



A DP WORLD Company

CN Logistics International Holdings Limited

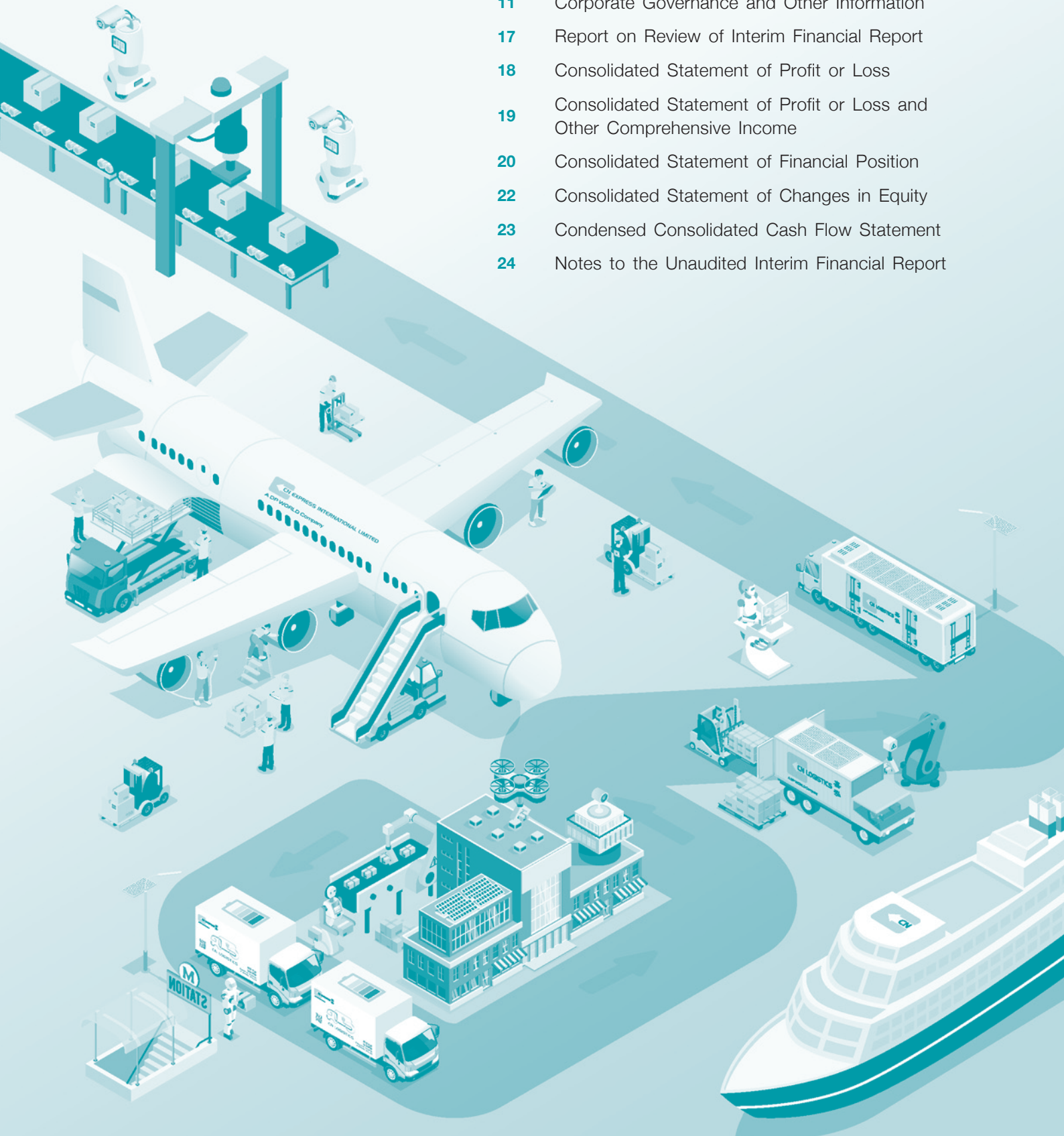
嘉泓物流國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2130)

2025 INTERIM REPORT

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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Lau Shek Yau John (*Chairman*)
Mr. Ngan Tim Wing (*Chief Executive Officer*)
Ms. Chen Nga Man
Ms. Augusta Morandin
Mr. Fabio Di Nello

NON-EXECUTIVE DIRECTOR

Mr. Zissis Jason Varsamidis

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam Hing Lun Alain
Mr. Chan Chun Hung Vincent
Mr. Chun Chi Man
Mr. Roussel Christophe Albert Jean

COMPANY SECRETARY

Mr. Tsang Chiu Ho, CPA (*practicing*)

AUTHORISED REPRESENTATIVES

(for the purpose of the Listing Rules)

Mr. Ngan Tim Wing
Mr. Tsang Chiu Ho

AUTHORISED REPRESENTATIVES

(for the purpose of the Companies Ordinance)

Mr. Tsang Chiu Ho

AUDIT COMMITTEE

Mr. Lam Hing Lun Alain (*Chairman*)
Mr. Chun Chi Man
Mr. Chan Chun Hung Vincent

REMUNERATION COMMITTEE

Mr. Chan Chun Hung Vincent (*Chairman*)
Mr. Ngan Tim Wing
Mr. Chun Chi Man
Mr. Zissis Jason Varsamidis

NOMINATION COMMITTEE

Mr. Lau Shek Yau John (*Chairman*)
Mr. Lam Hing Lun Alain
Mr. Chan Chun Hung Vincent

CORPORATE GOVERNANCE COMMITTEE

Mr. Chun Chi Man (*Chairman*)
Mr. Ngan Tim Wing
Mr. Lam Hing Lun Alain

RISK AND COMPLIANCE COMMITTEE

Mr. Ngan Tim Wing (*Chairman*)
Ms. Augusta Morandin
Mr. Lam Hing Lun Alain

REGISTERED OFFICE

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Kwai Chung
New Territories
Hong Kong

COMPANY'S LEGAL ADVISER

As to Hong Kong law

Chiu & Partners
40th Floor, Jardine House
1 Connaught Place
Central
Hong Kong



PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

KPMG
Public Interest Entity Auditor
registered in accordance with the Accounting and
Financial Reporting Council Ordinance

COMPANY WEBSITE

www.cnlogistics.com.hk

STOCK CODE

2130



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

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

The Group operates 28 local offices in 16 countries and regions, which includes the People's Republic of China ("**PRC**"), Hong Kong, Taiwan, Italy, Japan, the United States of America ("**U.S.**"), Macau, the United Kingdom, Thailand, Vietnam, South Korea, France, Switzerland, Indonesia, Netherlands and Cambodia. In addition, the Group has established partnerships with more than 100 business partners, covering over 100 countries across the globe.

