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

2024 | SF Intra-city
ANNUAL REPORT

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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 platform in China[1].

We have adopted a multi-scenario business model featuring full coverage of delivery scenarios for all types of products and services. Our extensive service coverage, ranging from mature scenarios such as food delivery to growth scenarios such as local retail, local e-commerce and local services, has enabled us to respond to the evolving customer needs brought about by the development and upgrade of the local consumer market, thereby constructing an infrastructure for the 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 650,000 active merchants, and exceeded 23.41 million active consumers. Our business scope covers more than 2,300 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.

Our services go beyond the 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.

1 Such ranking is based on the order volume of independent third-party on-demand delivery service in China in 2024 from Frost & Sullivan. The calculation of order volume takes into account the order volume generated by independent market participants, but excludes the order volume generated by connected parties.

BOARD OF DIRECTORS

Executive Directors

Mr. Sun Haijin *(Chairman of the Board and Chief Executive Officer)*
Mr. Chan Hey Man
Mr. Chen Lin

Non-executive Directors

Mr. Geng Yankun
Ms. Li Juhua
Mr. Li Qiuyu
Mr. Han Liu

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

COMPANY SECRETARY

Ms. Liu Jia
Mr. Chan Hey Man *(ceased to be a joint company secretary with effect from December 17, 2024)*

AUTHORISED REPRESENTATIVES

Mr. Chan Hey Man
Ms. Liu Jia

LEGAL ADVISORS TO OUR COMPANY

As to Hong Kong laws

Herbert Smith Freehills

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

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Chenchuang Building
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Zhejiang Province
PRC

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Guangdong Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1928
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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

STOCK CODE

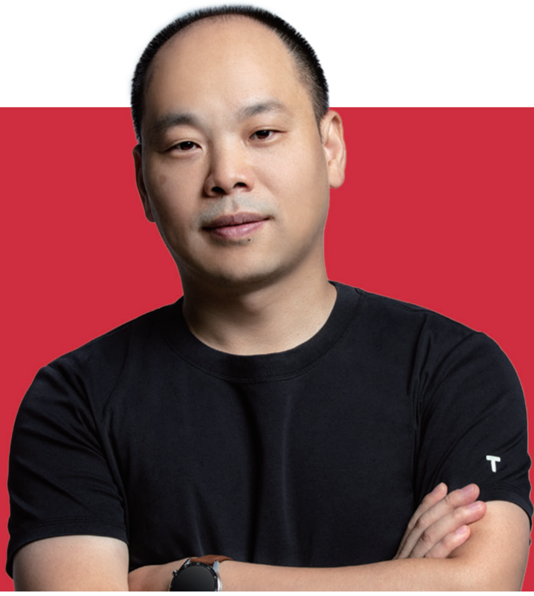
9699

	Year ended December 31,		
	2024	2023	
	RMB'000	RMB'000	YoY%
Continuing operations			
Revenue	**15,746,083**	12,387,416	27.1%
Cost of revenue	**(14,674,587)**	(11,592,676)	26.6%
Gross profit	**1,071,496**	794,740	34.8%
Gross margin	**6.8%**	6.4%	
Profit from continuing operations	**132,460**	64,857	104.2%
Loss from discontinued operation	**–**	(14,262)	
Profit attributable to owners of the Company	**132,460**	50,595	161.8%
Adjusted net profit (non-IFRS Accounting Standards measure) (unaudited)[1]	**145,852**	57,400	154.1%

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

	As of December 31,	
	2024	2023
	RMB'000	RMB'000
Cash and cash equivalents	**1,369,593**	1,901,651
Total assets	**4,669,733**	4,199,691
Total liabilities	**1,709,205**	1,218,597
Total equity	**2,960,528**	2,981,094

Chairman Statement



Chairman of
the Board and CEO

Sun Haijin

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 December 31, 2024 ("**2024**").

2024 marked the third year since the Company's listing, as well as another year of determined efforts and unwavering commitment. Staying true to our original aspiration, we have remained dedicated to our development philosophy of "high quality, high efficiency, and multi-scenario", our mission of "bringing an enjoyable lifestyle to your fingertips", and our business strategy of high-quality, sustainable, and healthy development. Actively embracing market changes amid external uncertainties, we have continuously strengthened our capabilities with steadfast strategic focus and decisive execution. As a result, we successfully delivered an impressive performance, marked by sustained rapid revenue growth and a doubling of net profit, which further solidifying our market leadership and core competitive strengths.

