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C&N Holdings Limited

春能控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8430)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE BUSINESS COOPERATION

This announcement is made voluntarily by C&N Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 30 October 2020, Loyal Zone Limited, a wholly owned subsidiary of the Company, entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 悦赚科技（北京）有限公司 (Yue Zhuan Technology (Beijing) Limited*) (the “**Prospective Partner**”) in relation to the potential cooperation with the Prospective Partner using the transportation management system to facilitate the delivery of goods sold on e-commerce platforms in the People’s Republic of China (the “**PRC**”).

The Group and the Prospective Partner are in the process of discussing possible forms of cooperation, including but not limited to (i) the formation of a joint venture between the Group and the Prospective Partner; or (ii) the Group’s investment in projects of the Prospective Partner. If the cooperation is materialised, the Company may consider to include “中國悦赚科技” as its Chinese name to provide the Group with a more appropriate corporate image which will promote and benefit the Group’s future business development in the China market.

As at the date of this announcement, none of the terms or form of the cooperation has been finalised.

Upon the cooperation is materialised, a formal agreement will be entered into between the Group and the Prospective Partner. The Prospective Partner will be responsible for management of the daily operation of e-commerce platforms while the Group will be responsible for providing the supply chain system to facilitate the delivery of goods sold on the e-commerce platforms.

The Prospective Partner is a limited company established in the PRC and is principally engaged in the business of operating e-commerce platforms in the PRC with big data analytics and artificial intelligence technology.

To the best knowledge, information, and belief of the Directors, having made all reasonable enquiries, the Prospective Partner and its ultimate beneficial owners are independent third parties of and not connected with the Group and its connected persons (as defined in the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM operated by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Group is principally engaged in offering various transport and storage services to the logistics industry in Singapore, primarily trucking and hubbing services.

The Group is actively seeking new business opportunities to strengthen its income stream due to uncertainties in the global business environment, as well as operational disruptions with the implementation of the Circuit Breaker in Singapore due to recent Covid-19 outbreak.

Through the synergy created by the Group’s experience and expertise in the logistics industry and the Prospective Partner’s experience and expertise in e-commerce platforms, the Board believes that the cooperation can expand and enhance the competitive advantage of the Group’s business, which is beneficial to the future growth and business development of the Group.

If the cooperation is materialised, it is expected that the income stream of the Group will be diversified into the e-commerce related business in the PRC, as well as achieving a synergistic effect with its existing supply chain system. Accordingly, the Board is of the view that the entering into of the MOU is in the interests of the Group and the Shareholders as a whole.

GENERAL

The Board wishes to emphasise that the cooperation contemplated under the MOU may or may not proceed and that the parties have not entered into a legally binding agreement in relation to the cooperation contemplated under the MOU as at the date of this announcement. If the cooperation contemplated under the MOU is materialised, the Company will make further announcements as and when appropriate in accordance with the GEM Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
C&N Holdings Limited
Chua Kang Lim
Chairman

Singapore, 30 October 2020

As at the date of this announcement, the Board comprises Mr. Chua Kang Lim and Ms. Chua Sui Feng as executive Directors; and Mr. Kwong Choong Kuen, Mr. Dax Teo Tak Sin and Ms. Grace Choong Mai Foong as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Listed Company Information” page for at least 7 days from the date of its publication and on the Company’s website at www.cnlimited.com.

* *For identification purposes only*