In the first half of 2025, the global air cargo industry showed steady growth and resilience despite complex geopolitical challenges. Air cargo volumes from China and the broader Asia-Pacific region increased moderately, mainly driven by strong demand in eCommerce. Although trade disruptions related to the U.S. tariff policy has led to short-term fluctuations, overall cargo flows gradually stabilise and are back to the growth trajectory.

During the Reporting Period, the Group experienced an overall increase in business volume across regions, with revenue rising period-on-period by 19.4% to HK\$1,461.5 million (1H2024: HK\$1,223.6 million). Nevertheless, as the overall profitability was impacted by changes in revenue-mix and delays in sizeable projects in the cruise logistics segment, for the Reporting Period, the net profit attributable to equity shareholders recorded a decrease of 17.2% to HK\$15.4 million (1H2024: HK\$18.6 million).

Regional Analysis – Greater China

The revenue contributed by the PRC and Hong Kong office increased by 21.1% to HK\$618.5 million (1H2024: HK\$510.9 million), driven by an increase in business volume and contribution from eCommerce business.

As consumer sentiment continued to recover, the Group experienced a surge in demand for logistics services, particularly for eCommerce-related orders conducted through CN Express International Limited ("**CN Express**").

Regional Analysis – Europe

The European market remains a cornerstone for the Group, acting as a vital link between high-purchasing-power customers and premium Asian products. During the Period, revenue generated from the Group's Italy office demonstrated a notable increase of 15.1% to HK\$349.7 million (1H2024: HK\$303.9 million) as a result of an increase in business volume.

Fuelled by strong demand for luxury goods and the rapid expansion of eCommerce in Europe, the Group experienced heightened demand for logistics services, particularly in air freight forwarding and last-mile delivery. By leveraging established relationships with renowned brands and eCommerce operators, the Group successfully converted market opportunities into substantial revenue growth, enhancing its financial performance in the region.

***Regional Analysis – Southeast Asia***

The Group has continued to pursue growth in new markets, with a strategic focus on emerging economies in Southeast Asia. The implementation of the Regional Comprehensive Economic Partnership (RCEP) agreement, coupled with the adoption of the “China+1” strategy by Chinese companies, has unlocked significant opportunities in countries such as Vietnam and Indonesia. Over the past few years, the Group has steadily strengthened its presence in these markets, positioning itself to capitalise on their growing economic potential.

During the Reporting Period, the revenue contributed by the Group’s offices in Vietnam and Indonesia recorded an increase of 64.1% and 26.8%, to HK\$52.3 million and HK\$8.6 million, respectively.

CN Express: New Collaboration, Extended Scope and Volume

The Group continues to capitalise on eCommerce growth by delivering comprehensive, one-stop logistics solutions to globally recognised eCommerce platforms, particularly market leaders based in China.

By leveraging its well-established network across Asia and Europe, the Group has successfully expanded its service scope with key Chinese eCommerce platforms. This expansion includes providing freight forwarding, custom clearance and last-mile delivery services to additional cities in European and African countries, further strengthening the Group’s position in the global eCommerce logistics market.

During the Reporting Period, the revenue contributed by CN Express reached HK\$246.1 million, representing a period-on-period increase of 178.6%

Stable Recovery of Global Tourism Benefit Cruise Logistics Business

The global tourism market has continued its upward trajectory in the post-pandemic era, driven by increasing government initiatives to promote tourism and growing consumer demand for stress-relieving travel experiences.

The Group continued its collaboration with leading cruise operators, providing replenishment services to their fleets at various ports. However, following the announcement of the U.S. “reciprocal tariffs” in April 2025, some cruise operators postponed major upgrade and revamp projects as part of their risk management strategies, affecting the profit margins of this business segment.

During the Reporting Period, the revenue contributed by cruise logistics segment was HK\$254.9 million (1H2024: HK\$226.4 million), representing a period-on-period increase of 12.6%.

FINANCIAL RESULTS

The Group recorded revenue of approximately HK\$1,461.5 million during the Reporting Period (1H2024: HK\$1,223.6 million), representing an increase of approximately 19.4%. Gross profit amounted to approximately HK\$241.8 million during the Reporting Period (1H2024: HK\$228.3 million), representing an increase of 6.0%. The Group’s earnings before interest, taxes, depreciation and amortisation were approximately HK\$93.6 million during the Reporting Period (1H2024: HK\$104.9 million).

SEGMENTAL ANALYSIS

The Group principally involves in the provision of freight forwarding services (including air and ocean freight forwarding services), cruise logistics, and the provision of distribution and logistics services.



MANAGEMENT DISCUSSION AND ANALYSIS

Air freight forwarding services

The air freight forwarding business continued to be the largest segment of the Group, representing approximately 42.9% of the Group's total revenue during the Reporting Period (1H2024: 41.2%). 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, we pride ourselves as 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 provides access to space procurement for air cargo routes worldwide in these locations and is 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\$627.4 million (1H2024: HK\$503.6 million), representing an increase approximately 24.6% as compared to the corresponding period of 2024. The increase in revenue was mainly due to the increase in revenue from the eCommerce-focused logistics solution business under CN Express of approximately HK\$157.8 million compared to 1H2024.

Ocean freight forwarding services

The holistic logistics solutions of the Group also include the provision of ocean freight forwarding services to its air freight forwarding services customers as well as other customers. During the Reporting Period, revenue from the ocean freight forwarding operations of the Group was mainly generated from import shipments to Italy and shipments from and to the Southeast Asia regions such as Vietnam and Japan.

During the Reporting Period, the revenue from this segment was approximately HK\$424.7 million (1H2024: HK\$308.9 million), representing an increase of approximately 37.5% as compared with the corresponding period of 2024; gross profit was approximately HK\$90.3 million (1H2024: HK\$51.9 million), representing an increase of approximately 74.0% as compared with the corresponding period of 2024. The increase in revenue and gross profit were primarily due to 1) the increase in ocean freight rate compared to 1H2024 and the ability of the Group's Italy office to charge its customer at a similar margin; 2) the significant rebound in import shipments from China due to increase in local demand for tyre products, raw materials for luxury products and tableware products from existing customers from various well known industries; 3) the Group's Vietnam and Indonesia offices recording significant increase in export shipments to the U.S. for local textile companies, as the number of factories relocated to these regions increased compared to 1H2024; and 4) the Group's efforts in sourcing new customers to expand its customer base, in the Reporting Period, the Group's Japan office start its co-operation with an international leading automotive brand for the shipments to/from Japan and the U.S..

Cruise logistics

Under the cruise logistics business, the Group provides freight forwarding services to the global cruise operators from cruise industry. The services include the provision of shipments of supplies for drydock on a project basis and cruise replenishment. Cruise operators typically engage the Group to arrange delivery of parts and equipment to be used in the repair and maintenance of cruise ships and/or replenishment of supplies to their shipyards, drydock or designated ports. The cruise logistics business of the Group spans multiple cities in the PRC, Europe, Australia, the U.S. and Asia.