Sustained rapid revenue growth and doubling of net profit

In 2024, with a neutral and open market positioning, industry-leading high standards and differentiated service capabilities which strengthened collaborations foundation with numerous clients, the Company has maintained robust business growth, achieving a 27.1% year-on-year increase in total revenue to RMB15,746.1 million, further consolidating our position as the leading third-party on-demand delivery platform in China.

As our business scaled rapidly, network economies of scale has been further leveraged. The improvement in technology levels has enabled full-link empowerment of refined operational management, continuously optimizing the efficiency of resource input-output. This leads to a sustained and rapid increase in profitability, resulting in net profit doubling year-on-year. In 2024, gross profit from continuing operations reached RMB1,071.5 million and gross profit margin increased to 6.8%, marking the seventh consecutive year of gross margin improvement. The net profit of the Company was RMB132.5 million, increased by 161.8% year-on-year while net profit margin attributable to owners was 0.8%, increased by 0.4% year-on-year. Our operating cash flow has remained positive and further improved since 2023, maintaining a solid cash flow position and ample financial reserves, laying a strong foundation for sustainable development.

Focusing on upgrading capabilities to create ongoing value for diverse business models and customers

As local lifestyle consumption becomes more open and diverse, platforms and brands are increasingly emphasizing online channels and private domain traffic, driving demand for real-time delivery across new product categories and scenarios. The importance and recognition of third-party on demand delivery services are increasingly prominent. SF Intra-city focuses on constructing its logistics infrastructure, empowering businesses across industries and fostering a thriving ecosystem.

We have actively embraced the trend of traffic decentralization, leveraging our neutral and open market positioning to deepen collaborations with major traffic platforms. This allowed us to effectively meet the diverse needs of livestreaming e-commerce, supermarket delivery within an hour, food delivery, and other on-demand services. With our highly efficient and premium fulfilment experience, we have become one of the preferred on-demand delivery service providers in the local lifestyle sector, fostering a win-win ecosystem and driving the growth of the on-demand retail industry.

For merchant cooperation, we have leveraged our multi-scenario service advantages to upgrade product capabilities for key scenarios such as tea beverages, supermarkets and pharmaceuticals, providing industry clients with a convenient on-demand retail experience. We continued to maintain our leading position in on-demand delivery services for merchants, consistently collaborated with top-tier clients throughout the year and holding a leading market share. By gaining a more precise understanding of customer needs and continuously optimizing our service capabilities, we achieved a dual increase in the number and proportion of cooperative chain brands in 2024. New contract order revenue experienced a high double-digit growth, and the annual number of active merchants reached 650,000, representing a year-on-year increase of nearly 40%.

For expanding the service segment for individual consumers, we firmly believe that exceptional service is the foundation of a great reputation. Beyond meeting essential lifestyle and work-related delivery needs, we enhanced our one-on-one "Exclusive Delivery" service to meet users' demands for the delivery of items with high value, time-sensitive and high safety requirements. This upgrade further elevates the service experience and reinforces consumer perception of 'SF Intra-city' as the premier choice for urgent deliveries of important items. Additionally, benefiting from consumers' demand for faster intra-city express delivery, our medium-to-long distance "delivery within an hour" service has achieved a significant increase in both revenue and order volume. The number of active consumers continued to increase, with strong repurchases from existing customers.

Embracing technological transformation and enhancing efficiency with unmanned and smart technologies

We believe that technology is the core and foundation of business, serving as the key driver of efficiency improvement and cost optimization. Equipped with industry-leading technology systems, we can enable high-precision, highly efficient scheduling, supporting a complex delivery network across multiple industries and scenarios with intelligent operations.

