

# 杭州順豐同城實業股份有限公司

## HANGZHOU SF INTRA-CITY INDUSTRIAL CO.,LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

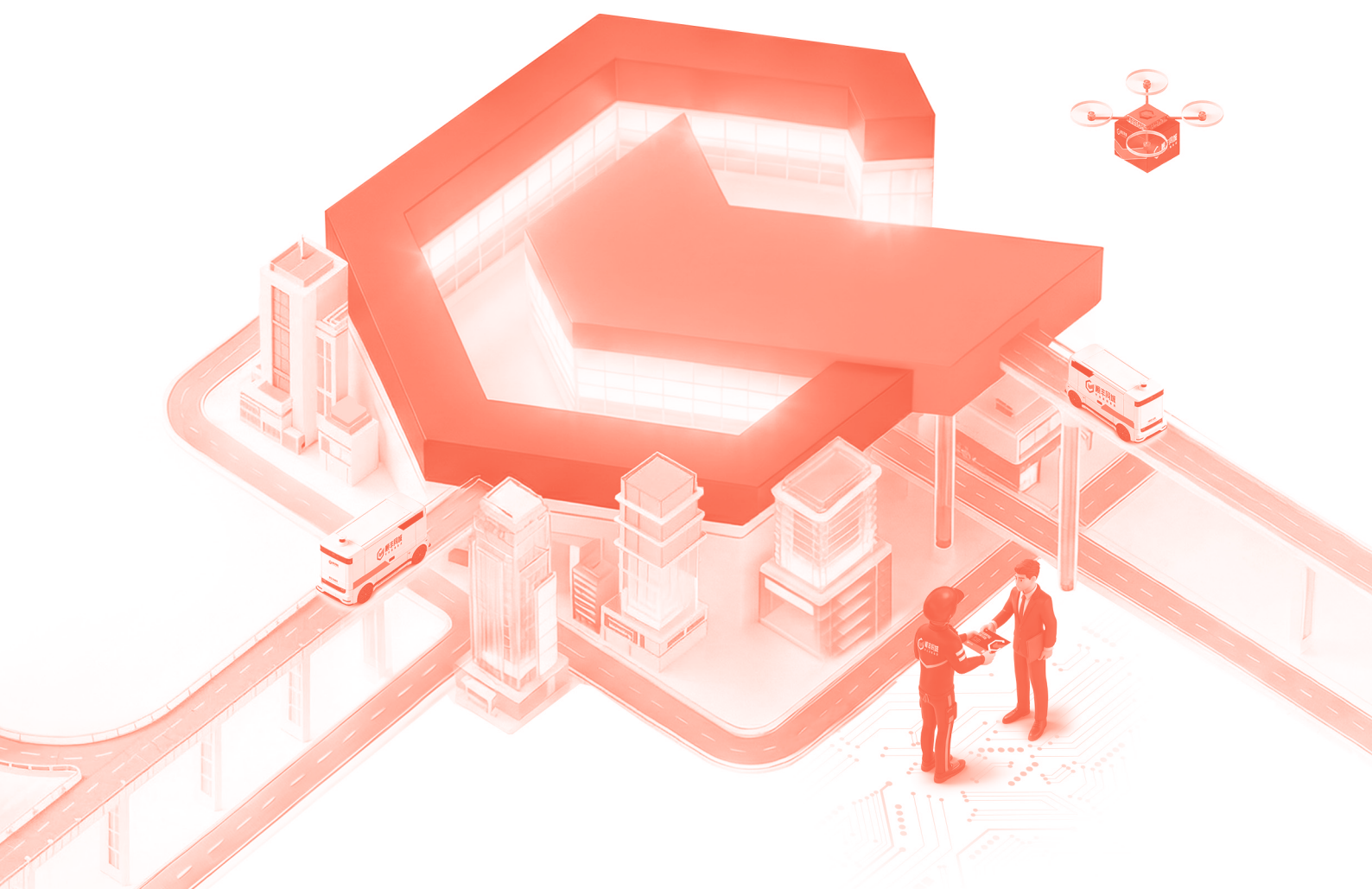
Stock Code : 9699



**2025 | SF Intra-city**  
ANNUAL REPORT

# Contents

Company Profile	2
Corporate Information	3
Financial Highlights	5
Chairman Statement	7
Management Discussion and Analysis	11
Corporate Governance Report	29
Directors and Senior Management	44
Report of Directors	49
Independent Auditor's Report	73
Consolidated Statement of Comprehensive Income	77
Consolidated Statement of Financial Position	79
Consolidated Statement of Changes in Equity	81
Consolidated Statement of Cash Flows	83
Notes to the Consolidated Financial Statements	84
Financial Summary	160
Definitions	161





# Company Profile

We started as a business unit of SF Holding Group, focusing on the emerging opportunities of intra-city on-demand delivery services. On June 21, 2019, our Company was incorporated in the PRC as a joint stock company with limited liability, to operate as an independent legal entity to capture the growth opportunities brought about by the new consumption trends. On December 14, 2021, our Company was listed on the Main Board of Hong Kong Stock Exchange. We provide both (i) intra-city delivery for merchants and consumers and (ii) last-mile delivery mainly for logistics companies. We have rapidly grown into the largest third-party on-demand delivery service provider in China<sup>1</sup>.

We have adopted a multi-scenario, full-category, multi-time business model, covering four core scenarios namely food delivery, local retail, local e-commerce and local services, whereby the increasingly diversified delivery needs arising from the enhancement of the local lifestyle services industry, including catering, retail, and services are catered for with flexibility. Leveraging our in-depth industry insights, we respond to the evolving customer needs thereby building the infrastructure for a new consumption ecosystem, and striving to become the 'No.1 brand amongst new consumption delivery'.

Today, SF Intra-city has become one of the preferred service providers for on-demand delivery for local lifestyle, with 1.12 million active merchants, and exceeded 26.06 million active consumers. Our business scope covers nearly 2,400 cities and counties nationwide, meeting the needs of comprehensive on-demand delivery across various scenarios. With our emphasis on independence and inclusiveness in serving businesses of all types and sizes in the industries, we are capable of offering delivery options which cater to a full range of budget, delivery coverage, service time and timeliness.

Built on delivery, beyond delivery. In the future, SF Intra-city will continue to serve as the explorer of intra-city high-quality lifestyle services and the iterator of upgrade and optimization of intra-city on-demand delivery services, constantly carry out innovation and resource integration, explore the new mode of "on-demand delivery +" and the new ecology of "SF Intra-city+", meet the diversified needs of the customers, improve service experiences, and constantly promote the high quality development of on-demand delivery industry. We will continue to create value for consumers and the society with quality services, make business more prosperous and people's lives better.

<sup>1</sup> Such ranking is based on the order volume of independent third-party on-demand delivery service in China in 2025. The calculation of order volume takes into account the order volume generated by independent market participants, but excludes the order volume generated by related parties.



# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Sun Haijin (*Chairman of the Board and Chief Executive Officer*)

Mr. Chan Hey Man (*Co-Chief Executive Officer*)

Mr. Chen Lin

### Non-executive Directors

Mr. Geng Yankun

Ms. Li Juhua

Mr. Li Qiuyu

Mr. Lei Yanqun (*effective from July 23, 2025*)

### Independent Non-executive Directors

Mr. Chan Kok Chung, Johnny

Mr. Wong Hak Kun

Mr. Zhou Xiang

Ms. Huang Jing

## AUDIT COMMITTEE

Mr. Wong Hak Kun (*Chairman*)

Mr. Chan Kok Chung, Johnny

Mr. Li Qiuyu

## REMUNERATION COMMITTEE

Mr. Chan Kok Chung, Johnny (*Chairman*)

Mr. Wong Hak Kun

Mr. Sun Haijin

## NOMINATION COMMITTEE

Mr. Sun Haijin (*Chairman*)

Mr. Chan Kok Chung, Johnny

Mr. Zhou Xiang

Ms. Huang Jing (*effective from December 8, 2025*)

## COMPANY SECRETARY

Ms. Liu Jia

## AUTHORISED REPRESENTATIVES

Mr. Chan Hey Man

Ms. Liu Jia

## LEGAL ADVISORS TO OUR COMPANY

*As to Hong Kong laws*

### Herbert Smith Freehills Kramer

23rd Floor, Gloucester Tower

15 Queen's Road Central

Hong Kong

*As to PRC laws*

### Jia Yuan Law Offices

45F, Media Finance Center

Pengcheng 1st Road

Futian District

Shenzhen

PRC

## AUDITOR

### PricewaterhouseCoopers

*Certified Public Accountants*

*Registered Public Interest Entity Auditor*

22/F, Prince's Building

Central

Hong Kong



# Corporate Information

## REGISTERED OFFICE

Room 1626, 16th Floor  
Chenchuang Building  
NO.198, Zhoushan East Road  
Gongshu District, Hangzhou City  
Zhejiang Province  
PRC

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Floor 21-22, Shunfeng Headquarters Building  
No. 3076 Xinghai Road  
Nanshan District  
Shenzhen City  
Guangdong Province  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1928  
19/F Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

## H SHARE REGISTRAR

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

## PRINCIPAL BANKS

China Merchant Bank Co., Ltd., Shenzhen Branch  
Industrial and Commercial Bank Co., Ltd., Shenzhen Branch  
Bank of China (Hong Kong) Limited  
Industrial Bank Co., Ltd., Shenzhen Branch

## COMPANY'S WEBSITE

[www.sf-cityrush.com](http://www.sf-cityrush.com)

## STOCK CODE

9699



# Financial Highlights

## FINANCIAL SUMMARY

### Overview for 2025 Annual Results

#### Revenue

---

RMB **22,898.6** million ↑ **45.4%**

#### Gross profit

---

RMB **1,444.5** million ↑ **34.8%**

#### Gross Profit Margin

---

**6.3%**

#### Net Profit

---

RMB **277.7** million ↑ **109.7%**

#### Net Profit Margin

---

**1.2%**

#### Adjusted Net Profit<sup>2</sup>

---

RMB **414.7** million ↑ **184.3%**

#### Adjusted Net Profit Margin<sup>2</sup>

---

**1.8%**

<sup>2</sup> Adjusted Net Profit and Adjusted Net Profit Margin are Non-IFRS Accounting Standards measure.



# Financial Highlights

## Year ended December 31,

	<b>2025</b> <b>RMB'000</b>	2024 RMB'000	YoY%
<b>Revenue</b>	<b>22,898,637</b>	15,746,083	45.4%
Cost of revenue	<b>(21,454,108)</b>	(14,674,587)	46.2%
<b>Gross profit</b>	<b>1,444,529</b>	1,071,496	34.8%
Gross margin	<b>6.3%</b>	6.8%	
<b>Profit for the year</b>	<b>277,718</b>	132,460	109.7%
<b>Adjusted net profit (non-IFRS Accounting Standards measure) (unaudited)<sup>(1)</sup></b>	<b>414,658</b>	145,852	184.3%

(1) Adjusted item includes share-based compensation expenses.

## As of December 31,

	<b>2025</b> <b>RMB'000</b>	2024 RMB'000
Cash and cash equivalents	<b>1,145,359</b>	1,369,593
<b>Total assets</b>	<b>5,471,063</b>	4,669,733
<b>Total liabilities</b>	<b>2,189,229</b>	1,709,205
<b>Total equity</b>	<b>3,281,834</b>	2,960,528



## Sun Haijin

Chairman of the Board and CEO

Dear Shareholders,

On behalf of the Board of Directors of Hangzhou SF Intra-city Industrial Co., Ltd. and its subsidiaries, (collectively, the “Group”), I am pleased to present to you the Group’s annual report for the year ended 31 December 2025 (“2025”).

In 2025, the local lifestyle services and on-demand retail industries underwent profound transformation. The industry significantly expanded, with increasingly diversified front-end traffic sources and channels, as well as broader scenario coverage and diverse service offerings. Remaining true to our founding mission and striving with determination, we adhered to the operating principle of “high-quality and healthy growth.” We sustained the steady development momentum established since listing, while actively capturing emerging market opportunities and responding to structural changes, focusing on value creation. We achieved solid progress in financial performance, customer service and long-term competitiveness, delivering business breakthroughs and accelerating our development.

### Financial Performance: Revenue Growth Accelerated and Healthy Profit Improvement

Building on the strong momentum of 2024, the Company delivered robust growth in 2025. Total order volume increased rapidly, effectively driving rapid revenue expansion. Total revenue rose by 45.4% year-on-year to RMB22,898.6 million. All business segments achieved balanced and high-quality growth. Revenue from intra-city delivery services reached RMB13,466.9 million, representing a year-on-year increase of 47.6%. Revenue from last-mile delivery services amounted to RMB9,431.8 million, representing a year-on-year increase of 42.4%.

With the accelerated growth of business, we strengthened technological innovation and lean operational management across our capacity foundation, enabling the sustained release of network economies of scale and further optimization of our cost structure. In 2025, gross profit reached RMB1,444.5 million, and the gross profit margin was 6.3%. Profit attributable to owners of the Company was RMB277.7 million, representing a year-on-year increase of 109.7%, with a net profit margin of 1.2%. Adjusted net profit (non-IFRS Accounting Standards measure) was RMB414.7 million, representing a year-on-year increase of 184.3%, and the adjusted net profit margin was 1.8%. Both the adjusted net profit and adjusted net profit margin reached record highs. During the Reporting Period, our net cash generated from operating activities improved by 45.2% year-on-year. The Group maintained healthy cash flow and ample capital reserves, laying a solid foundation for sustainable development.



# Chairman Statement

## Customer Services: High-Quality and Reliable Delivery Supporting Customers across Multiple Sectors to Capture Growth Opportunities in On-Demand Retail

In 2025, leveraging our neutral and open third-party platform positioning, industry-leading service standards and differentiated service capabilities, we further deepened our cooperation with a wide range of customers. Our comprehensive product matrix and network capabilities effectively addressed diversified on-demand delivery needs of brand merchants, small and medium-sized merchants, major traffic platforms and individual consumers. We empowered customers across different segments to capture growth opportunities in on-demand retail while meeting consumers' increasingly time-sensitive consumption habits.

For brand merchants, we delivered high-quality, efficient and deeply customized delivery services. For example, during the year, we collaborated with supermarkets and retail clients to explore innovative delivery models under on-demand retail formats such as integrated warehouse-store operations, front-warehouse and lightning warehouse. Amid the industry trend of traffic decentralization, we enabled order integration from multiple front-end channels with unified dispatch, helping customers reduce the complexity of store fulfilment management while improving multi-channel delivery efficiency and cost efficiency. Supported by our nationwide, round-the-clock and full-category network, we consistently delivered on high service standards even during peak periods. For small and medium-sized merchants, we expanded customer acquisition channels, optimized cooperation processes, broadened our merchant base and enriched merchant categories. At the same time, we captured the industry trend of major traffic platforms actively deploying on-demand retail, deepening our cooperation with these platforms. We provided flexible capacity support during peak periods and served as essential on-demand logistics infrastructure, participating in co-creation of innovative platform businesses and delivering efficient, cost-effective end-to-end fulfilment solutions. In 2025, we achieved notable progress in key account breakthroughs, market share increase among brand customers, expansion of cooperating merchants, growth in lower-tier market businesses, and strengthened multi-scenario delivery capabilities.

For individual consumers, we remain committed to the belief that high-quality service builds lasting reputation. In addition to meeting basic needs in personal life and work scenarios, we upgraded our one-on-one "Exclusive Delivery" service to address delivery requirements for high-value, time-sensitive and high-security items. This further enhanced the overall service experience and reinforced the consumer perception of SF Intra-city as the preferred choice for urgent delivery of valuable items. Based on cultural tourism and local lifestyle scenarios, we introduced innovative service offerings such as Hanfu rentals, luggage delivery and laundry and shoe-cleaning services, meeting more diversified local service demands. During the year, the number of active consumers continued to expand, with strong repurchase growth from existing customers.

## Capability Enhancement: Strengthening Core Competencies and Improving Efficiency through Dual Drivers of Capacity Network and Logistics Technology

Riders are our closest partners. A nationwide flexible and scalable rider network remains the cornerstone of our business and core competitive advantage. In 2025, we achieved simultaneous improvements in rider scale and productivity, enabling our capacity network to reliably support rapidly growing business volume with high-quality fulfilment. The number of annual active riders on our platform increased by 46% year-on-year. Rider productivity improved by 30% year-on-year. The number of mid-to-high income riders increased by 74% year-on-year, and the number of riders with an average monthly income exceeding RMB10,000 increased by 113% year-on-year. We continued to invest in rider safety and health, rights and benefits, personal development and platform experience. Rider stations, offline caring initiatives, the Public Charity Fund, the "Grievance Care Allowance (委屈關懷金)", and the newly established "Health Insurance Fund" and other welfare program received strong positive feedback. We strive to serve every rider well, enabling them to complete deliveries more smoothly and with greater satisfaction. A healthy rider ecosystem drove outstanding network fulfilment performance. Delivery timeliness and stability, already industry-leading, were further strengthened, allowing us to effectively tackle periodic order surges and fluctuations. This performance was attributable to (1) excellent services for platform riders, which effectively stabilise our rider network, (2) refined business district operation capabilities, (3) integration of multi-layer capacity networks and in-depth application of AI technology in route planning and dispatching, and (4) the unique and efficient capacity model of off-peak integration with the capacity of SF Group. Overall, in 2025, we successfully achieved a virtuous development cycle of a more inclusive rider ecosystem, more efficient and a more resilient capacity network.

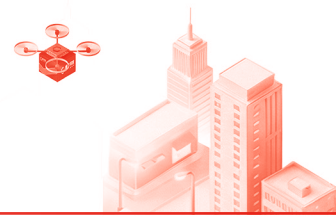


In logistics technology, we are devoted to strengthen AI-driven digital intelligence and unmanned delivery capabilities, deepening operational digitalization, AI decision-making intelligentization and automation. In 2025, on the one hand, we successfully built and scaled a multi-scenario AI agent application framework, strengthening AI-enabled decision-making across multi-channel, multi-category and multi-layer fulfilment network operations. AI agents were deployed in key functions including marketing, customer service, compliance review, data operations, and research and development, comprehensively empowering operational efficiency improvement and service upgrades. For example, in marketing, AI agents have significantly increased order conversion rates through dynamic strategy control and empowered automated opportunity discovery, enhancing audience targeting accuracy and marketing efficiency. On the other hand, we also continued to promote the scaled deployment of unmanned vehicles. Beyond last-mile services scenarios, successful applications were achieved in on-demand scenarios such as food and beverage and campus delivery. We will continue building systematic unmanned vehicle operation and management capabilities, forming one-stop unmanned vehicle operation solutions within intra-city logistics networks. The rapidly expanding unmanned delivery network will complement existing capacity and serve as an innovative engine for efficiency enhancement, continuously improving operational effectiveness and service quality.

## Future Outlook

The solid results achieved in 2025 provided a strong foundation for future development. Looking ahead to 2026, the on-demand retail market remains significant with ample growth headroom. Trends such as diversified traffic channels, increasing brand chain penetration and the continued deepening penetration of food delivery and on-demand retail are shaping the future of local lifestyle services. We firmly believe that a neutral and open third-party on-demand delivery platform, serving as local services infrastructure, will play an increasingly important role in connecting the real economy with digital ecosystems, serving merchants and consumers, and supporting riders and other ecosystem participants. We will continue focusing on improving business and service quality while investing in core opportunities and strengthening long-term operational capabilities:

1. Adhering to the strategy of an independent third-party on-demand delivery platform, working with brand customers, traffic platforms and ecosystem partners to promote local services prosperity;
2. Expanding coverage advantages in lower-tier markets, providing high-quality on-demand delivery experience as the infrastructure in such area to support clients' expansion;
3. Deepening full-coverage service capabilities across multi-scenario, full-category, multi-time, multi-distance and multi-channel;
4. Optimizing the rider ecosystem, driving the implementation of initiatives in riders' income growth, welfare enhancement, rights protection and personal development empowerment and so on, committing to building a rider-friendly platform;
5. Leveraging a flexible operational system and lean management to continuously enhance operational capabilities and profitability;
6. Fully embracing "AI + Unmanned", proactively promoting the application of AI, unmanned delivery technologies and other new quality productive forces to empower our business and operations, driving quality and efficiency improvement.



# Chairman Statement

---

## Appreciation

On behalf of the Board and management of the Group, I would like to extend our sincere gratitude to all consumers, merchants and partners who place their trust in us and choose our services, to our rider team who remain committed to their service mission, to all our employees working together with unity and determination, and to our shareholders and investors for their steadfast trust and long-term support.

Our services go beyond the delivery. Looking ahead, as local consumption scenarios and models continue to evolve, we will remain focused on our core value contribution in the industry and urban operations. We will also strive to expand the service boundaries of on-demand fulfilment, strengthen our technological capabilities, and collaborate with more partners to create long-term value for the prosperity and development of new consumption.

**Sun Haijin**

*Chairman of the Board and Chief Executive Officer*

March 30, 2026



# Management Discussion and Analysis

## BUSINESS REVIEW

### Overview

As the largest third-party on-demand delivery service provider in China, we remain committed to providing customers with high-quality, efficient, and professional third-party on-demand delivery services, while building a leading comprehensive on-demand retail infrastructure platform.

In 2025, we implemented the operating principle of “high-quality and sustainable growth” with determination and diligence. Leveraging profound insights into the local lifestyle services industry, a nationwide flexible and scalable rider network, and efficient digital and intelligent technology capabilities, we actively captured new growth opportunities and emerging trends across the catering, retail, and services industries, providing customers with high-quality, stable, and cost-effective products and services. At the same time, through the continuous release of network economies of scale and our refined operational management capabilities, we further enhanced efficiency and optimized costs. In 2025, we actively captured industry expansion opportunities, enhanced our business capabilities, and delivered strong financial performance, with revenue growing rapidly and adjusted net profit (non-IFRS Accounting Standards measure) more than doubling year-on-year. This has further solidified our differentiated competitive advantage centered on our positioning as a neutral and open platform and our focus on providing high-quality full-scenario on-demand delivery services.

During the Reporting Period, revenue across business lines achieved balanced and high-quality growth. Our revenue increased from RMB15,746.1 million in 2024 by 45.4% to RMB22,898.6 million in 2025. Revenue from intra-city delivery services increased from RMB9,121.2 million in 2024 by 47.6% to RMB13,466.9 million in 2025. Revenue from last-mile delivery services increased from RMB6,624.9 million in 2024 by 42.4% to RMB9,431.8 million in 2025. The table below sets out details of our revenue:

	Year ended December 31	
	2025 RMB'000	2024 RMB'000
<b>Intra-city on-demand delivery services</b>	<b>22,898,637</b>	15,746,083
Intra-city delivery services	<b>13,466,858</b>	9,121,157
(1) To merchants (i.e. to B)	<b>10,700,840</b>	6,688,290
(2) To consumers (i.e. to C)	<b>2,766,018</b>	2,432,867
Last-mile delivery services	<b>9,431,779</b>	6,624,926
<b>Total</b>	<b>22,898,637</b>	15,746,083



# Management Discussion and Analysis

During the Reporting Period, our strong financial performance was attributable to: (i) actively capturing industry expansion opportunities and undertaking rapidly growing on-demand delivery demand, with intra-city delivery services order volume increasing by more than 55% year-on-year, driving rapid revenue growth; (ii) continuing to leverage advantages in cooperation with key accounts, with revenue and contribution from high-quality customers increasing; and (iii) technology innovation-driven operations and a lean operational management, enabling the continued release of network economies of scale and sustained improvement in profitability. In 2025, our gross profit was RMB1,444.5 million, representing a year-on-year increase of 34.8% from RMB1,071.5 million, with a gross profit margin of 6.3%. Net profit attributable to owners of the Company was RMB277.7 million, representing a year-on-year increase of 109.7% from RMB132.5 million, with a net profit margin of 1.2%. Both adjusted net profit (non-IFRS Accounting Standards measure) and adjusted net profit margin reached record highs, being RMB414.7 million and 1.8%, respectively, with adjusted net profit increasing by 184.3% year-on-year from RMB145.9 million. As of December 31, 2025, our cash and cash equivalents and short-term financial investments were RMB1,145.4 million and RMB1,504.3 million, respectively, reflecting healthy cash flow and ample capital reserves.

## Intra-city Delivery

Revenue from our intra-city delivery services increased from RMB9,121.2 million in 2024 to RMB13,466.9 million in 2025, representing a growth of 47.6%. The strong business growth was primarily attributable to: (i) our ability in leveraging our full-scenario service capabilities to capture the expansion opportunities in food delivery and on-demand retail sectors, seizing opportunities presented by growing demand for on-demand delivery services, with rapid delivery revenue growth in the Reporting Period from catering categories such as fast food and tea beverages, as well as non-food core categories such as supermarkets; (ii) aligning with industry trends such as channel diversification and increasing chain penetration, leveraging our unique positioning as a neutral and open third-party platform and becoming one of the preferred third-party on-demand delivery service providers for major key accounts through high-quality and stable fulfilment services, with rapid growth in revenue generated from cooperation with major key accounts in the Reporting Period; (iii) expansion of business scale, with increases in the scale of annual active merchants<sup>3</sup> and consumers; (iv) continued deep penetration into lower-tier cities and counties<sup>4</sup>, strengthening county areas<sup>5</sup> coverage, with revenue from county areas maintaining high double-digit year-on-year growth in 2025 and average daily order volume doubling year-on-year; (v) the one-on-one “Exclusive Delivery” service addressing premium intra-city on-demand delivery demand; and (vi) adoption of a proactive pricing strategy to enhance product competitiveness.

### »» Intra-city Delivery for Merchants

We empower merchants through our open and flexible on-demand delivery network, as well as professional, efficient, and full-scenario delivery solutions, maintaining extensive merchant partnerships. Benefiting from the growth in the merchant base and optimization of the merchant structure, revenue from intra-city delivery services for merchants reached RMB10,700.8 million in 2025, representing a year-on-year increase of 60.0%.

In terms of merchant cooperation, the scale of merchants served continued to grow, with a healthy customer structure. In 2025, leveraging our flexible and scalable nationwide rider network, we delivered high-quality fulfilment performance for major key accounts and continued to earn their long-term trust. Market share among multiple major key accounts remained leading and continued to increase, with more than 7,900 newly added cooperating stores in the Reporting Period. Whether during order peaks driven by marketing campaigns, or under special seasons and scenarios such as holidays, night-time, and adverse weather, we consistently fulfilled our high-standard service commitments, improving satisfaction among multiple brand clients. Our fulfilment service quality and stability remained industry-leading, helping customers enhance brand image and stimulate business growth. For small and medium-sized merchants, we continued expanding customer acquisition channels, optimizing

<sup>3</sup> “active merchant(s)” refers to the number of unique merchant accounts that purchase a particular service at least once during the prescribed period.

<sup>4</sup> “lower-tier cities and counties” refer to cities, counties and towns in the third tier or below.

<sup>5</sup> “county areas” refer to areas which are not municipal districts in lower-tier cities and counties, including county cities, counties, banners, autonomous banners, and forest areas.



# Management Discussion and Analysis

cooperation processes, enlarging the merchant base, and enriching merchant categories. In 2025, we seized the industry trend of traffic platforms actively deploying in the on-demand retail sector, deepening cooperation with major traffic platforms. This not only enabled us to provide flexible capacity support for food delivery and on-demand retail platforms during peak periods, but also positioned us as on-demand delivery logistics infrastructure, providing efficient and cost-effective end-to-end solutions for a wider and more diverse range of traffic platforms across live-streaming e-commerce, supermarket delivery within an hour, private-domain retail, and other local lifestyle to-home scenarios. During the Reporting Period, the number of annual active merchants on the platform reached 1.12 million, representing a year-on-year increase of 72%. Among them, major key accounts maintained strong growth momentum, with the number and proportion of chain brands continuing to increase, and the revenue contribution from high-quality customers increasing. During the year, we established partnerships with brand merchants across multiple industries, including Starbucks, and METRO etc.

In terms of scenario coverage, leveraging our full-scenario capabilities, we optimized products and services around core industries and categories. In the food and beverage sector, we actively captured industry trends such as channel diversification and increasing chain penetration, and through our unique positioning as an independent and open third-party platform. We provided centralized multi-channel order management and delivery services for chain restaurant merchants, helping merchants to improve service quality, to reduce costs and enhance efficiency, and to better capture the incremental opportunities arising from industry expansion. During the Reporting Period, revenue from cooperation with multiple chain restaurant customers grew rapidly. In the retail sector, we continued to iterate customized solutions for the supermarket industry, delivering standardized service capabilities such as city-wide long-distance delivery and warehouse-to-store one-hour delivery to supermarket merchants nationwide. Meanwhile, we actively expanded within the on-demand retail ecosystem, exploring integrated “front-warehouse + intra-city on-demand delivery” solutions with regional leading supermarket chains, and establishing partnerships with leading lighting warehouse players, traditional retail chain brands, and vertical platforms. In the Reporting Period, delivery revenue from the supermarket sector increased by over 80% year-on-year, while cooperation share and the number of stores served among national leading supermarket chains increased rapidly. Meanwhile, non-food categories such as beauty, digital products, and apparel maintained steady growth.

In terms of geographic coverage, we provided full-scenario services to merchants in nearly 2,400 cities and counties nationwide, including coverage of over 1,400 low-tier counties. In addition to supporting major chain clients in expanding into lower-tier markets, we also enriched products and services in these markets, broadened service boundaries, and strengthened competitive advantages. During the Reporting Period, revenue from county areas maintained high double-digit growth, and average daily order volume in county areas doubled. We continued expanding network coverage. In addition to operations in Hong Kong and Macao, we actively explored on-demand delivery opportunities in restricted areas such as campuses and industrial parks, while further improving township-level coverage, continuously strengthening our nationwide delivery service network.

We continued to rapidly expand and densify our nationwide delivery network. Through refined business district operations and network structure optimization, both network coverage density and quality improved simultaneously during the Reporting Period. The number of profitable business districts nearly doubled year-on-year, and the profitability model continued to improve. We continuously iterated differentiated operational strategies, supporting diverse customer needs with a stable and efficient flexible network, ensuring full-scenario fulfilment experience and supporting customers’ steady business growth. During the Reporting Period, our flexible delivery network demonstrated strong resilience and stability, smoothly absorbing periodic order surges. In 2025, our fulfilment in-time rate was approximately 95%. The average delivery time for orders within 3km was 22 minutes, and fluctuations in the fulfilment in-time rate during holidays and adverse weather were within 3 percentage points. This high level of operational reliability forms a solid foundation for continuously winning and serving customers well.



# Management Discussion and Analysis

We also strategically partnered with SF Group<sup>6</sup> to offer an integrated supply chain solution comprising “warehousing + transport + intra-city on-demand delivery” for customers. Through resource synergies and capability integration, customers can more conveniently select suitable logistics products. This integrated solution enabled both us and SF Group to jointly expand the customer base and enhance customer loyalty. In 2025, the number of Credit Customers<sup>7</sup> placing orders using intra-city on-demand delivery services maintained steady growth, generating external incremental revenue of RMB451.6 million, representing a year-on-year increase of 23.2%.

## »» Intra-city Delivery for Consumers

For consumers, we are committed to building industry-leading professional on-demand fulfillment services. Our “deliver for me, fetch for me, purchase for me, and solve for me” services cover personal life and work scenarios such as daily errands, medical healthcare, and business agency services, reinforcing the brand positioning of “SF Intra-city, the first choice for urgent delivery of valuable items.” In 2025, revenue from intra-city delivery services for consumers reached RMB2,766.0 million, representing a year-on-year increase of 13.7%. Revenue growth was primarily attributable to: (i) optimized customer acquisition strategies, with the active consumer<sup>8</sup> base continuing to expand and rapid revenue growth from both proprietary and external channels; (ii) strengthened user mindshare and customer stickiness, with strong repurchases from existing customers; and (iii) the continued promotion of the Exclusive Delivery services, addressing increasing demand for high-value intra-city delivery among individual users, with revenue from Exclusive Delivery product doubling during the Reporting Period.

During the Reporting Period, we further deepened our understanding of consumers and proactively captured market opportunities. Our Exclusive Delivery service meets the needs of item delivery with high value, time-sensitive, and high safety requirements, such as flowers, cakes and luxury goods. During the Reporting Period, we expanded the service coverage of Exclusive Delivery, enabling more users to enjoy the upgraded “One-on-one Urgent Delivery” service, with rapid growth in the Exclusive Delivery order volume in first-tier cities. For cultural tourism and local lifestyle scenarios, we introduced innovative service offerings such as Hanfu rentals, luggage delivery, and laundry and shoe-cleaning services, meeting more diversified local service demands. We also expanded consumer reach in intra-city express scenarios through channel cooperation, allowing consumers to select the “delivery within an hour” service directly on the ordering interface, meeting their needs for accelerating timeliness. During the Reporting Period, the penetration rate of “delivery within an hour” continued to increase, with steady revenue growth.

We actively optimized brand promotion and channel marketing strategies, continuously improving brand awareness and user mindshare. Through partnerships with multiple external channels, we broadly reached consumers and continued to implement refined user-operations strategies across different channels, resulting in rapid growth in revenue from external channel partnerships during the Reporting Period. In terms of service quality, we continuously optimized the consumer fulfillment experience, driving better reputation, improving user satisfaction, and promoting repurchases. During the Reporting Period, the number of active consumers exceeded 26.06 million.

<sup>6</sup> “SF Group” refers to SF holding and its subsidiaries.

<sup>7</sup> “Credit Customers” refer to certain existing customers who have entered into Master Service Agreements with SF Holding and/or its associates in respect of a variety of delivery and logistics solution service products provided by SF Holding and/or its associates offers.

<sup>8</sup> “Active consumer(s)” refers to the number of unique consumer accounts that purchase a particular service at least once during the prescribed period.



# Management Discussion and Analysis

## Last-Mile Delivery

Our last-mile delivery services, as a flexible and scalable capacity provider, offer diversified services to logistics service enterprises and are embedded across various stages of logistics services. We observe increasing synergies between intra-city on-demand delivery and various intra-city logistics forms, and our flexible and scalable capacity network complements the traditional express networks, aligning with customers' trends toward multi-dimensional supply chain capability enhancement. On one hand, through strengthened network integration and collaboration, we help logistics enterprise customers optimize the operational efficiency of last-mile delivery, achieve stronger network coverage and service capabilities through a more cost-efficient operating model, and improve network resource utilization efficiency. On the other hand, our intra-city last-mile logistics capabilities serve as an important component of end-to-end full-chain solutions provided externally by logistics service enterprises, delivering high-quality and convenient delivery experiences to customers.

