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CN Logistics International Holdings Limited

嘉泓物流國際控股有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2130)

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Independent Financial Adviser

to the Independent Board Committee and the Independent Shareholders



中州國際融資有限公司

CENTRAL CHINA INTERNATIONAL CAPITAL LIMITED

References are made to the section headed “Continuing Connected Transactions” in the Prospectus in relation to, among others, the continuing connected transactions of the Company under the Existing CCT Agreements. As the term of each of the Existing CCT Agreements will expire on 31 December 2022, and it is expected that the transactions thereunder will continue after 31 December 2022, on 3 November 2022, the Board has resolved to renew the Existing CCT Agreements by entering into (a) the 2023 CS Group Master Agency Agreement; and (b) the 2023 CN France Master Agency Agreement.

The 2023 CS Group Master Agency Agreement

On 3 November 2022, the Company (for itself and as trustee for the benefit of the members of the Group) and CS Group (for itself and as trustee for the benefit of the members of the CS CT Group) entered into the 2023 CS Group Master Agency Agreement to appoint each other as the agent for the provision of ocean freight forwarding services in the countries and regions where the members of the Group and the members of the CS CT Group operate in for a term of three years from 1 January 2023 to 31 December 2025 (both days inclusive), subject to the approval by the Independent Shareholders at the EGM.

As at the date of this announcement, CS Group indirectly held 75.0% of the entire issued share capital in Cargo Services (Logistics) Limited, which in turn held approximately 57.4% of the issued share capital of the Company. Thus, CS Group is a controlling Shareholder and a

connected person of the Company. Accordingly, the transactions contemplated under the 2023 CS Group Master Agency Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable ratios (as defined under Rule 14.07 of the Listing Rules) calculated based on the Proposed CS Group Annual Caps is higher than 5%, the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps would be subject to the reporting, annual review, announcement, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The 2023 CN France Master Agency Agreement

On 3 November 2022, the Company (for itself and as trustee for the benefit of the members of the Group (excluding CN France Group)) and CN France HK (for itself and as trustee for the benefit of the members of the CN France Group) entered into the 2023 CN France Master Agency Agreement to appoint each other as the agent for the provision of air and ocean freight forwarding services in France and/or other countries and regions where the members of the Group and the members of the CN France Group operate in for a term of three years from 1 January 2023 to 31 December 2025 (both days inclusive).

As at the date of this announcement, CN France HK was indirectly held as to 70% by the Group and 30% by Ms. Chen, an executive Director. As such, members of CN France Group are regarded as connected subsidiaries and connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2023 CN France Master Agency Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable ratios (as defined under Rule 14.07 of the Listing Rules) calculated based on the Proposed CN France Annual Caps is higher than 0.1% but less than 5%, the 2023 CN France Master Agency Agreement and the transactions contemplated thereunder would be subject to the reporting, annual review and announcement requirements but is exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established by the Company to consider and advise the Independent Shareholders on the terms of the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

An EGM will be held to consider, and if thought fit, passing the ordinary resolutions to approve, among other matters, the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps.

A circular containing, among others, (i) further information on the 2023 CS Group Master Agency Agreement and the transactions contemplated thereunder; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders in accordance with the Listing Rules on or before 24 November 2022.

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Background

References are made to the section headed “Continuing Connected Transactions” in the Prospectus in relation to, among others, continuing connected transactions of the Company under (a) the CS Group Master Agency Agreement; and (b) the CN France Master Agency Agreement (together, the “**Existing CCT Agreements**”). As each of the Existing CCT Agreements will expire on 31 December 2022 and it is expected that the transactions thereunder will continue after 31 December 2022, on 3 November 2022, the Board has resolved to renew the Existing CCT Agreements by entering into (a) the 2023 CS Group Master Agency Agreement; and (b) the 2023 CN France Master Agency Agreement.