In 2024, fully integrating AI Foundation Models from multiple leading domestic model providers, we actively promoted the application of AI Foundation Models capabilities across various business scenarios. We advanced the digitalization of operations and the intelligentization of AI-driven decision-making across each process of our businesses, effectively supporting end-to-end applications such as user demand & preference analysis, merchant operation strategies, intelligent customer service, delivery procedures and capacity scheduling management and so on. This has enhanced service experiences and improved operational efficiency. We optimized order recommendations and rider dispatching models based on front-end user demand and operational models. This effectively ensured stable fulfilment for KA merchants, increased order visibility and acceptance rates for small and medium-sized businesses, and upheld delivery security commitments for high-value orders from individual consumers. Additionally, we continued to enhance merchant connectivity with multiple platforms, channels, and private domain orders through intelligent distribution, planning, and forecasting. This helps merchants navigate the trend of traffic decentralization, improve digital operational efficiency, and generate revenue. Furthermore, we focused on strengthening distance-based order capacity matching and scheduling capabilities to ensure timely intra-city deliveries for merchants while optimizing delivery costs.

We continue to explore the commercial application of smart logistics and unmanned delivery technologies, launching unmanned vehicle delivery operations in multiple cities. Focusing on last-mile delivery services, we actively explored operational models for intra-city transfers and hub-based distribution, and operated over one thousand active routes on average per month nationally. Our advanced system capabilities enable iterative operational strategies and real-time monitoring, enhancing fulfilment efficiency and stability while further reducing costs. Looking ahead, we envision unmanned delivery as a vital complement to the logistics network, poised to effectively drive efficiency improvements across the entire delivery industry.

Constructing a healthy ecosystem for riders' well-being, with strong commitment to corporate social responsibility contribution

Riders are our primary partners. We are committed to long-term efforts to enhance their sense of identity and belonging to the platform. We hope that our platform is not only a channel for flexible employment opportunities but also an inclusive and fair space for mutual success. It aims to provide riders with more direct support, stronger protection and greater care.

We are delighted to see that as our logistics network expands, our regional coverage deepens and our business scenarios diversify, riders' incomes have significantly improved, which truly achieves fair compensation for our riders' laboring, and further fosters their trust and loyalty to our platform.

At the same time, we remain committed to riders' safety and well-being, platform experience, personal development and skills enhancement, rights protection, and feedback mechanisms. We have established a comprehensive, multi-channel, and high-frequency support system to serve every rider. In 2024, we became the first in the industry to introduce the "Rider Grievance Care Allowance" to comfort riders who experience grievances during their deliveries; and we launched the "30 Million Public Charity Fund" program, to provide educational assistance for riders' children and family support programs; organized over 10,000 offline care events and established a penalty exemption mechanism for extreme weather, among other measures. This further strengthens riders' sense of belonging and fosters a sense of shared growth.

Future Outlook

Looking forward to 2025, we find that participants from different industries are increasingly investing in the fields of local lifestyle and on-demand retail. We firmly believe that third-party on-demand delivery, as a foundation for local lifestyle infrastructure, will play a greater role in linking the real economy with the digital ecosystem, effectively serving consumers and merchants, and supporting riders and other ecological participants. We will continue to focus on the steady improvement of business quality and invest in the core opportunities and build capabilities for the long-term business operation:

1. Upholding our independent third-party on-demand delivery platform strategy, working alongside brand clients, traffic platforms, and other ecosystem partners to drive the prosperity of the local services sector;

2. Expanding our coverage advantage in lower-tier markets, accelerate the nationwide service network expansion, and support the development of county-level on-demand delivery infrastructure and new business scenarios;

3. Deepening the full-coverage service capabilities across multi-scenario, full-category, multi-time, multi-distance and multi-channel;

4. Recognising riders as our most important and closest partners, we continue to prioritise safeguarding their rights, enhancing their professional skills, to implement the goals of improving rider efficiency and income while building a rider-friendly platform within the industry;

5. Leveraging a flexible operational system and lean management to continuously enhance operational capabilities and profitability;

6. Embracing "AI + Unmanned" technology, proactively leveraging AI Foundation Models, unmanned delivery technologies and other new quality productive forces to enhance business operations and management quality & efficiency.