In 2025, revenue from our last-mile delivery services amounted to RMB9,431.8 million, representing a year-on-year increase of 42.4%, primarily attributable to: (i) continuous enhancement of fulfilment capabilities, enrichment of the last-mile delivery product matrix, and deeper network integration and business collaboration with major customers, with steady increases in penetration across cooperation businesses; (ii) actively undertaking last-mile delivery of e-commerce parcels for major customers, leveraging a more cost-effective flexible capacity network operating model to help customers meet broader e-commerce logistics needs, including consolidated parcel collection and delivery of e-commerce parcels, as well as doorstep pickup of e-commerce return parcels, with revenue and order volume from e-commerce parcels doubled in the Reporting Period, driving business scale growth; (iii) in terms of parcel collection, serving as supplementary flexible capacity to undertake collection demand during logistics peak periods such as holidays and major e-commerce promotions, continuously improving fulfilment service quality, with a complaint rate below the industry average and further-improved customer satisfaction ratings. In 2025, revenue and order volume from parcel collection support services doubled; and (iv) in exploring new scenarios, actively expanding intra-city transfer and connection services, large item delivery, and continuously enhancing last-mile services coverage and capabilities in lower-tier markets, with last-mile services revenue in lower-tier markets achieving high double-digit year-on-year growth in the Reporting Period.

## Our Riders

Riders are our closest partners, and we operate a nationwide flexible rider network. During the Reporting Period, the platform's annual active riders further expanded to approximately 1.46 million, representing a year-on-year increase of 46%. The strong improvement in rider scale and efficiency enabled us to support growing business volume with a more stable network, with rider productivity<sup>9</sup> increasing by 30% year-on-year in the Reporting Period. Our diverse business scenarios provide riders with multiple income-earning opportunities. In the Reporting Period, the number of riders at mid-to-high income levels increased by 74% year-on-year, and the number of riders with average monthly income exceeding RMB10,000 increased by 113% year-on-year. We also strictly fulfil our platform responsibilities, continuously safeguarding riders' rights and providing more comprehensive professional empowerment and development support.

We continuously focus on improving platform experience, welfare and care, and rights protection for riders. We value rider feedback, actively listening through rider service platforms, incentive-based feedback mechanisms, and rider communication sessions, both online and offline, and effectively addressing their concerns. We continued to increase investment in rider welfare and care, holding more than 17,000 offline care events during the Reporting Period, launching an innovative online birthday-care program for riders, continued to expand the coverage of rider care, striving to improve rider satisfaction. At the same time, through the "Education Support Program," we provided college entrance examination scholarships for riders' children and study incentives for part-time university student riders, continuously building a comprehensive, multi-layered rider

<sup>9</sup> "Rider productivity" refers to the average daily order completions per active rider during a given period.



# Management Discussion and Analysis

welfare system. We successfully held the Riders' Day for seven consecutive years, and built a comprehensive rider development and honor system through "Dream Realization Plan", internal promotion mechanism and so on. We emphasized career development and personal advancement for riders, offering diverse free online training courses, as well as multiple promotion pathways including promotion to management roles, rider instructors, and so on. We also strengthened collaboration with SF Group, enabling internal transfers and career development opportunities within SF Group. These initiatives fostered an atmosphere of "step-by-step advancement", enhancing riders' sense of identity and sense of belonging to the platform, and further improving rider engagement and retention rates. In the future, we will continue to listen to and systematically incorporate feedback from riders and society, actively building a more comprehensive rider welfare and protection system.

We always place riders' safety and health as our top priority. We continuously improve safety management systems, provide multi-channel safety education, equip riders with protective equipment, and implement intelligent anti-fatigue alerts, systematically improving operational safety levels. We also attach great importance to riders' physical and mental health, not only by further deepening the industry-first "Grievance Care Allowance" program, with cumulative investment exceeding RMB10 million, but also by establishing the "Health Insurance Fund" in September 2025 to provide critical illness protection for riders. We provide 24/7 psychological counselling services for riders and organize nationwide online health check-in activities and sports competitions, safeguarding rider health from multiple dimensions.

## Our Technologies

Technology is at the core of our business and serves as the key engine driving efficiency improvement and cost optimization. We are committed to deepening operational digitalization and AI-driven decision intelligence across the entire business chain. Our City Logistics System ("CLS") has achieved collaborative response in the three core processes, including intelligent business planning and marketing management, integrated rider dispatch and intelligent order distribution, and intelligent operational optimization, enabling end-to-end coordination and information transparency across the fulfilment chain. Leveraging big data analytics and AI algorithms, the system can not only effectively forecast order fluctuations, but also deeply integrate business district characteristics, rider behaviour, and real-time market dynamics, achieving optimal matching between orders and capacity within complex networks through multi-order optimisation strategy and model innovation.

Amid the industry trend of diversified traffic sources, as an independent and open third-party on-demand delivery platform, we continued to strengthen our intelligent multi-channel order integration, dispatch capabilities, and end-to-end operational assurance. Through precise timeliness prediction and dynamic resource allocation, we help merchants improve digital operational efficiency. For merchants, we provide a stable and efficient flexible capacity network together with intelligent order-management tools, ensuring reliable fulfilment across multi-channel sales and promotional peak periods, and winning long-term customer trust through stable service performance. For riders, supported by our continuously evolving intelligent dispatch system, we deeply integrate real-time traffic conditions and rider preferences into order allocation and route planning, while optimizing the rider working experience through anti-fatigue interventions, special-scenario protection mechanisms, and transparent dispatch communication, enabling the coordinated enhancement of rider development and platform service quality.

We actively promote the multi-scenario integration of artificial intelligence technologies with our core business, and successfully built and scaled a multi-scenario AI agent application framework during the Reporting Period. Our AI agent framework focuses on marketing, customer and rider service, compliance review, data operations and R&D, comprehensively empowering operational efficiency improvement and service upgrades. In terms of marketing, AI agents have significantly improved order conversion rates through dynamic strategy control, and empowered automated opportunity discovery, enhancing audience targeting accuracy and marketing efficiency. On the customer and rider service side, the intelligent response system is deeply embedded into business scenarios, effectively improving enquiry handling and issue-resolution efficiency. On the operational



# Management Discussion and Analysis

compliance side, AI review agents can achieve 100% automated verification in various scenarios, continuously optimizing operating costs. At the same time, we apply AI agents to internal efficiency engines, enhancing development productivity through AI-assisted coding tools, and leveraging data agents to drive the evolution of a closed loop from business insights to intelligent decision-making. We believe that systematic AI agent applications are not only a reflection of technological capability, but also a core pillar for building an intelligent and adaptive business-operations network, which will continue to create efficiency and experience advantages for the Company.

We continue to deepen the large-scale application of smart logistics and unmanned delivery technologies across diversified commercial scenarios. As of the end of 2025, our unmanned vehicle network covered 116 cities nationwide, with more than 1,000 vehicles in operation and over 50,000 average monthly active trips, forming a broad terminal service network. In last-mile scenarios, we continued to promote the deployment of unmanned vehicles in deliveries between transit hubs and local delivery outlets, promoting the increase in efficiency of the last-mile logistics network. At the same time, our unmanned vehicle services have accumulated successful implementation experience in multiple scenarios, including food delivery and campus delivery. To support the sustainable development of large-scale unmanned-vehicle operations, we are building systematic unmanned-vehicle operational management capabilities, establishing a comprehensive digital system covering the full lifecycle management and intelligent dispatch of unmanned vehicles. The rapidly growing unmanned delivery network will become an important supplement to existing capacity and an innovation engine, providing one-stop unmanned-vehicle operational solutions for various customers and continuously improving operational efficiency and service quality.

## Outlook

In 2025, we continued to deepen our presence in the local lifestyle services sector, actively seizing market opportunities and service demands arising from the fast-developing on-demand retail market. Leveraging our neutral and open market positioning and multi-scenario service capabilities, we continued to provide merchants, consumers, and traffic platforms with efficient and convenient on-demand delivery services and solutions. At the same time, we further invest in business scale expansion, delivery network efficiency enhancement, multi-scenario ecosystem collaboration, continuously strengthening our core capabilities as intra-city delivery infrastructure.

Looking ahead, we will remain committed to our operational goal of “high-quality and sustainable growth.” We will embrace market opportunities arising from the diversification of traffic channels, increasing brand chain penetration, growing penetration of food delivery and on-demand retail, accelerating intra-city logistics, and the continued penetration of third-party on-demand delivery services. We will firmly pursue our strategic path of expanding scale, broadening scenarios, enhancing service quality, and strengthening network capabilities. Alongside innovation in consumption models and industry expansion, we will continue to focus on our core value within the local lifestyle services ecosystem, investing in technology innovation, further advancing AI technology applications and the development of the unmanned delivery system. We will work with more partners to support the prosperity and development of new consumption, and better fulfil our mission of “bringing enjoyable lifestyle to your fingertips”.



# Management Discussion and Analysis

## FINANCIAL REVIEW

The following table sets forth the comparative figures for the years ended December 31, 2024 and 2025.

### Consolidated Statement of Comprehensive Income

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Revenue	22,898,637	15,746,083
Cost of revenue	(21,454,108)	(14,674,587)
<b>Gross profit</b>	<b>1,444,529</b>	<b>1,071,496</b>
Selling and marketing expenses	(267,215)	(234,234)
Research and development expenses	(114,553)	(108,110)
Administrative expenses	(829,662)	(636,625)
Other income	4,703	12,495
Other gains, net	40,013	15,379
Net impairment reversals/(losses) on the financial assets	641	(3,118)
<b>Operating profit</b>	<b>278,456</b>	<b>117,283</b>
Finance income	16,609	29,362
Finance costs	(735)	(783)
Finance income, net	15,874	28,579
Share of profit/(loss) of a joint venture accounted for using the equity method	13,750	(899)
<b>Profit before income tax</b>	<b>308,080</b>	<b>144,963</b>
Income tax expenses	(30,362)	(12,503)
<b>Profit for the year</b>	<b>277,718</b>	<b>132,460</b>
<b>Profit attributable to</b>		
– Owners of the Company	277,718	132,460



# Management Discussion and Analysis

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
<b>Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)</b>		
– Basis earnings per share (in RMB)	0.31	0.15
– Diluted earnings per share (in RMB)	0.30	0.15
<b>Profit for the year</b>	<b>277,718</b>	132,460
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	(10,701)	7,249
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of equity investments at fair value through other comprehensive income	(9,433)	(29,415)
<b>Other comprehensive income for the year, net of tax</b>	<b>(20,134)</b>	(22,166)
<b>Total comprehensive income for the year</b>	<b>257,584</b>	110,294
<b>Total comprehensive income for the year attributable to:</b>		
– Owners of the Company	257,584	110,294



# Management Discussion and Analysis

## Key Consolidated Statement of Financial Position Items

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Total non-current assets	499,838	398,084
Total current assets	4,971,225	4,271,649
<b>Total assets</b>	<b>5,471,063</b>	4,669,733
<b>Total equity</b>	<b>3,281,834</b>	2,960,528
Total non-current liabilities	16,011	9,140
Total current liabilities	2,173,218	1,700,065
<b>Total liabilities</b>	<b>2,189,229</b>	1,709,205
<b>Total equity and liabilities</b>	<b>5,471,063</b>	4,669,733
<b>Net current assets</b>	<b>2,798,007</b>	2,571,584

## Revenue

The following table sets forth our revenue by line of business for the years ended December 31, 2024 and 2025 respectively.

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
<b>Intra-city on-demand delivery service</b>	<b>22,898,637</b>	15,746,083
Intra-city delivery service	13,466,858	9,121,157
(1) To Merchants ( <i>i.e. to B</i> )	10,700,840	6,688,290
(2) To Consumers ( <i>i.e. to C</i> )	2,766,018	2,432,867
Last-mile delivery service	9,431,779	6,624,926
<b>Total</b>	<b>22,898,637</b>	15,746,083

Revenue increased by 45.4% to RMB22,898.6 million for the year ended December 31, 2025, compared to RMB15,746.1 million for the year ended December 31, 2024, mainly due to (i) a rapid increase in order volume driven by the demand in food delivery and on-demand retail sectors; (ii) adherence to healthy and high-quality development, continuous deepening of partnerships and a continuous improvement of the business structure; and (iii) continuous enhancement of penetration in lower-tier markets and strengthening full-scenario delivery capabilities, thereby attracting more high-quality customers.



# Management Discussion and Analysis

## Cost of Revenue

The following table sets forth our cost of revenue by category for the years ended December 31, 2024 and 2025 respectively.

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Labour outsourcing costs	21,166,079	14,460,953
Cost of material	73,047	70,016
Amortization of intangible assets	37,281	35,505
Employee benefit expenses	14,191	36,855
Depreciation of right-of-use assets	2,069	3,290
Depreciation of property, plant and equipment	6,410	1,906
Others	155,031	66,062
<b>Total</b>	<b>21,454,108</b>	<b>14,674,587</b>

Cost of revenue increased by 46.2% to RMB21,454.1 million for the year ended December 31, 2025, compared to RMB14,674.6 million for the year ended December 31, 2024, mainly due to the increase in riders' delivery costs brought about by the expansion of business scale and order volume.

## Gross Profit and Margin

As a result of the foregoing, our gross profit and gross profit margin for the year ended December 31, 2025, were RMB1,444.5 million and 6.3% respectively, compared to the gross profit and the gross profit margin of RMB1,071.5 million and 6.8% respectively for the year ended December 31, 2024. The change in gross profit is mainly due to (i) further increase driven by revenue growth; (ii) continuous enhancement of the flexible capacity network and the consolidation of the capacity foundation; and (iii) enhanced operating quality and efficiency driven by digital and intelligent technology capabilities and lean management.

## Selling and Marketing Expenses

Our selling and marketing expenses increased by 14.1% to RMB267.2 million for the year ended December 31, 2025, compared to RMB234.2 million for the year ended December 31, 2024, mainly due to an increase in personnel compensation expenses.



# Management Discussion and Analysis

## Research and Development Expenses

Our research and development expenses increased by 6.0% to RMB114.6 million for the year ended December 31, 2025, compared to RMB108.1 million for the year ended December 31, 2024, mainly due to an increase in research and development investment. See “Business Review – Our Technologies”.

## Administrative Expenses

Our administrative expenses increased by 30.3% to RMB829.7 million for the year ended December 31, 2025, compared to RMB636.6 million for the year ended December 31, 2024, mainly due to an increase in employee benefit expenses.

## Other Income

Our other income decreased by 62.4% to RMB4.7 million for the year ended December 31, 2025, compared to RMB12.5 million for the year ended December 31, 2024, mainly due to a decrease in government grants and a change in the policy on additional deductions for value added tax.

## Finance Income, Net

Our finance income, net decreased from RMB28.6 million for the year ended December 31, 2024 to RMB15.9 million for the year ended December 31, 2025, mainly due to a decrease in our cash and cash equivalents and in interest rates, resulting in a decrease in interest income.

## Income Tax Expenses

Our income tax expenses were RMB30.4 million for the year ended December 31, 2025, mainly due to an increase of the profit for the year.

## Profit for the Year and Net Profit Margin

As a result of the foregoing, we recorded a net profit and a net profit margin of RMB277.7 million and 1.2% respectively for the year ended December 31, 2025, compared to a net profit and a net profit margin of RMB132.5 million and 0.8% respectively in the year ended December 31, 2024.



# Management Discussion and Analysis

## Non-IFRS Accounting Standards Measure: Adjusted Net profit

To supplement our consolidated results which are prepared and presented in accordance with the International Financial Reporting Accounting Standards (“**IFRS Accounting Standards**”), we adopted the non-IFRS Accounting Standards of adjusted net profit as an additional financial measure. We believe that the presentation of non-IFRS Accounting Standards measures when shown in conjunction with the corresponding IFRS Accounting Standards measures provides useful information to investors and management.

We define adjusted net profit as profit for the year adjusted by adding back share-based compensation expenses, while the adjusted net profit margin refers to the adjusted net profit divided by revenue. Share-based compensation expenses are non-operational expenses arising from granted award shares or trust benefit units, which correspond to a certain amount of the shares of the Company, to selected grantees, the amount of which may not directly correlate with the underlying performance of our business operations. Thus, these expenses are neither related to our ordinary course of business nor indicative of our ongoing core operating performance. Therefore, we believe that these items should be adjusted for when calculating our adjusted net profit in order to provide investors and management with a complete and fair understanding of our core operating results and financial performance, so that they can assess our underlying core operating results and financial performance undistorted by items unrelated to our ordinary course of business operations, especially in (i) making period-to-period comparisons of and assessing the profile of, our operating and financial performance; and (ii) making comparisons with other comparable companies with similar business operations.

Nonetheless, our presentation of such non-IFRS Accounting Standards measure may not be comparable to similar titled measures presented by other companies. Furthermore, the use of this non-IFRS Accounting Standards measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS Accounting Standards.

The following table sets forth reconciliations of our adjusted net profit (non-IFRS Accounting Standards measure) for the respective years:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Profit for the year	277,718	132,460
Add:		
Share-based compensation expenses	136,940	13,392
Adjusted net profit (non-IFRS Accounting Standards measure) (unaudited)	414,658	145,852
Adjusted net profit margin (non-IFRS Accounting Standards measure) (unaudited)	1.8%	0.9%



# Management Discussion and Analysis

## Liquidity and Financial Resources

Other than the funds raised through our Global Offering in December 2021, we have historically funded our cash requirements principally from capital contribution from shareholders/financing through borrowings from related party. We had cash and cash equivalents of RMB1,145.4 million as of December 31, 2025, compared to the balance of RMB1,368.8 million as of December 31, 2024. The following table sets forth our cash flows for the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Operating cash flows before changes in working capital	439,447	175,577
Changes in working capital	(60,381)	72,050
Interest received	16,609	29,362
Income tax paid	(917)	(5,065)
Net cash generated from operating activities	394,758	271,924
Net cash used in investing activities	(528,633)	(643,821)
Net cash used in financing activities	(88,628)	(158,590)
Net decrease in cash and cash equivalents	(222,503)	(530,487)
Cash and cash equivalents at the beginning of the year	1,368,835	1,898,743
Effects of exchange rate changes on cash and cash equivalents	(973)	579
Cash and cash equivalents at the end of the year	1,145,359	1,368,835

## Net Cash Generated from Operating Activities

Cash generated from our operations primarily comprises our profit before income tax adjusted by non-cash items and changes in working capital.

For the year ended December 31, 2025, net cash generated from operating activities was RMB394.8 million, which was mainly attributable to our profit before income tax of approximately RMB308.1 million, as adjusted by: (i) non-cash and non-operating items, primarily comprising share-based compensation expenses, amortization and depreciation of assets and gains from fair value adjustments of financial assets of approximately RMB148.0 million; (ii) changes in working capital of approximately RMB60.4 million; and (iii) payment of income tax of approximately RMB0.9 million.



# Management Discussion and Analysis

## Net Cash Used in Investing Activities

For the year ended December 31, 2025, net cash used in investing activities was RMB528.6 million, which was mainly attributable to the purchase of structured deposit products.

## Net Cash Used in Financing Activities

For the year ended December 31, 2025, net cash used in financing activities was RMB88.6 million, which was mainly attributable to the purchase of shares of the Company in connection with the H Share Incentive Scheme.

## Gearing Ratio

Our gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents. As at December 31, 2025, given that the cash and cash equivalents exceed the aggregation of total borrowings and lease liabilities, gearing ratio is no longer calculated.

## Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss increased from RMB1,145.9 million as of December 31, 2024 to RMB1,643.3 million as of December 31, 2025, mainly due to an increase in the purchased structured deposit products.

## Borrowings

As of December 31, 2025, we did not have outstanding borrowing.

## Capital Commitments

The following table sets forth our capital commitments as of the dates indicated.

	As of December 31,	
	2025	2024
	RMB'000	RMB'000
Investment accounted for using the equity method	12,500	25,000



# Management Discussion and Analysis

## Capital Expenditure

The following table sets forth a breakdown of our capital expenditures for the periods indicated.

	As of December 31,	
	2025 RMB'000	2024 RMB'000
Payment for intangible assets	23,363	32,309
Payment for property, plant and equipment	44,228	15,422
<b>Total</b>	<b>67,591</b>	<b>47,731</b>

## Lease Commitments and Arrangements

Leases not yet commenced to which the Group is committed are as follows:

	As of December 31,	
	2025 RMB'000	2024 RMB'000
Within 1 year	2,415	909

## Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

For the financial year ended December 31, 2025, we did not conduct any material acquisitions or disposals of subsidiaries and affiliated companies.

## Financial Risks

### *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks, which arise from foreign exchange rates, price risk and cash flow and fair value interest rate respectively.



# Management Discussion and Analysis

## *Foreign Exchange Risk*

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective group entities' functional currency.

As of December 31, 2025, the Group had HK\$3 million cash in bank (as at December 31, 2024: HK\$7 million cash in bank) which is different from the functional currency of RMB and is exposed to foreign exchange risk. If the RMB strengthened/weakened by 1% against the HK\$ with all other variables held constant, net profit before tax for the year would have been RMB30,000 lower/higher (as at December 31, 2024: if the RMB strengthened/weakened by 1% against the HK\$ with all other variables held constant, net profit before tax would have been RMB73,000 lower/higher).

The Group does not hedge against any fluctuation in foreign currencies during the year.

## *Price Risk*

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the statement of financial position either as at financial assets at FVOCI or at FVPL. To manage its price risk arising from the investments, the Group diversifies its portfolio. The investments are made either for strategic purposes, or for the purpose of achieving investment yield and balancing the Group's liquidity level simultaneously. Each investment is managed by management on a case by case basis.

## *Cash Flow and Fair Value Interest Rate Risk*

As of December 31, 2025, we had no significant interest rate risk as we did not hold any long-term interest-bearing debt.

## **Pledge of Assets**

As of December 31, 2025, we did not have any pledge of assets.

## **Contingent Liabilities**

The Group is subject to a number of legal proceedings that generally arise in the ordinary course of its business. The Group is of view that any currently pending legal proceeding to which the Group is a party will not have a material adverse effect on the consolidated financial statements.

## **Significant Investments**

There was no investment of which the carrying amount individually constituted 5% or more of our total assets as at December 31, 2025.

## **Future Plans for Material Investments and Capital Assets**

As of December 31, 2025, we did not have other plans for material investments and capital assets.



# Management Discussion and Analysis

## MATERIAL EVENTS AFTER THE REPORTING PERIOD

The Group had no material events during the period from January 1, 2026 to the approval date of the consolidated financial statements by the Board of Directors on March 30, 2026.

## EMPLOYEES AND REMUNERATION POLICY

As at December 31, 2025, the Group had a total of 2,067 full-time employees.

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer competitive remuneration packages for our employees, which generally include salary and bonuses. We also provide benefits, including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and other national statutory insurances, housing provident fund schemes to our employees.

Furthermore, we have labour unions that protect employees' rights, help fulfil economic objectives and encourage employee participation in management decisions.

## OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As at December 31, 2025, the Company had not entered into any off-balance sheet arrangements.

## FINAL DIVIDEND

The Board does not recommend the distribution of a final dividend for the year ended December 31, 2025.



# Corporate Governance Report

The Board is pleased to present this Corporate Governance Report covering the period from January 1, 2025 to December 31, 2025.

## CORPORATE GOVERNANCE PRACTICES

Corporate governance is the collective responsibility of the members of the Board, and we are committed to achieving high standards of corporate governance, which are crucial for the Company in achieving its visions and safeguarding the interests of its stakeholders. To accomplish this, the Board has applied the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules as the basis of the Company’s corporate governance practices.

Meanwhile, the Board also actively seeks opportunities to improve its corporate governance methodology, regulates its operations, improves its internal control mechanism, implements sound corporate governance and disclosure measures, and ensures that the Company’s operations are in line with the long-term interests of the Company and its Shareholders as a whole.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period and up to the date of this report, the Company has fully complied with relevant principles of corporate governance and all applicable code provisions, save and except the following deviation from code provision C.2.1: both the chairman of the Board and the Chief Executive Officer (“CEO”) of the Company were held by Mr. Sun Haijin. The Board believes that with the support of the management, vesting the roles of both positions by the same person can facilitate execution of the Group’s business strategies and improve effectiveness of its operation. In addition, under the supervision by the Board which currently consists of three executive Directors, four non-executive Directors and four independent non-executive Directors, the interest of the Shareholders will be adequately and fairly represented.

The Company will continue to monitor developments in the arena of corporate governance externally to ensure the suitability and robustness of its corporate governance framework in light of the evolving business and regulatory environment and to meet the expectations of stakeholders.

## COMPOSITION OF THE BOARD

The Board’s structure is governed by the Articles of Association. The Board has an appropriate mix of skills, experience, and diversity that are relevant to the Company’s strategy, governance, and business, and underpin its effectiveness and efficiency.

As of the Latest Practicable Date, the Board comprises eleven Directors, consisting of three executive Directors (“EDs”), four non-executive Directors (“NEDs”) and four independent non-executive Directors (“INEDs”) as follows:

Executive Directors	Mr. Sun Haijin ( <i>Chairman of the Board and Chief Executive Officer</i> )
	Mr. Chan Hey Man ( <i>Co-Chief Executive Officer</i> )
	Mr. Chen Lin
Non-executive Directors	Mr. Geng Yankun
	Ms. Li Juhua
	Mr. Li Qiuyu
	Mr. Lei Yanqu
Independent Non-executive Directors	Mr. Chan Kok Chung, Johnny
	Mr. Wong Hak Kun
	Mr. Zhou Xiang
	Ms. Huang Jing



# Corporate Governance Report

The biographic information of the Directors is set out in the section headed “Directors and Senior Management” on pages 44 to 48 of this annual report.

The number of INEDs constitutes more than one-third of the members of the Board. Mr. Wong Hak Kun, Chairman of the Audit Committee, is a renowned financial expert with over 36 years of experience in auditing, assurance, and management. There is no relationship (including financial, business, family or other material or relevant relationship) among the Board members.

## ROLES AND RESPONSIBILITIES

The Articles of Association clearly defines the respective duties of the Board and the management.

### Board Functions and Responsibilities

Good governance emanates from an effective and accountable Board. The Board is responsible for leading and overseeing the Company, and shall be collectively responsible for managing and supervising the Company’s affairs to ensure its success. Directors shall act impartially, and their decisions must be in the best interests of the Company. The Board is accountable to the Shareholders’ meetings, and its duties mainly include executing resolutions of the Shareholders’ meetings, determining the Company’s business plans, financial and investment decisions, establishing the Company’s basic management system, deciding on the appointment or dismissal of senior management and determining their remuneration and disciplinary matters, and exercising other powers and functions as prescribed by laws and regulations, the Listing Rules, the Articles of Association, and as delegated by the Shareholders’ meetings.

In respect of corporate governance, the Board is responsible for formulating and reviewing the Company’s corporate governance policies and practices; reviewing and supervising the training for and continuous professional development of Directors and senior management; reviewing and supervising the Company’s policies and practices regarding the compliance with legal and regulatory requirements; making relevant disclosures in accordance with the laws and relevant provisions of the securities regulatory authority; formulating, reviewing and supervising the code of conduct and compliance manual for the employees and Directors, and supervising their behaviours, etc.

The Company has arranged appropriate insurance coverage on Directors’ liabilities in respect of any legal actions taken against Directors arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

### Management Functions

The management is responsible for leading the operations, and management of the Company, implementing Board resolutions and the Company’s annual business plans and investment schemes, formulating the proposal of the Company’s internal administrative organisations and suborganisations, and performing other duties as conferred by the Articles of Association and the Board.

### Delegation of Powers

In order to maintain highly efficient operations, as well as flexibility and swiftness in operational decision-making, the Board may delegate its management and administrative powers to the management when necessary, and shall provide clear guidance regarding such delegation so as to avoid impeding or undermining the Board’s ability to exercise its powers as a whole. The Board will review these arrangements periodically to ensure they remain appropriate to the Company’s needs.



# Corporate Governance Report

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Although the positions of the Chairman of the Board and the CEO are currently held by the same individual, Mr. Sun Haijin, the respective responsibilities are clearly set out in writing. The roles of the Chairman of the Board and the CEO are complementary, but they are distinct and separate with a clear and well-established division of responsibilities.

Mr. Sun, as the CEO, has been fully responsible for the Company's business, operation, strategy and other matters since 2016, and is familiar with the Group's business and has excellent knowledge and experience. In addition, under the overall supervision of the Board, the reasonable structure of the Board and the equal powers afforded to each Director provide sufficient checks and balances to safeguard the interests of the Company and its shareholders.

Accordingly, the Board considers that the current arrangement does not compromise the balance of functions and authorities, and is of the view that it ensures consistent leadership of the Group and more effective and timely planning of the Group's overall strategy and decisions such as the integrated development of the business.

### Functions of the Chairman

- to preside over Shareholders' general meetings and to convene and preside over Board meetings;
- to examine the implementation of the resolutions of the Board; and
- to exercise other functions and powers specified in laws, administrative regulations, departmental rules, the Articles or granted by the Board resolutions.

### Functions of CEO

- to be in charge of the Company's operation and management, to organize and implement the resolutions of the Board and to report his/her work to the Board;
- to organize and implement the Company's annual business plan and investment scheme, to develop the structure of internal management bodies and establish fundamental management systems and internal rules;
- to propose to the Board to appoint or dismiss the other senior management members of the Company, as well as to decide to decide on the appointment or removal of responsible management personnel and general employees (other than those appointed or dismissed by the Board), in accordance with the Articles and the relevant internal control system of the Company;
- to propose to convene extraordinary Board meeting(s);
- to decide on the Company's other issues within the scope authorized by the Board;
- to decide on such projects as investment, acquisition or disposal and financing which do not need to be decided by the Board or the Shareholders' general meeting; and
- to exercise other functions and powers as conferred by the Articles and the Board.



# Corporate Governance Report

## BOARD MEETINGS AND GENERAL MEETINGS

During the Reporting Period, the Board scheduled and held eight meetings in accordance with the CG Code. Apart from Board meetings, the Chairman held one meeting with the INEDs without the presence of other Directors.

During the Reporting Period, the Company held an annual general meeting on June 20, 2025, and three extraordinary general meetings on May 28, 2025, July 23, 2025 and December 30, 2025.

A summary of the attendance records of the Directors at the Board meetings and the general meetings held during the Reporting Period is set out below:

Name of Directors	Board meetings	Attendance			
		Annual general meeting	2025 first extraordinary general meeting	2025 second extraordinary general meeting	2025 third extraordinary general meeting
Mr. Sun Haijin	8/8	1/1	1/1	1/1	1/1
Mr. Chan Hey Man	8/8	1/1	1/1	1/1	1/1
Mr. Chen Lin	8/8	1/1	1/1	1/1	1/1
Mr. Geng Yankun	8/8	1/1	1/1	1/1	1/1
Ms. Li Juhua	8/8	1/1	1/1	1/1	1/1
Mr. Li Qiuyu	8/8	1/1	1/1	1/1	1/1
Mr. Han Liu ( <i>ceased to be a non-executive director with effect from July 23, 2025</i> ) <sup>10</sup>	5/5	1/1	1/1	0/1	–
Mr. Lei Yanqun ( <i>elected on and effective from July 23, 2025</i> ) <sup>11</sup>	3/3	–	–	–	1/1
Mr. Chan Kok Chung, Johnny	8/8	1/1	1/1	1/1	1/1
Mr. Wong Hak Kun	8/8	1/1	1/1	1/1	1/1
Mr. Zhou Xiang	8/8	1/1	1/1	1/1	1/1
Ms. Huang Jing	8/8	1/1	1/1	1/1	1/1

## BOARD COMMITTEE

The Board has established three Board committees in accordance with the relevant laws and regulations, the Articles of Association, and the CG Code under the Listing Rules, namely the Audit Committee, the Remuneration Committee, and the Nomination Committee. All Board committees of the Company are established with specific written terms of reference which clearly set out their authority and duties.

<sup>10</sup> Mr. Han Liu did not attend the 2025 second extraordinary general meeting due to personal reasons, please refer to the Company's relevant announcement dated July 23, 2025 for details.

<sup>11</sup> Mr. Lei Yanqun was appointed as a non-executive Director on July 23, 2025, please refer to the Company's relevant announcement dated July 23, 2025 for details. The Company only held one general meeting after Mr. Lei Yanqun's appointment became effective.



# Corporate Governance Report

## AUDIT COMMITTEE

The Audit Committee is mainly responsible for the coordination between internal and external auditor, supervision, and inspection of their works as well as the risk management and internal control of the Company.

As at the date of this Report, the Audit Committee consists of three members, namely, Mr. Wong Hak Kun (INED), Mr. Chan Kok Chung, Johnny (INED), and Mr. Li Qiuyu (NED). The majority of the Audit Committee members are INEDs, and none of them are (or were in the past two years) employed by or otherwise affiliated with the Company's external auditor, PricewaterhouseCoopers. Mr. Wong Hak Kun is the chairman of the Audit Committee, he holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules (including appropriate accounting or related financial management expertise) and has over 36 years of experience in auditing, assurance and management (for details of his credentials, please refer to the "Directors and Senior Management" section).

The primary responsibilities of the Audit Committee are to conduct independent assessment and supervision on the compliance, legality, and efficiency of the operation of the Company, including but not limited to making recommendations to the Board regarding the appointment, reappointment and removal of external auditor; reviewing and examine and monitor the independence and objectivity of external auditors and the effectiveness of the audit process; developing and implementing policies on engaging an external auditor to provide non-audit services; reviewing and discussing with the management the financial control, internal control and risk management systems of the Company; supervising the internal audit system of our Company; facilitating communications between the internal audit department and external auditor; reviewing the financial and accounting policies and practices of our Company; supervising our Company in respect of financial reporting system, risk management and internal control system; and supervising the conduct of Directors and senior management in the performance of their duties and so on.

During the Reporting Period, the Audit Committee held three meetings and met three times with the Company's external auditor regarding the review of the Company's financial report and accounts. A summary of the attendance records is set out below:

<b>Audit Committee Members</b>	<b>Attendance</b>	<b>Attendance Rate</b>
Mr. Wong Hak Kun ( <i>Chairman</i> )	3/3	100%
Mr. Chan Kok Chung, Johnny	3/3	100%
Mr. Li Qiuyu	3/3	100%



# Corporate Governance Report

## NOMINATION COMMITTEE

The Nomination Committee is mainly responsible for reviewing the Board's composition and diversity, formulating the policy for nominating Board candidates, make recommendations to the Board on the appointment of Directors and Board committee members, and assessing INED's independence and commitment.

