as of 1 January 2025.

Notes to the Condensed Consolidated Financial Statements

3. REVENUE AND SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services and has two reportable segments as follows:

- (a) The transportation segment refers to the provision of transportation and other related services. The Group offers transportation services, primarily of containers, from the customers designated pick up points to their designated delivery points.
- (b) The storage segment refers to the offering of the Group's storage facility to its customers.

Revenue represents the value of services rendered, net of goods and services tax ("GST"), during the period.

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	10,437,854	13,752,980

Notes to the Condensed Consolidated Financial Statements

Revenue from contracts with customers

(i) *Disaggregated revenue information*

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Type of goods or services		
Transportation services	10,204,905	13,086,755
Storage services	232,949	666,225
	10,437,854	13,752,980
Timing of revenue recognition		
Services transferred at a point in time	10,204,905	13,086,755
Services transferred over time	232,949	666,225
	10,437,854	13,752,980

Notes to the Condensed Consolidated Financial Statements

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Transportation income

The performance obligation is satisfied at a point in time upon delivery of customer goods to the designated location.

Storage income

The performance obligation is satisfied over the respective storage periods on a straight-line basis.

The amount of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

Notes to the Condensed Consolidated Financial Statements

4. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Exchange gain — net	22,514	110,973
Gain/(loss) on disposal of items of property, plant and equipment	55,989	(34,187)
Sundry income	65,270	23,964
	143,773	100,750

5. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Interest on bank borrowings	5,111	6,390
Interest on lease liabilities	15,150	29,369
	20,261	35,759

Notes to the Condensed Consolidated Financial Statements

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	932,512	1,248,956
Depreciation of right-of-use assets	46,604	67,338
Employee benefits (excluding directors' remuneration)		
— Salaries and wages	2,686,015	2,615,614
— CPF contribution	353,425	340,485
	3,029,440	2,956,099
Lease payments not included in the measurement of lease liabilities	116,943	351,662
Exchange gain	22,514	110,973

Notes to the Condensed Consolidated Financial Statements

7. INCOME TAX

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Current tax representing income tax expense for the period	—	—

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

No Hong Kong profits tax has been provided since no assessable profit arose in Hong Kong during the period (six months ended 30 June 2024: nil).

Singapore corporate income tax has been provided at the rate of 17% (six months ended 30 June 2024: 17%) on the chargeable income arising in Singapore during the period. Income tax expense of the Group relates wholly to the profits of its two operating subsidiaries.

Notes to the Condensed Consolidated Financial Statements

8. LOSS PER SHARE

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Loss attributable to the owners of the Company	(361,069)	(677,670)
Weighted average number of ordinary shares in issue	166,835,200	166,835,200
Basic and diluted loss per share	(0.002)	(0.004)

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company and the weighted average number of ordinary shares of 166,835,200 (2024: 166,835,200) in issue during the period.

As the Company's outstanding share options where applicable had an anti-dilutive effect to the basic loss per share computation for both periods, the exercise of the above potential dilutive shares is not assumed in the computation of diluted loss per share for both periods.

9. DIVIDEND

The Board does not recommend the payment of dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

Notes to the Condensed Consolidated Financial Statements

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group did not acquire assets (six months ended 30 June 2024: S\$431,436). Items of plant and equipment with a net book value of S\$114,238 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: S\$48,329), resulting in a gain on disposal of S\$55,989 (a loss on disposal for the six months ended 30 June 2024: S\$34,187).

11. TRADE RECEIVABLES

	As at 30 June 2025 S\$ (Unaudited)	As at 31 December 2024 S\$ (Audited)
External parties	8,090,741	7,981,693
Less: impairment losses	(182,341)	(195,627)
	7,908,400	7,786,066

Trade receivables are all non-interest-bearing and are generally repayable on terms of 30 to 60 days.