Repurchase of the company's shares

The company values shareholder returns. From the date of issuing the voluntary announcement on October 19, 2023 regarding the buyback of H shares up to end of the Reporting Period, the Company repurchased a total of 19,203,000 H Shares on the Hong Kong Stock Exchange at an aggregate cost of nearly HK$200 million. Among these, 16,082,200 repurchased H Shares were cancelled on August 6, 2024, while the remaining 3,120,800 repurchased H Shares have been retained as treasury shares by the Company.

The repurchase initiative reflects the Board's long-term confidence in the Company's business outlook, reinforcing its commitment to translating operational achievements into shareholder value. We view share repurchase as an effective capital market tool to drive improvements in operational quality and enhance shareholders' returns, ultimately achieving a win-win outcome in terms of corporate value and shareholder interests.

Appreciation

On behalf of the Board of Directors and management of the Group, I would like to extend my heartfelt gratitude to our loyal consumers, merchants, and partners, to our dedicated rider team committed to our service mission, to our enterprising employees who continuously strive for excellence, and to our shareholders and investors for their unwavering trust.

Our services go beyond the delivery. As local consumption scenarios and consumer behaviors continue to evolve, we will remain focused on delivering core value to the industry and the urban development through our operation. We will also strive to push the boundaries of on-demand fulfilment services, drive technological innovation, and collaborate with more partners to foster the sustainable growth of the new consumption ecosystem.

Sun Haijin
Chairman of the Board and Chief Executive Officer

March 28, 2025

BUSINESS REVIEW

Overview

We are the largest third-party on-demand delivery service provider in China. As a neutral and open infrastructure platform, we provide customers with high-quality, efficient, and comprehensive third-party on-demand delivery services.

In 2024, we remained committed to our business goal of achieving "high-quality and healthy growth" and forged ahead with determination. Leveraging our in-depth industry insights into local lifestyle services, we actively grasped the diversifying market demand arising from the evolving trends in consumption and services sectors. This enabled us to provide our customers with cost-effective products and high-quality services. Meanwhile, with the further unleashing of network economies of scale, we continuously enhanced efficiency and optimized operating costs through lean operations. Building on the first year of annual profitability recorded in 2023, we have once again achieved significant growth in both revenue and profit. This has further solidified our differentiated competitive advantages, which were rooted in our positioning as a neutral and open platform, and our core focus on providing high-quality comprehensive on-demand delivery services across various scenarios.

During the Reporting Period, the revenue from continuing operations achieved breakthrough growth, increasing from RMB12,387.4 million in 2023 to RMB15,746.1 million in 2024, representing a growth of 27.1%. The revenue from intra-city delivery services grew by 23.5% from RMB7,387.3 million in 2023 to RMB9,121.2 million in 2024. The revenue from last-mile delivery service increased by 32.5% from RMB5,000.2 million in 2023 to RMB6,624.9 million in 2024. The table below provides a breakdown of our revenue:

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Continuing Operations		
Intra-city on-demand delivery service	**15,746,083**	12,387,416
Intra-city delivery service	**9,121,157**	7,387,265
(1) To Merchants (i.e. to B)	**6,688,290**	5,219,676
(2) To Consumers (i.e. to C)	**2,432,867**	2,167,589
Last-mile delivery service	**6,624,926**	5,000,151
Total	**15,746,083**	12,387,416

During the Reporting Period, our financial performance showed remarkable growth, which was mainly attributable to: (i) our neutral and open market positioning, combined with our comprehensive service capabilities, which led to continuous growth in order volume, the order volume of intra-city delivery service grew by over 30% year-on-year, resulting in accelerating revenue growth; (ii) optimization of business structure, which led to increased contributions to revenue from premium customers; and (iii) technological advancements and lean management, which drove our operational quality and efficiency, expanded the benefits of network economies of scale, and continuously improved gross profit margins and expense ratios, thereby boosting profitability. In 2024, our gross profit from continuing operations reached RMB1,071.5 million with a gross profit margin of 6.8%, both recorded increase from the gross profit of RMB794.7 million and a gross profit margin of 6.4% of last year respectively. In 2024, our net profit attributable to owners of the Company and net profit margin were RMB132.5 million and 0.8%, respectively, net profit doubled year-on-year with an increase of 161.8%. In 2024, we also achieved a cash inflow from operating activities of RMB271.9 million. As of December 31, 2024, our cash and cash equivalents and short-term financial investments were RMB1,368.8 million and RMB1,115.9 million respectively, indicating a healthy cash flow and ample fund reserves.