During the Reporting Period, the revenue from this segment was approximately HK\$254.9 million (1H2024: HK\$226.4 million), representing an increase of 12.6% as compared to the corresponding period in 2024.

Distribution and logistics services

The distribution and logistics segment contributed approximately 10.6% of the total revenue of the Group during the Reporting Period (1H2024: 15.1%).



The Group is one of the earliest service providers in the PRC and Hong Kong of 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 earliest 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 are primarily located in Hong Kong, the PRC, Italy and Taiwan, with the PRC and Hong Kong being the two largest contributors of revenue for this segment. As at 30 June 2025, the Group managed and operated 33 distribution centres with a total gross floor area of approximately 1,063,000 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 to charge its customers.

During the Reporting Period, the revenue from this segment was approximately HK\$154.5 million (1H2024: HK\$184.7 million), representing a decrease of approximately 16.4% as compared with the corresponding period of 2024 and the gross profit was approximately HK\$7.7 million (1H2024: HK\$14.2 million), representing a decrease of approximate of 45.8% as compared with the corresponding period of 2024. The decrease in revenue and gross profit were mainly due to the decrease in local demand for luxury products in PRC and the luxury market in the PRC is weaker than expected, thereby lowering the demand for the relevant distribution and logistics services.

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 increased from approximately HK\$143.9 million as at 31 December 2024 to HK\$161.9 million as at 30 June 2025. The current ratio of the Group was 1.15 (31 December 2024: 1.15).

As at 30 June 2025, the Group's cash and cash equivalents amounted to approximately HK\$263.7 million (as at 31 December 2024: HK\$255.0 million), which remained stable as compared to the cash and cash equivalents as at 31 December 2024. During the Reporting Period, the Group had operating cash inflow of approximately HK\$49.5 million (1H2024: operating cash inflow of approximately HK\$15.0 million). As at 30 June 2025, the Group's outstanding bank loans and overdrafts amounted to approximately HK\$363.3 million (as at 31 December 2024: approximately HK\$384.1 million). The gearing ratio of the Group was approximately negative 24.3% as at 30 June 2025 (as at 31 December 2024: 35.2%). The gearing ratio was calculated as the net of the total of bank loans and overdrafts and cash and cash equivalents divided by total tangible net worth of the Group. The tangible net worth was calculated as total equity, excluding treasury stocks and non-controlling interests, minus goodwill and intangible assets, the Group maintained a net cash position (as at 31 December 2024: net cash position). The Group will continue to secure financing as and when the need arises.



MANAGEMENT DISCUSSION AND ANALYSIS

FOREIGN EXCHANGE RISK

During the Reporting Period, the Group's operation was mainly financed by funds generated from its operation and borrowings. As at 30 June 2025, both the borrowings and the cash and cash equivalents held by the Group were mainly denominated in RMB, USD, HKD and EUR. The Group's borrowings were mostly floating rate borrowings, and bank deposits of approximately HK\$2.4 million were pledged to secure certain banking facilities for guarantees on payment to certain airline suppliers and performance bonds to customers of the Group as at 30 June 2025 (as at 31 December 2024: HK\$2.3 million).

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 2025, the Group had no material capital commitment which are contracted but not provided for.

CONTINGENT LIABILITIES

As at 30 June 2025, 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 2025 is the amount of the facilities drawn by the Group, being HK\$331.2 million (as at 31 December 2024: HK\$345.8 million).

As at the date of this report, the Group was not involved in any current material legal proceeding, nor was the Group aware of any pending or potential material legal proceedings involving the Group. If the Group was involved in such material legal proceedings, the Group would record any loss contingencies when, based on information then available, it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

CHARGE ON GROUP ASSETS

As at 30 June 2025, certain bank guarantees were secured by pledged bank deposit of the Group amounted to approximately HK\$2.4 million (as at 31 December 2024: HK\$2.3 million).

EVENTS AFTER THE REPORTING PERIOD

There has been no material events affecting the Group which occurred since the end of the Reporting Period to the date of this report.

MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There were no material acquisition or disposal of subsidiaries or associated companies of the Company during the Reporting Period.



USE OF PROCEEDS

Use of net proceeds from subscription of Shares

On 18 May 2021, the Company entered into a subscription agreement (the “**Subscription Agreement**”) with Mr. Chan Wing Luk, an independent third party of the Company and its connected persons. Pursuant to the 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 “**Subscription**”). The Subscription was completed on 3 June 2021. The net proceeds raised from the Subscription, after deduction of professional fees and other related expenses, were approximately HK\$35.6 million. For further details of the Subscription, please refer to the Company’s announcements dated 18 May and 3 June 2021.

The following table sets forth details of the use of the net proceeds from the Subscription up to 30 June 2025:

	Net proceeds HK\$ million	Unutilised amount as at 1 January 2025 HK\$ million	Amount utilised during Reporting Period HK\$ million	Unutilised amount as at 30 June 2025 HK\$ million	Expected timeline for utilisation
Expansion of business and local presence in Hainan Province in the PRC, Southeast Asia and the United Kingdom	35.6	27.4	7.7	19.7	On or before 2 June 2026

During the Reporting Period, the proceeds raised by the Company from the Subscription were utilised, or were proposed to be utilised, in accordance with the intentions previously disclosed by the Company, and there was no material change in the use of proceeds.

PROSPECTS

Outlook

Despite ongoing challenges such as geopolitical tensions and evolving tariff policies, the Group remains optimistic about the recovery of the global logistics sector. By leveraging its diversified business portfolio, the Group aims to drive organic growth and enhance synergies across its segments through the following strategic initiatives:

1. Expanding into new verticals to diversify revenue streams

The Group will maintain its strategic focus on niche markets that prioritise quality and safety in logistics solutions.

Building on successful expansions into the perishable and automotive sectors and our strong capability in cruise logistics, the Group has recently entered the aerospace industry, a market with significant growth potential. The Group now provides freight forwarding and local transportation services for critical aircraft components to the biggest airlines and engineering companies in China, Singapore and Taiwan.

To support this initiative, the Group has established a dedicated aerospace logistics team, with plans to forge partnerships with additional airlines, starting in the Asia-Pacific region.



MANAGEMENT DISCUSSION AND ANALYSIS

2. *Strengthening Collaborations with eCommerce Platforms via CN Express*

Since its launch, CN Express has gained increasing recognition from prominent eCommerce platforms, particularly in China. With the rapid growth of eCommerce in international markets, especially Europe and Africa, the Group is actively expanding its partnerships to capitalise on emerging opportunities.