Notes to the Condensed Consolidated Financial Statements

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice dates, is as follows:

	As at 30 June 2025 S\$ (Unaudited)	As at 31 December 2024 S\$ (Audited)
Less than 30 days	4,367,454	3,323,355
31 to 60 days	2,110,294	1,413,289
61 to 90 days	323,864	142,976
More than 90 days	1,106,788	2,906,446
Total	7,908,400	7,786,066

12. TRADE PAYABLES

Trade payables are non-interest-bearing and are normally settled on terms of 30 days.

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice dates, is as follows:

	As at 30 June 2025 S\$ (Unaudited)	As at 31 December 2024 S\$ (Audited)
Less than 30 days	702,864	628,205
31 to 60 days	339,277	225,109
61 to 90 days	32,366	47,825
More than 90 days	—	—
Total	1,074,507	901,139

Notes to the Condensed Consolidated Financial Statements

13. LEASE LIABILITIES AND BORROWINGS

	As at 30 June 2025 S\$ (Unaudited)	As at 31 December 2024 S\$ (Audited)
Current:		
Lease liabilities	298,317	541,883
Bank loans — secured	58,591	57,324
	356,908	599,207
Non-current:		
Lease liabilities	139,644	289,179
Bank loans — secured	158,181	187,799
	297,825	476,978
Total	654,733	1,076,185

Notes to the Condensed Consolidated Financial Statements

14. SHARE CAPITAL

	Number of ordinary shares At HK\$0.2 per share	Nominal value of ordinary shares HK\$	Share capital (equivalent to S\$)
Ordinary share of HK\$0.2 each			
Authorised			
At 1 January 2024 (audited),			
31 December 2024 (audited),			
1 January 2025 (audited) and			
30 June 2025 (unaudited)	250,000,000	50,000,000	
Issued and fully paid			
At 1 January 2024 (audited),			
31 December 2024 (audited),			
1 January 2025 (audited) and			
30 June 2025 (unaudited)	166,835,200	33,367,040	5,725,993

15. SHARE-BASED PAYMENT

On 25 September 2017, the shareholders of the Company approved and conditionally adopted a share option scheme (the “Share Option Scheme”) and further amended on 30 June 2025 to enable the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group.

No option has been granted and/or exercised under the Share Option Scheme for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

Notes to the Condensed Consolidated Financial Statements

Movements in the share options granted under the Share Option Scheme during the six months ended 30 June 2025 is set out below:

										Approximate percentage of the underlying shares for the options in the issued shares of the Company as at 30 June 2025
	Date of grant	Exercisable period	Exercise price HK\$	Closing price per share immediately before the date of grant HK\$	No. of options outstanding as at 1 January 2025	No. of options granted during the period ended 30 June 2025	No. of options exercised during the period ended 30 June 2025	Lapsed/ cancelled during the period ended 30 June 2025	No. of options outstanding as at 30 June 2025	
Employees	20 January 2022	20 January 2022 to 19 January 2025	2.026	0.102	1,221,156 (Note 1)	–	–	(1,221,156)	–	–

Note:

- Options have been granted to 3 employees. Each of them have 407,052 Options.

The Share Option Scheme will expire on 17 October 2027.

There were no outstanding option as at 30 June 2025.

The closing price of the Company's shares immediately before the date of grant of share options on 20 January 2022 was HK\$0.285.

Notes to the Condensed Consolidated Financial Statements

16. RELATED PARTY DISCLOSURES

Compensation of key management personnel

	Six months ended 30 June	
	2025	2024
	S\$	S\$
	(Unaudited)	(Unaudited)
Remuneration paid to key management personnel (including directors' remuneration)	301,583	423,267

The remuneration of the key management personnel of the Group is determined by having regard to the performance of individuals of the Group and market trends.

Management Discussion and Analysis

BUSINESS REVIEW

The Group is a provider of transport and storage services in Singapore and Hong Kong, offering transportation and storage services to customers. Transportation services refers to the provision of transportation and other related services, primarily containers, from the customers' designated pick up point to their designated delivery point. Storage services refer to the offering of the Group's storage facility to its customers.

Led by our experienced management team, we have developed a reputation as a reliable transport and storage services provider equipped with a large vehicle fleet that is capable of handling large volumes of customer orders.