Intra-city Delivery

Our revenue from intra-city delivery service increased by 23.5% from RMB7,387.3 million in 2023 to RMB9,121.2 million in 2024. The positive revenue growth was mainly attributable to: (i) the steady demand for food delivery services, the accelerated growth in on-demand delivery needs from retail consumption scenarios and the stable growth of non-food delivery scenarios[2], which achieved a year-on-year revenue increase of 26.2% to RMB3,695.2 million in 2024; (ii) our integrated capabilities in logistics infrastructure, which have not only enabled us to provide professional and high-quality on-demand delivery services to different types of customers that deepened our cooperation with key account ("**KA**") customers and various traffic platforms, and enabled us to become one of the preferred third-party delivery service providers for top-tier customers, and provider of professional on-demand delivery service solutions to more vertical industries; (iii) the acceleration of penetration rate and expansion of the scale of annual active merchants and consumers; (iv) our dedicated expansion in lower-tier cities and counties[3], especially our enhanced market penetration in county areas[4], with county-level revenue grew by 121% year-on-year in 2024; (v) our hour-level delivery network which effectively met the accelerating timelines of intra-city express delivery; and (vi) the adoption of proactive pricing strategy to enhance product competitiveness.

Intra-city Delivery for Merchants

We empower merchants with an open and inclusive on-demand delivery network and professional, efficient and comprehensive delivery solutions to maintain extensive cooperation with merchants. Through the expansion of the base of cooperating merchants and the optimization of merchant structure, in 2024, the revenue from intra-city delivery service for merchants reached RMB6,688.3 million, representing a year-on-year growth of 28.1%.

2 "non-food delivery scenarios" refer to on-demand retail delivery and fulfilment service unrelated to food delivery scenarios.

3 "lower-tier cities and counties" refer to cities, counties and towns in the third tier or below.

4 "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.

In terms of merchant cooperation, we continuously increased the scale of our merchant cooperation with structural optimization. In 2024, we continued to consolidate and deepen our cooperation with KA customers, maintaining our leading market share while consistently increasing our market share in cooperation with top-tier customers. During the Reporting Period, we had over 7,500 new cooperating stores. By precisely understanding customer needs, we continuously optimized our product and service capabilities, improved customer satisfaction of multiple brands, and maintained industry-leading quality and fulfilment service stability. This helped our customers reduce costs and increase efficiency, resulting in enhanced market competitiveness. For small and medium-sized merchants, we expanded our merchant base and improved acquisition efficiency by continuously broadening access channels and optimizing collaboration processes. Additionally, we actively embraced the trend of decentralization of traffic, deepening our collaboration with major traffic platforms with a neutral and open market position, and created a logistics infrastructure characterized by an on-demand retail ecosystem. Specifically, our services were able to meet various on-demand delivery needs on the platforms, such as live-streaming e-commerce, supermarket delivery within an hour, food delivery etc. We also provided customized solutions on the operations and systems to offer high-quality fulfilment experience for platform users. During the Reporting Period, the scale of annual active merchants[5] on the platform reached 650,000, with a year-on-year increase of 39%. Among them, KA customers showed robust growth momentum, both the number and proportion of chain customers continued to increase. The revenue from newly contracted customers achieved high double-digit growth, and the customer structure was further optimized. Throughout the year, we established collaborations with brand merchants across different industries, including Sam's Club (山姆會員商店), K Coffee (肯悦咖啡), Ah Ma Handmade (阿嬤手作) etc.