I. The 2023 CS Group Master Agency Agreement

Principal terms of the 2023 CS Group Master Agency Agreement are set out as follows:

Date	3 November 2022
Parties	(i) The Company; and (ii) CS Group
Term	From 1 January 2023 to 31 December 2025 (both days inclusive), subject to the approval by the Independent Shareholders at the EGM
Subject matter	CS Group (for itself and as trustee for the benefit of the members of the CS CT Group) and the Company (for itself and as trustee for the benefit of the members of the Group) appoint each other as the agent for the provision of ocean freight forwarding services in the countries and regions where the members of the Group and the members of the CS CT Group operate in.

Service fee

The service fee for each shipment under the 2023 CS Group Master Agency Agreement shall be constituted by an accepted ocean freight order entered into between the relevant member(s) of the CS CT Group and the relevant member(s) of the Group and shall be on normal and usual commercial terms and on terms no less favourable to the Group than those offered by Independent Third Party(ies) in respect of similar services of comparable quality.

Reasons for and benefits of entering into the 2023 CS Group Master Agency Agreement

CS Group is an investment holding company and the CS CT Group principally engages in the provision of ocean freight forwarding services in the PRC for its domestic and overseas customers, mainly include supermarkets and department stores in the PRC, United Kingdom and Australia.

Prior to the Listing, the Group and the CS CT Group had been business partners in the provision of air and ocean freight forwarding services to each other, particularly at locations where the relevant parties did not have local offices or presences. Since the Listing, it has been the business strategy of the Group to focus on its core business i.e. the provision of air freight forwarding services in order to enhance the competitiveness of the Group. On the other hand, CS CT Group has continued to focus on the provision of ocean freight forwarding services on a global basis. Under such circumstances, the Directors considered that the existing annual caps for the transactions under the CS Group Master Agency Agreement would be sufficient.

Nevertheless, along with the growth in its air freight forwarding services, the Group also recorded significant growth in its ocean freight forwarding services since 2022 following the expansion of its local presences at various regions, including the setting up of the U.S. office after the acquisitions of Allport Cruise Group and the establishment of local offices in Southeast Asia. During the six months ended 30 June 2022, the Group recorded revenue of HK\$550.1 million from its ocean freight forwarding services, representing an increase of approximately 137.6% as compared to the corresponding periods in 2021. It is expected that the ocean freight forwarding services of the Group will continue to expand in the following years.

The Directors consider that continued and deeper cooperation with CS CT Group would enhance the growth of the ocean freight forwarding services of the Group. The Group and CS CT Group would be able to engage each other as agent for provision of ocean freight forwarding services at points of origins or destinations where the other party does not have a local presence. Given the substantial experience and connections of CS CT Group in the ocean freight forwarding industry, the Company believes that the cooperation with CS CT Group will further accelerate the expansion plan of the Group and further enhance the service coverage of ocean freight forwarding services to its customers.

Historical amounts

The transaction amounts between the Group and the CS CT Group under the CS Group Master Agency Agreement for the each of the years ended 31 December 2020 and 2021 and the eight months ended 31 August 2022 are set out below:

	For the year ended 31 December		For the eight months ended 31 August
	2020	2021	2022
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Cost of services charged by CS CT Group	34,235	43,087	42,686
Revenue derived from CS CT Group	287,956	19,257	2,273

Existing annual caps and proposed annual caps

Set forth below are the existing annual caps for the transactions under the CS Group Master Agency Agreement for the year ended/ending 31 December 2020, 2021 and 2022 and the proposed annual caps for the transactions contemplated under the 2023 CS Group Master Agency Agreement for each of the years ending 31 December 2023, 2024 and 2025 (the “**Proposed CS Group Annual Caps**”):

	For the year ended/ending 31 December		
	2020	2021	2022
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
<i>Existing annual caps</i>			
Cost of services charged by CS CT Group	56,818	59,091	61,454
Revenue derived from CS CT Group	288,318	20,844	3,300

	For the year ended/ending 31 December		
	2023	2024	2025
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
<i>Proposed CS Group Annual Caps</i>			
Cost of services charged			
by CS CT Group	105,000	116,000	128,000
Revenue derived from			
CS CT Group	41,000	45,000	49,000

Basis of determination of the Proposed CS Group Annual Caps

Cost of services charged by CS CT Group

In determining the Proposed CS Group Annual Caps in respect of the cost of services to be charged by CS CT Group, the Directors have taken into consideration various factors, including:–