In addition to its core partnership with a leading Chinese eCommerce platform, the Group has recently secured collaborations with several additional globally recognised platforms. These partnerships involve providing freight forwarding, custom clearance and last-mile delivery services from China to South Africa, Algeria and the United Kingdom, further underscoring the Group's reputation for high-quality service and operational excellence.

3. *Enhancing synergies with DP World, the controlling shareholder of the Group*

Since DP World Logistics FZE ("**DP World**"), a multinational logistics company, has become the Group's controlling shareholder in 2024, the Group has engaged in strategic discussions with DP World to foster business collaborations across regions. By leveraging DP World's extensive global network, the Group is well-positioned to offer more comprehensive services at competitive rates, enhancing its market competitiveness.

Additionally, DP World has referred new customers to the Group for integrated logistics solutions. As integration with DP World progresses, the Group anticipates further synergies that will strengthen its market position in the near future.

HUMAN RESOURCES

As at 30 June 2025, the Group employed 883 employees (as at 30 June 2024: 823 employees). During the Reporting Period, employee costs, including Directors' remuneration, was approximately HK\$172,021,000 (1H2024: approximately HK\$166,624,000). Remuneration packages are generally structured to market terms 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 (including sale of treasury shares). As at 30 June 2025, there were no treasury shares being held by the Company.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK1 cent per ordinary Share absorbing a total amount of HK\$3,004,890, in respect of the Reporting Period. The proposed interim dividend is expected to be paid on Friday, 30 October 2025 to all shareholders of the Company ("**Shareholders**") whose names to be appeared on the register of members of the Company on Friday, 8 October 2025.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend, the register of members of the Company will be closed from Friday, 3 October 2025 to Wednesday, 8 October 2025 (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, 2 October 2025.



CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2025, the interests or short positions of the Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”), which were required to be: (a) notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); (b) as recorded in the register required to be kept under Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), were as below:

(i) Interest in the Shares

Name of Director/ Chief executive of the Company	Capacity/Nature of interest	Number and class of securities (Note 1)	Percentage of shareholding
Mr. Ngan Tim Wing (“Mr. Ngan”)	Beneficial owner	21,241,203 Shares (L)	7.1%
Ms. Chen Nga Man (“Ms. Chen”)	Beneficial owner	1,256,099 Shares (L)	0.4%
Ms. Augusta Morandin	Beneficial owner	10,000,000 Shares (L)	3.3%
Mr. Fabio Di Nello	Beneficial owner	10,000,000 Shares (L)	3.3%

Notes:

1. The letter “L” denotes our Directors’ long position in the shares of the Company.
2. The percentage of shareholding is calculated based on the total issued shares of the Company as at 30 June 2025, i.e. 300,489,000 Shares.



CORPORATE GOVERNANCE AND OTHER INFORMATION

(ii) Interest in the shares of associated corporations of the Company

Name of Director/Chief executive of the Company	Name of Group member/associated corporation	Capacity/Nature of interest	Number and class of securities (Note 1)	Percentage of shareholding (Note 4)
Ms. Chen	CN FRANCE (HONG KONG) LIMITED (" CN France HK ")	Interest of a controlled corporation (Note 2)	3,000 ordinary shares (L)	30%
	CN LOGISTICS FRANCE SAS (" CN France ")	Interest of a controlled corporation (Note 3)	6,400 ordinary shares (L)	16%
	CN Logistics Limited	Beneficial owner	1,000 ordinary shares (L)	2%

Notes:

1. The letter "L" denotes our Directors' long position in the shares of the relevant associated corporation of the Company.
2. The 3,000 shares in CN France HK (an indirect non-wholly owned subsidiary of the Company) are held by Wise Pointer Limited, which is wholly owned by Ms. Chen. By virtue of the SFO, Ms. Chen is taken to be interested in the shares held by Wise Pointer Limited.
3. The 6,400 shares in CN France (an indirect non-wholly owned subsidiary of the Company) are held by Wise Pointer Limited, which is wholly owned by Ms. Chen. By virtue of the SFO, Ms. Chen is taken to be interested in the shares held by Wise Pointer Limited.
4. The percentage of shareholding is calculated based on the total issued shares of the respective associated corporation as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executives of the Company had any interests and/or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be: (a) notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); (b) as recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As of 30 June 2025, so far as is known to the Directors, the following corporations or persons (other than a Director or the chief executives of the Company) had interest or short position in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholders	Capacity/nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding
DP World Limited	Interest of a controlled corporation (Note 2)	173,845,222 Shares (L)	57.9%
Chan Wing Luk	Beneficial owner	24,857,000 Shares (L)	8.3%
Ms. Ngan Au Kei Yee	Interest of spouse (Note 3)	21,241,203 Shares (L)	7.1%

Notes:

1. The letter "L" denotes the shareholder's long position in the Shares.
2. These 173,845,222 Shares are held by DP World. DP World is wholly owned by DP World FZE, which is in turn wholly owned by DP World Limited. By virtue of the SFO, DP World FZE and DP World Limited are deemed to be interested in the Shares held by DP World.
3. Ms. Ngan Au Kei Yee is the spouse of Mr. Ngan. Under the SFO, Ms. Ngan Au Kei Yee is deemed to be interested in the same number of Shares in which Mr. Ngan is interested.

Save as disclosed above, as at 30 June 2025, other than the Directors and the chief executives of the Company whose interests are set out in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation" above, no person had interest or short position in the Shares or underlying Shares which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.



SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 17 September 2020 for the purpose of providing incentives or rewards to selected participants who contribute to the success of the Group’s operations. All directors, employees, suppliers of goods or services and customers of the Group, persons or entities that provide research, development or other technological support to the Group, shareholders of any member of the Group, advisers or consultants of the Group and any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement and growth of the Group are eligible to participate in the Share Option Scheme. The Share Option Scheme will remain in force for a period of 10 years commencing on its adoption date and will expire on 17 September 2030. As at the date of this report, the Share Option Scheme has a remaining life of approximately 5 years. The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 25,000,000 Shares (the “**General Scheme Limit**”), being 10% of the Shares in issue on the date of listing of the Shares on the Stock Exchange (i.e. 15 October 2020). As at 1 January 2025 and 30 June 2025, the number of options available for grant under the Share Option Scheme was 25,000,000 Shares, representing approximately 8.3% of the total number of Shares in issue as at the date of this report. Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option, subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised. The subscription price for the Shares under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of: (i) the closing price of Shares as quoted on the Hong Kong Stock Exchange on the date of the offer of grant, which must be a business day; and (ii) the average closing price of the Shares as quoted on the Hong Kong Stock Exchange for the five business days immediately preceding the date of the offer for the grant.

No share option has been granted, exercised or cancelled by the Company under the Share Option Scheme since its adoption and up to the date of this report.