In terms of scenario coverage, leveraging our multi-scenario capabilities, we optimized products and services around key categories. For the food and beverage category sector, we capitalized on the rapid growth of the tea and beverage category by utilizing our strong delivery network capabilities and refined business district network operation capabilities. In addition to providing guaranteed fulfilment services during peak periods such as holidays and marketing campaigns, we also supported deeper penetration into city outskirts, which helped customers expand their stores and build up private domain traffic pool. In terms of the retail sector, as the online penetration rate of pharmaceutical retail continues to rise, the habit of having medications delivered to home has been gradually established. During the Reporting Period, we partnered with major pharmaceutical customers to explore innovative collaboration model. By delivering customized solutions, we empowered customers to centralize order management and improve delivery efficiency. We delved deeply into the whole chain of pharmaceutical delivery to create integrated logistics solutions and set industry standards. For supermarket delivery solutions, our integrated capabilities in one-hour-delivery from warehouses or stores to customers and long-distance urban connections across the city have led to significant breakthroughs in cooperation with both national leading and regional chain supermarkets. We also optimized fulfilment experience to cater to customers from industries such as convenience stores and distributed mini warehouses. In 2024, revenue from tea and beverage delivery increased by 73% year-on-year, and categories such as supermarkets and convenience stores, cosmetics, pharmaceuticals, and maternity and baby products achieved high double-digit year-on-year growth in revenue.

In terms of geographical coverage, our city coverage rate continued to improve, and the scale of our coverage expanded at an accelerated pace. Our services covered more than 2,300 cities and counties nationwide. Among these, we further solidified our competitive advantages in lower-tier markets by refining our coverage down to the township level within counties, thereby densifying a flexible and efficient on-demand delivery network. For brand merchants, our network was able to promptly accommodate their new store layouts in lower-tier markets, providing guaranteed fulfilment services. For small and medium-sized merchants, we focused on developing merchants around key high-growth categories. By acting as a professional third-party delivery service provider, we empowered merchants to consolidate multi-channel traffic and achieve business growth. Additionally, we explored various new scenario-based businesses in lower-tier cities and counties, such as piloting campus delivery services in local universities and cooperating with third party local lifestyle service platforms. This allowed us to offer more convenient delivery services for students while effectively integrating fragmented local retail and logistics resources. During the Reporting Period, we covered more than 1,300 counties, and the revenue from counties increased by 121% year-on-year.

[5] "active merchant(s)" refers to the number of unique merchant accounts that purchase a particular service at least once during the prescribed period.

We rapidly expanded and densified our nationwide delivery network, driving the continuous increase in business district coverage and order density while the proportion of profitable business districts consistently increased. We continuously iterated and refined our differentiated operational strategies to ensure our flexible network was able to quickly accommodate various customer demands, such as expanding the number of stores, enlarging the delivery range of stores and extending operating hours, helping customers deliver more incremental orders and achieve steady business growth. Furthermore, the flexibility of our delivery network remained significantly advantageous, maintaining service quality and stability even during special circumstances such as e-commerce shopping festivals, peak holiday periods and adverse weather conditions. Fluctuations in the fulfilment in-time rate during holidays and poor weather conditions were less than 1 and 3 percentage points, respectively. In 2024, the fulfilment in-time rate was approximately 95%, with an average delivery time of 22 minutes for orders within 3 kilometers.

We also strategically partnered with participants in the SF Holding Group's ecosystem to offer an integrated supply chain solution for customers by combining "warehousing + transport + intra-city on-demand delivery". Customers were able to choose suitable logistics products more conveniently due to the integration of our resources and capabilities within the SF Holding Group, which helped both us and the SF Holding Group jointly expand the customer base and enhance customer loyalty. In 2024, the number of Credit Customers[6] placing orders using the intra-city on-demand delivery service and their order frequency both increased significantly. The external incremental revenue brought by the Credit Customers, who we served together with the SF Holding Group, recorded a year-on-year growth of 45.5% to RMB366.6 million.

Intra-city Delivery for Consumers

For consumers, we are committed to creating an industry-leading and professional on-demand fulfilment service. 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, reinforcing the brand image of "SF Intra-city, the first choice for urgent delivery of valuable items". In 2024, the revenue from intra-city delivery for consumers grew by 12.2% year-on-year to RMB2,432.9 million, which was mainly attributable to: (i) the expansion of active consumer[7] base and strong repurchases from existing customers; (ii) our good reputation driven by high-quality services, leading to an enhanced consumer mindshare and rapid growth in revenue from our proprietary intra-city business channels; and (iii) effective on-demand delivery met the accelerating timeliness for intra-city express delivery and accelerated the penetration of intra-city express delivery users.