As at the date of this Report, the Nomination Committee consists of four members, namely, Mr. Sun Haijin (ED), Mr. Chan Kok Chung, Johnny (INED), Mr. Zhou Xiang (INED) and Ms. Huang Jing (INED), a majority of whom are INEDs. Mr. Sun Haijin is the chairman of the Nomination Committee. Ms. Huang Jing was appointed as a member of the Nomination Committee on 8 December 2025, for the purpose of complying with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, which aims to enhance the gender diversity of the Nomination Committee of the Company.

The primary responsibilities of the Nomination Committee are to further optimise the composition of the Board and the senior management and optimise the corporate governance structure, including but not limited to reviewing at least annually the structure, size, composition and relevant qualifications of the Board, assisting the Board in compiling the Board skills matrix, and making recommendations on any proposed changes to the Board to complement our Company's corporate strategy; identifying candidates with appropriate qualifications to serve as members of the Board of Directors and make recommendations to the Board; assessing the independence of the independent non-executive Directors; making recommendations to the Board on the succession planning for Directors and senior management; developing and maintaining the policies for the nomination of the Directors and the diversity of the Board; and assessing Directors' time commitment and supporting the regular evaluation of Board performance and so on.

During the Reporting Period, the Nomination Committee held two meetings. A summary of the attendance records is set out below:

Nomination Committee Members	Attendance	Attendance Rate
Mr. Sun Haijin ( <i>Chairman</i> )	2/2	100%
Mr. Chan Kok Chung, Johnny	2/2	100%
Mr. Zhou Xiang	2/2	100%
Ms. Huang Jing ( <i>appointed as a member of the Nomination Committee with effect from December 8, 2025</i> )	–	–

## REMUNERATION COMMITTEE

The Remuneration Committee is mainly responsible for formulating standards for appraising Directors and senior management of the Company and reviewing the relevant policies and proposals.

As at the date of this Report, the Remuneration Committee consists of three members, namely, Mr. Chan Kok Chung, Johnny (INED), Mr. Wong Hak Kun (INED), and Mr. Sun Haijin (ED), a majority of whom are INEDs. Mr. Chan Kok Chung, Johnny is the chairman of the Remuneration Committee.

The primary responsibilities of the Remuneration Committee are to establish sound assessment standards for Directors and senior management and review the remuneration policies and incentive plans, including but not limited to making recommendations to the Board on the policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; reviewing and approving the senior management's remuneration proposals; making recommendations to the Board on the remuneration packages of the Directors and senior management; reviewing and approving matters relating to share schemes and any other employee incentive schemes adopted by the Company from time to time; and reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment and the compensation arrangements relating to dismissal or removal of Directors for misconduct and so on.



# Corporate Governance Report

During the Reporting Period, the Remuneration Committee held three meetings. A summary of the attendance records is set out below:

Remuneration Committee Members	Attendance	Attendance Rate
Mr. Chan Kok Chung, Johnny ( <i>Chairman</i> )	3/3	100%
Mr. Wong Hak Kun	3/3	100%
Mr. Sun Haijin	3/3	100%

Details of the remuneration of the Directors, Supervisors and key management of the Company by band are set out in Note 36 and Note 42 to the consolidated financial statements.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Company has adopted a formal, considered, and transparent procedure for the appointment of new directors. In accordance with the Articles of Association, Directors shall be elected or replaced at general meetings, and can be removed from their office prior to the expiry of their term by the general meeting. The term of a Director shall start from the date on which the said Director assumes office until the expiry of the term of the prevailing session of the Board. Directors' term shall be three years. At the expiry of such term of office, the term is renewable upon re-election. The term of the second session of the Board expired on 20 June 2025. The 2024 annual general meeting of Shareholders approved the re-election of the Board, and the term of the third session of the Board is from 21 June 2025 to 20 June 2028 (being the date of the expiry of the third session of the Board).

The ordinary resolutions to approve the appointment of Directors shall be passed by votes representing more than one-half of the voting rights represented by the Shareholders (including proxies) present at the meeting.

If the term of office of a Director has expired but re-election is not timely made, or the said Director has resigned within his/her term of office, resulting in the numbers of members of the Board falls short of the quorum, the said Director shall continue to perform his/her duties as Director pursuant to relevant laws, administrative regulations, departmental rules and these Articles until a new Director is elected.

A Director may serve concurrently as general manager or other senior management member, but the Directors serving concurrently as such and the Directors being employees' representatives shall not be more than half of the Directors of the Company.

## DIRECTORS NOMINATION POLICY

The Company will identify suitable Director candidates through its Nomination Committee, and the criteria includes but not limited to their perspectives, skills, and experiences and how the individuals can contribute to the diversity of the Board. In the case of INED, the candidates should fulfill the independence requirements set out in the Listing Rules from time to time. After the Nomination Committee and the Board have reviewed and resolved to appoint the appropriate candidate, the relevant proposal will be put forward in writing to the Shareholders' meeting for approval.

The Shareholders may also nominate a candidate for election as a Director at the general meeting in accordance with the "Procedures for Shareholders to Propose a Person for Election as a Director", which is available on the Company's website, under "Corporate Governance" subsection of the "Investor Relations" section, and the HKEx website. The Shareholder who nominates a Director shall provide information about the nominee that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules. The Board shall announce the foregoing in relation to the Director prior to the Shareholders' general meeting at which the Director is to be elected.



# Corporate Governance Report

## BOARD DIVERSITY POLICY

To enhance the effectiveness of the Board and maintain the high standard of corporate governance, the Company has adopted the board diversity policy, which sets out the objective and approach to achieve and maintain the diversity of our Board. Pursuant to our Board diversity policy, we seek to achieve Board diversity by taking into consideration of various factors, including professional experience, skills, knowledge, gender, age, cultural and educational background, and working experience. The policy focuses on ensuring a balanced composition of skills and expertise at our Board level in order to provide a range of perspectives, insights, and challenges that enable our Board to execute its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of our Group, and support succession planning and development of our Board. The ultimate decision in selecting the members of the Board will be based on merit and contribution that the selected candidates will bring to our Board.

### Background Diversity

Our Directors have a balanced mix of knowledge, skills, and experience, including the areas of intra-city delivery and express service, new consumption, online to offline, internet, strategy and investments, accounting and financial management, auditing and assurance, risk management, supply chain management and marketing. They obtained academic diplomas and degrees in various majors, including electronic information engineering, logistic and supply chain management, financial investments, business management, and business administration. We have four INEDs with different industry backgrounds, representing over one-third of our Board members.

### Gender Diversity

The nomination committee is responsible for ensuring the diversity of our Board members and compliance with relevant codes governing Board diversity under the Corporate Governance Code as set forth in Appendix C1 of the Listing Rules. The Board currently has two female Directors, and its composition complies with the Board diversity policy. Meanwhile, Ms. Huang Jing was appointed as a member of the Nomination Committee from 8 December 2025, with a view to further enhance the gender diversity of the Nomination Committee. The Nomination Committee will review the Board diversity policy and our diversity profile (including gender balance) from time to time and at least annually to ensure its continued effectiveness.

We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including the current Board of Directors and senior management team comprise a number of female members, meeting the relevant requirements under the rules. The Company ensures gender diversity in the recruitment of middle- and senior-level employees and focuses on nurturing senior female staff with relevant industry expertise and professional experience who are able to make long-term contributions to the Company's business development, so as to ensure that the Company will, in due course, have a pool of female senior management personnel and potential successors to our Board, thereby maintaining gender diversity on the Board.

The Company adheres to the recruitment principles of "fairness, equity and openness" and treats every employee equally, regardless of factors such as gender, region, ethnicity, and religious belief, and fully respects and tolerates the diversity of employees. As of December 31, 2025, we had 2,067 full-time employees, of whom 1,458 were men and 609 were women. The Company aims to achieve a more balanced gender ratio of employees in the future, and will continue to monitor and evaluate the diversity policy from time to time to ensure its continued effectiveness.



# Corporate Governance Report

## INDUCTION, TRAINING AND DEVELOPMENT

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received a formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company. Besides, in preparation for the Global Offering and/or subsequently upon respective appointment, all Directors have attended training sessions conducted by the legal adviser of the Company on duties of directors and on-going obligations of listed companies.

All Directors should participate in continuous professional development to develop and refresh their knowledge and skills, ensuring that they have an appropriate understanding of the Company's business, operation and governance policies, and fully understand the duties of directors under the Listing Rules, laws and other regulatory requirements. Internally facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses. The Board is responsible for reviewing and supervising the training for and continuous professional development of Directors and senior management members.

During the year ended December 31, 2025, the Company organized training sessions on directors' duties and responsibilities conducted by the legal advisers for all Directors. The training sessions covered a wide range of relevant topics including directors' duties and responsibilities, corporate governance and regulatory updates, as well as the ESG disclosure guidelines of the Stock Exchange. In addition, relevant reading materials including compliance manual/legal and regulatory updates/seminar handouts have been provided to the Directors for their reference and studying. The records of the continuous professional development that have been received by the Directors are summarised as follows:

Name of Directors	Attended trainings
Mr. Sun Haijin ( <i>Chairman of the Board and Chief Executive Officer</i> )	✓
Mr. Chan Hey Man ( <i>Co-Chief Executive Officer</i> )	✓
Mr. Chen Lin	✓
Mr. Geng Yankun	✓
Ms. Li Juhua	✓
Mr. Li Qiuyu	✓
Mr. Lei Yanqun ( <i>elected on and effective from 23 July 2025</i> ) <sup>12</sup>	✓
Mr. Chan Kok Chung, Johnny	✓
Mr. Wong Hak Kun	✓
Mr. Zhou Xiang	✓
Ms. Huang Jing	✓
Mr. Han Liu ( <i>ceased to be a non-executive director with effect from 23 July 2025</i> ) <sup>13</sup>	–

<sup>12</sup> Mr. Lei Yanqun has obtained legal advice as described in Rule 3.09D of the Listing Rules prior to his appointment taking effect, i.e. on 10 July 2025, and he has confirmed his understanding of his responsibilities as a Director and the requirements under the Listing Rules that are applicable to him.

<sup>13</sup> The annual training for 2025 of the Company was conducted in December 2025, during which Mr. Han Liu was no longer a director of the Company.



# Corporate Governance Report

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the period from January 1, 2025 and up to the date of this report.

The Company has also established written guidelines including the Code of Conduct and Ethics and the Insider Dealing Policy (collectively, the “**Employees Written Guidelines**”) no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. For the purpose of effective execution of the Employees Written Guidelines, the Company also provided internal and external training sessions to senior managers and other employees. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Reporting Period, the Board at all times met the requirements of the Listing Rules (3.10 and 3.10A), which require the appointment of at least three INEDs (no less than one-third of the Board) and one of whom possessing appropriate professional qualifications or accounting or related financial management expertise. Among our INEDs, Mr. Wong Hak Kun is a renowned financial expert with over 36 years of experience in auditing, assurance, and management; Mr. Chan Kok Chung, Johnny has over 40 years of experience in investment banking and investment management industry.

Independent Directors enhance the effectiveness and decision-making of the Board by providing objective judgement and constructive challenge to management. The independence of our INEDs is assessed upon appointment, annually, and at any other time where the circumstances warrant reconsideration. Each INED is required to inform the Company as soon as practicable if there is any change in his/her personal particulars that may affect his/her independence. No such notification was received during the Reporting Period.

The Company has received written annual confirmation from each of the INEDs in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules.

The Company is of the view that all independent non-executive Directors are independent.

The Company has established formal and informal channels of communication to ensure that independent views and inputs are available to the Board (including independent non-executive Directors). Our Articles of Association and the terms of references of various board committee have set out a formal framework to ensure that the INEDs remain independent and free to express their views, and their views are systematically considered by the Board. The executive Directors and the chairman also engage regularly and directly with the INEDs to receive their independent views and inputs in a relation to a wide variety of matters. The implementation and effectiveness of the above mechanisms are reviewed on an annual basis. The Board considers that such mechanisms had been implemented properly and effectively in the year ended December 31, 2025.



# Corporate Governance Report

## TERM OF OFFICE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

An INED shall serve a term of 3 years and is eligible for re-election. Pursuant to the Articles of Association, the maximum consecutive term of office of the INED shall be determined in accordance with the relevant laws, regulations and the Listing Rules. During the Reporting Period, none of the independent non-executive directors of the Board had served as independent non-executive directors for nine years or more, thereby satisfying the requirements under Rule 3.13A of the Listing Rules.

## AUDITOR'S REMUNERATION AND AUDITOR RELATED MATTERS

The remuneration paid or payable to the Company's external auditor, PricewaterhouseCoopers, in respect of audit services and non-audit services for the year ended December 31, 2025 is set out below:

Service Category	Fees Paid/Payable (RMB '000)
Audit and audit-related service	2,303
Non-audit services (including tax and other advisory services)	516

The Directors are responsible for the preparation of consolidated financial statements for the year ended December 31, 2025. The Directors were not aware of any material uncertainties relating to any events or conditions which may cast a serious impact upon the Company's ability to continue as a going concern.

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 73 to 76.

## COMPANY SECRETARY

As at the date of this report, Ms. Liu Jia is the company secretary of the Company. She has undertaken at least 15 hours of relevant professional training in accordance with the requirement of Rule 3.29 of the Listing Rules to update their skills and knowledge during the Reporting Period.

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges the importance of risk management and internal control, and has overall responsibility for reviewing and monitoring the effectiveness of the risk management and internal control system of the Company. The Audit Committee of the Board oversees the implementation of our risk management policy on an ongoing basis to ensure the effective operation of the internal control system.

The Company has established a sound risk management system and internal control system, adopting and implementing comprehensive risk management policies in various aspects of our business operations, such as delivery safety and rider safety, financial reporting, legal and compliance, IT systems and human resources management. The Company continuously strengthens internal control management mechanisms, enhances risk prevention and mitigation capabilities and drives sound and high-quality development. Such risk management and internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.



# Corporate Governance Report

## Financial Risks

### ✓ Financial Reporting Risk Management

We have in place a set of accounting policies and procedures in connection with our financial reporting risk management, such as financial and accounting policies, connected transaction management policy, financial instruction on business operation, budget management procedure and financial statement preparation procedure. We have various procedures in place to implement accounting policies, and our finance department reviews our management accounts based on such procedures. We also provide regular training to our finance department staff to ensure that they understand our financial management and accounting policies and implement them in our daily operations.

### ✓ Audit Committee and Internal Audit Function

The Audit Committee assists the board in leading the management to monitor the implementation of our risk management policies across our Company on an ongoing basis to ensure that our internal control system is effective in identifying, managing, and mitigating risks involved in our business operations.

We also maintain an internal audit department which is responsible for reviewing the effectiveness of internal controls and reporting to the Audit Committee on any issues identified. Our internal audit department members hold regular meetings to discuss any internal control issues we face and the corresponding measures required to resolve such issues. The internal audit department reports to the Audit Committee to ensure that any major issues identified are channelled to the committee on a timely basis. The Audit Committee then discusses the issues and reports to the board of directors if necessary.

## Compliance Risks

### ✓ Legal Compliance Management

We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations. Our internal control team works closely with our business units to: (i) perform risk assessments and give advice on risk management strategies, (ii) improve business process efficiency and monitor internal control effectiveness, and (iii) promote risk awareness throughout our Company.

In accordance with these procedures, our in-house legal department performs the basic function of reviewing and updating the forms of contracts we enter into with our customers and suppliers. Our legal department examines the contract terms and reviews all relevant documents for our business operations, including licenses and permits obtained by the counterparties to perform their obligations under our business contracts and all the necessary underlying due diligence materials before we enter into any contract or business arrangement.

We continuously review the implementation of our risk management policies and measures to ensure that our policies and implementation are effective and sufficient.

## Ongoing Measures to Monitor and Evaluate the Implementation of Risk Management Policies

Our Audit Committee, internal audit department and senior management together monitor the implementation of our risk management policies on an ongoing basis to ensure that our policies and implementation are effective and sufficient. The Audit Committee has reviewed the analysis report on the effectiveness of the risk management and internal control system for 2025, and put forward relevant opinions and suggestions. The management has conducted in-depth communication with the Board and the Audit Committee on the framework and priorities of the Company's corporate risk management and internal control system for 2025, and confirmed the effectiveness thereof.



# Corporate Governance Report

The Board, as supported by the Audit Committee as well as the management team, reviewed the risk management and internal control system, including the financial, operational and compliance controls, for the year ended December 31, 2025, and considered that such systems are effective and adequate. Resolutions relating to the Company's risk management and internal control system have been proposed and approved at the annual Board meeting.

## Inside Information Policy

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is required to disclose inside information as soon as reasonably practicable in accordance with the Securities and Futures Ordinance and the Listing Rules;
- conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission.

## Whistle-blowing Policy

A series of whistle-blowing policies has been put in place to deal with concerns related to fraudulent or unethical conducts or non-compliances with laws and the Company's policies that have or could have significant adverse financial, legal or reputational impacts on the Company. The policy applies to all staff, parties who deal with the Company as well as the general public. Every month, a summary of all whistle-blowing cases is handled by the internal audit department.

## Policy and system to support anti-corruption laws and regulations

We provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations.

We provide our directors, senior management and relevant employees with continuing training programs and updates regarding the relevant PRC laws and regulations on a regular basis with a view to proactively identify any concerns and issues relating to any potential non-compliance.

## AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company amended the Articles pursuant to the latest regulatory requirements under the Company Law and other relevant laws and regulations, and with reference to the relevant provisions on corporate governance set forth in the Guidelines for Articles of Association of Listed Companies. Accordingly, the Company no longer has Supervisory Committee and the position of Supervisors, the functions and powers previously exercised by the Supervisory Committee under the Company Law and the Articles of Association have been taken over by the Audit Committee of the Company, the duties of Supervisors of the original Supervisory Committee have been naturally dispensed with and the Rules of Procedures for the Supervisory Committee have been also cancelled simultaneously. In light of the proposed amendments to the Articles, the Rules of Procedures for Shareholders' General Meeting and the Rules of Procedures for the Board of Directors have also been amended accordingly and the Rules of Procedures for Shareholders' General Meeting are changed to the Rules of Procedures for Shareholders' General Meeting.

Such amendments to the Articles and the relevant rules of the Company became effective upon the passing of the relevant special resolutions at the 2025 Third Extraordinary General Meeting held on December 30, 2025. For details, please refer to the Company's announcement and circular dated December 8, 2025 and the updated Articles published on December 30, 2025.

Save as disclosed above, no amendments were made to the Articles during the Reporting Period.



# Corporate Governance Report

## EFFECTIVE COMMUNICATIONS WITH INVESTORS

The Board gives high priority to maintaining balanced, clear, and transparent communications with Shareholders and other investors to facilitate their understanding of the Company's performance and prospects, as well as the market environment in which it operates. We have an ongoing dialogue with Shareholders and other investors through various communication channels and takes any areas of concern into consideration when formulating our business strategies.

A dedicated "Investor Relation" section is available on the Company's website. We will promptly respond to both telephone and written enquiries from Shareholders of the Company. Shareholders' enquiries and concerns will be forwarded to the Board and/or the relevant Board Committees of the Company, where appropriate, which will answer the Shareholders' questions. Information on the Company's website is updated regularly. As referred to in the corporate communications circulars both dated February 15, 2024, the Company will disseminate the future corporate communications of the Company to its H Shareholders and Non-registered Shareholders electronically and only send corporate communications in printed form upon request, in compliance with the amendments to the new Rule 2.07A of the Listing Rules, effective from 31 December 2023.

Information will be communicated to the Shareholders through the Company's financial reports, circulars and announcements, annual general meetings and other general meetings that may be convened, as well as all the disclosures submitted to HKEx. The Company maintains a website as a communication platform with Shareholders and other stakeholders, where Company's announcements and press releases, business developments and operations, financial information, corporate governance report and other information are posted.

The Company undertakes annual review of the implementation and effectiveness of the various channels of communication with investors, including steps taken at the general meetings, the handling of queries received (if any) and the multiple channels of communication and engagement in place. The Company is satisfied that the communication with the Shareholders is effective.

## SHAREHOLDERS' RIGHTS

To safeguard shareholder interests and rights, the Company ensures that all Shareholders are given sufficient notice of Shareholders' meetings and are familiar with the detailed procedures for conducting a poll. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Shareholders' meeting is one of the channels for Shareholders to communicate their views on various matters affecting the Company. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular through annual general meetings and other general meetings. Shareholders may make enquiries to the Company directly by raising questions at general meetings. Board members, in particular the chairmen of Board committees or their delegates, appropriate management executives will use all reasonable efforts to attend general meetings and to answer Shareholders' questions. The external auditor will use all reasonable efforts to attend annual general meetings and to answer Shareholders' questions.

## Convening an Extraordinary General Meeting and Putting Forward Proposals at General Meetings

Pursuant to the Articles of Association, Shareholders holding individually or collectively certain percentage or more of the shares of the Company, are entitled to (i) request the Board of Directors to convene an extraordinary general meeting, and (ii) propose resolutions in writing to the Company at a general meeting of the Company. For more details, please refer to the Company's Articles of Association.



# Corporate Governance Report

## Putting forward Enquiries to the Board

Shareholders may at any time send their enquiries, requests, proposals, and concerns to the Board in writing through the Company. The contact details of the Company are as follows:

Address: Floor 21-22, Shunfeng Headquarters Building, No. 3076 Xinghai Road, Nanshan District, Shenzhen City, Guangdong Province, PRC (For the attention of the Board of Directors of SF Intra-city)

Email: TCIR@sf-express.com

Please also refer to the 'Effective Communication with Investor' section below on other means of communication with Shareholders.

## DIVIDEND POLICY

With respect to dividend policy, the Group currently intends to retain all available funds and earnings, if any, to fund the development of its business and it does not anticipate paying any cash dividends in this financial year. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles and the relevant PRC laws. We currently do not have any fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. According to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

## SHAREHOLDERS' INFORMATION

### Particulars of Controlling Shareholders and de facto controlling party

As of the date of this report, Celestial Ocean Investment Limited, a shareholder of the Company, was wholly owned by SF Holding (HK) Limited, which was wholly owned by SF Taisen, and Intra-city Tech was indirectly held as to majority by SF Taisen through SF Technology, a wholly-owned subsidiary of SF Taisen. SF Taisen is wholly owned by SF Holding. SF Holding is a joint stock company listed on Shenzhen Stock Exchange (stock code of 002352.SZ) and the Hong Kong Stock Exchange (stock code of 6936.HK), and was held as to approximately 48.85% by Mingde Holding, which in turn was held by Mr. Wang Wei as to approximately 99.90%.

As such, Mr. Wang Wei and Mingde Holding are deemed to be Controlling Shareholders of the Company, and together with SF Holding, SF Taisen, SF Technology, Intra-city Tech, SF Holding (HK) Limited and Celestial Ocean Investment Limited, constitute a group of Controlling Shareholders of our Company.

### Information on Shareholders holding more than 5% of equity interest of the Company

As of December 31, 2025, apart from the Controlling Shareholders aforementioned in the section headed "Particulars of Controlling Shareholders and de facto controlling party", for the details of shareholders holding 5% or more of the Company's equity, please refer to the section headed "Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares of the Company" in the Report of Directors in this annual report.



# Directors and Senior Management

## EXECUTIVE DIRECTORS

**Mr. Sun Haijin**, aged 46, is our executive Director, chairman of the Board and CEO, the chairman of the Nomination Committee and a member of the Remuneration Committee. Mr. Sun joined SF Holding Group in April 2006. Mr. Sun consecutively served as multiple significant positions within SF Holding Group including human resources director, regional general manager, head of product management from April 2006 to June 2016 and accumulated abundant project experience in areas including human resources management, business operation and management and project incubation. Prior to the incorporation of the Company, Mr. Sun served as the head of the intra-city on-demand delivery business unit since June 2016, being fully responsible for the operation and management of the intra-city on-demand delivery business. Mr. Sun established the Group in March 2019 and responsible for formulating business strategy, making major corporate and operation decisions, as well as the overall management of the Group. His work experience in the Group mainly includes: served as the executive director and the general manager of Shenzhen Intra-city since October 2018, served as the CEO and the executive Director of the Group since June 2019 and December 2019, respectively, served as the deputy general manager of SF Holding Group since December 2025.

Mr. Sun has over 21 years of experience in logistics, delivery, and online-to-offline business management, and has a deep understanding of the combination of traditional logistic industry and new business forms. Mr. Sun was awarded “The 14th China Logistics Industry Golden Pegasus Award – ‘2020 Outstanding Young Logistics Entrepreneur’” (第十四屆中國物流業金飛馬獎– “2020 優秀青年物流企業家”) by the Logistics Times Magazine and Committee of China Logistics Industry Pegasus Award in March 2021, “The 5th New Award – ‘30 New Influencers in 2022’” (第五屆新獎– “2022 新影響力 30 人”) by Caijing New Media in January 2023, 2022 New Young Entrepreneur in Shenzhen (2022 年深圳市新銳青年企業家) by Shenzhen Municipal Committee of the Communist Youth League and Shenzhen Youth Federation in April 2023 and was named as a ‘Forbes China Industry Development Leader’ (福布斯中國行業發展領創者) in March 2025. Mr. Sun obtained a college diploma in administrative management from Nanchang University (南昌大學) in Jiangxi Province, the PRC in June 2005.

**Mr. Chan Hey Man**, aged 44, is our executive Director, co-chief executive officer, chief financial officer and a director and a supervisor of multiple subsidiaries of the Company. He was one of the joint company secretaries of the Company before December 17, 2024. He has over 22 years of experience in corporate finance, finance and management, and was involved in the listing and multiple corporate financing projects of SF Holding Group. Mr. Chan joined SF Holding Group in February 2014, and served successively as a financial analysis specialist and the deputy director of financial analysis of finance department, and head of investor relations department between February 2014 and February 2023. Mr. Chan also has extensive experience in auditing and financial analysis and worked in KPMG (Beijing office and Hong Kong office) from August 2003 to December 2009 with his last position as an audit manager. Since October 2024, Mr. Chan has been serving as an independent non-executive director of Human Health Holdings Limited (a company listed on the Hong Kong Stock Exchange, stock code: 1419), as well as the chairman of its Audit Committee and a member of its Remuneration Committee and Nomination Committee.

Mr. Chan obtained a bachelor’s degree in accounting from City University of Hong Kong in November 2003, and also obtained a master’s degree in business administration from Saïd Business School, Oxford University in November 2013. Mr. Chan has been accredited as a certified public accountant by the Hong Kong Institute of Certified Public Accountants (HKICPA) since January 2008.

**Mr. Chen Lin**, aged 40, is our executive Director, chief technology officer and deputy general manager. Mr. Chen joined SF Holding Group in September 2017, and consecutively served as the director of infrastructure research and development and head of science and technology of the intra-city on-demand delivery business unit, being responsible for the research and development of the core intra-city delivery business system and intra-city delivery product, prior to the incorporation of the Company. Mr. Chen joined the Group in June 2019 and has since then served as the chief technology officer. He has served as the general manager of Shunda Tongxing since September 2019, and the executive director of Shunda Tongxing from September 2019 to September 2020. Mr. Chen was appointed as our executive Director and deputy general manager of the Company in June 2021 and May 2021, respectively.



# Directors and Senior Management

Mr. Chen has over 14 years of experience in information technology, system architecture design, especially in the area of the research and development of food delivery and on-demand delivery systems based on AI big data. Prior to joining the Group, Mr. Chen served as a research and development engineer of Baidu, Inc. (a company listed on the NASDAQ and Hong Kong Stock Exchange under the stock code of BIDU and 9888, respectively) from January 2011 to June 2014 and participated in the research and development of products and systems including Baidu Know, Baidu Travel and Baidu Nuomi. Mr. Chen joined Baidu Delivery in November 2015 and consecutively served as architect and senior architect being responsible for the design and research and development of the transaction structure and basic service structure of Baidu Delivery.

Mr. Chen obtained a bachelor's degree in electronic information engineering and a master's degree in electronic science and technology from University of Science and Technology Beijing (北京科技大學) in Beijing, the PRC, in July 2007 and January 2011, respectively.

## NON-EXECUTIVE DIRECTORS

**Mr. Geng Yankun**, aged 40, is our non-executive Director. Mr. Geng has more than 16 years of experience in technology research and development (“R&D”) and operation management. He is responsible for technology R&D related business of SF Holding. He joined the SF Holding Group in September 2017, and currently holds various positions within the SF Holding Group, including the chief marketing officer and chief technology officer and a deputy general manager of the SF Holding, the chief executive officer and chairman of SF Technology and the chief executive officer and chairman of Intra-city Tech. Mr. Geng is also currently a director of several subsidiaries of SF Holding. Prior to joining the SF Holding Group, Mr. Geng was the senior manager of Baidu Online Network Technology (Beijing) Company Limited (百度在線網絡技術(北京)有限公司) from July 2009 to September 2015, and the chief technology officer of Beijing Xiaodu Information and Technology Co., Ltd. (北京小度信息科技有限公司) from October 2015 to September 2017.

Mr. Geng obtained a bachelor's degree in Engineering from the Harbin Institute of Technology (哈爾濱工業大學) in July 2007 and a master's degree in Engineering from Peking University (北京大學) in July 2009. Mr. Geng was a member of the Professional Science and Innovation Committee of the China Express Association (中國快遞協會科技創新專業委員會) from July 2021 to July 2023. He is the vice chairman of the 2022 China digital logistics development report (2022 中國數字物流發展報告) drafting committee of the China Federation of Logistics & Purchasing (中國物流與採購聯合會) since November 2022, and was recognized by that industry body as the 2016-2021 Double Chain Five Year Anniversary Most Influential Person (中物聯 2016-2021 雙鏈五週年風雲人物) and 2022 China Double Chain Annual Conference Innovative Digital Supply Chain Most Influential Person (中物聯 2022 年中國雙鏈年會數字供應鏈創新風雲人物) in December 2021 and January 2023, respectively. He has been a Youth Science and Innovation Doctoral Supervisor of the Harbin Institute of Technology Business School (哈爾濱工業大學商學院青年科創導師) since May 2023.

**Ms. Li Juhua**, aged 47, is our non-executive Director and has more than 23 years of work experience. Ms. Li successively held various positions within the SF Holding Group from May 2012 to December 2023, including the head of accounting department, head of tax department, head of financial shared service centre and head of CFO office. She has been Deputy Chief Financial Officer of SF Holding Group since January 2024, and has been an employee representative supervisor of SF Holding from December 2019 to December 2025. Ms. Li is currently a director of various subsidiaries of SF Holding. She is also a non-executive director of SF REIT Asset Management Limited (the manager of SF Real Estate Investment Trust (listed on the Hong Kong Stock Exchange, stock code: 2191) from August 2023 to April 2024. Prior to joining the SF Holding Group, Ms. Li was an accountant and a finance manager of Shanghai Totole Food Limited. (上海太太樂調味食品有限公司) from June 2002 to December 2004, an assistant accountant and an assistant finance manager of Wal-Mart (China) Investment Co., Ltd. (沃爾瑪(中國)投資有限公司) from December 2004 to March 2008, a finance manager of Shenzhen B&Q Decoration & Building Material Co., Ltd. (深圳百安居裝飾建材有限公司) from April 2008 to February 2010, and the financial director of Maoye International Holdings Limited (茂業國際控股有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 0848) from January 2011 to May 2012.



## Directors and Senior Management

Ms. Li obtained her bachelor's degree in Management from Tongji University (同濟大學) in July 2002. Ms. Li is a Fellow of the Chartered Management Accountants (FCMA), the Chartered Global Management Accountant (CGMA) and a Senior Certified Public Accountant in Australia.

**Mr. Li Qiuyu**, aged 38, is our non-executive Director and a member of the Audit Committee. Mr. Li has over 15 years of experience in investment. Prior to joining the Group, he served as multiple positions within Huatai United Securities Co., Ltd (華泰聯合證券有限責任公司) from July 2010 to May 2018 with his last position as a director of investment banking division. Mr. Li has served as the head of investment and M&A department of SF Holding since June 2018.

Mr. Li obtained a bachelor's degree in business administration and a master's degree in finance from Wuhan University in Wuhan, the PRC, in June 2008 and June 2010, respectively.

**Mr. Lei Yanqun**, aged 50, is our non-executive Director and has over 26 years of experience in logistics and supply chain management. He joined Alibaba Group Holding Limited (a company listed on the Hong Kong Stock Exchange (stock code: 9988 (HKD counter) and 89988 (RMB counter) and the New York Stock Exchange under the symbol "BABA") in February 2000, where he has served as the Regional General Manager and Head of back-end operations of Alibaba Group's International Business Division. Mr. Lei served as the chief operating officer of Che Haoduo Group from January 2018 to February 2020. Mr. Lei served as the senior vice president of Taobao Instant Commerce (淘寶閃購), a subsidiary of Alibaba Group, from March 2020 to April 2026. He has served as CEO of Taobao Instant Commerce (淘寶閃購), a subsidiary of Alibaba Group since April 2026.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Chan Kok Chung, Johnny**, aged 66, is our independent non-executive Director, the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee. Mr. Chan has over 40 years of experience in investment banking and investment management industry. He is the Chief Investment Officer of the Hong Kong Cyberport Management Company since September 2018. He served as a director of Softech Investment Management Limited from February 2000 to June 2016, and since March 2020. He is also the co-founder of Techpacific Capital Limited. He has been a director of Make a Difference Institute Limited since March 2015. He is a director of Quantinum K.K., Japan since April 2021.

Since January 2021, Mr. Chan has acted as an independent non-executive director of HSBC Provident Fund Trustee (Hong Kong) Limited, a member of HSBC Holdings plc, and chairman of its Investment Committee. He has been an independent non-executive director of CNQC International Holdings and a member of its audit, remuneration and strategic investment committees since January 2016. Mr. Chan is an advisor of Our Hong Kong Foundation Limited since July 2018. He was a member of the Listing Committee of Hong Kong Stock Exchange between July 2020 and July 2024 and the Deputy Chairman of the Listing Committee of the Hong Kong Stock Exchange between July 2022 and July 2024. He has been a member of the assessment panel, enterprise support scheme of the HKSAR Innovation and Technology Commission from July 2021 to June 2025. Mr. Chan has been appointed as an ordinary member of the Market Misconduct Tribunal by the Financial Secretary of the HKSAR since January 2023. He is a board member of the Accounting and Financial Reporting Council (AFRC) since October 2024. He acts as the Chairman of Global Venture Capital Congress (GVCC) from November 2024. He has been appointed as a panel member of the Securities and Futures Appeals Tribunal (SFAT) starting from April 2025. He has been appointed as an independent non-executive director of NetEase, Inc. (a company listed on NASDAQ: NTES and listed on Hong Kong Stock Exchange: 9999) since August 2025. He has been a member of the Exchange Fund Advisory Committee of the Hong Kong Monetary Authority since September 2025.