Our customers are mainly logistics service providers along the supply chain in Singapore and Hong Kong, the cargoes that we transport for our customers include various types of plastic resin, scrap steel, waste paper products and others. These cargoes are mainly raw materials used in factory production, hence the resumption of activities in ports and factories will directly have a positive impact on our customers, and hence the Group.

Management Discussion and Analysis

Revenue

The Group's revenue comprised of revenue from provision of transport and storage services to the logistics industry in Singapore and Hong Kong. For the six months ended 30 June 2025, the revenue of the Group decreased by approximately S\$3,315,000 or approximately 24.1% to approximately S\$10,438,000 compared to the six months ended 30 June 2024. The decrease was mainly attributable to the decrease in trading volume. The following table sets forth the revenue of the Group by revenue type for the periods indicated:

	Six months ended 30 June 2025		Six months ended 30 June 2024	
	S\$'000	%	S\$'000	%
Transportation services	10,205	97.8	13,087	95.2
Storage services	233	2.2	666	4.8
	10,438	100.0	13,753	100.0

Revenue from transportation services

Revenue from transportation services decreased by approximately S\$2,882,000 to S\$10,205,000 for the six months ended 30 June 2025, representing approximately 22.0% decrease. The decrease was mainly due to the general decrease in trading volume from our customers.

Revenue from storage services

Revenue from storage services decreased S\$433,000 to S\$233,000 for the six months ended 30 June 2025. It is common for customers to request for us to truck the containers, and also provide storage space for these containers while waiting for vessels to arrive at port before we can truck the containers for export. Customers that require storage services are generally those whom have large volume in the import and export of goods, who are mainly freight forwarders and global logistics companies.

Management Discussion and Analysis

However, the decrease in revenue from storage services will not be proportionate to the trend in revenue from transportation services due to the following reasons: (i) different customers and different job orders may have different service requirement, such as different sizes of containers and number of storage days, hence revenue earned will differ; and (ii) not all our customers require storage services.

Gross profit

The overall gross profit increased from approximately S\$615,000 for the six months ended 30 June 2024 to approximately S\$778,000 for the six months ended 30 June 2025. The overall gross profit margin increased from approximately 5.3% for the six months ended 30 June 2024 to approximately 7.5% for the six months ended 30 June 2025. The increase in gross profit margin is mainly due to the effectiveness on cost control.

Other income

Other income increased by approximately S\$43,000 from approximately S\$101,000 for the six months ended 30 June 2024 to approximately S\$144,000 for the six months ended 30 June 2025. The increase was mainly due to gain on disposal of property, plant and equipment.

Administrative expenses

Administrative expenses decreased by approximately S\$95,000 or 7.0% from approximately S\$1,358,000 for the six months ended 30 June 2024 to approximately S\$1,263,000 for the six months ended 30 June 2025. The decrease was mainly due to the effectiveness on cost control during the six months ended 30 June 2025.

Income tax expense

There was no income tax expense incurred as a result of the Group being in a loss making position.

Management Discussion and Analysis

Loss for the period

Due to the combined effect of the aforesaid factors, we recorded a loss of approximately S\$361,000 for the six months ended 30 June 2025, representing a decrease in losses of approximately S\$317,000 as compared to the loss of approximately S\$678,000 for the six months ended 30 June 2024.

Dividend

The Board takes into account the Group's overall results of operation, financial position and capital requirements, among other factors, in considering the declaration of dividends. The Board does not recommend the payment of dividend for the six months ended 30 June 2025.

Liquidity and Financial Resources

As at 30 June 2025, the Group had total assets of approximately S\$15,700,000 (31 December 2024: S\$16,865,000), which was financed by total liabilities and shareholders' equity (comprising share capital, share premium and reserves) of approximately S\$2,589,000 (31 December 2024: S\$2,924,000) and approximately S\$13,111,000 (31 December 2024: S\$13,941,000) respectively. The current ratio as at 30 June 2025 of the Group was approximately 4.2 times (31 December 2024: approximately 3.9 times).