SHARE AWARD SCHEME

The Board adopted a share award scheme (the “**Share Award Scheme**”) on 6 May 2021. The purposes of the Share Award Scheme are to (i) recognise and motivate contributions of the eligible persons; (ii) align the interests of the eligible persons with those of the Company and strive for the future development and expansion of the Group; and (iii) attract suitable personnel for further development of the Group through the grant of award to the eligible persons. Pursuant to the Share Award Scheme, eligible persons may include any Directors, senior managers, employees, suppliers and customers of the Group and employees of the controlling Shareholders.

Unless terminated earlier by the Board in accordance with the scheme rules, the Share Award Scheme shall be valid and effective for a term of ten years commencing on its adoption date and will expire on 6 May 2031. As at the date of this report, the remaining life of the Share Award Scheme is approximately 6 years. Termination of the Share Award Scheme, either earlier by the Board or upon expiry of the award period, shall not affect any subsisting rights of any selected participant in respect of any award made to him prior to such termination.

The Share Award Scheme shall be subject to the administration of the Board in accordance with the scheme rules and, where applicable, the trust deed. No consideration shall be payable by the grantees for the acceptance of an award granted under the Share Award Scheme. Subject to the rules of the Share Award Scheme, the Board shall determine from time to time the vesting criteria and conditions or periods and the exercise period for the award granted under the Share Award Scheme.

The total number of Shares to be awarded under the Share Award Scheme shall not exceed 10% of the total number of issued Shares from time to time. The maximum number of awarded shares which may be granted to a selected participant but unvested under the Share Award Scheme shall not exceed 1% of the total number of issued Shares from time to time. The Board shall regularly review the limit of the Share Award Scheme and may resolve, as it sees fit, to amend the limit of the Share Award Scheme. Any amendment of the limit of the Share Award Scheme will be promptly announced by the Company. As at 1 January 2025, 30 June 2025 and the date of this report, there was no existing scheme mandate for the issue of Shares pursuant to the awards granted under the Share Award Plan.

No award has been granted, exercised or cancelled by the Company under the Share Award Scheme since its adoption and up to the date of this report.

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance in maintaining its corporate transparency and accountability. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group’s business. The Board has adopted the code provision of the Corporate Governance Code (“**CG Code**”)* contained in Part 2 in Appendix C1 to the Listing Rules. The Board has reviewed the Company’s corporate governance and is satisfied that the Company has complied with the code provision set out in the CG Code during the Reporting Period.

* The amendments to the CG Code effective on 1 July 2025 will apply to the corporate governance reports and annual reports of the Company for the financial years commencing on or after 1 July 2025.



CORPORATE GOVERNANCE AND OTHER INFORMATION

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has devised its own code of conduct regarding Directors' dealings in the Company's securities (the "Securities Dealing Code") on terms no less exacting than the required standard as set out in the Model Code in Appendix C3 to the Listing Rules. Each Director has been given a copy of the Securities Dealing Code. Specific enquiry has been made of all Directors and they have confirmed their compliance with the Securities Dealing Code and the Model Code 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.

By order of the Board

CN Logistics International Holdings Limited

Lau Shek Yau John

Chairman and Executive Director

Hong Kong, 25 August 2025



REPORT ON REVIEW OF INTERIM FINANCIAL REPORT



To the Board of Directors of CN Logistics International Holdings Limited
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 18 to 40, which comprise the consolidated statement of financial position of CN Logistics International Holdings Limited (the “**Company**”) as of 30 June 2025 and the related consolidated statement of profit or loss, the statement of profit or loss and other comprehensive income, statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong

25 August 2025



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
	Note	2025 \$'000	2024 \$'000
Revenue			
Cost of services	3	1,461,540 (1,219,692)	1,223,581 (995,331)
Gross profit		241,848	228,250
Other income		1,670	1,676
Other net gain		1,430	6,164
Administrative and other operating expenses		(197,040)	(186,057)
Profit from operations		47,908	50,033
Finance costs	4(a)	(11,770)	(12,983)
Share of profits of associates		1,776	2,031
Profit before taxation		37,914	39,081
Income tax	5	(18,821)	(18,833)
Profit for the period		19,093	20,248
Attributable to:			
Equity shareholders of the Company		15,429	18,610
Non-controlling interests		3,664	1,638
Profit for the period		19,093	20,248
Earnings per share (Hong Kong cents)			
Basic and diluted	6	5.3	6.4

The notes on pages 24 to 40 form part of this interim financial report.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 – unaudited
(Expressed in Hong Kong dollars)

Six months ended 30 June		
	2025 \$'000	2024 \$'000
Profit for the period	19,093	20,248
Other comprehensive income for the period (after taxation)		
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit retirement obligations	(139)	72
Remeasurement of equity investment at fair value through other comprehensive income	(105)	10
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of subsidiaries and associates outside Hong Kong	27,796	(14,233)
Total comprehensive income for the period	46,645	6,097
Attributable to:		
Equity shareholders of the Company	41,152	6,253
Non-controlling interests	5,493	(156)
Total comprehensive income for the period	46,645	6,097

The notes on pages 24 to 40 form part of this interim financial report.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025 – unaudited
(Expressed in Hong Kong dollars)

	Note	30 June 2025 \$'000	31 December 2024 \$'000
Non-current assets			
Property, plant and equipment	7	220,984	213,938
Intangible assets		2,196	2,274
Goodwill	8	227,301	222,224
Interests in associates		13,219	14,617
Other financial assets		1,043	1,144
Loan receivables	9	10,401	8,904
Deferred tax assets		14,889	11,223
		490,033	474,324
Current assets			
Trade and other receivables and contract assets	10	921,093	795,326
Amounts due from related companies		11,345	12,409
Amounts due from EV Cargo Group		22,625	21,736
Amounts due from DP World Group		33,670	26,983
Amounts due from associates		768	845
Other financial assets		—	4,041
Loan receivables	9	3,235	5,311
Pledged bank deposits	11	2,415	2,256
Time deposit		2,605	2,534
Cash and cash equivalents	12	263,672	255,023
		1,261,428	1,126,464
Current liabilities			
Trade and other payables and contract liabilities	13	432,848	406,582
Amounts due to EV Cargo Group		10,702	10,086
Amounts due to DP World Group		214,639	122,225
Amounts due to associates		97	102
Bank loans and overdrafts	14(a)	361,338	381,531
Lease liabilities		44,073	39,288
Current taxation		35,857	22,707
		1,099,554	982,521
Net current assets		161,874	143,943
Total assets less current liabilities		651,907	618,267



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 30 June 2025 – unaudited
(Expressed in Hong Kong dollars)*