## Directors and Senior Management

Mr. Chan holds a bachelor's degree (majoring in economics) from City of London Polytechnic (currently known as London Metropolitan University) in July 1982, a master's degree in business administration from City University of London in November 1983 and a postgraduate diploma from the Securities Institute of Australia (now The Financial Services Institute of Australasia (FINSIA)) in April 1989.

**Mr. Wong Hak Kun**, aged 69, is our independent non-executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee. Mr. Wong has over 36 years of experience in auditing, assurance and management prior to his retirement from Deloitte China in May 2017. Prior to joining the Group, Mr. Wong's previous working experience principally includes: serving in multiple positions within Deloitte China from July 1980 to May 2017, including an auditing partner from June 1992 to October 2013 and the national managing partner of audit and assurance being responsible for the management and development of the audit and assurance business within greater China, from October 2013 to May 2017.

Mr. Wong currently holds several directorships in listed companies including serving as an independent non-executive director of Yue Yuen Industrial (Holdings) Limited (裕元工業(集團)有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 551) since June 2018, Lung Kee (Bermuda) Holdings Limited (龍記(百慕達)集團有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 255) since June 2018, an independent non-executive director of Guangzhou Automobile Group Co., Ltd. (廣州汽車集團股份有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 2238, the Shanghai Stock Exchange, stock code: 601238) since May 2020, and an independent non-executive Director of Haier Smart Home Co., Ltd. (海爾智家股份有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 6690, the Shanghai Stock Exchange, stock code: 600690 and the Frankfurt Stock Exchange, stock code: 690D) since June 2020.

Mr. Wong obtained a bachelor's degree in social sciences (majoring in economics and management) from The University of Hong Kong in Hong Kong in November 1980. Mr. Wong has been a recognised member of Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants (previously known as Hong Kong Society of Accountants), Chartered Governance Institute as well as Chartered Institute of Management Accountants since September 1983, December 1983, April 1984 and June 1990, respectively.

**Mr. Zhou Xiang**, aged 47, is our independent non-executive Director and a member of the Nomination Committee. Mr. Zhou has rich experience in logistics and supply chain industry. Mr. Zhou has served multiple positions within The Chinese University of Hong Kong, including serving as an assistant professor of the Systems Engineering and Engineering Management Department from July 2006 to March 2012; an associate professor of the Department of Systems Engineering and Engineering Management and the Department of Decision Sciences and Managerial Economics from March 2012 to September 2013; an associate professor of the Department of Decisions, Operations and Technology from October 2013 to August 2016; a professor of the Department of Decisions, Operations and Technology since August 2016 and a chairperson of the Department of Decisions, Operations and Technology since August 2020.

Mr. Zhou obtained a bachelor's degree in industrial automation from Zhejiang University in Hangzhou, the PRC in June 2001, and both master's and Ph.D. degrees in operations research from North Carolina State University in North Carolina, the U.S., in December 2002 and May 2006, respectively.



# Directors and Senior Management

**Ms. Huang Jing**, aged 61, is our independent non-executive Director and a member of the Nomination Committee. Ms. Huang has rich experience in marketing and brand management industry. Ms. Huang has served multiple positions within Wuhan University including serving as a lecturer of the Department of Business Administration in the School of Management from August 1991 to June 1998; an associate professor of the Department of Business Administration in School of Business from July 1998 to October 2003; a professor of the Department of Marketing in the School of Economics and Management from November 2003 and doctoral supervisor since October 2006. Ms. Huang served as the head of the Department of Marketing and Tourism Management in the School of Economics and Management of Wuhan University from June 2013 to March 2018. Ms. Huang is currently a professor and doctoral supervisor of the School of Economics and Management of Wuhan University, and concurrently serves as the honorary director of the Marketing Research Association of Chinese Higher Education Institutions (中國高等院校市場學研究會), the executive director of the Marketing Association of Hubei Province (湖北省市場營銷學會), and the editorial board member of the Journal of Marketing Science (營銷科學學報). Ms. Huang has served as an independent non-executive director of Zhongbai Holdings Group Co., Ltd. (中百控股集團股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 000759) from May 2016 to July 2022, and an independent non-executive director of Dinglong Co., Ltd. (湖北鼎龍控股股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 300054) since May 2022.

Ms. Huang obtained a bachelor's degree in economics from Zhongnan University of Economics and Law in Wuhan, the PRC, in June 1984, a master's degree in economics from Wuhan University in Wuhan, the PRC, in August 1993 and a Ph.D. degree in Management from Wuhan University in Wuhan, the PRC, in June 2002. Ms. Huang has obtained the Certificate of Independent Non-executive Director of Listed Companies issued by the Shanghai Stock Exchange in March 2013.

## SENIOR MANAGEMENT

**Mr. Sun Haijin**, is our executive Director, chairman of the Board and CEO. For details of the biography of Mr. Sun, see "Executive Directors".

**Mr. Chan Hey Man**, is our executive Director, co-chief executive officer and chief financial officer. For details of the biography of Mr. Chan, see "Executive Directors".

**Mr. Chen Lin**, is our executive Director, deputy general manager and chief technology officer. For details of the biography of Mr. Chen, see "Executive Directors".

**Ms. Liu Jia**, aged 45, is our chief strategy officer, the secretary of our Board and our company secretary. Ms. Liu currently also serves as a director of multiple subsidiaries of the Company.

Ms. Liu has over 22 years of experience in strategy and investment management as well as multinational project management. Ms. Liu joined SF Holding Group in January 2015 and has since then consecutively served as its deputy strategy management director and strategy planning director, and has been responsible for the strategy management and project management of intra-city delivery department since August 2017. Ms. Liu joined the Group in June 2019 and had served as the head of CEO's office of the Company from June 2019 to March 2022, and from March 2022 to December 2025, has served as the head of strategy & IR department of the Company, and had served as the chief strategy officer of the Company since December 2025. Ms. Liu's previous working experience principally includes working in PricewaterhouseCoopers from August 2002 to December 2005 with the last position as a senior associate of assurance division, and working within Huawei group from December 2005 to July 2012 with the last position as senior investment manager.

Ms. Liu obtained a bachelor's degree in English literature with a minor degree in law from Sun Yat Sen University (中山大學) in Guangzhou, the PRC in June 2002, and a master's degree of business administration from Rotman School of Management of the University of Toronto in Toronto, Canada in June 2014. Ms. Liu was recognized as fellow member of Association of Chartered Certified Accountants (FCCA) in February 2015, and has obtained the Certificate of Board Secretary of Listed Companies issued by the Shenzhen Stock Exchange in February 2023, and has obtained a fellow member of The Hong Kong Institute of Corporate Governance in November 2025.



# Report of Directors

The Board is pleased to present this report and the audited financial statements of the Group for the year ended December 31, 2025.

## GLOBAL OFFERING

The Company was incorporated in the People's Republic of China on June 21, 2019. The H Shares were listed on the Main Board of the Stock Exchange on December 14, 2021 through the Global Offering. For details of the Global Offering, please refer to the Prospectus.

## PRINCIPAL BUSINESS

We are the largest third-party on-demand delivery service provider in China. It started with on-demand delivery in 2016, began independent operation in 2019, and was successfully listed on the main board of the Hong Kong Stock Exchange in December 2021. By comprehensively covering the four main scenarios of the new consumption era, food delivery, local retail, local e-commerce and local service, we build the infrastructure of the new consumption ecology, and is committed to becoming the "No.1 brand amongst new consumption delivery". As a professional, reliable and stable third-party on-demand delivery service platform, we can better undertake the delivery demand of omni-channel traffic by relying on neutral and open market positioning, ultimate delivery experience, intelligent City Logistic System (CLS), efficient and elastic rider network and product matrix to meet diversified needs.

During the year ended December 31, 2025, there was no material change in the nature of the principal activities of the Group.

An analysis of the Group's revenue and operating profit for the year ended December 31, 2025 by principal activities is set out in the section headed "Management Discussion and Analysis" on pages 11 to 28 in this annual report.

## RELATIONS WITH EMPLOYEES, RIDERS, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining good relationships with its stakeholders and considers it a key element to its sustainable business growth.

### Employees

Inspired by the people-oriented management culture of SF Holding Group, we have attached great importance to its human resources management. We attract talents through a fair recruitment policy and provide employees with training opportunities, good career development prospects and growth opportunities. We will continue to attract, cultivate and retain highly motivated talents with diversity. By enriching our talent pool, we aim to build an energetic and vibrant platform.

### Riders

Our riders consist of dedicated riders and crowd-sourced riders. In attaching great importance to our riders' personal development and skills enhancement, we have built a growth system for our riders. We adhere to the principles of "care and respect" and "safety first" towards our riders, and place heavy emphasis on the platform services and rights protection provided to our riders. We care for our riders' safety and personal health, by actively monitor policy changes and have implemented various rider safety and welfare policies to ensure compliance with the recent laws and regulations.



# Report of Directors

## Customers and Suppliers

The Group strives to build and maintain long term and strong relationships with customers. By providing industry-leading professional, reliable, open and inclusive on-demand services network, as well as professional and efficient delivery solutions covering various everyday scenarios, our system has built a value closed loop of consumer 'cognition-identity-purchase', achieving a dual improvement in influence and loyalty. In terms of suppliers, the Group's objective is to keep mutually beneficial and win-win partnerships with all suppliers. At the same time, the Group regularly evaluates the performance of its suppliers. The Board would like to express its gratitude to all of our customers and suppliers for their understanding, support and trust, with which all members of the Group will continue to work diligently as one in the long run.

## SEGMENT INFORMATION

Details of segmental information of the Group are set out in note 5 to the consolidated financial statements.

## RESULTS

The results of the Group for the year ended December 31, 2025 are set out in the consolidated statement of comprehensive income on pages 77 to 78. Discussion and analysis about the operating performance and significant elements affecting the results of operations and financial condition of the Group during the year are set out in Management Discussion and Analysis of this annual report on pages 11 to 28.

## ISSUED SHARES

As at December 31, 2025, the Company issued 917,375,507 ordinary Shares in total (including 745,610,609 H Shares (of which 3,120,800 H Shares were repurchased by the Company and held as Treasury Shares) and 171,764,898 Unlisted Domestic Shares). Details of movements in the share capital of the Company during the year ended December 31, 2025 are set out in note 26 to the consolidated financial statements.

## CHANGES IN SHARE CAPITAL

### Statement of changes in share capital

There was no change in the shareholding structure of the Company during the Reporting Period.

Unit: Shares	January 1, 2025		Changes during the Reporting Period					December 31, 2025	
	Number of shares	Percentage (%)	Issues of new shares	Bonus issue	Transfer from reserve	Others	Sub-total	Number of shares	Percentage (%)
I. Selling-restricted shares	-	-	-	-	-	-	-	-	-
II. Selling-unrestricted circulating shares									
1. Unlisted Domestic Shares	171,764,898	18.72	-	-	-	-	-	171,764,898	18.72
2. H Shares	745,610,609	81.28	-	-	-	-	-	745,610,609	81.28
III. Total number of shares	917,375,507	100.00	-	-	-	-	-	917,375,507	100.00



## Security issuance and listing

There was no issuance of securities of the Company during the Reporting Period.

## DIVIDENDS

The Board does not recommend the distribution of a final dividend for the year ended December 31, 2025. The Company has adopted a dividend policy on payment of dividends. The Company does not have any pre-determined dividend pay-out ratio. The decision to make distributions will be made at the discretion of the Board and will be based upon the Company's operations and earnings, development pipeline, cash flow, financial conditions, capital and other reserve requirements and surplus, general financial conditions, contractual restrictions and any other conditions or factors which the Board deems relevant, and having regard to the Directors' fiduciary duties. The ability of the Company to make distributions is subject to the laws and regulations of the PRC and the Articles of Association. The payment of distributions may also be subject to the restrictions of the PRC laws and the financing agreements of the Company (including any financing agreements that may be entered into by the Company in the future) and will operate in accordance with the law and the regulations in order to comply with the relevant requirements.

## EQUITY FUND RAISING ACTIVITIES

Details of equity fund raising activities of the Group are set out in note 26 to the consolidated financial statements and the paragraph headed "Use of Proceeds from the Listing" below. Save as disclosed therein, there was no other equity fund raising activity of the Company since the Listing Date.

## COMPLIANCE WITH LAWS AND REGULATIONS AND LEGAL PROCEEDINGS

The Group recognizes the importance of compliance with regulatory requirements and the risks and consequences of non-compliance with such requirements. The Group has allocated abundant resources to ensure ongoing compliance with laws and regulations and to maintain healthy relationships with regulators through effective communications. During the year ended December 31, 2025, the Group has complied, to the best of our knowledge, with all relevant rules and regulations that have a significant impact on the Company.

## PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities (including the sale of Treasury Shares) listed on the Stock Exchange.

As of 31 December 2025, the Company had 745,610,609 H Shares (including 3,120,800 Treasury Shares) and 171,764,898 Unlisted Domestic Shares, subject to compliance with the Listing Rules, the Company might consider using Treasury Shares for future resale or cancellation.

## USE OF PROCEEDS FROM THE LISTING

During the Reporting Period, the Group has gradually used the proceeds from the initial public offering for the intended purposes set out in the Prospectus as well as in accordance with the change of allocation in use of proceeds (the "Amendment") set out in the interim results announcement of the Company dated August 28, 2024.

The unused net proceeds from the Global Offering as of December 31, 2024 and June 30, 2025 were approximately HK\$410.3 million and HK\$26.9 million, respectively, after deducting underwriting commissions and offering expenses paid or payable. See the table below for details regarding the amount of net proceeds that the Company has utilised up until December 31, 2025:



# Report of Directors

Purpose	Net proceeds from the Listing available after the Amendment	Unused net proceeds as at 1 January 2025	Actual usage during the Reporting Period	Unused net proceeds up to 31 December 2025	Expected timeline for utilising unutilised net amount
	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	
Research and development and technology infrastructure	718.0	–	–	–	N/A
Expand the Company's service coverage	793.7	383.4	383.4	–	N/A
Funding the potential strategic acquisition of and investment in upstream and downstream businesses along the industry value chain	26.9	26.9	–	26.9	by end of 2026
Marketing and branding	307.7	–	–	–	N/A
Working capital and general corporate use	205.2	–	–	–	N/A
<b>Total</b>	<b>2,051.5</b>	<b>410.3</b>	<b>383.4</b>	<b>26.9</b>	

As of December 31, 2025, the Group has utilised approximately HK\$2,024.6 million of the proceeds for the intended purposes set out in the Prospectus, accounting for 98.7% of all raised funds, and the remaining unutilised proceeds is approximately HK\$26.9 million. The unutilised net proceeds are expected to be utilised for the potential strategic acquisitions of and investments in upstream and downstream businesses along the industry value chain.

## PRINCIPAL SUBSIDIARIES

Details of the principal activities of the principal subsidiaries of the Company are set out in note 40 to the consolidated financial statements.

## RESERVES

Details of movements in the reserves of the Company and the Group during the year ended December 31, 2025 are set out in the note 41 and note 27 respectively to the consolidated financial statements.

## DISTRIBUTABLE RESERVES

As at December 31, 2025, the Company has no distributable reserves.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements during the year ended December 31, 2025 in the property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.



## BORROWINGS

As of December 31, 2025, we do not have outstanding borrowing.

## MAJOR CUSTOMERS AND SUPPLIERS

During the year ended December 31, 2025, the largest and the five largest customers of the Group accounted for approximately 43.8% and 75.3% of the Group's revenue, respectively. The largest and the five largest suppliers of the Group accounted for approximately 32.3% and 83.4% of the Group's purchases, respectively.

For the year ended December 31, 2025, the Group's revenue derived from two major customers (2024: 1), which individually contributed 10% or more of the Group's total revenue, for approximately RMB10,028.7 million and RMB 3,661.6 million (2024: RMB6,735.6 million and RMB1,498.9 million), accounting for approximately 43.8% and 16.0% (2024: 42.8% and 9.5%) of the Group's total revenue. At no time during the year did a Director, an associate of a Director or any Shareholders (which to the knowledge of the Directors had more than 5% interests in the Company) had an interest in any of the Group's five largest customers or suppliers.

## PERMITTED INDEMNITY PROVISIONS

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices. Such permitted indemnity provision has been in force during the year ended December 31, 2025. The Company has maintained appropriate liability insurance for its Directors and senior management during the Reporting Period.

## CONNECTED TRANSACTIONS

During the year ended December 31, 2025, the Group has conducted the following connected transactions:

### Capital Increase Agreement

On 28 July 2025, Shunda Tongxing, SF Investment, other investors, White Rhino Group together with its founding shareholders and its shareholders from previous rounds of financing entered into the a capital increase agreement (the "**Capital Increase Agreement**"), pursuant to which, each of Shunda Tongxing and SF Investment agreed to make a capital contribution to White Rhino Zhida by way of cash as to RMB99.54 million and RMB56.88 million, respectively. Upon completion of the capital increase, Shunda Tongxing is interested in 15.81% of the registered capital of White Rhino Zhida with a cumulative cash consideration of RMB129.54 million, and SF Investment is interested in 9.04% of the registered capital of White Rhino Zhida. Shunda Tongxing is a wholly-owned subsidiary of the Company. SF Investment is an indirect wholly-owned subsidiary of SF Holding, a controlling shareholder of the Company. Therefore, SF Investment is a connected person of the Company.

For details of the Capital Increase Agreement, please refer to the Company's announcement dated July 28, 2025.



# Report of Directors

## Renewal of Connected Transactions under the Tenancy Agreement

On July 28, 2025, Shenzhen Intra-city entered into a tenancy agreement (the “**2025 Tenancy Agreement**”) with Shenzhen Shunfeng Supply Chain Co., Ltd. (深圳市順豐供應鏈有限公司) (“**SF Supply Chain**”) to renew the previous tenancy agreement entered into on June 30, 2022, pursuant to which Shenzhen Intra-city (as the lessee) agreed to lease part of the 11th floor the entire floors of the 21st and 22nd floors of the SF Express Headquarters, no. 3076 Xinghai Avenue, Nanshan District (the “**Properties**”) from SF Supply Chain (as the lessor) as office premises. SF Supply Chain is a wholly owned subsidiary of SF Taisen, which is one of the controlling shareholders of the Company, and is therefore a connected person of the Company.

The rentals between 1 August 2025 and 31 July 2028 (i) for the leased part of 11th floor are RMB26,486.46 (inclusive of tax) per month, and (ii) for the 21st and 22nd floors are RMB437,869.21 (inclusive of tax) per month, payable by Shenzhen Intra-city to SF Supply Chain on a quarterly basis.

On 28 July 2025, Shenzhen SF Intra-city Logistics Co., Ltd. (深圳市順豐同城物流有限公司) (“**Shenzhen Intra-city**”), a wholly owned subsidiary of the Company, also entered into a property management agreement and an administrative property service agreement dated 28 July 2025 with Shenzhen Chengfeng Business Enterprise Service Co., Ltd. (深圳成豐商企服務有限公司) (“**Shenzhen Chengfeng**”) (the “**2025 Property Management Agreements**”), pursuant to which the Property Management Company will provide property management and property supporting services in relation to the Properties to Shenzhen Intra-city. Shenzhen Chengfeng is 40% owned by SF Chuangxing, which is a wholly owned subsidiary of SF Taisen, and is therefore a connected person of the Company.

The property management fees relating to the Properties during the lease period, including property management fees, water, electricity, air-conditioning, internet, telephone and public resources fees and property supporting service fees, are payable by Shenzhen Intra-city to the Property Management Company on a monthly basis.

For details of the 2025 Tenancy Agreement and the 2025 Property Management Agreements, please refer to the Company’s announcement dated July 28, 2025.

During the year ended December 31, 2025, the Group has conducted the following continuing connected transactions:



## Continuing Connected Transactions

Continuing connected transactions	Connected parties <sup>(note)</sup>	Transaction value for the year ended December 31, 2025	Annual cap amount for the year ended December 31, 2025
		RMB'000	RMB'000
1. Intra-city On-demand Delivery Service Cooperation Framework Agreement	S.F. Holding Co., Ltd.		
– Intra-city Delivery Service	S.F. Holding Co., Ltd.	451,617	710,000
– Last-mile Delivery Service	S.F. Holding Co., Ltd.	9,580,042	12,845,000
2. Comprehensive Service Purchasing Framework Agreement	S.F. Holding Co., Ltd.	86,645	110,000
3. Leasing Framework Agreement	S.F. Holding Co., Ltd.	3,367	8,400
4. Financial Services Framework Agreement	SF Holding Group Finance Co., Ltd.		
– Deposit Services	SF Holding Group Finance Co., Ltd.		
– Deposits placed by the SF Intra-city Group with SF Finance – maximum daily balance	SF Holding Group Finance Co., Ltd.	981,663	1,000,000
– Interest income received by the SF Intra-city Group from SF Finance	SF Holding Group Finance Co., Ltd.	7,716	13,500

Note: SF Holding Co., Ltd. (SF Holding) is one of the Company's Controlling Shareholders. SF Holding Group Finance Co., Ltd. (SF Finance) is a wholly owned subsidiary of SF Taisen, one of the Company's Controlling Shareholders. Certain transactions are entered into with the entities set out herein and/ or its associates.



# Report of Directors

## 1. Intra-city On-demand Delivery Service Cooperation Framework Agreement

On November 19, 2021, the Company entered into an intra-city on-demand delivery service cooperation framework agreement with SF Holding (the “**Intra-city On-demand Delivery Service Cooperation Framework Agreement**”), that commenced on the Listing Date and ended on December 31, 2023, pursuant to which the Group will provide intra-city on-demand delivery services to SF Holding and/or its associates under certain scenarios. In light of the expiration of the Intra-city On-demand Delivery Service Cooperation Framework Agreement, the Board resolved on October 19, 2023 to renew the existing agreement for a term of 3 years effective from January 1, 2024 (the “**2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement**”), which was approved at the 2023 third extraordinary general meeting held on November 30, 2023. For details of the renewal, please refer to the announcement of the Company dated October 19, 2023 and the circular of the Company dated November 14, 2023.

### (i) Intra-city Delivery Service provided via SF Holding Group

- Scope of services

For certain existing customers (the “**Credit Customers**”) who have entered into master service agreements (the “**Master Service Agreements**”) with SF Holding and/or its associates in respect of a variety of delivery and logistics solution service products the SF Holding Group and/or its associates offers, the SF Holding Group and/or its associates will delegate us as subcontractor to complete and fulfill their intra-city delivery demands independently. On monthly basis, the Credit Customer will directly settle the delivery fee (the “**Customer Delivery Fee**”) with SF Holding and/or its associates according to the Master Service Agreement, under which, the Customer Delivery Fee is determined by SF Holding and/or its associates and generally with reference to the Intra-city Delivery Service Fee.

The delivery service fees paid by SF Holding and/or its associates to the SF Intra-city Group (the “**Service Fees**”) are on order unit basis. The Service Fees are determined in accordance with following formula: Intra-city Delivery Service Fee x prescribed subcontracting rate.

The Intra-city Delivery Service Fee refers to the delivery service fee of our intra-city delivery service products which is calculated using our pricing algorithm taking into account the location, the distance between sender and recipient, peak time and seasons, weather, riders’ capacities, weight and delivery requirements specified in the orders placed by the customers, etc. The subcontracting rate is determined after arm’s length negotiation taking into consideration that it is SF Holding and/or its associates instead of us that bears the customer acquisition cost, customer maintenance and services expense, administrative expense in relation to management and collection of Customer Delivery Fee, as well as the credit exposure SF Holding and/or its associate bears. Our Group will, or to the extent needed, may consider engaging an industry consultant to, on an annual basis, conduct researches on comparable companies to evaluate and assess the level of Service Fees charged by our Group for the intra-city delivery service provided under the Intra-city On-demand Delivery Service Cooperation Framework Agreement to ensure that Service Fees charged by our Group are on normal commercial terms, fair and reasonable, and in the interests of our Shareholders as a whole.

- Annual Caps

The aggregate annual transaction amount (representing the fee paid by the SF Holding Group and/or its associates to our Group) for the Intra-city Delivery Service Fee under the 2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement for the years ending December 31, 2025 and 2026 shall not exceed RMB710.0 million and RMB1,100.0 million, respectively.



## (ii) Last-mile Delivery Service to SF Holding Group

- Scope of services

As one of the intra-city on-demand delivery service providers, the Group also provides SF Holding and/or its associates with last-mile delivery service by utilising the Group's on-demand delivery force at the final stage of the express delivery services of SF Holding and/or its associates.

The service fees paid by SF Holding and/or its associates to our Group will be principally determined with reference to a relatively stable mark-up on top of the rider commission fee. The mark-up will be determined on arm's length basis taking into consideration complexity of the services required, market rates, and industry standards. The rider commission fee refers to the fulfilment cost which could be directly attributed to each specific order, excluding variable costs such as incentive to riders based on riders' active time and volume of orders. The Group also provides last-mile delivery service to Independent Third Parties. The pricing methodology for the last-mile delivery service provided to Independent Third Parties is largely consistent with that for the last-mile delivery service provided to SF Holding and/or its associates. The Group will cross-check against the last-mile delivery service we provide to Independent Third Parties and ensure that the service fee paid by SF Holding and/or its associates, in particular, the mark-up for the last-mile delivery service SF Holding Group bears, is at least comparable to that of Independent Third Parties. Where the bidding process is necessary under the internal policies of SF Holding and/or its associates, the service fee shall be ultimately determined in accordance with the tender and bidding process. Whether the bidding process is necessary is subject to the discretion of SF Holding and/or its associates. During the bidding process, our bidding quotations will be determined after taking into consideration the factors including market rates, industry standards, the actual cost, tender quantities, potential competition and relevant requirements as per tender documents. Our Group will, or to the extent needed, may consider engaging an industry consultant to, on an annual basis, conduct researches on comparable companies to evaluate and assess the applicable market rates for the last-mile delivery service provided under the Intra-city On-demand Delivery Service Cooperation Framework Agreement to ensure that service fees paid by SF Holding and/or its associates are on normal commercial terms, fair and reasonable, and in the interests of our Shareholders as a whole.

- Annual Caps

The aggregate annual transaction amount (representing the fee paid by the SF Holding Group and/or its associate to our Group) for the last-mile delivery service under the 2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement for the years ending December 31, 2025 and 2026 shall not exceed RMB12,845.0 million and RMB20,551.0 million, respectively. The Board has resolved on June 13, 2025 to revise the Original Annual Caps for the provision of the Last-mile Delivery Service under the 2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement for the two years ending 31 December 2025 and 2026, to increase of the Original Annual Caps under the Intra-city On-demand Delivery Service Cooperation Framework Agreement for Last-mile Delivery Service for the two years ending December 31, 2025 and 2026 from RMB9,455.0 million to RMB12,845.0 million, and RMB12,270.0 million to RMB20,551.0 million, respectively, which was approved at the extraordinary general meeting held on July 23, 2025.



# Report of Directors

## 2. Comprehensive Service Purchasing Framework Agreement

- Scope of services

On November 19, 2021, the Company entered into the comprehensive service purchasing framework agreement with SF Holding (the “**Comprehensive Service Purchasing Framework Agreement**”), pursuant to which SF Holding and/or its associates will provide certain services to our Group including but not limited to:

- (i) certain supplementary back-office support services including financial and human resources shared service centre and accounting centre services;
- (ii) operation related services, including customer call center service (where a designated customer service team will, under our guidelines and protocols, provide hotline consultation and post-sale service to our customers); and
- (iii) research and development service.

The Comprehensive Service Purchasing Framework Agreement commenced on the Listing Date and ended on December 31, 2023. Relevant subsidiaries or associated companies of both parties will enter into separate underlying agreements which will set out the specific terms and conditions according to the principles provided in the Comprehensive Service Purchasing Framework Agreement. In light of the expiration of the Comprehensive Service Purchasing Framework Agreement, the Company renewed the existing agreement on October 19, 2023 for a term of 3 years effective from January 1, 2024 (the “**2024-2026 Comprehensive Service Purchasing Framework Agreement**”). For details of the renewal, please refer to the announcement of the Company dated October 19, 2023.

The service fee to be charged by SF Holding and/or its associates will be determined on arm’s length basis, with reference to factors including (i) the service fee rate of SF Holding and/or its associates which is principally determined with reference to the relevant costs incurred by SF Holding and/or its associates for providing the relevant service including labour cost and administrative expense; and (ii) the fee quotes for similar services in the market. To ensure service fee charged by SF Holding and/or its associates are on normal commercial terms, fair and reasonable, and in the interests of our Shareholders as a whole, for each type of services under the Comprehensive Service Purchasing Framework Agreement, the Group will obtain fee quotes from at least two Independent Third Parties for services of the same or similar type, nature and quality at least on an annual basis and/or before entering into any definitive agreements to ensure the terms offered by SF Holding and/or its associates are similar to or better than the terms offered by Independent Third Parties under the similar circumstances.

- Annual Caps

The aggregate annual transaction amount pursuant to the 2024-2026 Comprehensive Service Purchasing Framework Agreement for the years ending December 31, 2025 and 2026 shall not exceed RMB110.0 million and RMB134.0 million, respectively.



### 3. Leasing Framework Agreement

- Scope of services

On November 19, 2021, the Company entered into a leasing framework agreement with SF Holding, pursuant to which our Group will rent certain properties from SF Holding and/or its associates for a term of not more than 12 months each (the “**Leasing Framework Agreement**”).

The Leasing Framework Agreement commenced on the Listing Date and ended on December 31, 2023. Relevant subsidiaries or associated companies of both the Company and SF holding will enter into separate underlying agreements for a term of not more than 12 months which will set out the specific terms and conditions according to the principles provided in the Leasing Framework Agreement. If there is any conflict between any provision of the separate leasing agreement(s) and the relevant provision(s) of the Leasing Framework Agreement, such provision(s) of the separate leasing agreement(s) shall be invalidated and the relevant provision(s) of the Leasing Framework Agreement shall prevail. In light of the expiration of the Leasing Framework Agreement, the Company renewed the existing agreement on October 19, 2023 for a term of 3 years effective from January 1, 2024 (the “**2024-2026 Leasing Framework Agreement**”). For details of the renewal, please refer to the announcement of the Company dated October 19, 2023.

To ensure that the transaction amounts payable by our Group to SF Holding and/or its associates under the Leasing Framework Agreement are on normal commercial terms, fair and reasonable, and in the interests of our Shareholders as a whole, the transaction amounts will be determined on arm’s length basis with reference to the prevailing market rent of similar properties in the vicinity and under similar conditions.

- Annual Caps

The aggregate annual transaction amount pursuant to the 2024-2026 Leasing Framework Agreement for the years ending December 31, 2025 and 2026 shall not exceed RMB8.4 million and RMB8.8 million, respectively.

### 4. Financial Services Framework Agreement

On June 28, 2022, the Company and SF Finance entered into the Financial Services Framework Agreement for a fixed term from September 29, 2022 to December 31, 2024 (“**Financial Services Framework Agreement**”). Pursuant to the Financial Services Framework Agreement, the SF Intra-city Group will utilise certain financial services including the (1) deposits and related services (the “**Deposit Services**”) and (2) entrusted loan services offered by SF Finance in the PRC. On November 13, 2024, the Company and SF Finance entered into a renewed financial services framework agreement (the “**2025-2027 Financial Services Framework Agreement**”) for a term of three years commencing from January 1, 2025 in light of the impending expiry of the Financial Services Framework Agreement and the Group’s business needs which was approved at the 2024 second extraordinary general meeting held on December 23, 2024. Pursuant to the 2025-2027 Financial Services Framework Agreement, the SF Intra-city Group will utilise certain financial services including the Deposit Services (as with the Financial Services Framework Agreement) and the Settlement Services (i.e. SF Finance will provide services relating to handling the settlement, collection, and payment of the SF Intra-city Group, including but not limited to providing the collection and payment of transactions for the SF Intra-city Group, handling internal transfer settlement among members of the SF Intra city Group, liquidation plan design and other services) offered by SF Finance in the PRC. For details of the renewal, please refer to the announcement of the Company dated November 13, 2024 and the circular of the Company dated December 3, 2024.



# Report of Directors

- Scope of services

Under the financial services related agreements mentioned above, SF Finance has provided Deposit Services and Settlement Services in the PRC to the member(s) of the SF Intra-city Group during this financial year.

1. *Deposit Services*

The SF Intra-city Group will deposit cash and proceeds generated from daily business operations and financing activities to SF Finance through demand deposits, agreement deposits, call deposits, time deposits and other deposits services. In return, SF Finance will pay deposit interest to the SF Intra-city Group.

2. *Settlement Services*

SF Finance will provide services relating to handling the settlement, collection, and payment of the SF Intra-city Group, including but not limited to providing the collection and payment of transactions for the SF Intra-city Group, handling internal transfer settlement among members of the SF Intra-city Group, liquidation plan design and other services.

- Annual Caps

The maximum daily balance of the deposits to be placed by the SF Intra-city Group with SF Finance for the year ending December 31, 2024 shall not exceed RMB864 million. In relation to the 2025-2027 Financial Services Framework Agreement, the maximum daily balance of the deposits to be placed by the SF Intra-city Group with SF Finance shall not exceed RMB1,000 million for each of the year ending December 31, 2025, 2026 and 2027, respectively.

The maximum caps of interest income to be received by the SF Intra-city Group from SF Finance for the year ending December 31, 2024 shall not exceed RMB16.42 million. In relation to the 2025-2027 Financial Services Framework Agreement, the maximum caps of interest income to be received by the SF Intra-city Group from SF Finance shall not exceed RMB13.50 million for each of the years ending December 31, 2025, 2026 and 2027, respectively.

The Independent Non-Executive Directors have reviewed the continuing connected transactions and confirmed that the continuing connected transactions carried out during the Reporting Period 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.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued their unqualified letter containing the findings and conclusions in respect of the continuing connected transactions in accordance with the Rule 14A.56 of the Listing Rules.



# Report of Directors

The Company entered into certain transactions with “related party” as defined under applicable accounting standards during the financial year ended December 31, 2025. Please refer to note 36 “Related Party Transactions” to the consolidated financial statements of this annual report for details of the related party transactions as defined by applicable laws and regulations and accounting standards. Save for the related party transactions involving payment of compensation to certain directors of the Group disclosed in the aforementioned note 36 of consolidated financial statements which constitute continuing connected transactions fully exempt from the connected transaction requirements under Rule 14A.76(1) or Rule 14A.95 of the Listing Rules, the transactions disclosed in the section headed “Connected Transactions” of the Report of the Board and the fully exempt connected transactions or continuing connected transactions under Rule 14A.76 of the Listing Rules, no other related parties transactions disclosed in the consolidated financial statements in this annual report constitutes a connected transaction as defined under Chapter 14A of the Listing Rules. In respect of the related party transactions which constituted connected transactions or continuing connected transactions, the Company has complied with the requirements under Chapter 14A of the Listing Rules.