- (i) the expected increase in the transaction amounts between the Group and CS CT Group following the expansion of the Group's presence to the U.S. market after the acquisition of Allport Cruise Group in March 2022 from CS CT Group. The Group did not have any transaction with Allport Cruise Group prior to the acquisition thereof. After such acquisition, all the transactions between Allport Cruise Group and CS CT Group would constitute continuing connected transactions of the Company. As at the date of this announcement, Allport Cruise Group is contemplating certain drydock projects to be commenced in late 2022 or early 2023 and it is expected that Allport Cruise Group would engage CS CT Group for the provision of ocean freight forwarding services in respect of at least two drydock projects given that the projects are located at Singapore, at which the Group did not have local presence. With reference to the average cost incurred by Allport Cruise Group in each drydock project, it is estimated that cost of services charged by CS CT Group in respect of the two upcoming drydock projects in the year ending 31 December 2023 will be over HK\$40 million. In addition, considering the business growth of and the increase in the number of drydock projects undertaken by Allport Cruise Group in 2022, the Group expects that its cooperation with CS CT Group will sustain at a similar level in the years ending 31 December 2024 and 2025;
- (ii) the historical cost of services charged by CS CT Group as well as the expected growth in the Group's business resulting from the establishment of overseas offices in recent years. It is expected that the Group will continue to expand its customer base in the coming years, resulting in an expected increase in the Group's demand for freight forwarding services from its business partners including the CS CT Group; and

- (iii) the estimated growth of 10% annually in the cost of services to be charged by CS CT Group in light of the development and expansion of the business of the Group and to cater for unexpected increase in freight rate.

Revenue derived from CS CT Group

In determining the Proposed CS Group Annual Caps in respect of the revenue to be derived from CS CT Group, the Directors have taken into consideration various factors, including:–

- (i) the expected increase in the revenue to be derived from CS CT Group resulting from the expansion of the Group’s ocean freight forwarding services and the plans of the Group to accelerate its cooperation with CS CT Group in respect of ocean freight forwarding services to a level similar to that prior to the Listing. Please refer to the paragraphs headed “Reasons for and benefits of entering into the 2023 CS Group Master Agency Agreement” above for a detailed discussion on the expected growth in the ocean freight forwarding services of the Group. The expected amount of revenue to be derived from CS CT Group was determined having taken into account (a) the expected demand for ocean freight forwarding services from CS CT Group based on preliminary discussion with CS CT Group and with reference to the historical revenue generated from the provision of ocean freight forwarding services by the Group to the CS CT Group prior to the Listing; (b) the expected capability of the Group in taking up orders of the CS CT Group if sufficient annual caps is available; and (c) the significant increase in freight rates as compared to that prior to the Listing;
- (ii) the expected transaction amounts with the CS CT Group following the acquisition of Allport Cruise Group which enabled the Group to establish its local presence in the U.S. freight forwarding market and thereby providing additional business opportunities to the Group. It is expected that CS CT Group may from time to time engage Allport Cruise Group to provide ocean freight forwarding services for replenishment or drydock projects of its customers; and
- (iii) the estimated growth of 10% annually in the revenue to be derived from CS CT Group in light of the development and expansion of the business of the Group and to cater for unexpected increase in freight rate.

The Directors’ Views

The Directors are of the view that, by entering into the 2023 CS Group Master Agency Agreement, the Group and the CS CT Group will be able to continue their business cooperation and the Group will benefit from the freight forwarding business brought in by the CS Group in jurisdictions where the Group does not have local presence and allow the Group to expand its customer reach and service offerings.

The Directors (other than the independent non-executive Directors, whose views and opinions on the 2023 CS Group Master Agency Agreement and the Proposed CS Group Annual Caps will be included in the circular to be despatched to the Shareholders) are of the view that the 2023 CS Group Master Agency Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms or better (having such meaning as defined in the Listing Rules), in the ordinary and usual course of business of the Group and that the terms of the 2023 CS Group Master Agency Agreement as well as the Proposed CS Group Annual Caps are fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

As at the date of this announcement, CS Group is indirectly controlled by Mr. Lau, a non-executive Director of the Company. As Mr. Lau is materially interested in the transactions contemplated under the 2023 CS Group Master Agency Agreement by virtue of his equity interest in CS Group, he has abstained from voting on the respective resolutions passed at the Board meeting for approving the 2023 CS Group Master Agency Agreement and the Proposed CS Group Annual Caps. Save for Mr. Lau, none of the other Directors is or is deemed to have a material interest in the above transactions.