	Note	30 June 2025 \$'000	31 December 2024 \$'000
Non-current liabilities			
Bank loans	14(a)	1,964	2,544
Lease liabilities		49,074	39,968
Defined benefit retirement obligation		16,534	13,776
Amounts due to DP World Group		—	12,044
Deferred tax liabilities		1,477	1,477
		69,049	69,809
NET ASSETS		582,858	548,458
CAPITAL AND RESERVES	15		
Share capital		2,344	2,344
Reserves		551,625	510,423
Total equity attributable to equity shareholders of the company		553,969	512,767
Non-controlling interests		28,889	35,691
TOTAL EQUITY		582,858	548,458

The notes on pages 24 to 40 form part of this interim financial report.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 – unaudited
(Expressed in Hong Kong dollars)

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Reserve fund HK\$'000	Exchange reserve HK\$'000	Fair value reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000	
Balance at 1 January 2024	2,154	238,290	(64,325)	16,642	(21,057)	(1,353)	192,698	363,049	413,497
Changes in equity for 2024:									
Profit for the year	—	—	—	—	—	—	32,009	32,009	31,967
Other comprehensive income	—	—	—	(1,523)	(19,016)	86	(142)	(20,595)	(23,343)
Total comprehensive income	—	—	—	(1,523)	(19,016)	86	31,867	11,414	8,624
Shareholder contribution	—	—	—	—	—	—	19	19	19
Dividend paid to Shareholders	—	(8,781)	—	—	—	—	—	(8,781)	(8,781)
Dividend paid to non-controlling interest	—	—	—	—	—	—	—	—	(11,967)
Issue of ordinary shares	190	146,876	—	—	—	—	—	147,066	147,066
Balance at 31 December 2024	2,344	376,385	(64,325)	15,119	(40,073)	(1,267)	224,584	512,767	548,458

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Reserve fund HK\$'000	Exchange reserve HK\$'000	Fair value reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000	
Balance at 1 January 2025	2,344	376,385	(64,325)	15,119	(40,073)	(1,267)	224,584	512,767	548,458
Changes in equity for the six months ended 30 June 2025:									
Profit for the period	—	—	—	—	—	—	15,429	15,429	19,093
Other comprehensive income	—	—	—	1,499	24,468	(105)	(139)	25,723	27,552
Total comprehensive income	—	—	—	1,499	24,468	(105)	15,290	41,152	46,645
Shareholder contribution	—	—	—	—	—	—	51	51	51
Dividend paid to non-controlling interest	—	—	—	—	—	—	—	—	(12,295)
Transfer to reserve fund	—	—	—	24	—	—	(24)	—	—
Others	—	—	(1)	—	—	—	—	(1)	(1)
Balance at 30 June 2025	2,344	376,385	(64,326)	16,642	(15,605)	(1,372)	239,901	553,969	582,858

The notes on pages 24 to 40 form part of this interim financial report.



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
Note		2025 \$'000	2024 \$'000
Operating activities			
	Cash generated from operations	63,540	1,448
	Hong Kong Profits Tax paid	(786)	(44)
	Tax paid outside Hong Kong	(13,272)	(16,430)
	Net cash generated/(used in) from operating activities	49,482	(15,026)
Investing activities			
	Payment for the purchase of property, plant and equipment	(2,899)	(2,534)
	Repayment of loan from a director	2,800	—
	Proceeds from disposal of joint ventures	—	2,906
	Other cash flows arising from investing activities	5,565	(15,381)
	Net cash generated/(used in) investing activities	5,466	(15,009)
Financing activities			
	Dividend paid to non-controlling interests	(12,295)	(5,489)
	Other cash flows arising from financing activities	(47,051)	(13,975)
	Net cash used in financing activities	(59,346)	(19,464)
	Net decrease in cash and cash equivalents	(4,398)	(49,499)
	Cash and cash equivalents at 1 January	254,936	260,210
	Effect of foreign exchange rate changes	13,102	(2,294)
	Cash and cash equivalents at 30 June	263,640	208,417

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The notes on pages 24 to 40 form part of this interim financial report.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

The interim financial report have 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”). It was authorised for issue on 25 August 2025.

The interim financial report have been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

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 2024 annual financial statements. 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. KPMG’s independent review report to the Board of Directors is included on page 17.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Group’s statutory annual consolidated financial statements for that financial year, but is derived from those financial statements.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT INFORMATION

(a) Revenue

The principal activities of the Group are provisions of air freight forwarding services, ocean freight forwarding services, distribution and logistics services and cruise logistics services. Further details regarding the Group's principal activities are disclosed in note 3(b).

(i) Disaggregation of revenue

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

Six months ended 30 June	
2025 \$'000	2024 \$'000
Revenue from contracts with customers within the scope of HKFRS 15	
Disaggregated by major service lines	
— Provision of air freight forwarding services	503,592
— Provision of ocean freight forwarding services	308,940
— Provision of distribution and logistics services	184,659
— Provision of cruise logistics services	226,390
1,461,540	1,223,581

Disaggregation of revenue from contracts with customers by geographic locations is disclosed in note 3(b)(ii).

Revenue arising from the provisions of air freight forwarding services, ocean freight forwarding services and cruise logistics 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.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT INFORMATION (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

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 four 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
- Cruise logistics: this segment provides shipment of supplies for drydock project and cruise replenishment for cruise operations
- 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.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment reporting (Continued)

(i) Segment results (Continued)

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 2025 and 2024 is set out below.

	Six months ended 30 June 2025				Total \$'000
	Air freight \$'000	Ocean freight \$'000	Cruise logistics \$'000	Distribution and logistics \$'000	
Reportable segment revenue					
— external sales	627,359	424,718	254,948	154,515	1,461,540
Reportable segment gross profit	63,449	90,271	80,453	7,675	241,848
Other income					1,670
Other net gain					1,430
Administrative and other operating expenses					(197,040)
Finance costs					(11,770)
Share of profits of associates					1,776
Profit before taxation					37,914



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment reporting (Continued)

(i) Segment results (Continued)

	Six months ended 30 June 2024				
	Air freight \$'000	Ocean freight \$'000	Cruise logistics \$'000	Distribution and logistics \$'000	Total \$'000
Reportable segment revenue					
— external sales	503,592	308,940	226,390	184,659	1,223,581
Reportable segment gross profit	86,508	51,860	75,702	14,180	228,250
Other income					1,676
Other net gain					6,164
Administrative and other operating expenses					(186,057)
Finance costs					(12,983)
Share of profits of associates and joint ventures					2,031
Profit before taxation					39,081



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

3 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment reporting (Continued)

(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	
	2025 \$'000
	2024 \$'000
Hong Kong	284,883
Mainland China	333,627
Italy	349,739
Taiwan	64,087
USA	240,114
Other countries	189,090
	1,461,540
	1,223,581

(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.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

4 PROFIT BEFORE TAXATION

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

Six months ended 30 June	
	2025 \$'000
(a) Finance costs	2024 \$'000
Interest on bank loans and overdrafts	9,859
Interest on loan from DP World Group	93
Interest on lease liabilities	1,818
	2,599
	11,770
	12,983
(b) Other items	
Depreciation charge	14,011
— owned property, plant and equipment	14,505
— right-of-use assets	30,965
Amortisation cost of intangible assets	206
Reversal of expected credit loss allowance of trade receivables	(181)
	—

5 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Taxation in the consolidated statement of profit or loss represents:

Six months ended 30 June	
	2025 \$'000
Current tax — Hong Kong Profits Tax	2,085
Current tax — Outside Hong Kong	18,151
Withholding tax on distributable profits of subsidiaries	2,258
Deferred tax	(3,673)
	18,821
	18,833

The provision for Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2024: 16.5%) of the estimated assessable profits for the six months ended 30 June 2025.