Save as disclosed in this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

## DIRECTORS’ SERVICE CONTRACTS

The appointments are subject to the relevant provisions of the Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors.

Save for the respective contracts entered into by our Directors in respect of other management roles in the Group, none of our Directors has or is proposed to have a service contract with any of our Group (other than contracts expiring or determinable by the relevant employers within one year without the payment of compensation (other than statutory compensation)).

## DIRECTORS AND SENIOR MANAGEMENT

During the Reporting Period and as at the Latest Practicable Date, the Board comprises eleven Directors in total.

The Shareholders of the Company approved the amendments to the Articles of Association of the Company at the 2025 third extraordinary general meeting of Shareholders held on 30 December 2025. Pursuant to the relevant amendments, the Company will no longer have the Supervisory Committee and the position of supervisors, the functions and powers previously exercised by the Supervisory Committee under the Company Law and the Articles of Association will be taken over by the Audit Committee of the Company, the duties of supervisors of the original Supervisory Committee will be naturally dispensed with.

Information about the details of the Directors and senior management of the Company is set out in the section headed “Directors and Senior Management”.



# Report of Directors

## CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, as of the year ended December 31, 2025 and up to the Latest Practicable Date, the changes in information of Directors of the Company are set out below:

1. On July 2025, as approved by the 2025 second extraordinary general meeting of the Company, Mr. Han Liu was removed as a non-executive Director. On the even date, Mr. Lei Yanqun was elected as a non-executive Director.
2. Mr. Chan Kok Chung, Johnny's duty as the assessment panel member of the HKSAR Innovation and Technology Commission enterprise support scheme was up to June 2025. He has been appointed as an independent non-executive director of NetEase, Inc. (a company listed on NASDAQ: NTES and listed on Hong Kong Stock Exchange: 9999) effective from August 2025. He has been a member of the Exchange Fund Advisory Committee of the Hong Kong Monetary Authority since September 2025.
3. Ms. Huang Jing has been appointed as a member of nomination committee since December 2025.
4. Mr. Sun Haijin has been appointed as a deputy general manager of SF Holding Group since December 2025.
5. Ms. Li Juhua ceased to be the employee representative supervisor of SF Holding Group since December 2025 as SF Holding Group abolished the Supervisory Committee.
6. Mr. Chan Hey Man has been appointed as the co-chief executive officer of the Company since March 2026 and Mr. Chan's existing appointments as executive Director and chief financial officer will remain unchanged.
7. Mr. Lei Yanqun has served as CEO of Taobao Instant Commerce (淘寶閃購), a subsidiary of Alibaba Group since April 2026.

Save as disclosed in this annual report, there were no changes in information of Directors and senior management of the Company that are required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules.

## REMUNERATIONS OF DIRECTORS, SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

In compliance with the CG Code as set out in Appendix C1 to the Listing Rules, the Company has established the Remuneration Committee of the Company to review and consider the remunerations of the Directors and senior managements. The remuneration is determined and recommended based on each Director's and senior management personnel's qualification, position and seniority.

Details of the remuneration of the Directors and the five highest paid individuals are set out in note 9 and note 42 to the consolidated financial statements.

## INTERESTS OF DIRECTORS IN TRANSACTION, ARRANGEMENT OR CONTRACT

The Directors have confirmed that other than business of the Group, none of the Directors had a material interest, directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Reporting Period.

## INTERESTS OF DIRECTORS IN COMPETING BUSINESS

During the Reporting Period, Directors and Supervisors and their associates did not have any competing interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group or had any other conflict of interests with the Group.



## INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at December 31, 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the “SFO”), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the “Model Code”), were as follows:

### Interest in Shares or underlying Shares of our Company

Name of Director and chief executive	Class of Shares	Nature of Interest	Number of Shares interested <sup>(1)</sup>	Approximate percentage of shareholding in the relevant class of Shares <sup>(2)</sup>	Approximate percentage of shareholding in the total issued Shares of the Company
Sun Haijin	H Shares	Interest of controlled corporation <sup>(3)</sup>	39,482,600 (L)	5.30%	4.30%
Chen Lin	H Shares	Others <sup>(4)</sup>	7,224,679 (L)	0.97%	0.79%
Li Qiuyu	H Shares	Others <sup>(5)</sup>	198,900 (L)	0.03%	0.02%
Chan Hey Man	H Shares	Beneficial owner <sup>(6)</sup>	2,100,000 (L)	0.28%	0.23%

*Notes:*

- (1) The letter “L” denotes the person’s long position in the Shares.
- (2) The calculation is based on the issued shares of the Company, comprised of 745,610,609 H Shares (including 3,120,800 Treasury Shares) and 171,764,898 Unlisted Domestic Shares as at December 31, 2025.
- (3) Tonglu Zhiyuan is the general partner of Ningbo Shunxiang and was owned by Mr. Sun Haijin as to 99.00%. Ningbo Shunxiang is beneficial owner of the Company.
- (4) Mr. Chen Lin is a limited partner of Ningbo Shunxiang. Ningbo Shunxiang is a beneficial owner of the Company. Meanwhile, Mr. Chen Lin was granted Award Shares pursuant to “H Share Incentive Scheme (2025)”, and is a beneficial owner of the shares of the Company.
- (5) Mr. Li Qiuyu is a limited partner of Tianwo Kangzhong. Tianwo Kangzhong is a beneficial owner of the Company.
- (6) Mr. Chan Hey Man was granted Trust Benefit Units and Award Shares pursuant to “H Share Incentive Scheme (2025)”, and is a beneficial owner of the shares of the Company.



# Report of Directors

## Interest in shares or underlying shares of the associated corporation of the Company

Name of Director and chief executive	Name of Associated Corporation	Nature of Interest	Number of Shares interested <sup>(1)</sup>	Percentage of the issued share capital of the associated corporation <sup>(2)</sup>
Li Qiuyu	SF Holding	Beneficial owner <sup>(3)</sup>	136,000 (L)	0.00%
Geng Yankun	SF Holding	Beneficial owner <sup>(4)</sup>	366,000 (L)	0.01%
Li Juhua	SF Holding	Beneficial owner <sup>(5)</sup>	0 (L)	0.00%

*Notes:*

- (1) The letter "L" denotes the person's long position in the shares of the associated corporation.
- (2) The information is disclosed based on the data available on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).
- (3) Including the 136,000 A Shares in which Mr. Li Qiuyu has or is deemed to have interest in equity derivatives of SF Holding. As of December 31, 2025, he is also entitled to 150,000 virtual share units granted to him under the S.F. Holding Co., Ltd. Employees "Grow Together" Shareholding Scheme (A Shares) which are to be vested from 2026 onwards upon satisfaction of grants conditions.
- (4) Including (i) the 122,000 A Shares directly held by Mr. Geng Yankun, (ii) the 244,000 A Shares in which he has or is deemed to have interest in equity derivatives of SF Holding. As of December 31, 2025, he is also entitled to the 1,800,000 virtual share units granted to him under the S.F. Holding Co., Ltd. Employees "Grow Together" Shareholding Scheme (A Shares) which are to be vested from 2026 onwards upon satisfaction of grants conditions.
- (5) As of December 31, 2025, she is entitled to 800,000 virtual share units granted to Ms. Li Juhua under the S.F. Holding Co., Ltd. Employees "Grow Together" Shareholding Scheme (A Shares) which are to be vested from 2026 onwards upon satisfaction of grants conditions.

Save as disclosed above and so far as is known to the Directors and chief executives of the Company, as at December 31, 2025, none of the Directors or chief executive of the Company had or was deemed to have any other interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## RIGHTS TO PURCHASE SHARES OR DEBENTURES OF DIRECTORS AND CHIEF EXECUTIVE

Save as disclosed above, neither the Company nor any of its subsidiaries was a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate at any time during the year or at the end of the year.



## RETIREMENT BENEFIT SCHEME

As at December 31, 2025, the Company did not have any retirement benefit scheme (per definition in the Listing Rules). For details regarding remuneration received by the Directors in the form of fees, salaries, share based compensation, pension schemes contribution and other benefits (subject to applicable laws, rules and regulations), please refer to note 42 to the consolidated financial statements.

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

As at December 31, 2025, so far as is known to the Directors, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests or shorts positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of interests required to be kept by the Company under section 336 of the SFO:

### Interest in Shares or Underlying Shares of our Company

Name of Substantial Shareholder	Class of Shares	Nature of Interest	Number of Shares interested <sup>(1)</sup>	Approximate percentage of shareholding in the relevant class of Shares <sup>(2)</sup>	Approximate percentage of shareholding in the total issued Shares of the Company
Wang Wei	Unlisted Domestic Shares	Interest of controlled corporation <sup>(3)</sup>	171,764,898 (L)	100%	18.72%
	H Shares		364,738,662 (L)	48.92%	39.76%
Shenzhen Mingde Holding Development Co., Ltd.	Unlisted Domestic Shares	Interest of controlled corporation <sup>(3)</sup>	171,764,898 (L)	100%	18.72%
	H Shares		364,738,662 (L)	48.92%	39.76%
S.F. Holding Co., Ltd.	Unlisted Domestic Shares	Interest of controlled corporation <sup>(3)</sup>	171,764,898 (L)	100%	18.72%
	H Shares		364,738,662 (L)	48.92%	39.76%
Shenzhen S.F. Taisen Holding (Group) Co., Ltd.	Unlisted Domestic Shares	Beneficial Owner	171,764,898 (L)	100%	18.72%
	H Shares	Beneficial Owner	171,764,898 (L)	23.04%	18.72%
	H Shares	Interest of controlled corporation <sup>(4)</sup>	192,973,764 (L)	25.88%	21.04%
SF Technology Co., Ltd.	H Shares	Interest of controlled corporation <sup>(4)</sup>	75,000,000 (L)	10.06%	8.18%
Beijing SF Intra-city Technology Co., Ltd.	H Shares	Beneficial Owner	75,000,000 (L)	10.06%	8.18%



# Report of Directors

Name of Substantial Shareholder	Class of Shares	Nature of Interest	Number of Shares interested <sup>(1)</sup>	Approximate percentage of shareholding in the relevant class of Shares <sup>(2)</sup>	Approximate percentage of shareholding in the total issued Shares of the Company
SF Holding (HK) Limited	H Shares	Beneficial Owner	117,973,764 (L)	15.82%	12.86%
	H Shares	Interest of controlled corporation <sup>(4)</sup>	897,000 (L)	0.12%	0.10%
Sun Haijin	H Shares	Interest of controlled corporation <sup>(5)</sup>	39,482,600 (L)	5.30%	4.30%
Ningbo Shunxiang Tongcheng Venture Capital Investment Partnership (Limited Partnership)	H Shares	Beneficial Owner <sup>(5)</sup>	39,482,600 (L)	5.30%	4.30%
Boundless Plain Holdings Limited	H Shares	Interest of controlled corporation <sup>(6)</sup>	40,536,653 (L)	5.44%	4.42%
Alibaba Group Holding Limited	H Shares	Interest of controlled corporation <sup>(7)</sup>	51,844,000 (L)	6.95%	5.65%
Taobao Holding Limited	H Shares	Interest of controlled corporation <sup>(7)</sup>	51,844,000 (L)	6.95%	5.65%
Taobao China Holding Limited (淘寶中國控股有限公司)	H Shares	Beneficial Owner <sup>(7)</sup>	51,844,000 (L)	6.95%	5.65%

## Notes:

- (1) The letter "L" denotes the person's long position in the Shares. The information of Substantial Shareholders is based on the disclosure of interests system of the Hong Kong Stock Exchange.
- (2) The calculation is based on the issued shares of the Company, comprised of 745,610,609 H Shares (including Treasury Shares) and 171,764,898 Unlisted Domestic Shares as at the Latest Practicable Date.
- (3) SF Taisen is wholly owned by SF Holding. SF Holding is a non-wholly owned subsidiary of Mingde Holding, which in turn was held by Mr. Wang Wei as to approximately 99.90%. As such, each of Mr. Wang Wei, Mingde Holding and SF Holding are deemed to be interested in the Shares which SF Taisen is deemed to be interested in.
- (4) SF Holding (HK) Limited is the beneficial owner of 117,973,764 H Shares of the Company and is a wholly-owned subsidiary of SF Taisen. Intra-city Tech is indirectly majority owned by SF Technology, a wholly-owned subsidiary of SF Taisen. As such, SF Taisen is deemed to be interested in the Shares held by SF Holding Limited and Intra-city Tech; and SF Technology is deemed to be interested in the Shares held by Intra-city Tech. Celestial Ocean Investment Limited is the beneficial owner of 897,000 H Shares of the Company, and is a wholly-owned subsidiary of SF Holding (HK) Limited; and SF Holding (HK) Limited is deemed to be interested in the Shares held by Celestial Ocean Investment Limited.
- (5) Tonglu Zhiyuan is the general partner of Ningbo Shunxiang and was owned by Mr. Sun Haijin as to 99.00%. Ningbo Shunxiang is beneficial owner of the Company. As such, Mr. Sun Haijin is deemed to be interested in the H Shares held by Ningbo Shunxiang.
- (6) Boundless Plain Holdings Limited is controlled by Mr. Eric Li.
- (7) Taobao China Holding Limited (淘寶中國控股有限公司) is a Cornerstone Investor of our Company. Taobao China Holding Limited is a direct wholly-owned subsidiary of Taobao Holding Limited, which is in turn a direct wholly-owned subsidiary of Alibaba Group Holding Limited. As such, Alibaba Group Holding Limited and Taobao Holding Limited were deemed to be interested in the H Shares held by Taobao China Holding Limited.

Save as disclosed above, as at December 31, 2025, the Directors of the Company are not aware of any other person or corporation having an interest or short position in the shares and underlying shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.



## EQUITY-LINKED AGREEMENTS

The H Share Incentive Scheme (2025) constitutes an equity-linked agreement within the meaning of regulation 6 of Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong). Details of the H Share Incentive Scheme (2025) are set out in the "Share Incentive Scheme" section below.

Other than the H Share Incentive Scheme (2025), the Company did not enter into any equity-linked agreement during the year ended December 31, 2025.

## LOAN AND GUARANTEE

As of December 31, 2025, we have not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors and senior management of the Company, the Controlling Shareholders of the Company (if any) or their respective connected persons.

## PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the People's Republic of China that would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

## SUFFICIENT PUBLIC FLOAT

The Hong Kong Stock Exchange has granted the Company a waiver from strict compliance with Rule 8.08(1) of the Listing Rules, so that the minimum percentage of the Shares from time to time held by the public will be the higher of (a) 24.78% and (b) such percentage of H Shares to be held by the public after the exercise of the Over-allotment Option (as defined in the Prospectus), of the enlarged issued share capital of the Company. Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company has maintained the aforementioned minimum public float required by the Stock Exchange throughout the Reporting Period.

## AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code to monitor the implementation of our risk management policies across our Company on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Audit Committee has reviewed annual results and the consolidated financial statements of the Group for the year ended December 31, 2025 and discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members and PricewaterhouseCoopers, the auditor of the Company (the "**Auditor**").

## MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Reporting Period.



# Report of Directors

## H SHARE INCENTIVE SCHEME (2025)

The Company adopted the Employee Incentive Scheme (2023) on 19 April 2023. The Employee Incentive Scheme (2023) was amended at the 2025 first extraordinary general meeting of the Company on 28 May 2025 and renamed as “H Share Incentive Scheme (2025)” in light of inclusion of Service Providers as Eligible Participants.

### Purposes

The amendments made and the purposes of the H Share Incentive Scheme (2025) are: (i) to update the maximum number of underlying H Shares available for grant under the Employee Incentive Scheme (2023) in accordance with the latest share capital structure of the Company; (ii) to introduce additional Award Shares (which can be funded by both existing H Shares and new H Shares) as a form of incentive, thereby diversifying and enhancing the flexibility of the equity incentive framework to better align with the Company’s strategic objectives and market practices; (iii) to promote the achievement of long-term sustainable development and performance goals of the Company; (iv) to further optimize the Company’s incentive mechanism by increasing the incentives for core participants, with the aim of attracting, motivating, and retaining key individuals who contribute significantly to the Company’s sustainable operations, business development, and long-term growth; and (v) closely align the interests of the Company with those of its employees, Service Providers, Shareholders, and investors, thereby enhancing corporate cohesion and promoting the maximization of the Company’s value. For details, please refer to the announcement and circular of the Company dated 8 May 2025.

### Duration

The H Share Incentive Scheme (2025) shall be valid and effective for a period of ten (10) years from 19 April 2023, the remaining term is approximately seven (7) years.

### Administration of the Scheme

The H Share Incentive Scheme (2025) shall be subject to the administration of the general meeting of the Company and the Board. The Board and/or the Board committee(s) and/or person(s) delegated by the Board (“**Delegatee**”) may handle and implement all relevant matters of the H Share Incentive Scheme (2025) within the authorization of the general meeting. The Company may also from time to time appoint the Trustee(s) in accordance with the H Share Incentive Scheme (2025) and enter into Trust Agreement(s) with the Trustee(s) to establish the Trust Benefit Right Trust and Award Share Trust in a timely manner.

### Eligible Participants

The Eligible Participants under the H Share Incentive Scheme (2025) include (1) Employee Participant(s) and (2) Service Provider(s), as determined from time to time by the Board and/or the Delegatee(s). The Board and/or the Delegatee may select any qualified Eligible Participant to participate in the H Share Incentive Scheme (2025) as a Grantee. Unless so selected, no Eligible Participant shall be entitled to participate in the H Share Incentive Scheme (2025).

### Scheme Limits

In any event, the maximum number of Award Shares and the underlying Target Shares corresponding to the Trust Benefit Units that may be granted under the H Share Incentive Scheme (2025) and any other share schemes of the Company (if any) shall not exceed 5% of the number of H Shares in issue as at the date of passing scheme amendment resolutions by the shareholders’ meeting (being 28 May 2025, the “**Scheme Amendment Date**”) (excluding any Treasury Shares, if any) (the “**Scheme Mandate Limit**”), which must not exceed a total of 37,124,490 H Shares. For the avoidance of doubt, for the purpose of calculating the Scheme Mandate Limit, the underlying Target Shares corresponding to the Trust Benefit Units granted under the Employee Incentive Scheme (2023) before the Scheme Amendment Date (including those that have not vested, have lapsed, or have vested under the terms of the Employee Incentive Scheme (2023) and the term of the grant) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. Within the Scheme Mandate Limit, the maximum number



of Award Shares and the underlying Target Shares corresponding to the Trust Benefit Units that may be granted to Service Providers under the H Share Incentive Scheme (2025) and any other share schemes of the Company (if any) shall not exceed 1% of the number of H Shares in issue as at the Scheme Amendment Date (excluding Treasury Shares, if any), being a total of no more than 7,424,898 H Shares. As at 1 January 2025, prior to the Scheme Amendment Date which the amended scheme rules under the H Share Incentive Scheme (2025) took effect, the number of H Shares which may be granted under the Scheme Mandate Limit were 9,939,017 H Shares, corresponding to 84,969,178 Trust Benefit Units. As at 31 December 2025 and the date of this report, the total number of H Shares available for issue and/or grant under the H Share Incentive Scheme (2025) is 10,454,969 H Shares (including the Returned Shares which fulfilled the conditions required under the H Share Incentive Scheme (2025) rules), which represents approximately 1.4% of the issued H Shares (excluding Treasury Shares). As at 31 December 2025 and the date of this report, within the Scheme Mandate Limit, the maximum number of H Shares available for issue and/or grant to Service Providers under the H Share Incentive Scheme (2025) is 7,424,898 H Shares, which represents approximately 1% of the issued H Shares (excluding Treasury Shares).

## Grant of Awards

Subject to the terms and conditions of the H Share Incentive Scheme (2025), the Board and/or the Delegatee(s) may at their absolute discretion and on such terms and conditions as the Board and/or the Delegatee(s) thinks fit, grant the Trust Benefit Units and/or Award Shares to any Eligible Participant at nil consideration or at grant price. Upon the grant of the Awards, an Award Letter shall be issued to the Grantees by the Company and such Award Letter shall specify, among other things, the following:

- (i) the name of the Grantee;
- (ii) the Trust Benefit Units and/or Award Shares granted, date of grant, grant price, purchase price and method of receipt of grant;
- (iii) the vesting criteria and conditions;
- (iv) the vesting date(s); and
- (v) other terms and conditions to be determined by the Board and/or the Delegatee that are not inconsistent with the H Share Incentive Scheme (2025).

The Board and/or the Delegatee may in its absolute discretion determine whether to require the Grantees to pay any Purchase Price for obtaining the Awards and, if so required, determine the amount of the Purchase Price after taking into account the practices of comparable companies and the effectiveness of the H Share Incentive Scheme (2025) in attracting talents and motivating the Grantees to contribute to the long-term development of the Group. For the avoidance of doubt the Board and/or the Delegatee may determine the Purchase Price to be at nil consideration.

## Vesting of Awards

Subject to the vesting conditions as described in the H Share Incentive Scheme (2025), the Vesting Periods for all Trust Benefit Units and/or Award Shares under the H Share Incentive Scheme (2025) shall be determined by the Board or the Delegatee (each a "**Vesting Period**"). The Vesting Period for the vesting of Awards granted in the form of Trust Benefit Units and/or the Award Shares based on existing H Shares ("**Existing Shares Vesting**") determined at the absolute discretion of the Board and/or its Delegatee. The Vesting Period for the Existing Share Vesting may be shorter than 12 months. The Vesting Date for any Awards granted in the form of issuance of new H Shares shall not be less than 12 months from the date of grant ("**New Shares Vesting**").



# Report of Directors

The Vesting Period for Service Providers using New Shares Vesting shall not be less than 12 months. However, for Employee Participants, the Vesting Date for the New Shares Vesting may be earlier than 12 months from the Date of Grant (including on the Grant Date) in the following circumstances:

- (i) grants of “make-whole” Awards to new Employee Participants to replace their share awards they forfeited when leaving their previous employers;
- (ii) grants of Awards to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (iii) grant of Awards with performance-based vesting conditions in lieu of time-based vesting criteria;
- (iv) grants that are made in batches during a year for administrative and compliance reasons. They may include Awards that should have been granted earlier but had to wait for a subsequent batch. In such cases, the Vesting Periods may be shorter to reflect the time from which an Award would have been granted;
- (v) grant of Awards with a mixed or accelerated vesting schedule such that the Awards may vest evenly over a period of 12 months; or
- (vi) grant of Awards with a total vesting and holding period of more than 12 months.

If a Grantee fails to meet the assessment conditions such as the Company’s performance indicators and personal performance targets, as well as any other applicable vesting conditions as set out in the Award Letter, unless waived by the Board and/or the Delegatee, all or any of the Trust Benefit Units and/or Award Shares which should have been vested during such Vesting Period shall not be vested, and shall lapse immediately.

## Details of the movements during the Reporting Period

Details of the movements of the granted Trust Benefit Units and Award Shares during the Reporting Period are as follows:

Name or category of Grantees	Date of grant <sup>(1)</sup>	Purchase price of the Trust Benefit Units (RMB)	Fair value at the date of grant (RMB/Trust Benefit Unit)	Unvested as at 1 January 2025	Number of Trust Benefit Units			
					Granted during the Reporting Period	Lapsed/ cancelled during the Reporting Period (as for the granted shares) <sup>(2)</sup>	Vested during the Reporting Period <sup>(3)</sup>	Unvested as at 31 December 2025
<b>Directors and chief executives and their respective associates (on individual named basis)</b>								
Chan Hey Man	-	-	-	8,156,464	-	-	3,287,233	4,869,231
<b>Five highest paid individuals during the Reporting Period</b>								
In aggregate	-	-	-	8,156,464	-	-	3,287,233	4,869,231
<b>Other Grantees<sup>(6)</sup></b>								
In aggregate	-	-	-	29,632,071	-	2,258,743	9,188,936	18,184,392
<b>Total</b>	-	-	-	<b>37,788,535</b>	-	<b>2,258,743</b>	<b>12,476,169</b>	<b>23,053,623</b>



# Report of Directors

Name or category of Grantees	Date of grant <sup>(1)</sup>	Purchase price of the Award Shares (RMB)	Fair value at the date of grant (RMB/ Award Shares)	Number of Award Shares <sup>(4)</sup>				
				Unvested as at 1 January 2025	Granted during the Reporting Period <sup>(5)</sup>	Lapsed/ cancelled during the Reporting Period (as for the granted shares) <sup>(2)</sup>	Vested during the Reporting Period	Unvested as at 31 December 2025
<b>Directors and chief executives and their respective associates (on individual named basis)</b>								
Chan Hey Man	14 July 2025	-	15.0815	-	900,000	-	-	900,000
Chen Lin	14 July 2025	-	15.0815	-	1,369,370	-	-	1,369,370
<b>Five highest paid individuals during the Reporting Period</b>								
In aggregate	14 July 2025	-	15.0815	-	4,843,110	-	-	4,843,110
<b>Other Grantees<sup>(6)</sup></b>								
In aggregate	5 June 2025	-	13.0079	-	22,100,561	-	-	22,100,561
In aggregate	14 July 2025	-	15.0815	-	2,573,740	-	-	2,573,740
<b>Total</b>		-	-	-	26,943,671 <sup>(7)</sup>	-	-	26,943,671

*Notes:*

- (1) The Trust Benefit Units or Award Shares granted vest in tranches from the date of grant over a certain service period (normally within 3 years). The Award granted shall be vested in the Grantees subject to fulfilment of the assessment conditions (including the Company's performance indicators, personal performance target and any other applicable vesting conditions as set out in the Award Letter). Once the vesting conditions are met, the shares are considered duly and validly vested.
- (2) During the Reporting Period, a total of 2,258,743 Trust Benefit Units (corresponding to 274,150 Target Shares) lapsed and there was no cancellation of any granted Trust Benefit Units. During the Reporting Period, none of the granted Award Shares were lapsed or cancelled.
- (3) The relevant Trust Benefit Units were vested on 13 July 2025 and 24 July 2025, the weighted average closing price of the H Shares immediately before the date on which the Trust Benefit Units were vested was HK\$16.52 and HK\$15.76 per share, respectively.
- (4) Only includes the Award Shares granted after the Scheme Amendment Date.
- (5) All Awarded Shares granted during the Reporting Period are existing H Shares in issue on the date of grant (excluding Treasury Shares).
- (6) Other Grantees include employees of the Company, none of whom are substantial Shareholders of the Company or their respective associates.
- (7) The number of Award Shares granted during the Reporting Period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) is 3.63%.



# Report of Directors

## ENVIRONMENTAL POLICY AND PERFORMANCE

Our operations were in compliance with the relevant PRC environmental protection and occupational health and safety laws and regulations in all material aspects and we had not been subject to any fines or other penalties due to non-compliance with environmental protection and occupational health and safety laws and regulations. For details of the ESG policies and performance, please refer to the “2025 Environmental, Social and Governance Report”.

## CONFIRMATION OF INDEPENDENCE BY INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors are independent.

## ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting is scheduled to be held on June 8, 2026 (the “AGM”). A notice convening the AGM will be published on the website of the Stock Exchange at <https://www.hkexnews.hk/> and the website of the Company at <https://www.sf-cityrush.com/> in the manner required by the Listing Rules in due course.

The register of members of the Company will be closed from June 3, 2026 to June 8, 2026, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents of H Shares accompanied by the relevant shares certificates must be lodged with the Company’s H Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on June 2, 2026.

## AUDITORS

The consolidated financial statements for the year ended December 31, 2025 have been audited by PricewaterhouseCoopers. A resolution regarding the appointment of an auditor of the Company for the year ended December 31, 2026 will be proposed in the forthcoming AGM of the Company.

## MATERIAL EVENTS AFTER THE REPORTING PERIOD

The Group had no material events during the period from January 1, 2026 to the approval date of the consolidated financial statements by the Board of Directors on March 30, 2026.

On behalf of the Board

**Sun Haijin**

*Chairman of the Board and Chief Executive Officer*

PRC

March 30, 2026



羅兵咸永道

To the Shareholders of Hangzhou SF Intra-city Industrial Co., Ltd.  
(incorporated in the People's Republic of China with limited liability)

## Opinion

### What we have audited

The consolidated financial statements of Hangzhou SF Intra-city Industrial Co., Ltd. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 77 to 159, comprise:

- the consolidated statement of financial position as at December 31, 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.



# Independent Auditor's Report

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in our audit is related to intra-city on-demand delivery service revenue recognition.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Intra-city on-demand delivery service revenue recognition</b></p> <p>Refer to notes 2.1.5 and 5 to the consolidated financial statements.</p> <p>The Group provides intra-city on-demand delivery services. Intra-city on-demand delivery service revenue of RMB22.9 billion was recognised for the year ended December 31, 2025.</p> <p>We consider this area a key audit matter as significant efforts were spent on auditing the intra-city on-demand delivery service revenue recognition due to the material amount of revenue and the huge volume of revenue transactions.</p>	<p>We have performed the following procedures to address this key audit matter:</p> <ul style="list-style-type: none"><li>(i) We understood the business process of intra-city on-demand delivery services, reviewed contract terms of the service agreements with merchants and consumers on a sample basis, and assessed whether the accounting policy for revenue recognition adopted by the Group was in accordance with the applicable accounting standards.</li><li>(ii) We understood, evaluated and validated management's key internal controls relating to the intra-city on-demand delivery service business process, including information technology general controls and application controls.</li><li>(iii) We tested revenue amounts, on a sample basis by examining the supporting documents, including records of delivery.</li></ul> <p>Based on the procedures performed, we found that the Group's intra-city on-demand delivery service revenue recognition was supported by the evidence obtained.</p>

## Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



# Independent Auditor's Report

## Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



# Independent Auditor's Report

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Lam Sung Wan (practising certificate number: P05148).

## **PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, March 30, 2026



# Consolidated Statement of Comprehensive Income

	Notes	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Revenue	5	22,898,637	15,746,083
Cost of revenue	8	(21,454,108)	(14,674,587)
<b>Gross profit</b>		<b>1,444,529</b>	1,071,496
Selling and marketing expenses	8	(267,215)	(234,234)
Research and development expenses	8	(114,553)	(108,110)
Administrative expenses	8	(829,662)	(636,625)
Other income	6	4,703	12,495
Other gains, net	7	40,013	15,379
Net impairment reversals/(losses) on the financial assets	11	641	(3,118)
<b>Operating profit</b>		<b>278,456</b>	117,283
Finance income	10	16,609	29,362
Finance costs	10	(735)	(783)
Finance income, net	10	15,874	28,579
Share of profit/(loss) of a joint venture accounted for using the equity method	16	13,750	(899)
<b>Profit before income tax</b>		<b>308,080</b>	144,963
Income tax expenses	12	(30,362)	(12,503)
<b>Profit for the year</b>		<b>277,718</b>	132,460
<b>Profit attributable to</b>			
– Owners of the Company		277,718	132,460



# Consolidated Statement of Comprehensive Income

	Notes	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
<b>Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)</b>			
– Basis earnings per share (in RMB)	13	0.31	0.15
– Diluted earnings per share (in RMB)	13	0.30	0.15
<b>Profit for the year</b>		<b>277,718</b>	132,460
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations	27	(10,701)	7,249
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income	27	(9,433)	(29,415)
<b>Other comprehensive income for the year, net of tax</b>		<b>(20,134)</b>	(22,166)
<b>Total comprehensive income for the year</b>		<b>257,584</b>	110,294
<b>Total comprehensive income for the year attributable to:</b>			
– Owners of the Company		<b>257,584</b>	110,294

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.



# Consolidated Statement of Financial Position

		As at December 31,	
		2025	2024
		RMB'000	RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	14	38,786	22,145
Intangible assets	15	101,012	122,600
Right-of-use assets	18	28,702	19,203
Investments accounted for using the equity method	16	53,726	27,476
Financial assets at fair value through other comprehensive income	20	17,152	26,585
Financial assets at fair value through profit or loss	21	138,953	30,000
Deferred income tax assets	17	121,383	149,912
Other non-current assets		124	163
<b>Total non-current assets</b>		<b>499,838</b>	<b>398,084</b>
<b>Current assets</b>			
Inventories	19	7,563	7,513
Trade receivables	23	2,143,744	1,660,432
Other receivables and prepayments	24	166,680	118,252
Financial assets at fair value through profit or loss	21	1,504,322	1,115,859
Cash and cash equivalents	25	1,145,359	1,369,593
Restricted cash	25	3,557	–
<b>Total current assets</b>		<b>4,971,225</b>	<b>4,271,649</b>
<b>Total assets</b>		<b>5,471,063</b>	<b>4,669,733</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	26	917,376	917,376
Share premium	26	4,029,501	4,021,702
Treasury shares	26	(33,555)	(33,555)
Shares held for employee incentive scheme	29	(107,983)	(46,406)
Other reserves	27	919,849	822,483
Accumulated losses	28	(2,443,354)	(2,721,072)
<b>Total equity</b>		<b>3,281,834</b>	<b>2,960,528</b>



# Consolidated Statement of Financial Position

	Notes	As at December 31,	
		2025	2024
		RMB'000	RMB'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	33	16,011	9,140
<b>Total non-current liabilities</b>		16,011	9,140
<b>Current liabilities</b>			
Trade payables	30	1,380,290	1,029,639
Other payables and accruals	31	779,828	571,577
Contract liabilities	32	352	88,342
Income tax payables		1,086	170
Lease liabilities	33	11,662	10,337
<b>Total current liabilities</b>		2,173,218	1,700,065
<b>Total liabilities</b>		2,189,229	1,709,205
<b>Total equity and liabilities</b>		5,471,063	4,669,733

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

The consolidated financial statements on pages 77 to 159 were approved by the Board of Directors on March 30, 2026 and were signed on its behalf.