Listing rules implications

As at the date of this announcement, CS Group indirectly held 75.0% of the entire issued share capital in Cargo Services (Logistics) Limited, which in turn held approximately 57.4% of the issued share capital of the Company. Thus, CS Group is a controlling shareholder of the Company and a connected person of the Company. Accordingly, the transactions contemplated under the 2023 CS Group Master Agency Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Proposed CS Group Annual Caps are higher than 5%, the 2023 CS Group Master Agency Agreement and the transactions contemplated thereunder would be subject to the reporting, annual review, announcement, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

II. The 2023 CN France Master Agency Agreement

Principal terms of the 2023 CN France Master Agency Agreement are set out as follows:

Date	3 November 2022
Parties	(i) The Company; and (ii) CN France HK

Terms	From 1 January 2023 to 31 December 2025 (both days inclusive)
Subject matter	CN France HK (for itself and as trustee for the benefit of the members of the CN France Group) and the Company (for itself and as trustee for the benefit of the members of the Group (excluding CN France Group)) appoints each other as the agent for the provision of air and ocean freight forwarding services in France and/or other countries and regions where the members of the Group and the members of the CN France Group operate in.
Service fee	The service fee for each shipments under the 2023 CN France Master Agency Agreement shall be constituted by an accepted airfreight order or ocean freight order entered into between the relevant member(s) of the CN France Group and the relevant member(s) of the Group and shall be on normal and usual commercial terms and on terms no less favourable to the Group than those offered by Independent Third Party(ies) in respect of similar services of comparable quality.

Reasons for and benefits of entering into of the 2023 CN France Master Agency Agreement

CN France HK is an investment holding company and a non-wholly owned subsidiary of the Company. The CN France Group is principally engages in the provision of air freight forwarding services and freight and logistics services for wine in France.

The Group principally operates its air freight forwarding services in France through CN France and CN France acts as the liaison office of the Group with relevant wineries locally in France as part of the Group's freight and logistics services for wine. Expensive fine wine products were generally shipped to Hong Kong by air, while inexpensive table wine products are normally delivered to Hong Kong by sea. Accordingly, the Group acquires both air and ocean freight forwarding services from CN France Group. On the other hand, customers may from time to time request to make payment to CN France Group due to the ease of settlement of payment at local currency. Under such circumstances, CN France Group will collect the payment from the customers as the agent of the Group and subsequently transfer such amounts to the Group. Accordingly, the Group also records revenue from CN France Group under the 2023 CN France Master Agency Agreement. The Directors consider that the continual cooperation with CN France Group would facilitate the freight forwarding business of the Group in France and is in the interest of the Group as a whole.

Historical amounts

The transaction amounts between the Group and the CN France Group under the CN France Master Agency Agreement for the each of the years ended 31 December 2020 and 2021 and the eight months ended 31 August 2022 are set out below:

	For the year ended 31 December		For the eight months ended 31 August
	2020	2021	2022
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Cost of services charged by CN France Group	25,210	30,067	22,564
Revenue derived from CN France Group	942	769	1,028

Existing annual caps and new annual caps

Set forth below are the existing annual caps for the transactions under the CN France Master Agency Agreement for the year ended/ending 31 December 2020, 2021 and 2022 and the proposed annual caps for the transactions contemplated under the 2023 CN France Group Master Agency Agreement for the year ending 31 December 2023, 2024 and 2025 (the “**Proposed CN France Annual Caps**”):

	For the year ended/ending 31 December		
	2020	2021	2022
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
<i>Existing annual caps</i>			
Cost of services charged by CN France Group	30,714	31,943	33,220
Revenue derived from CN France Group	1,220	1,268	1,319