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

Withholding tax is charged by tax authorities of Taiwan and France, in respect of dividend income received from subsidiaries incorporated in the respective countries and regions at rates of 21% (six months ended 30 June 2024: 21%) and 10% (six months ended 30 June 2024: 10%), respectively for the six months ended 30 June 2025.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

6 EARNINGS PER SHARE

(a) Basic earnings per share

For the six months ended 30 June 2025, the calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$15,429,000 (1H2024: \$18,610,000) and the weighted average of 292,692,000 ordinary shares (1H2024: 292,692,000 ordinary shares) in issue during the six months ended 30 June 2025, calculated as follows:

	30 June 2025 '000	30 June 2024 '000
Issued ordinary shares at 1 January	300,489	276,100
Issuance of consideration shares due to settlement of consideration payable for acquisition of Allport Cruise Group	—	24,389
Shares purchased in respect of the Share Award Scheme	(7,797)	(7,797)
Weighted average number of ordinary shares at 30 June	292,692	292,692

(b) Diluted earnings per share

There were no dilutive potential ordinary shares in issue during the six months ended 30 June 2025, and therefore, diluted earnings per share is the same as basic earnings per share.

7 PROPERTY, PLANT AND EQUIPMENT

(a) Owned property, plant and equipment

During the six months ended 30 June 2025, the Group acquired property, plant and equipment with costs of \$2,899,000 (six months ended 30 June 2024: \$2,534,000). Items of property, plant and equipment with a net book value of \$34,000 (six months ended 30 June 2024: \$42,000) were disposed of during the six months ended 30 June 2025, resulting in a net loss on disposal of \$10,000 (six months ended 30 June 2024: net loss on disposal of \$42,000).

(b) Right-of-use assets

During the six months ended 30 June 2025, the Group has renewed certain rental agreements relating to properties, and therefore recognised the additions to right-of-use assets of \$41,273,000 (six months ended 30 June 2024: \$47,751,000).



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

8 GOODWILL

	30 June 2025 \$'000	31 December 2024 \$'000
At 1 January	222,224	224,762
Exchange adjustments	5,077	(2,538)
At the end of the period/year	227,301	222,224

Goodwill is allocated to the Group's cash generating units identified as follows:

	30 June 2025 \$'000	31 December 2024 \$'000
Airfreight forwarding business — Taiwan	24,104	21,188
Cruise logistics business — Allport Cruise Group	203,197	201,036
	227,301	222,224

9 LOAN RECEIVABLES

At 30 June 2025, the balance represented a loan granted from a subsidiary to an employee amounted to USD1,750,000, equivalent to \$13,636,000 (31 December 2024: \$11,415,000), which is unsecured and interest bearing at 5% per annum. The loan to employee is repayable in one-fifth of the loan balance and accrued interest annually in 5 years up to 31 August 2029.

At 31 December 2024, the balance included a loan to a director amounted to \$2,800,000 which has been settled in March 2025.



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(Expressed in Hong Kong dollars unless otherwise indicated)

10 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 2025 \$'000	31 December 2024 \$'000
Within 1 month	469,275	432,883
1 to 2 months	85,999	63,671
2 to 3 months	46,863	25,111
Over 3 months	15,041	13,249
Trade receivables, net of loss allowance	617,178	534,914
Other receivables, prepayments and deposits	111,689	107,179
	728,867	642,093
Contract assets		
Arising from performance under freight forwarding contracts	35,577	36,608
Arising from performance under cruise logistics contracts	156,649	116,625
	192,226	153,233
	921,093	795,326

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.

11 PLEDGED BANK DEPOSITS

The deposits are either pledged to secure certain banking facilities for guarantees on payment to certain airline suppliers and performance bonds to customers of the Group.



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(Expressed in Hong Kong dollars unless otherwise indicated)

12 CASH AND CASH EQUIVALENTS

	30 June 2025 \$'000	31 December 2024 \$'000
Cash at bank and on hand and cash and cash equivalents in the consolidated statement of financial position	263,672	255,023
Bank overdrafts (note 14(b))	(32)	(87)
Cash and cash equivalents in the condensed consolidated cash flow statement	263,640	254,936

13 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 2025 \$'000	31 December 2024 \$'000
Within 1 month	270,354	228,272
1 to 3 months	57,004	68,235
Over 3 months	14,779	11,832
Trade payables	342,137	308,339
Other payables and accrued charges	69,564	77,487
	411,701	385,826
Contract liabilities	21,147	20,756
	432,848	406,582

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.



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(Expressed in Hong Kong dollars unless otherwise indicated)

14 BANK LOANS AND OVERDRAFTS

(a) The bank loans and overdrafts are repayable as follows:

	30 June 2025 \$'000	31 December 2024 \$'000
Within 1 year or on demand	361,338	381,531
After 1 year but within 2 years	824	1,504
After 2 years but within 5 years	1,140	1,040
	363,302	384,075

(b) The bank loans and overdrafts are analysed as follows:

	30 June 2025 \$'000	31 December 2024 \$'000
Unsecured bank overdrafts (note 12)	32	87
Unsecured bank loans – supplier finance arrangement	223,956	205,122
Unsecured bank loans	139,214	178,866
	363,202	384,075

As at 30 June 2025, the interest rates of bank loans are in the range of 1.25%–6.85% per annum (31 December 2024: 1.10%–7.52% per annum).

The Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2025 and 31 December 2024, none of the covenants relating to drawn down facilities had been breached.

(c) Bank loans arising from supplier finance arrangements

The Group has entered into certain post-shipment buyer loan arrangements with banks, under which the Group obtained extended credit in respect of the invoiced amount owed to certain freight forwarding agents and transportation suppliers.

Under these arrangements, the banks pay suppliers the amounts owed by the Group on the original due dates, which are normally 30–60 days after the invoice date. The Group then settles with the banks between 90–120 days after the original due dates with the suppliers, with interest.