**Sun Haijin**

*Director*

**Chan Hey Man**

*Director*



# Consolidated Statement of Changes In Equity

	Note	Share capital RMB'000 (Note 26)	Share premium RMB'000 (Note 26)	Treasury share RMB'000 (Note 26)	Shares held for employee incentive scheme RMB'000 (Note 29)	Other reserves RMB'000 (Note 27)	Accumulated losses RMB'000 (Note 28)	Total equity RMB'000
<b>Balance at January 1, 2025</b>		917,376	4,021,702	(33,555)	(46,406)	822,483	(2,721,072)	2,960,528
<b>Comprehensive income</b>								
Profit for the year	28	-	-	-	-	-	277,718	277,718
Other comprehensive income								
– Fair value change on financial assets at fair value through other comprehensive income	20	-	-	-	-	(9,433)	-	(9,433)
– Translation difference		-	-	-	-	(10,701)	-	(10,701)
<b>Total comprehensive income for the year</b>		-	-	-	-	(20,134)	277,718	257,584
<b>Transactions with owners in their capacity as owners</b>								
Purchase of shares under employee incentive scheme	29	-	-	-	(73,218)	-	-	(73,218)
Vesting of awarded shares		-	7,799	-	11,641	(19,440)	-	-
Share-based compensation expenses	29	-	-	-	-	136,940	-	136,940
<b>Total transactions with owners in their capacity as owners</b>		-	7,799	-	(61,577)	117,500	-	63,722
<b>Balance at December 31, 2025</b>		917,376	4,029,501	(33,555)	(107,983)	919,849	(2,443,354)	3,281,834



# Consolidated Statement of Changes In Equity

	Note	Share capital RMB'000 (Note 26)	Share premium RMB'000 (Note 26)	Treasury share RMB'000 (Note 26)	Shares held for employee incentive scheme RMB'000 (Note 29)	Other reserves RMB'000 (Note 27)	Accumulated losses RMB'000 (Note 28)	Total equity RMB'000
<b>Balance at January 1, 2024</b>		933,458	4,161,560	(39,279)	(52,370)	831,257	(2,853,532)	2,981,094
<b>Comprehensive income</b>								
Profit for the year	28	-	-	-	-	-	132,460	132,460
Other comprehensive income								
– Fair value change on financial assets at fair value through other comprehensive income	20	-	-	-	-	(29,415)	-	(29,415)
– Translation difference		-	-	-	-	7,249	-	7,249
<b>Total comprehensive income for the year</b>		-	-	-	-	(22,166)	132,460	110,294
<b>Transactions with owners in their capacity as owners</b>								
Repurchase of shares	26	-	-	(144,252)	-	-	-	(144,252)
Cancellation of shares	26	(16,082)	(133,894)	149,976	-	-	-	-
Vesting of awarded shares		-	(5,964)	-	5,964	-	-	-
Share-based compensation expenses	29	-	-	-	-	13,392	-	13,392
<b>Total transactions with owners in their capacity as owners</b>		(16,082)	(139,858)	5,724	5,964	13,392	-	(130,860)
<b>Balance at December 31, 2024</b>		917,376	4,021,702	(33,555)	(46,406)	822,483	(2,721,072)	2,960,528

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



# Consolidated Statement of Cash Flows

	Notes	Year ended December 31,	
		2025 RMB'000	2024 RMB'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	35	379,066	247,627
Interest received		16,609	29,362
Income tax paid		(917)	(5,065)
<b>Net cash generated from operating activities</b>		<b>394,758</b>	<b>271,924</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposals of property, plant and equipment		7,711	538
Proceeds from disposals of financial assets at fair value through profit or loss	21	4,560,290	3,027,294
Acquisition of assets, net of cash acquired		–	6,078
Payments for acquisition of financial assets at fair value through profit or loss	21	(5,016,543)	(3,630,000)
Addition of intangible assets		(23,363)	(32,309)
Purchases of property, plant and equipment		(44,228)	(15,422)
Purchases of investments accounted for using the equity method		(12,500)	–
<b>Net cash used in investing activities</b>		<b>(528,633)</b>	<b>(643,821)</b>
<b>Cash flows from financing activities</b>			
Payments of lease liabilities (including interests elements)	35	(15,410)	(14,338)
Payments for repurchase of shares		–	(144,252)
Purchase of shares under employee incentive scheme	29	(73,218)	–
<b>Net cash used in financing activities</b>		<b>(88,628)</b>	<b>(158,590)</b>
Net decrease in cash and cash equivalents		(222,503)	(530,487)
Effects of exchange rate changes on cash and cash equivalents		(973)	579
Cash and cash equivalents at the beginning of the year		1,368,835	1,898,743
<b>Cash and cash equivalents at the end of the year</b>		<b>1,145,359</b>	<b>1,368,835</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



# Notes to the Consolidated Financial Statements

## 1 General information

Hangzhou SF Intra-city Industrial Co., Ltd. (the “Company”) was a joint stock company incorporated in the People’s Republic of China (the “PRC”) on June 21, 2019 with limited liability. The address of the Company’s registered office and the principal place of business are respectively located at Room 1626, 16/F, Chenchuang Building, 198 Zhoushan East Road, Gongshu District, Hangzhou City, Zhejiang Province, PRC and Floor 21-22, Shunfeng Headquarters Building, No. 3076 Xinghai Road, Nanshan District, Shenzhen City, Guangdong Province, PRC.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the “Group”) are principally engaged in the intra-city on-demand delivery services in the PRC.

The ultimate holding company of the Company is Shenzhen Mingde Holding Development Co., Ltd. (“Mingde Holding”), which is incorporated in the PRC with limited liability. The intermediate holding company of the Company is S.F. Holding Co., Ltd. (“SF Holding”), which is incorporated in the PRC with limited liability, and the shares of SF Holding have been listed on Shenzhen Stock Exchange and the Stock Exchange of Hong Kong Limited. The parent company of the Company is Shenzhen S.F. Taisen Holding (Group) Co., Ltd. (“SF Taisen”) and the ultimate controlling party of the Group is Mr. Wang Wei.

The Company completed its listing on the main board of the Stock Exchange of Hong Kong Limited. (the “Listing”) on December 14, 2021.

The consolidated financial statements are presented in Renminbi (“RMB”) and rounded to nearest thousand yuan, unless otherwise stated.

## 2 Summary of accounting policies

The accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Summary of material accounting policies

#### 2.1.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards issued by International Accounting Standards Board (“IFRS Accounting Standards”) and the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (“FVPL”) and financial assets at fair value through other comprehensive income (“FVOCI”), which are carried at fair value.

New and amended standards adopted by the Group

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after January 1, 2025:

Amendments to IAS 21

Lack of Exchangeability

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.1 Basis of preparation (Continued)

New standards and amended standards and interpretations not yet adopted by the Group

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below:

		<b>Effective for annual periods beginning on or after</b>
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments, Contracts Referencing Nature-dependent Electricity	January 1, 2026
Annual improvement to IFRS 10, IFRS 9, IFRS 1, IAS 7, IFRS 7	IFRS 10, Consolidated Financial Statements; IFRS 9, Financial Instruments; IFRS 1, First-time Adoption of International Financial Reporting Standards; IFRS 7, Financial Instruments: Disclosures and Guidance on implementing HKFRS 7 IAS 7, Statement of Cash Flows	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	January 1, 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.1 Basis of preparation (Continued)

New standards and amended standards and interpretations not yet adopted by the Group (Continued)

Except for new IFRS 18 mentioned below, the Group is commencing an assessment of the impact of these new or amended standards and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the Group, no material impact on the financial performance and position of the Group in the current or future reporting period and on foreseeable future transactions is expected when they become effective.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace IAS 1 Presentation of Financial Statements. The new standard introduces new requirements to present specified categories and defined subtotals in the consolidated statements of comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 Statement of Cash Flows are also made. IFRS 18 will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. The Group does not plan to early adopt IFRS 18.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statements of comprehensive income into the new categories will impact how operating profit is calculated and reported. From the high-level preliminary assessment performed, the potential impacts have been identified. Notably, items such as fair value changes on financial assets at FVPL, currently aggregated in the line item "Other gains, net" in operating profit, might need to be disaggregated and presented separately below operating profit.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.2 Intangible assets

##### 2.1.2.1 Software

###### (a) *Self-developed software*

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the intangible assets include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. These costs are amortised using the straight-line method over their estimated useful lives of 5 years.

Costs associated with maintaining software programmes are recognised as an expense as incurred.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.2 Intangible assets (Continued)

##### 2.1.2.1 Software (Continued)

###### (b) *Acquired software*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over their estimated useful lives of 5 years. Costs associated with maintenance of software programmes are recognised as expenses as incurred.

###### (c) *Trademarks*

Trademarks acquired through intercompany transactions are shown at historical cost. Trademarks with a finite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and over their estimated useful lives of no more than 15 years. The useful lives of the trademarks are the periods over which the trademarks are expected to be available for use by the Group.

##### 2.1.2.2 Research and development

Research expenditure and development expenditure that do not meet the capitalised criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### 2.1.3 Financial assets

##### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

Details about each type of financial assets are disclosed in Note 22.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.3 Financial assets (Continued)

(ii) Recognition and measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

*Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group has two categories of debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses), net in the period in which it arises.

*Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'other gains/(losses), net' in profit or loss as applicable.

Impairment losses (and reversal of impairment losses) on equity investments measured at financial assets at fair value through other comprehensive income are not reported separately from other changes in fair value.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.3 Financial assets (Continued)

(iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group has the following types of financial assets subject to IFRS 9's expected credit loss model:

- trade receivables;
- other receivables and amounts due from related parties;

While cash and cash equivalents and restricted cash are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(iv) Derecognition of financial instruments

*Financial assets*

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

*Financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged, canceled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Financial assets and liabilities are presented respectively in the consolidated statement of financial position, without any offset. However, they are offset and the net amount reported in the balance sheet when satisfied the following: (1) There is a legally enforceable right to offset the recognised amounts. (2) There is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.4 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

##### 2.1.4.1 Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

##### 2.1.4.2 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future (Note 17).



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.4 Current and deferred income tax (Continued)

##### 2.1.4.3 Offsetting

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### 2.1.5 Revenue recognition

Revenue is recognised when or as the control of the goods or services is transferred to a customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods and services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods and services.

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the prices charged to customers. If the standalone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. Revenue arrangements with multiple performance obligations are not significant to the Group's total revenue.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.5 Revenue recognition (Continued)

When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. A contract asset is the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

In accordance with the principal versus agent considerations prescribed by IFRS15, the Group determines whether it act as the principal or agent in each of its revenue streams. The principal is the entity that has promised to provide goods or services to its customers. An agent arranges for goods or services to be provided by the principal to its end customer. An agent normally receives a commission or fee for these activities.

The following is a description of the accounting policies for the principal revenue streams of the Group.

##### Revenue from intra-city on-demand delivery business

The Group provides intra-city on-demand delivery services for merchants and consumer customers who place intra-city on-demand delivery orders to the Group via multiple channel including the Group's websites, mobile apps and various interfaces with customers' system.

The Group has determined that it acts as a principal in the intra-city on-demand delivery services as the Group is primarily responsible for the intra-city on-demand delivery service which meet the quality criteria promised to customers. The Group identifies and directs riders to complete the intra-city on-demand delivery orders. Also, the Group has full discretion in establishing fee rates for intra-city on-demand delivery services to customers. Revenues resulting from these services are recognised on a gross basis at a fixed rate or a pre-determined amount for each completed intra-city on-demand delivery, with the amounts paid to the labor suppliers recorded in cost of revenue.

The Group offers various incentive programs to business and individual customers in the form of coupons or volume-based discounts that are recorded as reduction of revenue as the Group does not receive a distinct good or service in consideration.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.1 Summary of material accounting policies (Continued)

#### 2.1.6 Trade receivables and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Majority of other receivables are amounts due from related parties, deposit from suppliers and value-added tax recoverable. If collection of trade receivables and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for impairment. See note 23 and note 24 for further information about the Group's accounting for trade receivables and other receivables and note 2.1.3 for a description of the Group's impairment policies.

#### 2.1.7 Share-based payments

(a) Share-based compensation benefits

The Group operates an equity-settled, share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of equity instruments (including share scheme) is recognised as an expense on the consolidated statements of comprehensive income. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- Including any market performance conditions;
- Including the impact of any non-vesting conditions (for example, the requirement for employees to serve); and
- Excluding the impact of any service and non-market performance vesting conditions.

At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-market performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statements of comprehensive income with a corresponding adjustment to equity.

(b) Shares held for employee incentive scheme

The consideration paid by the Trusts (see Note 29) for purchasing the Company's shares from the market, including any directly attributable incremental cost, is presented as "Shares held for employee incentive scheme" and the amount is deducted from total equity. When the Trusts transfer the trust benefit units or awarded shares to the awardees upon vesting, the related costs of the awarded trust benefit units or shares vested are debited to "Other reserves" and credited to "Shares held for employee incentive scheme", with any resulting difference adjusted through "Share premium".



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies

#### 2.2.1 Subsidiaries

##### 2.2.1.1 Consolidation

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

##### 2.2.1.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount of the investee's net assets including goodwill.

#### 2.2.2 Joint ventures

Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint venture.

Interest in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.2.6.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company.

#### 2.2.4 Foreign currency translation

##### 2.2.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). Since the majority of the assets and operations of the Group are located in the PRC, the financial statements are presented in RMB, which is also the Company’s functional and the Group’s presentation currency.

##### 2.2.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statements of comprehensive income within “other gains, net”.

##### 2.2.4.3 Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statements of comprehensive income during the periods in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Motor vehicles	2-4 years
Computers and electronic equipment	3 years
Machinery and equipment	10 years
Office equipment and other equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.2.6).

Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts. These are included in the consolidated statements of comprehensive income.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.6 Impairment of non-financial assets

Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### 2.2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 2.2.8 Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.9 Cash and cash equivalents and restricted cash

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash at bank and in hand, and term deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash that restricted from withdrawal, use or pledged as security is reported separately in the consolidated statements of financial position, and is not included in the total cash and cash equivalents in the consolidated statements of cash flows.

#### 2.2.10 Share capital and share premium

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases its equity instruments, for example as the result of an employee share scheme, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to owners of the Company as treasury shares until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the Company.

#### 2.2.11 Trade payables and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting. They are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.12 Employee benefits

##### 2.2.12.1 Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statements of financial position.

##### 2.2.12.2 Employment obligations

###### *Social pension insurances, housing funds, medical insurances and other social insurances*

Employees of the Group in the PRC are entitled to participate in various government-supervised social pension insurances, housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each year. Contributions to the social pension insurances, housing funds, medical insurances and other social insurances are expensed as incurred.

###### *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### 2.2.14 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding the shares repurchased.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.15 Leases

The Group as the lessee:

The Group leases various properties. Rental contracts are typically made for a fixed period of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.



# Notes to the Consolidated Financial Statements

## 2 Summary of accounting policies (Continued)

### 2.2 Summary of other accounting policies (Continued)

#### 2.2.15 Leases (Continued)

Practical expedients applied

In applying IFRS 16, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- accounting for operating leases with a remaining lease term of less than 12 months as short-term leases.

The Group as the lessor:

Lease classification is made at the inception date and is reassessed only if there is a lease modification. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. If there are variable lease payments and as a result of which the lessor does not transfer substantially all such risks and rewards, it would be an operating lease.

Lease income from operating leases where the Group is a lessor is recognised as income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

#### 2.2.16 Dividend distribution

Dividend distribution to the shareholders is recognised as a liability in the the financial statements in the reporting period in which the dividends are approved by the entities' shareholders or directors, where appropriate.

#### 2.2.17 Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is recognised in profit or loss as part of in other income.

#### 2.2.18 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statements of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property and equipment, and other non-current assets are included in non-current liabilities as deferred income and are credited to the consolidated statements of comprehensive income on a straight – line basis over the expected lives of the related assets.



# Notes to the Consolidated Financial Statements

## 3 Financial risk management

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the directors and senior management of the Group.

#### 3.1.1 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the respective group entities' functional currency.

As of December 31, 2025, the Group had HK\$3 million cash in bank (as at December 31, 2024: HK\$7 million cash in bank) which is different from the functional currency of RMB and exposed to foreign exchange risk. If the RMB strengthened/weakened by 1% against the HK\$ with all other variables held constant, net profit before tax for the year would have been RMB30,000 lower/higher (as at December 31, 2024: if the RMB strengthened/weakened by 1% against the HK\$ with all other variables held constant, net profit before tax would have been RMB73,000 lower/higher).

The Group does not hedge against any fluctuation in foreign currencies during the year.

(ii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the statement of financial position either as at financial assets at FVOCI (note 20) or at FVPL (note 21). To manage its price risk arising from the investments, the Group diversifies its portfolio. The investments are made either for strategic purposes, or for the purpose of achieving investment yield and balancing the Group's liquidity level simultaneously. Each investment is managed by management on a case by case basis.

(iii) Cash flow and fair value interest rate risk

As of December 31, 2025, the Group does not hold any long-term interest-bearing assets or borrowings, so there is no significant interest rate risk.



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.1 Financial risk factors (Continued)

#### 3.1.2 Credit risk

(i) Credit risk management

The Group is exposed to credit risk in relation to its cash and cash equivalents, restricted cash, financial assets at FVPL, trade receivables and other receivables. The carrying amounts of cash and cash equivalents, restricted cash, financial assets at FVPL, trade receivables and other receivables represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk arising from cash and cash equivalents, restricted cash and financial assets at FVPL, the Group only transacts with state-owned or reputable financial institutions in China. There has been no recent history of default in relation to these financial institutions.

For trade receivables, a significant portion of trade receivables is due from catering industry customers who need delivery service. If the strategic relationship with the customers is terminated or scaled-back; or if the customers alter the co-operative arrangements; or if they experience financial difficulties in paying the Group, the Group's receivables might be adversely affected in terms of recoverability. To manage this risk, the Group assesses the credit quality of the customers, taking into account their financial position, past trading and payment experience and forward-looking factors.

For other receivables from third parties, which mainly comprise deposits paid to customers, lease deposits, advances to employees and other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience as well as forward-looking factors.

For other receivables from related parties, the Group considers the expected credit loss is immaterial on the basis that the counterparties are mainly related parties controlled by SF Holding with sound external credit rating and no adverse change is anticipated in the business environment.

(ii) Expected credit loss ("ECL")

The Group applies the IFRS 9 simplified approach in measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

For financial assets whose impairment losses are measured using 3-stages general approach ECL assessment except for trade receivables, the Group assesses whether their credit risk has increased significantly since their initial recognition, and applies a three-stage impairment model to calculate their impairment allowance and recognise their ECL.

*Forward-looking information*

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the debtors to settle the receivables. The Group has identified Consumer Price Index (CPI) and Real GDP to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.1 Financial risk factors (Continued)

#### 3.1.2 Credit risk (Continued)

(ii) Expected credit loss (“ECL”) (Continued)

1) *Trade receivables*

*Trade receivables from related parties*

Trade receivables from related parties are granted with a credit period of 30 days. In respect of amounts due from related parties with gross carrying value of approximately RMB1,110,307,000 and RMB955,568,000 respectively as at December 31, 2025 and 2024, management of the Group does not consider there is a risk of default and does not expect any losses from non-performance by these related parties, and accordingly, impairment recognised in respect of the amounts due from related parties would be immaterial.

*Trade receivables from third parties*

Third party customers are usually granted with a credit period ranging between 15 and 90 days, which depends on amounts of transaction and credit position of specific customers.

The Group applies the IFRS 9 simplified approach to measure ECL which uses lifetime expected loss allowance for trade receivables from third parties. In calculating the expected credit loss rates, the Group recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A default on trade receivables from third parties is when the counterparty fails to make contractual payments when they fall due.

Trade receivables from third parties are written off when there is no reasonable expectation of recovery.

As at December 31, 2025, the analysis of loss allowance provision was presented as follows:

	Not overdue	Past due	Total
Expected loss rate	0.20%	3.06%	0.49%
Trade receivables from third parties (RMB '000)	932,529	106,047	1,038,576
Loss allowance provision (RMB '000)	1,891	3,248	5,139

As at December 31, 2024, the analysis of loss allowance provision was presented as follows:

	Not overdue	Past due	Total
Expected loss rate	0.19%	2.30%	0.50%
Trade receivables from third parties (RMB '000)	603,666	104,747	708,413
Loss allowance provision (RMB '000)	1,143	2,406	3,549



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.1 Financial risk factors (Continued)

#### 3.1.2 Credit risk (Continued)

(ii) Expected credit loss ("ECL") (Continued)

2) *Other receivables*

*Amounts due from related parties*

As at December 31, 2025, management considered the credit risk of amounts due from related parties to be low as counterparties have a strong capacity to meet their contractual cash flow obligations in the near term. Therefore, the impairment loss allowance required for these balances was minimal.

*Other receivables from third parties*

In order to minimize the credit risk of other receivables, the management of the Group continuously monitors the settlement status and the level of exposure to ensure that follow-up action is taken to recover overdue debts. The management of the Group has obtained an understanding to the credit background of the debtors and undertaken an internal credit approval process. The management of the Group has taken into account the economic outlook of the industries in which the debtors operate and reviewed the recoverable amount of each amount at the end of the reporting period to ensure that adequate impairment losses were recognised for irrecoverable debts. After assessment, the directors of the Company have not identified any items experienced a significant increase in credit risk since initial recognition. The impairment loss of other receivables is measured based on the twelve months expected credit loss.

As at December 31, 2025 and 2024, the analysis of loss allowance provision was presented as follows:

	<b>As at December 31,</b>	
	<b>2025</b>	<b>2024</b>
Expected loss rate	<b>2.25%</b>	0.76%
Other receivables from third parties excluding non-financial assets (RMB '000)	<b>16,514</b>	19,457
Loss allowance provision (RMB '000)	<b>372</b>	147



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.1 Financial risk factors (Continued)

#### 3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Due to the dynamic nature of the intra-city on-demand delivery services business, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate cash and cash equivalents to meet the Group's liquidity requirements.

The table below set out the Group's financial liabilities grouped into relevant maturity groupings based on their contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Group	Within 1 Year RMB'000	Over 1 Year RMB'000	Total RMB'000	Carrying amount RMB'000
<b>As at December 31, 2025</b>				
Trade payables	1,380,290	–	1,380,290	1,380,290
Lease liabilities	12,409	16,338	28,747	27,673
Other payables and accruals (excluding accrued payroll and other tax liabilities)	477,708	–	477,708	477,708
<b>Total</b>	<b>1,870,407</b>	<b>16,338</b>	<b>1,886,745</b>	<b>1,885,671</b>
<b>As at December 31, 2024</b>				
Trade payables	1,029,639	–	1,029,639	1,029,639
Lease liabilities	10,816	9,608	20,424	19,477
Other payables and accruals (excluding accrued payroll and other tax liabilities)	266,569	–	266,569	266,569
<b>Total</b>	<b>1,307,024</b>	<b>9,608</b>	<b>1,316,632</b>	<b>1,315,685</b>



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholder, issue new shares or sell assets to reduce debt.

The Group monitors capital on basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statements of financial position plus net debts. As at December 31, 2025 and 2024, given that the cash and cash equivalents exceed the aggregation of total borrowings and lease liabilities, gearing ratio is no longer calculated.

### 3.3 Fair value estimation

The Group made judgements and estimates in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the year.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at December 31, 2025.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the year. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the years ended December 31, 2025 and 2024.



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.3 Fair value estimation (Continued)

#### 3.3.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis

##### 3.3.1.1 Fair value hierarchy

As at December 31, 2025 and 2024, the Group had no level 1 and level 2 financial instruments. The following table presents the Group's level 3 financial instruments as of December 31, 2025.

	Level 3 RMB'000
<b>Financial assets at fair value through profit or loss</b>	
Structured deposit products	1,504,322
Investments in unlisted entity (Note)	138,953
	<b>1,643,275</b>
<b>Financial assets at fair value through other comprehensive income</b>	
Equity investments in unlisted entities	17,152

The following table presents the Group's level 3 financial instruments as of December 31, 2024.

	Level 3 RMB'000
<b>Financial assets at fair value through profit or loss</b>	
Structured deposit products	1,002,490
Private fund investment	113,369
Investments in unlisted entity (Note)	30,000
	<b>1,145,859</b>
<b>Financial assets at fair value through other comprehensive income</b>	
Equity investments in unlisted entities	26,585



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.3 Fair value estimation (Continued)

#### 3.3.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

##### 3.3.1.1 Fair value hierarchy (Continued)

Note: In August 2024, Beijing Shunda Tongxing Technology Co., Ltd. (the "Shunda Tongxing"), a wholly-owned subsidiary of the Company, entered into a subscription agreement to subscribe for 8.12% equity interest in White Rhino Zhida (Beijing) Technology Co., Ltd. (the "White Rhino Zhida") at a cash consideration of RMB30,000,000.

In April 2025, due to the subscription of additional registered capital of White Rhino Zhida by other investors, Shunda Tongxing's equity interest was diluted from 8.12% to 6.77%.

In July 2025, Shunda Tongxing entered into a capital increase agreement. Shunda Tongxing agreed to further make a cash capital contribution of RMB99.54 million to White Rhino Zhida. Upon completion of transaction, the shares of White Rhino Zhida held by the Group increased from 6.77% to 15.81%.

In August 2025 and December 2025, due to the subscription of additional registered capital of White Rhino Zhida by other investors, Shunda Tongxing's equity interest was diluted from 15.81% to 13.68%.

Although the Group could exercise significant influence over White Rhino Zhida through appointing one director to the board, the investment is held in the form of instruments embodying a bundle of preferential rights, notably including redemption and liquidation preferences over ordinary shareholders. Consequently, it has been classified as at FVPL.

##### 3.3.1.2 Valuation techniques used to determine fair values

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

Financial assets	Fair value		Valuation technique(s) and key input(s)	Significant unobservable input(s)	Range of inputs		Relationship of unobservable inputs to fair value
	As of December 31, 2025	As of December 31, 2024			As of December 31, 2025	As of December 31, 2024	
	RMB'000	RMB'000					
Financial investment at fair value through profit or loss – Structured deposit products and private funds	1,504,322	1,115,859	Discounted cash flow	Expected rate of return	1.13%-2.37%	0.5%-2.95%	The higher the expected rate of return, the higher the fair value.
Financial investment at fair value through profit or loss -Investments in unlisted entity	138,953	30,000	Market approach	Expected volatility	62.06%	66.6%	The higher the expected volatility, the lower the fair value.
Financial assets at fair value through other comprehensive income	17,152	26,585	Market approach	Discount for lack of marketability; market multiples	20%; 1.66-4.24	20%; 1.15-5.89	The higher the discount for lack of marketability, the lower the fair value. The higher the market multiples, the higher the fair value.



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.3 Fair value estimation (Continued)

#### 3.3.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

##### 3.3.1.2 Valuation techniques used to determine fair values (Continued)

If the expected rate of return of Structured deposit products and private funds had been 0.5% higher or lower, the aggregate profit before income tax for the year ended December 31, 2025 would have been approximately RMB1,173,000 higher or lower.

If the respective unobservable inputs of investments in unlisted entity held by the Group had been 10% higher or lower, the aggregate profit before income tax for the year ended December 31, 2025 would have been approximately RMB1,394,000 lower or RMB2,089,000 higher.

If the respective unobservable inputs of financial assets at fair value through other comprehensive income held by the Group had been 10% higher or lower, the aggregate other comprehensive income for the year ended December 31, 2025 would have been approximately RMB1,715,000 higher or lower (for the year ended December 31, 2024: RMB2,659,000 higher or lower).

##### 3.3.1.3 Reconciliation of Level 3 fair value measurements

	<b>Financial assets at fair value through profit or loss RMB'000</b>	<b>Financial assets at fair value through other comprehensive income RMB'000</b>
<b>As of January 1, 2025</b>	1,145,859	26,585
Additions	5,016,543	–
Changes in fair value	44,381	(9,433)
Disposals	(4,560,290)	–
Currency translation differences	(3,218)	–
<b>As of December 31, 2025</b>	<b>1,643,275</b>	<b>17,152</b>



# Notes to the Consolidated Financial Statements

## 3 Financial risk management (Continued)

### 3.3 Fair value estimation (Continued)

#### 3.3.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

##### 3.3.1.3 Reconciliation of Level 3 fair value measurements (Continued)

	Financial assets at fair value through profit or loss RMB'000	Financial assets at fair value through other comprehensive income RMB'000
<b>As of January 1, 2024</b>	516,753	56,000
Additions	3,630,000	–
Changes in fair value	19,626	(29,415)
Disposals	(3,027,294)	–
Currency translation differences	6,774	–
<b>As of December 31, 2024</b>	<b>1,145,859</b>	<b>26,585</b>

#### 3.3.2 Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The carrying amounts of the Group's financial assets and liabilities which are measured at amortised cost, including cash and cash equivalents, restricted cash, trade receivable, other receivables (excluding non-financial assets), trade payables, and other payables (excluding non-financial liabilities) approximated their fair values due to their short maturities.



# Notes to the Consolidated Financial Statements

## 4 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

### (a) Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary difference is related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Significant items on which the Group has exercised accounting judgement include recognition of deferred tax assets in respect of tax losses. Recognition of the deferred tax assets involves estimates regarding the future financial performance of the Group.

Were the actual final outcome (on the judgement areas) different from the management's estimates, such difference would impact the recognition of deferred tax assets and income tax expenses in the period in which such estimate is changed.

### (b) Capitalization of development costs as intangible assets

Costs incurred in upgrading existing application and platform (primarily relating to upgrade of the existing features or additions of new features/modules) and developing new application and platform are capitalized as intangible assets when recognition criteria as detailed in Note 2.1.2 are fulfilled. Management has applied its professional judgement in determining whether these application and platform could generate probable future economic benefits to the Group based on the historical experience of the existing products and the prospects of the markets. Any severe change in market performance or technology advancement will have an impact on the development costs capitalized.

### (c) Estimation of the fair value of financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see note 3.3.



# Notes to the Consolidated Financial Statements

## 5 Segment information and Revenue

The chief operating decision-maker (“CODM”) identifies operating segments based on the internal organisation structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments. An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group’s management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment. The CODM considers that the Group’s operations are operated and managed as a single operating segment which is intra-city on-demand delivery service business under the requirements of IFRS 8 “Operating Segments” and therefore no segment information is presented.

### (a) Revenue by business line and nature

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Intra-city on-demand delivery service (i)	22,898,637	15,746,083

(i) Revenue is recognised upon the delivery of the above service which is normally completed within one day.

### (b) Unsatisfied performance obligations

For Intra-city on-demand delivery service, it is rendered normally in a single day and there is no unsatisfied performance obligation at the end of financial years.

### (c) Geographical information

Since the Group’s revenue and operating profit were substantially generated in the PRC and the Group’s identifiable assets and liabilities were substantially located in the PRC, no geographical information is presented.

### (d) Information about major customers

The major customers which individually contributed 10% or more of the Group’s total revenue were as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Subsidiaries of SF Holding	10,028,747	6,735,562
Customer A	3,661,593	1,498,864



# Notes to the Consolidated Financial Statements

## 6 Other income

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Government grants (i)	4,087	6,631
Tax preference	–	5,281
Others	616	583
	<b>4,703</b>	<b>12,495</b>

- (i) The government grants mainly included those grants from the local government in recognition of the contribution of the Group to local economy's development.

## 7 Other gains, net

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Fair value changes on financial assets at FVPL (Note 21)	44,381	19,626
Gains on early termination of long-term leases	184	657
Exchange (losses)/gains	(883)	556
Net losses on disposal of property, plant and equipment	(2,248)	(86)
Penalty and compensation	(3,715)	(6,327)
Others	2,294	953
	<b>40,013</b>	<b>15,379</b>



# Notes to the Consolidated Financial Statements

## 8 Expenses by nature

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Labour outsourcing costs	21,299,069	14,564,682
Employee benefit expenses (Note 9)	802,004	662,436
Information service expenses	114,779	79,081
Costs of materials	74,278	71,063
Insurance expenses	61,889	1,020
Marketing and promotion expenses	61,631	76,797
Amortisation of intangible assets (Note 15)	43,032	42,220
Office and rental expenses	38,222	31,972
Other taxes and surcharges	27,104	7,922
Call center service expenses	26,755	28,990
Professional service expenses	24,032	14,786
Depreciation of right-of-use assets (Note 18)	13,556	13,804
Travelling expenses	13,022	12,943
Depreciation of property, plant and equipment (Note 14)	10,421	5,957
Transportation expenses	4,638	727
Auditor's remuneration		
– Audit and audit-related service	2,303	2,460
– Non-audit service	516	661
Others	48,287	36,035
	<b>22,665,538</b>	<b>15,653,556</b>



# Notes to the Consolidated Financial Statements

## 9 Employee benefit expenses

(a) Employee benefit expenses are analysed as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Wages, salaries and bonuses	621,774	613,966
Share-based compensation expenses (Note 29)	136,940	13,392
Pension costs – defined contribution plans (i)	30,307	29,763
Other employee benefits	32,551	30,972
	<b>821,572</b>	688,093
Less: capitalised in intangible assets	<b>(19,568)</b>	(25,657)
	<b>802,004</b>	662,436

- (i) There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

## (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended December 31, 2025 and 2024 include 4 and 4 directors and supervisors respectively whose emoluments are reflected in the analysis shown in Note 42(a). The emoluments paid and payable to the remaining individuals during the years ended December 31, 2025 and 2024, respectively are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Share-based compensation expenses	6,236	–
Wages, salaries and bonuses	1,388	1,407
Pension costs – defined contribution plans	83	40
Other employee benefits	93	68
	<b>7,800</b>	1,515



# Notes to the Consolidated Financial Statements

## 9 Employee benefit expenses (Continued)

### (b) Five highest paid individuals (Continued)

The emoluments of these individuals are within the following bands:

#### Number of individuals

	Year ended December 31,	
	2025	2024
HKD		
Nil – 1,000,000	–	–
1,500,001 – 2,000,000	–	1
2,500,001 – 3,000,000	–	–
7,500,001 – 8,000,000	–	–
8,500,001 – 9,000,000	1	–
	<b>1</b>	<b>1</b>

## 10 Finance income, net

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>Finance income:</b>		
Interest income on deposits in financial institutions	<b>16,609</b>	29,362
<b>Finance costs:</b>		
Interest expenses on leasing liabilities	<b>(735)</b>	(783)
<b>Finance income – net</b>	<b>15,874</b>	28,579



# Notes to the Consolidated Financial Statements

## 11 Net impairment (reversals)/losses on the financial assets

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>(Reversal)/provision of impairment allowance for:</b>		
Trade receivables	(906)	3,072
Other receivables	265	46
	<b>(641)</b>	<b>3,118</b>

## 12 Income tax expenses

### (a) Income tax expenses

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>Mainland China corporate income tax</b>		
Current income tax	1,833	1,568
Deferred income tax (Note 17)	28,529	10,935
Income tax expenses	<b>30,362</b>	<b>12,503</b>

Income tax expenses are recognised based on management's best knowledge of the income tax rates that would be applicable to the full financial year.