As at 30 June 2025, the Group had cash and cash equivalents of approximately S\$369,000 (31 December 2024: S\$624,000) which were placed with major banks in Singapore and Hong Kong.

The lease liabilities and borrowings of the Group as at 30 June 2025 was approximately S\$655,000 (31 December 2024: S\$1,076,000). The gearing ratio (calculated based on lease liabilities and borrowings divided by total equity) of the Group as of 30 June 2025 was 5.0% (31 December 2024: 7.7%).

Management Discussion and Analysis

Capital structure

As at 30 June 2025, the Company's issued share capital amounted to HK\$33,367,040 divided by 166,835,200 Shares of HK\$0.2 each.

Foreign Exchange Exposure

The Group transacts mainly in Singapore dollars, which is the functional currency of all the Group's operating subsidiaries. However, the Group retains a large part of its proceeds from the Share Offer and Share Placement in Hong Kong dollars which contributed to an unrealised foreign exchange gain of approximately S\$23,000 as at 30 June 2025 as Hong Kong dollars appreciated against Singapore dollars.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this report, the Group did not have other plans for material investments or capital assets as of 30 June 2025.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the six months ended 30 June 2025, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Significant Investments Held

The Group did not hold any significant investments during the six months ended 30 June 2025.

Management Discussion and Analysis

Contingent liabilities

Performance guarantees were given by financial institutions and insurance companies on behalf of the Group to certain suppliers. The Group in turn, provides a counter indemnity to the financial institutions and insurance companies. The aggregate amount of the performance guarantees given by the financial institutions and insurance companies was S\$670,000 as at 30 June 2025 (31 December 2024: S\$670,000).

Capital commitments

As at 30 June 2025, the Group has no capital commitments.

Employee Information and Remuneration Policies

As at 30 June 2025, the Group had an aggregate of 118 employees (31 December 2024: 121).

The employees of the Group are remunerated according to their job scope and responsibilities. The local employees are also entitled to discretionary bonus depending on their respective performance. The foreign workers are employed on one or two year contractual basis and are remunerated according to their work skills.

Total staff costs, including Directors' emoluments, amounted to approximately S\$3,331,000 for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately S\$3,379,000).

The Group did not experience any significant problem with our employees or disruptions to our operations due to labour disputes, nor did the Group experience any difficulty in the recruitment and retention of experienced employees. The Group continues to maintain a good relationship with our employees.

Management Discussion and Analysis

Prospects

The Group continues to strive towards providing customers with timely delivery and storage of their containers, while actively working to establish a comprehensive one-stop service model. This model will not only encompass efficient storage solutions but also include assistance with purchasing, packaging, design, consultation, setup, and research and development. Additionally, we plan to engage robust power line system and energy-saving services business. This initiative is driven by the increasing demand for sustainable energy solutions and the global shift towards greener technologies. By leveraging our existing capabilities, we can effectively tap into emerging market opportunities within the energy sector. This strategic initiative not only enhances our growth strategy but also strengthens our overall competitiveness and market share in Singapore and Hong Kong.

As we navigate a challenging economic landscape, particularly with the significant deceleration of the Singapore economy since the end of last year, we recognize the critical factors contributing to this slowdown. The ongoing contractions in trade-related sectors, exacerbated by the global downturn in manufacturing and trade, especially in the electronics sector, pose notable challenges to our operations.

Despite these hurdles, the Group is poised to adapt and thrive. Management remains vigilant in monitoring global trade dynamics and is engaged in ongoing dialogue with our customers to better understand their evolving needs and the broader market environment. Given the prevailing uncertainty in the global trade economy, the Group adopts a prudent approach to its expansion plans. We remain committed to fostering resilience and adaptability in our operations, ensuring that we are well-positioned to seize future growth opportunities while maintaining a customer-centric focus.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2025, there was no interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) held by the Directors and chief executive of the Company (the "Chief Executive") which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules.