In the consolidated statement of financial position, the Group has presented the payables to the banks under these arrangements as “bank loans and overdrafts”, in view of the nature and function of such liabilities when compared with the Group's trade payables to suppliers. As at 30 June 2025, the carrying amount of financial liabilities under these arrangements amounted to \$223,956,000 (1 January 2025: \$205,122,000), \$223,956,000 of which suppliers have received payments from the banks.



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(Expressed in Hong Kong dollars unless otherwise indicated)

15 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

As at 30 June 2025 and 31 December 2024, 50,000,000,000 ordinary shares, with par value of US\$0.001 each, are authorised for issue.

As at 30 June 2025, the Company has 300,489,000 ordinary shares (31 December 2024: 300,489,000 ordinary shares) in issue.

(b) Dividends

During the six months ended 30 June 2025, the Group's subsidiaries declared and paid dividends of \$12,295,000 (six months ended 30 June 2024: \$5,489,000) to non-controlling interests.

On 25 August 2025, the Company declared an interim dividend of HK1 cent per ordinary share in respect of the period ended 30 June 2025. Such dividend has not been recognised as a liability at the end of the Reporting Period.

(c) Purchase of own shares under the Share Award Scheme

A share award scheme was adopted on 6 May 2021 (the **"Share Award Scheme"**). The Share Award Scheme is to recognise and motivate the contributions of the eligible participants to align the interests of the eligible participants with those of the Company and strive for the future development and expansion of the Group and to attract suitable personnel for further development of the Group through the Share Award Scheme to the selected participants.

The awarded shares will be subscribed for and/or purchased by an independent trustee (the **"Trustee"**) from the open market by utilising the funds to be allocated by the Directors and/or authorised person of the Company out of the Company's resources. The maximum number of awarded shares to be subscribed for and/or purchased by the Trustee for the purpose of the Share Award Scheme shall not exceed 10% of the total number of issued share capital from time to time.

The Share Awarded Scheme shall be valid and effective for a period of 10 years commencing from 6 May 2021 but may be terminated earlier as determined by the Board.

As at 30 June 2025, the Trustee has purchased 7,791,000 shares (31 December 2024: 7,791,000 shares) of the Company on the Hong Kong Stock Exchange, with an aggregate amount of approximately \$25,628,000 (31 December 2024: \$25,628,000). No shares was granted to any person under the Share Award Scheme as at 30 June 2025 and 31 December 2024.

The consideration paid for the purchase of the Company's shares is reflected as a debit in capital reserve of the Company. The fair value of the employee services received in exchange for the grant of shares is recognised as staff costs in profit or loss with a corresponding increase in capital reserve, which is measured based on the grant date share price of the Company.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

16 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the Reporting Period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which fair value is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 30 June 2025 \$'000	Fair value measurements as at 30 June 2025 categorised into		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurement				
Unlisted equity securities	395	—	—	395
Listed equity securities	648	648	—	—
	1,043	648	—	395

	Fair value at 31 December 2024 \$'000	Fair value measurements as at 31 December 2024 categorised into		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurement				
Life insurance contract	4,041	—	4,041	—
Unlisted equity securities	392	—	—	392
Listed equity securities	752	752	—	—
	5,185	752	4,041	392

During the six months ended 30 June 2025 and 31 December 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

16 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(a) Financial assets measured at fair value (Continued)

Unlisted equity securities

The significant unobservable inputs include discount rate of 15% (2024: 15%), sales price, sales volume and expected free cash flows of the investee. The fair value decreases with the increases in the discount rate, and increases with the increases in the sales price, sales volume and expected free cash flows of the investee.

The fair values of the unlisted equity securities are estimated as being the present values of future cash flows, discounted at interest rates based on the government yield curve as at the end of the reporting period plus an adequate constant credit spread, adjusted for the Group's own credit risk.

Life insurance contract

Fair value was determined by reference to the quoted price as stated in the policy statement at the reporting date.

(b) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 June 2025 and 31 December 2024.



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

17 MATERIAL RELATED PARTY TRANSACTIONS

Six months ended 30 June	
	2025 \$'000
	2024 \$'000
Cargo Services Group (note (ii))	
— Freight forwarding service income received	—
— Freight forwarding service fee paid	15,805
— Interest expenses on lease liabilities	49,437
	21
	120
DP World Group (note (ii))	
— Freight forwarding service income received	40,935
— Freight forwarding service fee paid	164,298
— Loans	20,223
— Loan interest expenses	92
— Interest expenses on lease liabilities	117
	—
EV Cargo Group (note (iii))	
— Freight forwarding service income received	516
— Freight forwarding service fee paid	3,009
	415
	2,342
Associates	
— Freight forwarding service income received	2,099
— Freight forwarding service fee paid	1,831
	2,655
	7,990
Non-controlling interests of subsidiaries	
— Freight forwarding service income received	—
— Freight forwarding service fee paid	211
— Management fee paid	204
	—
Empire Transportation Company Limited	
— Trucking service expenses	4,501
	5,814
Transway Logistics Company Limited	
— Trucking service expenses	1,048
	1,442
Lombardi Transporti S.r.l. (a company owned by a close family member of a director of the Group)	
— Trucking services expenses	3,989
	3,152
Directors	
— Loans	—
	5,126
Amounts due from related companies (note (iv))	11,345
	—



NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Hong Kong dollars unless otherwise indicated)

17 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (i) Cargo Services Group consists of Cargo Services Group Limited ("**CS Group**"), CS Logistics Holdings Ltd., Cargo Services Seafreight Limited, and their subsidiaries and associates (excluding EV Cargo Group defined below and the Group) up to 30 August 2024, the date from which DP World became the controlling shareholder of the Company.
- (ii) DP World Group consists of DP World Limited, and its subsidiaries and associates (excluding the Group). At 30 June 2025, amounts due to DP World Group included a loan to the Group amounted to \$20,223,000, which is unsecured, interest bearing at 6.54% per annum and repayable on demand.
- (iii) EV Cargo Group consists of EV Cargo Global Forwarding Limited, a company incorporated in the United Kingdom, and its subsidiaries and associates. EV Cargo Group is a non-controlling interest of a subsidiary of the Group throughout the periods ended 30 June 2025, 31 December 2024 and 30 June 2024.
- (iv) The related companies consist of CS Group and its subsidiaries and joint ventures which Indirectly controlled by Mr. Lau Shek Yau John, an Executive Director of the Company. The amounts are unsecured, interest-free and recoverable on demand.

18 CONTINGENT LIABILITIES

As at 30 June 2025, financial guarantees are given by the Company to the banks for the banking facilities entered by certain subsidiaries of the Group (see note 14). 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 2025 is the amount of the facilities drawn down by the Group, being \$331,194,000 (31 December 2024: \$345,848,000).

19 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Directors declared an interim dividend. Further details are disclosed in note 15(b).