The Group's principal applicable taxes and tax rates are as follows:



# Notes to the Consolidated Financial Statements

## 12 Income tax expenses (Continued)

### (a) Income tax expenses (Continued)

#### (i) Mainland China corporate income tax (“CIT”)

CIT was made on the taxable profit of the entities within the Group incorporated in the Mainland China and was calculated in accordance with the relevant tax rules and regulations of the Mainland China after considering the available tax refunds and allowances. The general CIT rate is 25% for the years ended December 31, 2025 and 2024.

The Company’s subsidiary, Shunda Tongxing was qualified as a “high and new technology enterprise” and, accordingly, was eligible for a preferential income tax rate of 15% for the years ended December 31, 2025 and 2024.

The Company’s subsidiaries, Suzhou Fengpai Technology Co., Ltd., Tianjin Fengpai Technology Co., Ltd., Shenzhen Shunfeng Zhilian Technology Co., Ltd., Hangzhou Shunyu Technology Co., Ltd. and Ningbo Shunxiang Fengyi Commerce and Trade Service Co., Ltd. are subject to “small and thin profit enterprises” under the CIT Law, whose preferential income tax rate was 20% for the years ended December 31, 2025 and 2024.

#### (ii) Hong Kong profits tax

Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profit for the years ended December 31, 2025 and 2024.

#### (iii) Corporate income tax in other jurisdictions

Income tax on profits arising from other jurisdictions, including the United Kingdom, Netherlands, Germany and Singapore, had been calculated on the estimated assessable profits for the year at the respective rates prevailing in the relevant jurisdictions, which were typically around 19% but could be higher in certain jurisdictions.

#### (iv) OECD Pillar Two model rules

The Group is within the scope of the Organization for Economic Co-operation and Development (“OECD”) Pillar Two model rules. Pillar Two legislation became effective in certain jurisdictions from January 1, 2024, and has been progressively implemented in Hong Kong and other regions in 2025. Under the legislation, the Group is obligated to pay a top-up tax for the difference if the Global Anti-Base Erosion (“GloBE”) effective tax rate in any jurisdictions that are below the 15% minimum rate.

For the year ended December 31, 2025, the management’s assessment indicates that the quantitative impact of this Pillar Two top-up tax is not material to the Group’s financial statements.



# Notes to the Consolidated Financial Statements

## 12 Income tax expenses (Continued)

### (b) Reconciliation of income tax expenses

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Profit before income tax	308,080	144,963
Tax calculated at applicable statutory tax rate of 25%	77,020	36,241
Different tax rates available to different jurisdictions	(911)	83
Preferential income tax rates applicable to subsidiaries	(7,098)	3,528
Tax effect of unrecognised tax losses and temporary differences (i)	124,112	27,381
Expenses not deductible for tax purposes	24,200	1,834
Income not subject to tax purpose	(6,647)	(804)
Utilization of previously unrecognised tax temporary differences and tax losses	(161,898)	(15,839)
Super deduction of research and development expense	(17,941)	(14,106)
Recognition of tax losses and temporary differences not recognised in prior years	(475)	(25,815)
	<b>30,362</b>	<b>12,503</b>

(i) Unrecognised tax losses and temporary differences

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Unused tax losses for which no deferred tax asset has been recognised	779,882	1,360,155
Unrecognised temporary differences	507,774	73,145
Potential tax impact	<b>270,641</b>	<b>309,644</b>

These substantial tax losses will be expired from 2026 to 2035.



# Notes to the Consolidated Financial Statements

## 13 Earnings per share

### (a) Basic earnings per share for profit attributable to owners of the Company

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of outstanding shares in issue excluding the shares repurchased during the year ended December 31, 2025 and 2024.

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	277,718	132,460
Weighted average number of shares in issue	908,136,433	911,698,325
Basic earnings per share (in RMB)	0.31	0.15

### (b) Diluted earnings per share for profit attributable to owners of the Company

The H Share Incentive Scheme have potential dilutive effect on the EPS. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from H Share Incentive Scheme (collectively forming the denominator for computing the diluted EPS).

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	277,718	132,460
Weighted average number of shares in issue	908,136,433	911,698,325
Adjustments for H Share Incentive Scheme	12,412,691	1,745,171
Weighted average number of ordinary shares for the calculation of diluted EPS	920,549,124	913,443,496
Diluted earnings per share (in RMB)	0.30	0.15



# Notes to the Consolidated Financial Statements

## 14 Property, plant and equipment

	Motor vehicles RMB'000	Computers and electronic equipment RMB'000	Machinery and equipment RMB'000	Office equipment and other equipment RMB'000	Total RMB'000
<b>Year ended December 31, 2025</b>					
Opening net book amount	12,077	6,645	984	2,439	22,145
Additions	25,177	6,900	91	3,707	35,875
Disposals	(7,925)	(291)	(417)	(180)	(8,813)
Depreciation	(5,614)	(3,449)	(104)	(1,254)	(10,421)
Closing net book amount	23,715	9,805	554	4,712	38,786
<b>At December 31, 2025</b>					
Cost	30,678	34,848	1,158	19,631	86,315
Accumulated depreciation	(6,963)	(25,043)	(604)	(14,919)	(47,529)
Closing net book amount	23,715	9,805	554	4,712	38,786

	Motor vehicles RMB'000	Computers and electronic equipment RMB'000	Machinery and equipment RMB'000	Office equipment and other equipment RMB'000	Total RMB'000
<b>Year ended December 31, 2024</b>					
Opening net book amount	1,882	5,299	1,009	4,003	12,193
Additions	10,825	4,961	148	527	16,461
Disposals	–	(166)	(37)	(349)	(552)
Depreciation	(630)	(3,449)	(136)	(1,742)	(5,957)
Closing net book amount	12,077	6,645	984	2,439	22,145
<b>At December 31, 2024</b>					
Cost	13,426	28,239	1,484	16,104	59,253
Accumulated depreciation	(1,349)	(21,594)	(500)	(13,665)	(37,108)
Closing net book amount	12,077	6,645	984	2,439	22,145



# Notes to the Consolidated Financial Statements

## 14 Property, plant and equipment (Continued)

Depreciation of the Group's property, plant and equipment has been recognised in the consolidated statements of comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Cost of revenue	6,410	1,906
Administrative expenses	2,924	2,981
Research and development expenses	648	597
Selling and marketing expenses	439	473
	10,421	5,957



# Notes to the Consolidated Financial Statements

## 15 Intangible assets

	Software			Total RMB'000
	Developed internally RMB'000	Acquired RMB'000	Development costs in progress RMB'000	
<b>Year ended December 31, 2025</b>				
Opening net book amount	112,026	8,693	1,881	122,600
Additions	–	1,876	19,568	21,444
Transfer	17,945	–	(17,945)	–
Amortisation	(37,797)	(5,235)	–	(43,032)
Net book amount	92,174	5,334	3,504	101,012
<b>At December 31, 2025</b>				
Cost	353,700	53,395	3,504	410,599
Accumulated amortisation	(261,526)	(48,061)	–	(309,587)
Net book amount	92,174	5,334	3,504	101,012
<b>Year ended December 31, 2024</b>				
Opening net book amount	121,057	14,590	2,579	138,226
Additions	–	937	25,657	26,594
Transfer	26,355	–	(26,355)	–
Amortisation	(35,386)	(6,834)	–	(42,220)
Net book amount	112,026	8,693	1,881	122,600
<b>At December 31, 2024</b>				
Cost	335,755	51,519	1,881	389,155
Accumulated amortisation	(223,729)	(42,826)	–	(266,555)
Net book amount	112,026	8,693	1,881	122,600



# Notes to the Consolidated Financial Statements

## 15 Intangible assets (Continued)

### (a) Amortisation

Amortisation of the Group's intangible assets has been recognised in the consolidated statement of comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Cost of revenue	37,281	35,505
Administrative expenses	5,751	6,715
	<b>43,032</b>	42,220

## 16 Investments accounted for using the equity method

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Investment in joint venture	53,726	27,476

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
<b>At beginning of the year</b>	27,476	28,375
Additions	12,500	–
Share of profit/(loss) of joint venture	13,750	(899)
<b>At end of the year</b>	<b>53,726</b>	27,476



# Notes to the Consolidated Financial Statements

## 16 Investments accounted for using the equity method (Continued)

As at December 31, 2025, the Group had interests in the following joint venture:

Name of entity	Place of incorporation	Registered capital	Ownership interest held by the Group		Principal activities
			2025	2024	
Indirectly held:					
Xiamen Xiaoyu Qingcheng Venture Investment Partnership (limited partnership) (廈門小雨青城創業投資合夥企業(有限合夥)) (The "Fund")	PRC	RMB 106,320,000	<b>47.03%</b>	38.07%	Strategic investment

In December 2022, Shenzhen SF Intra-city Logistics Co., Ltd. ("Shenzhen Intra-city"), a wholly-owned subsidiary of the Company entered into the Xiamen Xiaoyu Qingcheng Venture Investment Partnership (limited partnership) Partnership Agreement 《廈門小雨青城創業投資合夥企業(有限合夥)合夥協議》 (the "Partnership Agreement") with other third-parties to establish the Fund, an equity investment fund to mainly invest in unlisted enterprises in the fields of intelligence, low carbon and new opportunity areas in local living.

The Group determined that it jointly controls the Fund with the general partner, as the decisions about the relevant activities of the Fund require the unanimous consent of the Group and the general partner.

There is no contingent liabilities relating to the Group's interest in the Fund. The commitment related to the Group's interest in the Fund is set out in Note 37.



# Notes to the Consolidated Financial Statements

## 17 Deferred income tax assets

### (a) Deferred income tax assets

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
The balance comprises temporary differences attributable to:		
– Deductible losses	92,773	141,167
– Accrued expenses	13,791	6,792
– Unrealized gain on intra-group transactions	13,614	–
– Leases	6,791	4,461
– Depreciation and amortisation	1,503	1,466
– Provisions for assets impairment	1,449	1,354
Total gross deferred income tax assets	129,921	155,240
Set-off of deferred income tax assets pursuant to set-off provisions	(8,538)	(5,328)
Net deferred income tax assets	121,383	149,912

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Deferred income tax assets:		
– to be recovered within 12 months	61,311	50,240
– to be recovered after 12 months	68,610	105,000
	129,921	155,240



# Notes to the Consolidated Financial Statements

## 17 Deferred income tax assets (Continued)

### (a) Deferred income tax assets (Continued)

The movement on the gross deferred income tax assets is as follows:

	Accrued expenses	Deductible losses	Provisions for assets impairment	Depreciation and amortisation	Leases	Unrealized gain on intra-group transactions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2025	6,792	141,167	1,354	1,466	4,461	–	155,240
Credit to profit or loss, net	6,999	(48,394)	95	37	2,330	13,614	(25,319)
As at December 31, 2025	13,791	92,773	1,449	1,503	6,791	13,614	129,921
As at January 1, 2024	7,461	150,589	1,216	1,489	5,197	50	166,002
Credit to profit or loss, net	(669)	(9,422)	138	(23)	(736)	(50)	(10,762)
As at December 31, 2024	6,792	141,167	1,354	1,466	4,461	–	155,240

### (b) Deferred income tax liabilities

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
The balance comprises temporary differences attributable to:		
– Leases	7,000	4,408
– Changes in fair value of FVPL	1,411	–
– Depreciation and amortisation	127	920
Total gross deferred income tax liabilities	8,538	5,328
Set-off of deferred income tax liabilities pursuant to set-off provisions	(8,538)	(5,328)
Net deferred income tax liabilities	–	–



# Notes to the Consolidated Financial Statements

## 17 Deferred income tax assets (Continued)

### (b) Deferred income tax liabilities (Continued)

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Deferred income tax liabilities:		
– to be recovered within 12 months	3,107	3,335
– to be recovered after 12 months	5,431	1,993
	<b>8,538</b>	5,328

The movement on the gross deferred income tax liabilities is as follows:

	Depreciation and amortisation	Leases	Changes in fair value of FVPL	Total
	RMB'000	RMB'000	RMB'000	RMB'000
<b>As at January 1, 2025</b>	920	4,408	–	5,328
Credit to profit or loss, net	(793)	2,592	1,411	3,210
<b>As at December 31, 2025</b>	127	7,000	1,411	8,538
<b>As at January 1, 2024</b>	–	5,155	–	5,155
Credit to profit or loss, net	920	(747)	–	173
<b>As at December 31, 2024</b>	920	4,408	–	5,328



# Notes to the Consolidated Financial Statements

## 18 Right-of-use assets

	<b>Properties</b>
	<b>RMB'000</b>
<b>Year ended December 31, 2025</b>	
Opening net book amount	19,203
Additions	28,722
Disposals	(5,667)
Depreciation	(13,556)
Closing net book amount	28,702
<b>At December 31, 2025</b>	
Cost	132,432
Accumulated depreciation	(103,730)
Net book amount	28,702
<b>Year ended December 31, 2024</b>	
Opening net book amount	23,208
Additions	11,332
Disposals	(1,533)
Depreciation	(13,804)
Closing net book amount	19,203
<b>At December 31, 2024</b>	
Cost	109,377
Accumulated depreciation	(90,174)
Net book amount	19,203



# Notes to the Consolidated Financial Statements

## 18 Right-of-use assets (Continued)

Depreciation charge of right-of-use assets was recognised in the consolidated statements of comprehensive income as follow:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Administrative expenses	9,459	8,536
Cost of revenue	2,069	3,290
Research and development expenses	2,028	1,978
	13,556	13,804

## 19 Inventories

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Rider equipments, at cost	7,563	7,513

For the years ended December 31, 2025 and 2024, the cost of inventories recognised as cost or expenses amounted to RMB74,278,000 and RMB71,063,000 respectively.



# Notes to the Consolidated Financial Statements

## 20 Financial assets at fair value through other comprehensive income (FVOCI)

### (i) Classification of financial assets at fair value through other comprehensive income

The equity security is not held for trading and the Group has irrevocably elected at initial recognition to recognise in this category. This is strategic investments and the Group considers this classification to be more relevant.

### (ii) Equity investments at fair value through other comprehensive income

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
<b>Non-current asset</b>		
Equity investments in unlisted entity	17,152	26,585

### (iii) Amounts recognised in other comprehensive income

During the year, the following losses were recognised in other comprehensive income.

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Loss recognised in other comprehensive income (Note 27)	(9,433)	(29,415)



# Notes to the Consolidated Financial Statements

## 20 Financial assets at fair value through other comprehensive income (FVOCI) (Continued)

(iv) No dividend has been paid or declared by the investee during the year ended December 31, 2025 and 2024.

### (v) Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair value is provided in note 3.3.

All of the financial assets at FVOCI are denominated in RMB.

## 21 Financial assets at fair value through profit or loss

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>At the beginning of the year</b>	<b>1,145,859</b>	516,753
Additions	<b>5,016,543</b>	3,630,000
Changes in fair value	<b>44,381</b>	19,626
Disposals	<b>(4,560,290)</b>	(3,027,294)
Currency translation differences	<b>(3,218)</b>	6,774
<b>At the end of the year</b>	<b>1,643,275</b>	1,145,859

As part of the Group's cash management to maximise return on idle cash, the Group invested in certain structured deposit products issued by several PRC commercial banks.



# Notes to the Consolidated Financial Statements

## 22 Financial instruments by category

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
<b>Financial assets</b>		
<b>Financial assets at amortised cost:</b>		
Cash and cash equivalents (Note 25)	1,145,359	1,369,593
Restricted cash (Note 25)	3,557	–
Trade receivables (Note 23)	2,143,744	1,660,432
Other receivables excluding non-financial assets (Note 24)	68,027	69,816
	<b>3,360,687</b>	<b>3,099,841</b>
<b>Financial assets at fair value:</b>		
Financial assets at fair value through profit or loss (Note 21)	1,643,275	1,145,859
Financial assets at fair value through other comprehensive income (Note 20)	17,152	26,585
	<b>1,660,427</b>	<b>1,172,444</b>
<b>Financial liabilities</b>		
<b>Financial liabilities at amortised cost:</b>		
Trade payables (Note 30)	1,380,290	1,029,639
Other payables excluding non-financial liabilities (Note 31)	477,708	266,569
Lease liabilities (Note 33)	27,673	19,477
	<b>1,885,671</b>	<b>1,315,685</b>



# Notes to the Consolidated Financial Statements

## 23 Trade receivables

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade receivables		
– related parties (Note 36 (d))	1,110,307	955,568
– third parties	1,038,576	708,413
	<b>2,148,883</b>	1,663,981
Impairment loss allowance	<b>(5,139)</b>	(3,549)
	<b>2,143,744</b>	1,660,432

(a) The following is an ageing analysis of trade receivables presented based on billing date:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 30 days	1,817,647	1,421,149
30 to 180 days	331,236	242,832
	<b>2,148,883</b>	1,663,981

(b) Movements on the Group's impairment loss allowance of trade receivables are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>At the beginning of the year</b>	<b>(3,549)</b>	(2,802)
Reversal/(provision) of impairment allowance	906	(3,072)
Written off as uncollectible	107	2,325
Recovery of previously written-off bad debts	<b>(2,603)</b>	–
<b>At the end of the year</b>	<b>(5,139)</b>	(3,549)

(c) The majority of the Group's trade receivables were denominated in RMB.



# Notes to the Consolidated Financial Statements

## 24 Other receivables and prepayments

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Other receivables		
– Value-added tax recoverable	75,992	29,781
– Amounts due from related parties (Note 36(d))	51,885	50,506
– Deposits paid	13,158	14,959
– Prepaid social insurance premium	5,554	1,975
– Advances to employees	492	611
– Others	2,864	3,887
	<b>149,945</b>	101,719
Prepayments to suppliers	17,107	16,680
– Less: impairment loss allowance	(372)	(147)
	<b>166,680</b>	118,252

(a) Movements on the Group's impairment loss allowance of other receivables are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>At the beginning of the year</b>	(147)	(101)
Provision of impairment allowance	(265)	(46)
Written off as uncollectible	40	–
<b>At the end of the year</b>	<b>(372)</b>	(147)



# Notes to the Consolidated Financial Statements

## 25 Cash and cash equivalents and restricted cash

### (a) Cash and cash equivalents

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Cash at banks (i)	709,808	635,206
Cash held in other financial institutions (ii)	435,551	733,629
Others	–	758
	<b>1,145,359</b>	<b>1,369,593</b>

(i) As at December 31, 2025, the Group had RMB32.8 million (December 31, 2024: RMB4.4 million) held in a bank account managed by Huabao Trust Co., Ltd. and China CREDIT Trust Co., Ltd, for acquisition of the Company's shares (Note 29) and payable to participants after disposal of shares. Provided that the contractual restrictions on use of the amounts held in the bank account do not change the nature of the deposit, with the result that the Company can access those amounts on demand, the Company includes the amounts in the bank account as a component of 'cash and cash equivalents'.

(ii) As at December 31, 2025 and 2024, the Group had certain amounts of cash held in accounts managed by third party payment platforms in the amount of RMB31.6 million and RMB24.4 million, respectively, and which have been classified as cash and cash equivalents on the consolidated statements of financial position.

As at December 31, 2025, the Group had RMB404.0 million (December 31, 2024: RMB709.2 million) held in accounts managed by SF Holding Group Finance Co., Ltd. ("SF Finance"), a wholly-owned subsidiary of SF Holding which was incorporated upon approval from China Banking and Insurance Regulatory Commission ("CBIRC").

Cash and cash equivalents were denominated in the following currencies:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
RMB	914,787	1,244,983
USD	222,444	110,583
HK\$	3,682	6,857
SGD	3,456	1,722
EUR	975	4,970
GBP	15	478
	<b>1,145,359</b>	<b>1,369,593</b>

### (b) Restricted cash

As at 31 December 2025, restricted cash held at banks of RMB3,557,000 was mainly denominated in RMB, the majority of which was frozen for the share scheme trust and lawsuits.



# Notes to the Consolidated Financial Statements

## 26 Share capital, share premium and treasury shares

	Number of shares	Share capital	Share premium	Treasury shares
		RMB'000	RMB'000	RMB'000
<b>As at January 1, 2024</b>	933,457,707	933,458	4,161,560	(39,279)
Repurchase of shares	–	–	–	(144,252)
Cancellation of shares	(16,082,200)	(16,082)	(133,894)	149,976
Vesting of awarded shares	–	–	(5,964)	–
<b>As at December 31 2024</b>	917,375,507	917,376	4,021,702	(33,555)
Vesting of awarded shares	–	–	7,799	–
<b>As at December 31 2025</b>	<b>917,375,507</b>	<b>917,376</b>	<b>4,029,501</b>	<b>(33,555)</b>

## 27 Other reserves

	Note	Share based compensation reserves	Financial assets at FVOCI	Foreign currency translation	Deemed contribution reserves	Others	Total other reserves
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at January 1, 2024</b>		402,614	(5,134)	(1,538)	435,251	64	831,257
Share-based compensation expenses	9	13,392	–	–	–	–	13,392
Revaluation of financial assets at FVOCI	20	–	(29,415)	–	–	–	(29,415)
Currency translation differences		–	–	7,249	–	–	7,249
<b>Balance at December 31, 2024</b>		416,006	(34,549)	5,711	435,251	64	822,483
<b>Balance at January 1, 2025</b>		<b>416,006</b>	<b>(34,549)</b>	<b>5,711</b>	<b>435,251</b>	<b>64</b>	<b>822,483</b>
Share-based compensation expenses	9	<b>136,940</b>	–	–	–	–	<b>136,940</b>
Vesting of awarded shares (i)		<b>(19,440)</b>	–	–	–	–	<b>(19,440)</b>
Revaluation of financial assets at FVOCI	20	–	<b>(9,433)</b>	–	–	–	<b>(9,433)</b>
Currency translation differences		–	–	<b>(10,701)</b>	–	–	<b>(10,701)</b>
<b>Balance at December 31, 2025</b>		<b>533,506</b>	<b>(43,982)</b>	<b>(4,990)</b>	<b>435,251</b>	<b>64</b>	<b>919,849</b>

- (i) During the year ended 31 December 2025, the Employee Incentive Scheme Trust vested 1,434,540 ordinary shares of the Company (2024: 735,000 ordinary shares) to the share awardees, with an equivalent value of 12,476,169 trust benefit units (Note 29).



# Notes to the Consolidated Financial Statements

## 28 Accumulated losses

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>At the beginning of the year</b>	<b>(2,721,072)</b>	(2,853,532)
Profit for the year	277,718	132,460
<b>At the end of the year</b>	<b>(2,443,354)</b>	(2,721,072)

## 29 Share-based payments

The Company adopted an employee incentive scheme (the "Employee Incentive Scheme") on April 19, 2023 and amended and renamed it as the "H Share Incentive Scheme" on May 28, 2025 (the "H Share Incentive Scheme"). The amendments were made to: (i) update the maximum number of H shares available for grant under the Employee Incentive Scheme in accordance with the latest share capital structure; (ii) introduce award shares (fundable by both existing and new H shares) as an additional incentive form, thereby diversifying and enhancing the flexibility of the equity incentive framework; (iii) optimize the incentive mechanism by increasing incentives for core participants, aiming to attract, motivate, and retain key individuals; and (iv) closely align the interests of the Company with those of its employees, service providers, shareholders, and investors.

To implement the employee incentive scheme, the Company has established a trust named the "Employee Incentive Scheme Trust" in 2023 to hold and administer the beneficial interests under the Employee Incentive Scheme, and a trust named the "H Share Incentive Scheme Trust" in 2025 to hold the award shares under the H Share Incentive Scheme (collectively, the "Trusts"), with an independent trustee appointed for each trust to hold and administer the relevant shares acquired by the Company. The Trusts purchase the H shares of the Company in the market using the Company's own funds, in accordance with the Trusts' agreements, the instructions of the Company and the relevant provisions of the H Share Incentive Scheme rules. Pursuant to the H Share Incentive Scheme, eligible participants are granted awards in the form of either trust benefit units, each corresponding to a specified number of the Company's shares, or H shares of the Company awarded directly, in each case for no cash consideration.

As the Trusts were set up for the H Share Incentive Scheme which is designed by the Company, and the Company can derive benefits from the contributions of the eligible persons who are awarded with the trust benefit units or H shares by the scheme, the Trusts are controlled by the Group in accordance with *IFRS 10 – Consolidated financial statements*. The consideration paid by the Company for purchasing the Company's shares through the Trusts from the market is presented as "Shares held for employee incentive scheme" and the amount is deducted from total equity.

During the year ended December 31, 2025, the H Share Incentive Scheme Trust has purchased 6,445,000 H shares of the Company with approximately RMB73,218,000 under the H Share Incentive Scheme.



# Notes to the Consolidated Financial Statements

## 29 Share-based payments (Continued)

### (a) Employee Incentive Scheme

Movement in the number of awarded trust benefit units for the year ended December 31, 2025 is as follows:

	<b>Number of awarded trust benefit units</b>
<b>At the beginning of the year</b>	37,788,535
Vested during the year	(12,476,169)
Forfeited during the year	(2,258,743)
<b>At the end of the year</b>	<b>23,053,623</b>

The fair value of the granted trust benefit units was assessed based on the market price of the Company's shares at the grant date and the expected trustee administrative fee during the vesting period.

The vesting period of the Trust Benefit Units granted is as follows: 30% shall be vested on the first anniversary of the date of grant, 30% shall be vested on the second anniversary of the date of grant and 40% shall be vested on the third anniversary of the date of grant upon fulfilment of the assessment conditions including the Company's performance indicators, personal performance target and any other applicable vesting conditions as set out in the award letter.

The expenses arising from the Employee Incentive Scheme recognised for the year ended December 31, 2025 are RMB14,817,000.

### (b) H Share Incentive Scheme

Movement in the number of awarded shares for the year ended December 31, 2025 is as follows:

	<b>Number of awarded shares</b>
<b>At the beginning of the year</b>	–
Granted during the year	26,943,671
<b>At the end of the year</b>	<b>26,943,671</b>

The shares granted vest in tranches from the grant date over a certain service period and may be subject to certain vesting conditions as stated in the award letter. Once the vesting conditions, including the Company's performance indicators, personal performance target, are met, the shares are considered duly and validly vested.

The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date, which was to be expensed over the vesting period.

The expenses arising from the H Share Incentive Scheme recognised for the year ended December 31, 2025 are RMB122,123,000.



# Notes to the Consolidated Financial Statements

## 30 Trade payables

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade payables to third parties	1,356,531	1,009,595
Trade payables to related parties (Note 36 (d))	23,759	20,044
	<b>1,380,290</b>	1,029,639

The aging analysis of the trade payables based on the recognition date are as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 3 months	1,338,900	984,253
3 months to 1 year	32,559	35,653
Over 1 year	8,831	9,733
	<b>1,380,290</b>	1,029,639



# Notes to the Consolidated Financial Statements

## 31 Other payables and accruals

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Deposits received	308,890	227,420
Salaries, wage and accrued bonus	271,724	291,865
Customer advances (i)	106,098	–
Other tax payable	30,396	13,143
Amounts due to related parties (Note 36 (d))	6,381	2,008
Payables for assets purchases	1,340	5,068
Others	54,999	32,073
	<b>779,828</b>	<b>571,577</b>

- (i) The Group receives payments from customers based on the billing schedule as established in contracts. Payments are usually received in advance under the contracts which are mainly for providing intra-city on-demand delivery service.

Effective January 1, 2025, the Group updated its standard customer contract terms to include refund provisions. Consequently, customer advance payments received on or after this date, which are refundable, are presented within other payables and accruals (previously presented as contract liabilities for non-refundable advances received under contracts dated on or before December 31, 2024).

## 32 Contract liabilities

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Contract liabilities – Intra-city on-demand delivery service		
– Third parties	112	87,644
– Related parties (Note 36 (d))	240	698
Total current contract liabilities	<b>352</b>	<b>88,342</b>

### (a) Revenue recognised in relation to contract liabilities

For the year ended December 31, 2024, the amount recognised as revenue with respect to the contract liabilities balance at the beginning of the year was RMB70,351,000.

The decrease in contract liabilities during the years ended December 31, 2025 was mainly attributable to the change in customer payment terms from non-refundable to refundable, as mentioned in Note 31.



# Notes to the Consolidated Financial Statements

## 33 Lease liabilities

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
<b>Minimum lease payments due</b>		
– Within 1 year	12,409	10,816
– Between 1 and 2 years	9,849	5,142
– Between 2 and 5 years	6,489	3,985
– Later than 5 years	–	481
	<b>28,747</b>	20,424
Less: future finance charges	(1,074)	(947)
Present value of lease liabilities	<b>27,673</b>	19,477
<b>At the end of the year</b>		
– Within 1 year	11,662	10,337
– Between 1 and 2 years	9,692	4,885
– Between 2 and 5 years	6,319	3,779
– Later than 5 years	–	476
	<b>27,673</b>	19,477

The Group leases various properties to operate its businesses and these lease liabilities were measured at net present value of the lease payments during the lease terms that are not yet paid. No extension options are included in such property leases across the Group.

Expense relating to short-term leases and low-value assets leases (included in cost of goods sold, administrative expenses and selling expenses) for the year ended December 31, 2025 was RMB11,880,000 (for the year ended December 31, 2024: RMB6,105,000).

The total cash outflow for leases for the year ended December 31, 2025 was RMB27,290,000 (for the year ended December 31, 2024: RMB22,522,000).

## 34 Dividends

No dividend has been paid or declared by the Group during each of the financial years ended December 31, 2025 and 2024.



# Notes to the Consolidated Financial Statements

## 35 Notes to consolidated statements of cash flows

### (a) Net cash generated from operations

Reconciliation from profit before income tax to cash generated from operations:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
<b>Profit before income tax</b>	<b>308,080</b>	144,963
<b>Adjustments for:</b>		
Share-based compensation expense (Note 9)	<b>136,940</b>	13,392
Amortisation of intangible assets (Note 15)	<b>43,032</b>	42,220
Depreciation of right-of-use assets (Note 18)	<b>13,556</b>	13,804
Depreciation of property, plant and equipment (Note 14)	<b>10,421</b>	5,957
Net impairment (reversals)/losses on the financial assets	<b>(641)</b>	3,118
Finance income, net	<b>(15,874)</b>	(28,579)
Losses on disposals of property, plant and equipment (Note 7)	<b>2,248</b>	86
Gains on early termination of long-term leases (Note 7)	<b>(184)</b>	(657)
Share of (profit)/loss of a joint venture accounted for using the equity method (Note 16)	<b>(13,750)</b>	899
Fair value changes on financial assets at FVPL (Note 7)	<b>(44,381)</b>	(19,626)
Operating cash flows before changes in working capital	<b>439,447</b>	175,577
Changes in working capital:		
Increase in inventories	<b>(50)</b>	(659)
(Increase)/decrease in restricted cash	<b>(2,799)</b>	2,150
Increase in trade receivables, other receivables and prepayments	<b>(532,278)</b>	(426,480)
Increase in trade and other payables and contract liabilities	<b>474,746</b>	497,039
<b>Cash generated from operations</b>	<b>379,066</b>	247,627



# Notes to the Consolidated Financial Statements

## 35 Notes to consolidated statements of cash flows (Continued)

### (b) Analysis of liabilities arising from financing activities

This section sets out an analysis of liabilities arising from financing activities and the movements in the liabilities arising from financing activities for each of the years presented.

	<b>Lease liabilities</b>
	<b>RMB'000</b>
<b>Balance as at January 1, 2025</b>	<b>19,477</b>
Cash flows	(15,410)
Interest expenses accrued	735
Addition	28,722
Disposal	(5,851)
<b>Balance as at December 31, 2025</b>	<b>27,673</b>
<b>Balance as at January 1, 2024</b>	23,890
Cash flows	(14,338)
Interest expenses accrued	783
Addition	11,332
Disposal	(2,190)
<b>Balance as at December 31, 2024</b>	<b>19,477</b>

### (c) Non-cash investing and financing activities

Non-cash transactions are primarily related to the changes in other payables related to property and equipment additions described in Note 14, the addition of right-of-use assets and lease liabilities described in Note 18 and Note 33. Other than these aforementioned, there were no other material non cash investing and financing transactions for the years ended December 31, 2025 and 2024.



# Notes to the Consolidated Financial Statements

## 36 Related party transactions

### (a) Names and relationships with related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control or joint control. Members of key management and their close family members of the Group are also considered as related parties.

Save as disclosed in note 40 and 42 of this report, the directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group during the years ended December 31, 2025 and 2024:

Name of related parties	Relationship with the Group
SF Taisen	Parent company
SF Holding	Intermediate holding company
Mingde Holding	Ultimate holding company
Subsidiaries of SF Holding	Companies controlled by SF Holding
Subsidiaries of Mingde Holding	Companies controlled by Mingde Holding
Beijing Shunhetongxin Technology Co., Ltd.	Joint venture of SF Holding
Qingdao IoT Shuntong Supply Chain Management Co., Ltd.	Joint venture of SF Holding
White Rhino Zhida	Associate of the Group

### (b) Key management compensation

Key management includes directors and supervisors and the senior management of the Group.

The compensation paid or payable to key management for employee services is shown below:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Share-based compensation expenses	22,900	4,416
Wages, salaries and bonuses	8,872	8,930
Fees	1,100	1,096
Pension costs – defined contribution plans	365	233
Other employee benefits	439	363
	<b>33,676</b>	<b>15,038</b>



# Notes to the Consolidated Financial Statements

## 36 Related party transactions (Continued)

### (c) Significant transactions with related parties

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
<b>Intra-city on-demand delivery business and other business revenue</b>		
– Subsidiaries of SF Holding	10,028,747	6,735,562
– Others	7,233	3,749
	<b>10,035,980</b>	<b>6,739,311</b>
<b>Comprehensive services and material purchasing fee (Note i)</b>		
– Subsidiaries of SF Holding	54,333	46,634
– Others	79	832
	<b>54,412</b>	<b>47,466</b>
<b>Rental expense</b>		
– Subsidiaries of SF Holding	9,512	1,685
– Others	625	–
	<b>10,137</b>	<b>1,685</b>
<b>Interest income of deposits (Note ii)</b>		
– Subsidiaries of SF Holding	7,716	5,193
<b>Outsourcing services and labor safety supplies purchasing fee</b>		
– Subsidiaries of SF Holding	714	196
– Others	31,519	11,685
	<b>32,233</b>	<b>11,881</b>
<b>Asset acquisitions</b>		
– Subsidiaries of SF Holding	–	4,691
<b>Purchase of fixed assets</b>		
– White Rhino Zhida	24,904	–

Note i: Comprehensive services and material purchasing fee mainly include the costs and expenses of technical services, call center services and integrated support services.