	For the year ended/ending 31 December		
	2023	2024	2025
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
<i>Proposed CN France Annual Caps</i>			
Cost of services charged			
by CN France Group	45,000	49,000	54,000
Revenue derived from			
CN France Group	2,000	2,300	2,500

Basis of determination of the Proposed CN France Annual Caps

In determining the Proposed CN France Annual Caps, the Directors have taken into consideration of various factors including:–

- (i) the increasing trend of the historical service fees paid to and received from the CN France Group for the years ended 31 December 2020 and 2021 and the eight months ended 31 August 2022;
- (ii) the expected transaction amounts in respect of air and ocean freight forwarding services to be charged by, and received from, the CN France Group in each of the three years ending 31 December 2025; and
- (iii) the estimated growth of 10% annually in the transaction amount between the Group and CN France Group in light of the development and expansion of the business of the Group and to cater for unexpected increase in freight rate.

The Directors' View

The Directors (including the independent non-executive Directors) are of the view that the 2023 CN France Master Agency Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms or better (having such meaning as defined in the Listing Rules), in the ordinary and usual course of business of the Group and that the terms of the 2023 CN France Master Agency Agreement as well as the Proposed CN France Annual Caps are fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

As at the date of this announcement, CN France HK was indirectly held as to 70% by the Group and 30% by Ms. Chen, an executive Director. As Ms. Chen is materially interested in the transactions contemplated under the 2023 CN France Master Agency Agreement by virtue of her equity interest in CN France HK, she has abstained from voting on the respective

resolutions passed at the Board meeting for approving the 2023 CN France Master Agency Agreement and the Proposed CN France Annual Caps. Save for Ms. Chen, none of the other Directors is or is deemed to have a material interest in the above transactions.

Listing rules implications

As CN France HK is held as to 30% by Ms. Chen, CN France HK is regarded as an associate of Ms. Chen. As such, members of the CN France Group are regarded as connected subsidiaries and connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2023 CN France Master Agency Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Proposed CN France Annual Caps are higher than 0.1% but less than 5%, the 2023 CN France Master Agency Agreement and the transactions contemplated thereunder would be subject to the reporting, annual review and announcement requirements but are exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTERNAL CONTROL AND PRICING POLICY

The Group has adopted the following measures to monitor and govern the transactions under the 2023 CS Group Master Agency Agreement and the 2023 CN France Master Agency Agreement:

1. the Group has established its pricing policy (the "**Pricing Policy**") for the determination of service fees to be paid or charged by the relevant member(s) of the Group in relation to freight forwarding services provided to and/or acquired from the relevant member(s) of the CS CT Group and/or CN France Group (each a "**connected party**"), pursuant to which the service fee in respect of each of the shipments shall be determined on a case-by-case basis based on arm's length negotiations between the relevant member(s) of the Group and the connected party with reference to, among other things, the then prevailing market rate and the requirements of the relevant shipments (including but not limited to the volume and nature of the items on freight, the route for the freight and the budget of the relevant member(s) of the Group or the connected party).

The Pricing Policy is determined and reviewed by the management of the Company from time to time and shall be generally applicable to other Independent Third Party customers and suppliers of the Group.

2. the finance department of the Group is responsible for monitoring the continuing connected transactions of the Group. Operation units of each subsidiary of the Company are required to submit to the finance department the details and transaction amounts with each connected party on a weekly basis. The finance department will review the relevant information to assess (i) whether the continuing connected transactions of the Group have been carried out in accordance

with the terms of the relevant agreement and the Pricing Policy and (ii) the transactions amount during the week under review, the aggregate amount of transactions conducted during the relevant financial year and whether the relevant annual caps have been exceeded. When the transaction amounts under any continuing connected transactions have reached 80% of the relevant annual cap, the finance department will (i) send an alert to the operation units and they would be required to ascertain if there is still sufficient unused annual cap before conducting any further transactions with the relevant connected person(s); and (ii) report to the management for them to consider whether appropriate steps shall be taken in advance to revise the annual caps in order to comply with the relevant requirements under the Listing Rules;

3. The independent non-executive Directors will conduct annual review on the continuing connected transactions to confirm whether the transactions have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and
4. The auditors of the Company will conduct annual review on the continuing connected transactions of the Group to confirm that the continuing connected transactions (i) have been approved by the Board; (ii) were in all material respects, in accordance with the pricing policies of the Group; (iii) were entered into, in all material respects, in accordance with the relevant agreement governing them; and (iv) have not exceeded the relevant annual caps.