As at 30 June 2025, none of the Directors and Chief Executive had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

EQUITY-SETTLED SHARE OPTION SCHEME

Share options were granted to eligible participants under a share option scheme approved and adopted by the shareholders of the Company on 27 September 2017 and further amended on 30 June 2025 ("Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who have contributed or will contribute to the growth and development of the Group.

Other Information

Movements in the share options granted under the Share Option Scheme during the six months ended 30 June 2025 is set out below:

										Approximate percentage of the underlying shares for the options in the issued shares of the Company as at 30 June 2025
	Date of grant	Exercisable period	Exercise price HK\$	Closing price per share immediately before the date of grant HK\$	No. of options outstanding as at 1 January 2025	No. of options granted during the period ended 30 June 2025	No. of options exercised during the period ended 30 June 2025	Lapsed/ cancelled during the period ended 30 June 2025	No. of options outstanding as at 30 June 2025	
Employees	20 January 2022	20 January 2022 to 19 January 2025	2.026	0.102	1,221,156 (Note 1)	–	–	(1,221,156)	–	–

Note:

- Options have been granted to 3 employees. Each of them have 407,052 Options.

The Share Option Scheme will expire on 17 October 2027.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTEREST AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

So far as the Directors and the Chief Executive are aware, as at 30 June 2025, other than the directors and chief executive, the following person had or were deemed or taken to have an interest and/or short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or which would be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

Shareholder	Number of shares	Approximate percentage of shareholding	Capacity
Wang Hufei	10,471,750	6.28%	Beneficial owner

Save as disclosed above, as at 30 June 2025, the Directors and the Chief Executive of the Company are not aware of any other person who had an interest or short position in the shares or underlying shares which would require to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company.

Other Information

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the period under review, none of the Directors or the substantial shareholders or their respective associates (as defined in the GEM Listing Rules) of the Company had any interests in any businesses which competed or is likely to compete either directly or indirectly with the business of the Group.

PLEDGE OF ASSET

The Group's buildings with an aggregate carrying amount of the Group's properties and bank deposits of approximately S\$918,448 and S\$539,098 (31 December 2024: approximately S\$948,053 and S\$535,373) were mortgaged to secure the Group's bank loans as at 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025.

COMPLIANCE OF CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the six months ended 30 June 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE

The Company has adopted the principles and the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules. During the six months ended 30 June 2025, the Company had complied with all the code provisions set out in the CG Code with the exception of the following deviation:

Code Provision A.2.1

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chua is acting as the chairman and the chief executive officer until his resignation as the executive director of the Company with effect on 28 February 2025. In view of Mr. Chua being the founder of our Group, and his responsibilities in corporate strategic planning and overall business development, the Board believes that it is in the interests of both our Group and our Shareholders to have Mr. Chua taking up both roles for effective management and business development. Therefore, the Directors consider the deviation from Code Provision A.2.1 of the CG Code to be appropriate in such circumstance. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of the chairman and chief executive officer is necessary.

Other Information

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the Rules 5.28 and 5.29 of the GEM Listing Rules and Code Provision C.3.3 of the CG Code. The primary duties of our audit committee are, among other things, to review and supervise the financial reporting process and internal control systems of the Group. The audit committee consists of three independent non-executive Directors, namely Mr. Cheung Wai Kin, who has the appropriate auditing and financial related management expertise and serves as the chairman of the audit committee, Ms. Li Hong Jing and Ms. Wong Shuk Yee Camilla. The audit committee has reviewed the accounting principles and policies adopted by the Group and the consolidated financial statements of the Group for the six months ended 30 June 2025 and is of the opinion that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
C&N Holdings Limited
Fung Mee Kuen
Executive Director

Hong Kong, 29 August 2025

As at the date of this report, the Board comprises Ms. Fung Mee Kuen as executive Director and Mr. Cheung Wai Kin, Ms. Wong Shuk Yee Camilla and Ms. Li Hong Jing as the independent non-executive Directors.

This report will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its publication and on the Company's website at www.cnlimited.com.