Note ii: During the year ended December 31, 2024, the Company entered into the Financial Service Agreement with SF Finance, pursuant to which SF Finance provides deposits and related services and settlement services in the PRC to the members of the Group.

Note iii: Transactions with related companies are determined based on terms mutually agreed between the relevant parties.



# Notes to the Consolidated Financial Statements

## 36 Related party transactions (Continued)

### (d) Balances with related parties

	As at December 31,	
	2025 RMB'000	2024 RMB'000
<b>Cash deposited in related party (Note 25(ii))</b>		
– Subsidiaries of SF Holding	404,011	709,188
<b>Trade receivables from related parties (Note 23)</b>		
– Subsidiaries of SF Holding	1,110,207	954,931
– Others	100	637
	1,110,307	955,568
<b>Prepayments to related parties</b>		
– Subsidiaries of SF Holding	32	186
– Others	–	120
	32	306
<b>Trade payables to related parties (Note 30) (i)</b>		
– Subsidiaries of SF Holding	21,956	19,526
– Others	1,803	518
	23,759	20,044
<b>Lease liabilities to related parties</b>		
– Subsidiaries of SF Holding	16,262	4,071
– Subsidiaries of Mingde Holding	2,997	2,331
	19,259	6,402
<b>Contract liabilities from related parties (Note 32)</b>		
– Subsidiaries of SF Holding	240	388
– Others	–	310
	240	698
<b>Amounts due from related parties (Note 24) (ii)</b>		
– Subsidiaries of SF Holding	51,784	50,306
– Others	101	200
	51,885	50,506
<b>Amounts due to related parties (Note 31) (iii)</b>		
– Subsidiaries of SF Holding	5,717	1,938
– Others	664	70
	6,381	2,008



# Notes to the Consolidated Financial Statements

## 36 Related party transactions (Continued)

### (d) Balances with related parties (Continued)

- (i) Trade payables to related parties are granted with a credit period of 30 days.
- (ii) The Company entered into the Fund Collection Service Framework Agreement with SF Holding on November 19, 2021, pursuant to which SF Holding and/or its subsidiaries will provide fund collection service to the Group. According to the agreement, SF Holding and/or its subsidiaries do not charge any commission fee for the transactions. As at December 31, 2025 and 2024, the balances were unsecured, interest-free, and collectible on demand.
- (iii) As at December 31, 2025 and 2024, the balances were unsecured, interest-free, and repayable on demand.

## 37 Commitments

Leases not yet commenced to which the Group is committed are as follows

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 1 year	2,415	909

Significant capital expenditure contracted for at the end of the years but not recognised as liabilities are as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Investment accounted for using equity method	12,500	25,000

## 38 Contingency

The Group is subject to a number of legal proceedings that generally arise in the ordinary course of its business. The Group is of view that any currently pending legal proceeding to which the Group is a party will not have a material adverse effect on the consolidated financial statements.

## 39 Subsequent events

The Group had no material events during the period from January 1, 2026 to the approval date of the consolidated financial statements by the Board of Directors on March 30, 2026.



# Notes to the Consolidated Financial Statements

## 40 Subsidiaries

The Company's major subsidiaries at December 31, 2025 are set out below. The subsidiaries have share capital consisting solely of ordinary shares that are held directly or indirectly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Name of subsidiaries	Place of incorporation and kind of legal entity	Registered capital/ paid-in capital	Ownership interest held by the group		Principal activities and place of operation
			2025	2024	
<b>Directly held:</b>					
Shenzhen SF Intra-city Logistics Co., Ltd. (深圳市順豐同城物流有限公司)	PRC, Limited liability company	RMB3,700,152,122/ RMB3,700,152,122	<b>100%</b>	100%	Third party on-demand delivery services in PRC
Shenzhen Zhongplus Internet Technology Co., Ltd. (深圳市眾普拉斯網絡科技有限公司)	PRC, Limited liability company	RMB39,215,686/ RMB2,000,000	<b>100%</b>	100%	Information technology services in PRC
Shanghai Fengpai Supply Chain Management Co., Ltd. (上海豐湃供應鏈管理有限公司)	PRC, Limited liability company	RMB70,000,000/ RMB70,000,000	<b>100%</b>	100%	Third party on-demand delivery services in PRC
Beijing Shunda Tongxing Technology Co., Ltd. (北京順達同行科技有限公司)	PRC, Limited liability company	RMB800,000,000/ RMB795,081,912	<b>100%</b>	100%	Software development and information technology services in PRC
SF Intra-city Holding Limited	HK, Limited liability company	USD30,000,000/ USD30,000,000	<b>100%</b>	100%	Investment holding in PRC
Shenzhen Fengsuqihang Technology Co., Ltd. (深圳市豐速啟航科技有限公司)	PRC, Limited liability company	RMB1,000,000/ Nil	<b>100%</b>	100%	Information technology services in PRC
Ningbo Shunxiang Fengyi Commerce and Trade Service Co., Ltd. (寧波市順享豐易商貿服務有限公司)	PRC, Limited liability company	RMB10,000,000/ Nil	<b>100%</b>	100%	Procurement of equipment in PRC
Harvest Mind Limited	HK, Limited liability company	HK\$1/ HK\$1	<b>100%</b>	100%	Investment holding in PRC
Hangzhou Shunyu Technology Co., Ltd. (杭州順譽科技有限公司)	PRC, Limited liability company	RMB10,000,000/ Nil	<b>100%</b>	100%	Third party on-demand delivery services in PRC
Shenzhen Shunfeng Zhilian Technology Co., Ltd. (深圳順豐智聯科技有限公司) (i)	PRC, Limited liability company	RMB10,000,000/ Nil	<b>100%</b>	–	Information technology services in PRC
<b>Indirectly held:</b>					
Suzhou Fengpai Technology Co., Ltd. (蘇州豐湃科技有限公司)	PRC, Limited liability company	RMB5,000,000/ RMB700,000	<b>100%</b>	100%	Third party on-demand delivery services in PRC
Tianjin Fengpai Technology Co., Ltd. (天津豐湃科技有限公司)	PRC, Limited liability company	RMB10,000,000/ RMB400,000	<b>100%</b>	100%	Information technology services in PRC



# Notes to the Consolidated Financial Statements

## 40 Subsidiaries (Continued)

Name of subsidiaries	Place of incorporation and kind of legal entity	Registered capital/ paid-in capital	Ownership interest held by the group		Principal activities and place of operation
			2025	2024	
SF Intra-city (Hong Kong) Limited	HK, Limited liability company	HK\$10,000/ Nil	100%	100%	Third party on-demand delivery services in PRC
SF Intra-city Delivery (Hong Kong) Limited	HK, Limited liability company	HK\$10,000/ Nil	100%	100%	Third party on-demand delivery services in HK
Shunda Tongxing (Hong Kong) Limited (i)	HK, Limited liability company	HK\$10,000/ Nil	100%	–	Third party on-demand delivery services in HK
SF Intra-city Delivery (Netherlands) B.V.	NL, Limited liability company	EUR 350,060/ EUR 350,060	100%	100%	Investment holding, logistics and delivery services in NL
SF Intra-city Delivery (UK) Limited	UK, Limited liability company	EUR 380,000/ EUR 380,000	100%	100%	Logistics and delivery services in UK
SF Intra-city Delivery (Germany) GmbH	GER, Limited liability company	EUR 25,000/ EUR 25,000	100%	100%	Logistics and delivery services in GER
Ample Ornate Limited	BVI, Limited liability company	USD1/ USD1	100%	100%	Investment holding in PRC
SF INTRACITY (SINGAPORE) PTE. LTD.	SGP, Limited liability company	SGD500,000/ Nil	100%	100%	SaaS Software, Intracity Delivery in SGP

(i) The subsidiary was newly established during this year.



# Notes to the Consolidated Financial Statements

## 41 Statement of financial position and reserves movements of the Company

### (a) Company statement of financial position

	Notes	As at December 31,	
		2025 RMB'000	2024 RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		432,487	–
Investment in the subsidiaries		5,181,204	4,766,371
<b>Total non-current assets</b>		<b>5,613,691</b>	<b>4,766,371</b>
<b>Current assets</b>			
Trade receivables		11,425	–
Other receivables and prepayments		39,356	11,808
Amounts due from related parties		38,925	3,258
Financial assets at fair value through profit or loss		1,303,813	741,575
Cash and cash equivalents		848,916	1,210,895
Restricted cash		315	–
Contribution to share scheme trust		33,771	5,043
<b>Total current assets</b>		<b>2,276,521</b>	<b>1,972,579</b>
<b>Total assets</b>		<b>7,890,212</b>	<b>6,738,950</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		917,376	917,376
Share premium		4,029,501	4,021,702
Treasury shares		(33,555)	(33,555)
Shares held for employee share scheme		(107,983)	(46,406)
Other reserves	41(b)	533,506	416,006
Accumulated losses	41(b)	(522,759)	(425,955)
<b>Total equity</b>		<b>4,816,086</b>	<b>4,849,168</b>



# Notes to the Consolidated Financial Statements

## 41 Statement of financial position and reserves movements of the Company (Continued)

### (a) Company statement of financial position (Continued)

	Notes	As at December 31,	
		2025	2024
		RMB'000	RMB'000
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables		16,965	14,095
Other payables and accruals		24,836	16,145
Amounts due to related parties		3,032,325	1,859,542
<b>Total current liabilities</b>		<b>3,074,126</b>	1,889,782
<b>Total liabilities</b>		<b>3,074,126</b>	1,889,782
<b>Total equity and liabilities</b>		<b>7,890,212</b>	6,738,950

The statement of financial position of the Company was approved by the Board of Directors on March 30, 2026 and was signed on its behalf:

**Sun Haijin**

*Director*

**Chan Hey Man**

*Director*



# Notes to the Consolidated Financial Statements

## 41 Statement of financial position and reserves movements of the Company (Continued)

### (b) Reserves movements of the Company

	Other reserves RMB'000	Accumulated losses RMB'000
<b>Balance as at January 1, 2025</b>	<b>416,006</b>	<b>(425,955)</b>
Equity-settled share-based payments (Note 9)	136,940	–
Vesting of awarded shares (Note 27)	(19,440)	–
Loss for the year	–	<b>(96,804)</b>
<b>Balance as at December 31, 2025</b>	<b>533,506</b>	<b>(522,759)</b>
<b>Balance as at January 1, 2024</b>	402,614	(405,727)
Equity-settled share-based payments (Note 9)	13,392	–
Loss for the year	–	(20,228)
<b>Balance as at December 31, 2024</b>	416,006	(425,955)



# Notes to the Consolidated Financial Statements

## 42 Benefits and interests of directors and supervisors

### (a) Directors' and supervisors' emoluments

Remuneration of directors and supervisors during the years ended December 31, 2025 and 2024 were as follows:

	Fees	Salaries and wages	Share-based compensation expense	Allowances and benefits in kind	Employer's contribution to retirement benefit plan	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Year ended December 31, 2025</b>						
Executive directors						
Mr. Sun Haijin (Chairman of the Board and Chief Executive Officer)	-	2,309	-	93	83	2,485
Mr. Chan Hey Man	-	1,913	6,823	2	14	8,752
Mr. Chen Lin	-	2,203	4,328	159	103	6,793
Non-executive Directors(i)						
Ms. Li Juhua	-	-	-	-	-	-
Mr. Han Liu	-	-	-	-	-	-
Mr. Lei Yanqun	-	-	-	-	-	-
Mr. Li Qiuyu	-	-	-	-	-	-
Mr. Geng Yankun	-	-	-	-	-	-
Independent non-executive Directors						
Mr. Chan Kok Chung, Johnny	275	-	-	-	-	275
Mr. Wong Hak Kun	275	-	-	-	-	275
Mr. Zhou Xiang	275	-	-	-	-	275
Ms. Huang Jing	275	-	-	-	-	275
Supervisors (ii)						
Ms. Gao Yuan	-	-	-	-	-	-
Mr. Wu Guozhong	-	-	-	-	-	-
Ms. Su Xiaohui	-	1,058	5,513	93	83	6,747
<b>Total</b>	<b>1,100</b>	<b>7,483</b>	<b>16,664</b>	<b>347</b>	<b>283</b>	<b>25,877</b>



# Notes to the Consolidated Financial Statements

## 42 Benefits and interests of directors and supervisors (Continued)

### (a) Directors' and supervisors' emoluments (Continued)

	Fees	Salaries and wages	Share-based compensation expense	Allowances and benefits in kind	Employer's contribution to retirement benefit plan	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Year ended December 31, 2024</b>						
Executive directors						
Mr. Sun Haijin (Chairman of the Board and Chief Executive Officer)	–	2,328	–	68	40	2,436
Mr. Chan Hey Man	–	1,913	4,416	2	12	6,343
Mr. Chen Lin	–	2,205	–	157	102	2,464
Non-executive Directors						
Ms. Li Juhua	–	–	–	–	–	–
Mr. Han Liu	–	–	–	–	–	–
Mr. Li Qiuyu	–	–	–	–	–	–
Mr. Geng Yankun	–	–	–	–	–	–
Independent non-executive Directors						
Mr. Chan Kok Chung, Johnny	274	–	–	–	–	274
Mr. Wong Hak Kun	274	–	–	–	–	274
Mr. Zhou Xiang	274	–	–	–	–	274
Ms. Huang Jing	274	–	–	–	–	274
Supervisors						
Ms. Gao Yuan	–	–	–	–	–	–
Mr. Wu Guozhong	–	–	–	–	–	–
Ms. Su Xiaohui	–	1,077	–	68	40	1,185
<b>Total</b>	<b>1,096</b>	<b>7,523</b>	<b>4,416</b>	<b>295</b>	<b>194</b>	<b>13,524</b>



# Notes to the Consolidated Financial Statements

## 42 Benefits and interests of directors and supervisors (Continued)

### (a) Directors' and supervisors' emoluments (Continued)

- (i) Mr. Han Liu has resigned as a non-executive director of the Company with effect from July 23, 2025. Concurrently, Mr. Lei Yanqun was appointed as a non-executive director on the same date.
- (ii) Pursuant to a resolution of the board, the Supervisory Committee of the Group was terminated with effect from December 30, 2025. All authorities and responsibilities thereof under the Company Law and the Articles of Association have been transferred to the Audit Committee.
- (iii) No emoluments have been paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office or no director waived or agreed to waive any emoluments during the years ended December 31, 2025 and 2024.

### (b) Directors' retirement and termination benefits

No retirement or termination benefits have been paid to the Company's directors for the years ended December 31, 2025 and 2024.

### (c) Consideration provided to third parties for making available directors' services

No consideration was provided to third parties for making available directors' services during the years ended December 31, 2025 and 2024.

### (d) Information about loans, quasi-loans or other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans or other dealings were entered into by the Company in favor of directors, controlled bodies corporate by and connected entities with such directors during the years ended December 31, 2025 and 2024.

### (e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which directors of the Company had a material interest, whether directly or indirectly, subsisted at the end of the years or at any time during the years ended December 31, 2025 and 2024.



# Financial Summary

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended December 31,				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(Restated) <sup>(i)</sup>			
Revenues	8,173,953	10,228,787	12,387,416	15,746,083	<b>22,898,637</b>
Gross(loss)/profit	94,809	410,727	794,740	1,071,496	<b>1,444,529</b>
(Loss)/profit before income tax	(902,586)	(239,587)	62,589	144,963	<b>308,080</b>
(Loss)/profit for the year	(898,851)	(286,903)	50,595	132,460	<b>277,718</b>
(Loss)/profit attributable to owners of the Company	(898,851)	(286,903)	50,595	132,460	<b>277,718</b>
Total comprehensive (loss)/income for the year	(898,851)	(292,906)	49,337	110,294	<b>257,584</b>
Total comprehensive (loss)/income for the year attributable to owners of the Company	(898,851)	(292,906)	49,337	110,294	<b>257,584</b>

(i) The figures presented in the consolidated statement of comprehensive income for the year ended December 31, 2022, represented the restated amounts from the continuing operations.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at December 31,				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>ASSETS</b>					
Non-current assets	375,555	677,218	419,042	398,084	<b>499,838</b>
Current assets	3,833,360	3,425,455	3,780,649	4,271,649	<b>4,971,225</b>
<b>Total assets</b>	<b>4,208,915</b>	<b>4,102,673</b>	<b>4,199,691</b>	<b>4,669,733</b>	<b>5,471,063</b>
<b>LIABILITIES</b>					
Non-current liabilities	20,505	17,311	11,483	9,140	<b>16,011</b>
Current liabilities	878,967	1,068,825	1,207,114	1,700,065	<b>2,173,218</b>
<b>Total liabilities</b>	<b>899,472</b>	<b>1,086,136</b>	<b>1,218,597</b>	<b>1,709,205</b>	<b>2,189,229</b>
<b>EQUITY</b>					
Equity attributable to owners of the Company	3,309,443	3,016,537	2,981,094	2,960,528	<b>3,281,834</b>
<b>Total equity</b>	<b>3,309,443</b>	<b>3,016,537</b>	<b>2,981,094</b>	<b>2,960,528</b>	<b>3,281,834</b>
<b>Total equity and liabilities</b>	<b>4,208,915</b>	<b>4,102,673</b>	<b>4,199,691</b>	<b>4,669,733</b>	<b>5,471,063</b>



## Definitions

<b>“AI”</b>	artificial intelligence
<b>“active consumer(s)”</b>	refers to the number of unique consumer accounts that purchase a particular service at least once during the prescribed period
<b>“active merchant(s)”</b>	refers to the number of unique merchant accounts that purchase a particular service at least once during the prescribed period
<b>“active rider(s)”</b>	refers to the number of unique rider(s) who fulfil at least one order during the prescribed period
<b>“Articles of Association” or “Articles”</b>	the articles of association of the Company currently in force
<b>“Audit Committee”</b>	the audit committee of the Company
<b>“Award”</b>	an award granted to a Grantee under the Scheme (including Trust Benefit Units and/or Award Shares), which will, upon vesting, entitle such Eligible Participants to receive Award Shares, the Actual Selling Price, and/or Cash Returns, as determined by the Board and/or its Delegatee at their absolute discretion in accordance with the terms of the Scheme. For avoidance of doubt, the Award does not include any option to subscribe for new H Shares
<b>“Award Letter”</b>	a letter from the Company to the Grantees involving matters including (i) the name of the Grantee; (ii) the Trust Benefit Units granted; (iii) the vesting criteria and conditions; (iv) the vesting date(s); and (v) other terms and conditions to be determined by the Board and/or the Delegatee that are not inconsistent with the Employee Incentive Scheme
<b>“Award Shares”</b>	H Shares that the Grantees will receive upon the vesting of the relevant Awards (or any part thereof), which may be provided by the Company through the issuance of new H Shares in accordance with the Scheme or by purchasing existing H Shares through on-market or off-market transactions, as determined by the Board and/or its Delegatee at its absolute discretion. For the avoidance of doubt, the issuance of new H Shares includes the transfer of Treasury Share
<b>“Award Share Trust”</b>	has the meaning ascribed to it under Clause 3.4(1) of the Scheme Rules
<b>“Board” or “Board of Directors”</b>	the board of Directors of the Company
<b>“Celestial Ocean Investment Limited”</b>	Celestial Ocean Investment Limited, a limited company incorporated in Hong Kong, a subsidiary of SF Holding (HK) Limited
<b>“China” or “PRC”</b>	the People’s Republic of China, but for the purpose of this annual report and for geographical reference only, except where the context requires, references in this annual report to “China” and the “PRC” do not apply to Hong Kong, Macau and Taiwan



# Definitions

<b>“CLS”</b>	City Logistics System. This system utilises big data analytics and AI technologies, featuring core functions including business forecast and planning, integrated order recommendation and dispatching and real-time operation monitoring
<b>“Company”, “our Company” or “SF Intra-city”</b>	Hangzhou SF Intra-city Industrial Co., Ltd. (杭州順豐同城實業股份有限公司) (Stock Code: 9699), a joint stock company incorporated in the PRC with limited liability, the issued H Shares of which are listed on the Main Board of the Stock Exchange
<b>“Company Law”</b>	Company Law of the People’s Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
<b>“Comprehensive Service Purchasing Framework Agreement” or “2024-2026 Comprehensive Service Purchasing Framework Agreement”</b>	On October 19, 2023, the Company renewed the comprehensive service purchasing framework agreement with SF Holding, pursuant to which SF Holding and/or its associates will provide certain services to our Group including but not limited to: (i) certain supplementary back-office support and accounting centre services (ii) certain operation related services; and (iii) research and development service, for a term of 3 years effective from January 1, 2024. For details of the renewal, please refer to the announcement of the Company dated October 19, 2023
<b>“Controlling Shareholder(s)”</b>	has the meaning ascribed to it under the Listing Rules and, unless the context requires otherwise, refers to Mr. Wang Wei, Mingde Holding, SF Holding, SF Taisen, SF Holding (HK) Limited, SF Technology, Intra-city Tech and Celestial Ocean Investment Limited, as the case may be
<b>“county areas”</b>	refer to areas which are not municipal districts in lower-tier cities and counties, including county cities, counties, banners, autonomous banners, and forest areas
<b>“Credit Customers”</b>	certain existing customers who have entered into Master Service Agreements with SF Holding and/or its associates in respect of a variety of delivery and logistics solution service products SF Holding and/or its associates offers
<b>“crowd-sourced riders”</b>	the riders engaged by the outsourcing firms as contractors. Through a form of flexible employment, crowd-sourced riders do not have employment relationship with us or the outsourcing firms, can accept orders during random hours a day as a part-time job, and can choose to accept delivery tasks from other platforms
<b>“Delegatee(s)”</b>	the Board committee(s) and/or person(s) delegated by the Board
<b>“Deposit Services”</b>	The SF Intra-city Group will deposit cash and proceeds generated from daily business operations and financing activities to SF Finance through demand deposits, agreement deposits, call deposits, time deposits and other deposits services. In return, SF Finance will pay deposit interest to the SF Intra-city Group
<b>“Directors”</b>	the director(s) of the Company



## Definitions

<b>“Eligible Participant(s)”</b>	(1) Employee Participant(s), however, no individual, who is resident in a place where the grant, acceptance or vesting of Trust Benefit Units and/or Award Shares pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board and/or the Delegatee, in compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Scheme and such individual shall therefore be excluded therefrom; and (2) Service Provider(s), as determined from time to time by the Board or the Delegatee
<b>“Employee Participant(s)”</b>	Director(s), supervisor(s), and employee(s) of the Company or any of its subsidiaries (including any person(s) who is/are granted Awards under the Scheme as an inducement to enter into employment contracts with these companies)
<b>“Employee Incentive Scheme (2023)”</b>	the Employee Incentive Scheme (2023) of the Company as approved by the Shareholders at the extraordinary general meeting held on April 19, 2023, and currently renamed as H Share Incentive Scheme (2025)
<b>“Financial Services Framework Agreement” or “2025-2027 Financial Services Framework Agreement”</b>	On November 13, 2024, the Company and SF Finance renewed the Financial Services Framework Agreement, pursuant to which the SF Intra-city Group will utilise certain financial services including the Deposit Services and the Entrusted Loan Services offered by SF Finance in the PRC. For details of the renewal, please refer to the announcement of the Company dated November 13, 2024 and the circular of the Company dated December 3, 2024
<b>“fulfilment in-time rate”</b>	a ratio calculated by the number of orders that are delivered to the right recipients in time divided by the total number of orders placed
<b>“Global Offering”</b>	the offer of H Shares for subscription as described in the prospectus of the Company dated November 30, 2021
<b>“Grantee(s)”</b>	Eligible Participants who are eligible to participate in the H Share Incentive Scheme (2025) and have been granted Trust Benefit Units
<b>“Group”, “our Group”, “we” or “us”</b>	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
<b>“HKEx”, “Stock Exchange” or “Hong Kong Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Hong Kong” or “HK”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“HK\$” or “HKD”</b>	Hong Kong dollars, the legal currency of Hong Kong



# Definitions

<b>“H Share(s)”</b>	overseas listed foreign shares in the share capital of our Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange and subscribed for and traded in HKD
<b>“IFRS”</b>	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretation issued by the International Accounting Standards Committee
<b>“intra-city on-demand delivery”</b>	on-demand delivery within a particular city region
<b>“Intra-city On-demand Delivery Service Cooperation Framework Agreement” or “2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement”</b>	the intra-city on-demand delivery service cooperation framework agreement entered into between the Company and SF Holding, pursuant to which the Group provides intra-city on-demand delivery services to SF Holding and/or its associates under certain scenarios. For details of the renewal, please refer to the announcement of the Company dated October 19, 2023 and the circular of the Company dated November 14, 2023
<b>“Intra-city Tech”</b>	Beijing SF Intra-city Technology Co., Ltd. (北京順豐同城科技有限公司), a limited company incorporated in the PRC, one of our Controlling Shareholders
<b>“Latest Practicable Date”</b>	April 20, 2026
<b>“Leasing Framework Agreement” or “2024-2026 Leasing Framework Agreement”</b>	the Company entered into a leasing framework agreement with SF Holding, pursuant to which our Group will rent certain properties from SF Holding and/or its associates for a term of not more than 12 months each, for a term of 3 years effective from January 1, 2024. For details of the renewal, please refer to the announcement of the Company dated October 19, 2023
<b>“Listing”</b>	the listing of H Shares on the Main Board of the Stock Exchange
<b>“Listing Date”</b>	December 14, 2021
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
<b>“local e-commerce”</b>	generally cover delivery of 3C Electronics, apparel, jewelry and cosmetics etc.
<b>“local retail”</b>	generally cover delivery of fresh produce, flowers, cakes and desserts and other groceries
<b>“local services”</b>	generally cover personal errands service and task-based government and enterprise services, etc.



# Definitions

<b>“lower-tier cities and counties”</b>	cities, counties and towns in the third tier or below
<b>“Main Board”</b>	the stock market (excluding the option market) operated by the Stock Exchange which is independent from, and operated in parallel with, GEM of the Stock Exchange
<b>“Master Service Agreements”</b>	the master service agreements entered into between the Credit Customers and SF Group and/or its associates in respect of a variety of delivery and logistics solution service products SF Group and/or its associates offers
<b>“Mingde Holding”</b>	Shenzhen Mingde Holding Development Co., Ltd. (深圳明德控股發展有限公司), a company incorporated in the PRC, one of our Controlling Shareholders
<b>“Model Code”</b>	Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
<b>“Ningbo Shunxiang”</b>	Ningbo Shunxiang Tongcheng Venture Capital Investment Partnership (Limited Partnership) (寧波順享同成創業投資合夥企業(有限合夥)), a partnership incorporated in the PRC, is the Company’s onshore employee shareholding platform
<b>“Nomination Committee”</b>	the nomination committee of our Company
<b>“Prospectus”</b>	the prospectus of the Company issued in connection with the Global Offering
<b>“Remuneration Committee”</b>	the remuneration committee of our Company
<b>“Reporting Period”</b>	the period from January 1, 2025 to December 31, 2025
<b>“Returned Share(s)”</b>	such Award Shares that are not vested and/or are canceled and/or lapsed in accordance with the rules and terms of the Scheme, or such H Shares being deemed to be Returned Shares under the Scheme Rules
<b>“Rider Productivity”</b>	the average daily order completions per active rider during a given period
<b>“RMB” or “Renminbi”</b>	Renminbi, the lawful currency of the PRC
<b>“Scheme” or “H Share Incentive Scheme (2025)”</b>	the Employment Incentive Scheme (2023) of the Company as approved by the Shareholders at the 2023 first extraordinary general meeting held on 19 April 2023 and as amended and renamed on the 2025 first extraordinary general meeting held on 28 May 2025
<b>“Scheme Rules”</b>	the rules governing the operation of the Scheme as well as the implementation procedure (as amended from time to time)



# Definitions

<b>“Service Provider(s)”</b>	any person(s) (natural person or corporate entity) who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, as determined by the Board and/or Delegatee in accordance with standards set forth in the H Share Incentive Scheme (2025), including suppliers, distributors, contractors, agents, and business consultants related to the Group’s operations, but excluding (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions; and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity
<b>“Securities and Futures Ordinance” or “SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
<b>“Settlement Services”</b>	SF Finance will provide services relating to handling the settlement, collection, and payment of the SF Intra-city Group, including but not limited to providing the collection and payment of transactions for the SF Intra-city Group, handling internal transfer settlement among members of the SF Intra-city Group, liquidation plan design and other services
<b>“SF Chuangxing”</b>	Shenzhen Shunfeng Chuangxing Investment Co., Ltd. (深圳市順豐創興投資有限公司), a limited company established in the PRC
<b>“SF Finance”</b>	SF Holding Group Finance Co., Ltd. (順豐控股集團財務有限公司), a limited company incorporated in the PRC, a wholly owned subsidiary of SF Taisen
<b>“SF Holding”</b>	S.F. Holding Co., Ltd. (順豐控股股份有限公司), a joint stock company established in the PRC, whose shares are listed on the Shenzhen Stock Exchange (stock code: 002352) and the Hong Kong Stock Exchange (stock code: 6936), one of our Controlling Shareholders
<b>“SF Group”</b>	SF Holding and its subsidiaries
<b>“SF Holding (HK) Limited”</b>	SF Holding (HK) Limited, a limited company incorporated in Hong Kong, one of our Controlling Shareholders
<b>“SF Investment”</b>	Shenzhen Shunfeng Investment Co., Ltd. (深圳市順豐投資有限公司), a limited company incorporated in the PRC, one of the subsidiaries of SF Holding
<b>“SF Taisen”</b>	Shenzhen S.F. Taisen Holding (Group) Co., Ltd. (深圳順豐泰森控股(集團)有限公司), a limited company established in the PRC, one of our Controlling Shareholders
<b>“SF Technology”</b>	SF Technology Co., Ltd. (順豐科技有限公司), a limited company incorporated in the PRC, one of our Controlling Shareholders
<b>“Shanghai Fengpai”</b>	Shanghai Fengpai Supply Chain Co., Ltd. (上海豐湃供應鏈有限公司), a limited company incorporated in the PRC, one of our subsidiaries
<b>“Shanghai Stock Exchange”</b>	the Shanghai Stock Exchange (上海證券交易所)
<b>“Share(s)”</b>	ordinary share(s) in the issued capital of the Company with a nominal value of RMB1.00 each, comprised of Unlisted Domestic Share(s) and H Share(s)



## Definitions

<b>“Shareholders(s)”</b>	holder(s) of Share(s)
<b>“Shenzhen Intra-city”</b>	Shenzhen SF Intra-city Logistics Co., Ltd. (深圳市順豐同城物流有限公司), a limited company incorporated in the PRC, one of our subsidiaries
<b>“Shenzhen Stock Exchange”</b>	the Shenzhen Stock Exchange (深圳證券交易所)
<b>“Shenzhen Zhongplus”</b>	Shenzhen Zhongplus Internet Technology Co., Ltd. (深圳市眾普拉斯網絡科技有限公司), a limited company incorporated in the PRC, one of our subsidiaries
<b>“Shunda Tongxing”</b>	Beijing Shunda Tongxing Technology Co., Ltd. (北京順達同行科技有限公司), a limited company incorporated in the PRC, one of our subsidiaries
<b>“Supervisor(s)”</b>	the supervisor(s) of the Company, the position of which has been cancelled pursuant to the amendments to Articles of Association approved at the 2025 Third Extraordinary General Meeting held on 30 December 2025
<b>“Supervisory Committee” or “Board of Supervisors”</b>	the supervisory committee of our Company, which has been cancelled pursuant to the amendments to Articles of Association approved at the 2025 Third Extraordinary General Meeting held on 30 December 2025
<b>“Target Shares”</b>	the H Shares of the Company involved in the grant of Trust Benefit Units to the Grantees under the H Share Incentive Scheme (2025), which involves existing H Shares only
<b>“third-party on-demand delivery service”</b>	an on-demand delivery service that fulfills orders acquired from non-related parties or parties unaffiliated with centralised marketplaces
<b>“Tianwo Kangzhong”</b>	Ningbo Meishan Free Trade Port Zone Tianwo Kangzhong Enterprise Management Partnership (Limited Partnership) (寧波梅山保稅港區天沃康眾企業管理合夥企業(有限合夥)), a partnership incorporated in the PRC, one of our Shareholders
<b>“Tonglu Zhiyuan”</b>	Shenzhen Tonglu Zhiyuan Investment Co., Ltd (深圳市同路致遠投資有限公司), a limited company incorporated in the PRC, one of our Shareholders
<b>“Total Value of Trust Property”</b>	the sum of the value of the Trust Property under the Trust calculated by the Trustee in accordance with the valuation method provided in the Trust Agreement between the Company and the Trustee
<b>“Treasury Share(s)”</b>	has the meaning ascribed to it in the Listing Rules as amended from time to time. For the purposes of the Scheme, references to the new H Shares include Treasury Shares, and references to the issuance of new H Shares include the transfer of Treasury Shares
<b>“Trust”</b>	the trust constituted under the Trust Agreement entered into between the Company and the Trustee pursuant to the Employee Incentive Scheme (2023) and H Share Incentive Scheme (2025)



# Definitions

<b>“Trust Agreement”</b>	the trust management agreement entered into between the Company and the Trustee pursuant to the Employee Incentive Scheme (2023) and H Share Incentive Scheme (2025)
<b>“Trustee”</b>	the trustee appointed by the Company for the purpose of the Trust, which shall be an independent third party
<b>“Trust Benefit Right Trust”</b>	has the meaning ascribed to it under Clause 3.4(1) of the Scheme Rules
<b>“Trust Benefit Unit(s)”</b>	unit(s) of beneficial rights under the Trust as granted to the Grantees by the Board and/or the Delegatee and as divided by the Trustee
<b>“Trust Property”</b>	the sum of the funds under the Employee Incentive Scheme and the property gains and losses from the Target Shares invested and the management of the Trust
<b>“Unlisted Domestic Share(s)”</b>	the domestic share(s) of the Company, with a nominal value of RMB1.00 each, which are subscribed for and fully paid up in RMB
<b>“USD”</b>	United States dollars, the lawful currency of the United States of America
<b>“White Rhino Group”</b>	White Rhino Zhida, its subsidiaries and White Rhino Zhitu (Beijing) Technology Co., Ltd. (白犀牛智圖(北京)科技有限公司), a limited company incorporated in the PRC wholly owned by a founder of White Rhino Zhida

杭州順豐同城實業股份有限公司  
HANGZHOU SF INTRA-CITY INDUSTRIAL CO.,LTD.