INFORMATION OF THE COMPANY

The principal activity of the Company is investment holding. The Group is a well-established international logistics solutions provider with core business of providing air freight forwarding services and distribution and logistics services in relation to fashion products and fine wine, primarily focusing on high-end fashion (including luxury and affordable luxury) products.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established by the Company to consider and advise the independent Shareholders on the terms of the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

An EGM will be held to consider, and if thought fit, passing the ordinary resolutions to approve, among other matters, the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps.

A circular containing, among others, (i) further information on the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation

to the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Proposed Caps; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders in accordance with the Listing Rules on or before 24 November 2022.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Allport Cruise”	Allport Cruise Logistics Inc., a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which was acquired by the Group in March 2022, together with its subsidiaries, the “Allport Cruise Group”
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	CN Logistics International Holdings Limited (嘉泓物流國際控股有限公司), an exempted company limited by shares incorporated in the Cayman Islands, whose issued Shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“CN France Group”	CN France HK and its subsidiary(ies)
“CN France HK”	CN FRANCE (HONG KONG) LIMITED, a company incorporated in Hong Kong with limited liability on 28 May 2019 and an indirect non-wholly owned subsidiary of the Company
“CN France Master Agency Agreement”	the master agency agreement entered into between the Company and CN France HK on 17 September 2020 with a term commencing on 17 September 2020 and expiring on 31 December 2022, the details of which were set out in the Prospectus
“CS CT Group”	CS Group and its subsidiaries and associates from time to time (excluding the Group)

“CS Group”	Cargo Services Group Limited, an exempted company limited by shares incorporated in the Cayman Islands on 11 February 2015 under the Companies Law, being a controlling Shareholder which is ultimately owned by Mr. Lau and Ms. Cynthia Lau.
“CS Group Master Agency Agreement”	the master agency agreement entered into between the Company and CS Group on 17 September 2020 with a term commencing on 17 September 2020 and expiring on 31 December 2022, the details of which were set out in the Prospectus
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and (if thought fit) approving the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors (namely, Mr. Lam Hing Lun Alain, Mr. Chan Chun Hung Vincent and Mr. Chun Chi Man) established to advise the Independent Shareholders on the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps
“Independent Financial Adviser”	Central China International Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2023 CS Group Master Agency Agreement, the transactions contemplated thereunder and the Proposed CS Group Annual Caps
“Independent Third Party(ies)”	person(s) or company(ies) which is (are) not connected person(s) of the Company

“Independent Shareholders”	Shareholders who do not have any material interests in the transactions contemplated under the 2023 CS Group Master Agency Agreement and are not required to abstain from voting for the relevant resolutions at the EGM
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange since 15 October 2020
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lau”	Mr. Lau Shek Yau John (劉石佑), the founder of the Group, chairman of the Board, a non-executive Director and one of the controlling Shareholders
“Ms. Chen”	Ms. Chen Nga Man (陳雅雯), an executive Director
“Ms. Cynthia Lau”	Ms. Lau Ying Cynthia, one of the controlling Shareholders and is the daughter of Mr. Lau
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated 30 September 2020
“Share(s)”	the ordinary share(s) of US\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U.S.”	the United States of America
“2023 CN France Master Agency Agreement”	the master agency agreement entered into between the Company and CN France HK on 3 November 2022 with a term commencing from 1 January 2023 and expiring on 31 December 2025, the details of which were set out in this announcement
“2023 CS Group Master Agency Agreement”	the master agency agreement entered into between the Company and CS Group on 3 November 2022 with a term commencing from 1 January 2023 and expiring on 31 December 2025, the details of which were set out in this announcement

“%”

per cent.

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

Hong Kong, 3 November 2022

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