During the Reporting Period, we further enhanced our understanding of consumers and proactively captured new market opportunities. We further explored the on-demand delivery needs of consumers in first-tier central business districts (CBDs) and solidified our brand image in high-end professional delivery services. During the Reporting Period, we upgraded our one-on-one "Exclusive Delivery" product to meet customers' demands for the delivery of items with high-value, time-sensitive and high safety requirements. Since the upgrade, the order volume for the "Exclusive Delivery" product significantly increased, order volume has increased fourfold during the year, and the fulfilment in-time rate improved remarkably, enhancing the overall service experience. Through channel partnerships, we increased the reach to intra-city express delivery users, allowing consumers to choose "delivery within an hour" services on the user interface when placing orders to meet the need for accelerating timeliness. We also focused on building the capability for mid-to-long-distance "delivery within an hour" services. During the Reporting Period, the "delivery within an hour" services saw a notable increase in both revenue and order volume.

6 "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 Holdings and/or its associates offers.

7 "active consumer(s)" refers to the number of unique consumer accounts that purchase a particular service at least once during the prescribed period.

We proactively optimized our brand promotion and channel marketing strategies, resulting in a continuous increase in brand recognition and consumer mindshare. During the Reporting Period, the revenue and order volume of our proprietary intra-city business channel grew rapidly, which boosted the overall revenue growth. We also intensified our collaboration with external channels, particularly in terms of new customer acquisition and joint marketing initiatives, enhancing platform user engagement and steadily increasing the number of active consumers. As the scale of users expanded, we focused more on improving service quality and user satisfaction to drive repurchase through measures such as refining the operation and optimization of membership system. As of December 31, 2024, the scale of active consumers in the past 12 months exceeded 23.41 million.

Last-Mile Delivery

Our last-mile delivery service acts as a flexible and elastic capacity provider, offering diverse services embedded in various logistics processes for logistics service enterprises. We have observed increasing synergies between intra-city on-demand delivery and intra-city express delivery, and our flexible logistics network is well-positioned to align with the growing demand for enhanced supply chain capabilities, driving the acceleration of intra-city logistics. In terms of timeliness, our flexible and elastic capacity network can provide hour-/minute-level services, helping traditional courier networks improve their delivery speed. These services also bring new business opportunities to our customers. In terms of services, our flexible network can help clients address challenges in-between unbalanced orders and delivery networks during peak order periods, ensuring smooth operations and stable fulfilment. This capability has simultaneously expedited various logistics processes and supported personalized services. In terms of efficiency, by deepening the integration of our network, we assist logistics service providers to improve their fulfilment efficiency while reducing operational costs.

The revenue from last-mile delivery service increased by 32.5% from RMB5,000.2 million in 2023 to RMB6,624.9 million, which mainly attributed to: (i) the scale and proportion of the services supporting the dispatch process have steadily increased and we have actively seized the trend of rising return rates on e-commerce platforms to develop logistics services for e-commerce returns, thereby doubling the order volume of parcels returned to warehouses; and (ii) the doubling of revenue from services related to acceleration of intra-city logistics and base of last mile delivery customers (other than the SF Holding Group), achieving rapid growth. In supporting the parcel collection process, we strengthened coordination with major customers during peak delivery periods such as holidays and e-commerce shopping festivals. In 2024, the average daily order volume for parcel collection support services exceeded 1.5 million orders. Additionally, by enhancing operational monitoring, we focused on ensuring the fulfilment of "delivery within half a day" scenarios, which recorded a rapid increase in revenue and order volume during the Reporting Period. Furthermore, we actively expanded our last-mile delivery customer base to meet the demand for intra-city logistics services in various scenarios, such as fruit and fresh produce, corporate group meals, and company gift deliveries. Revenue from those customers collaboration during the Reporting Period increased by 106% year-on-year.

Our Riders

Riders are our closest business partners, and we have a nationally flexible rider network. For the 12 months ended December 31, 2024, our platform's annual active riders further expanded to approximately 1 million. Our diverse business scenarios provide riders with various income opportunities. During the Reporting Period, we focused on improving riders' income, with the number of medium-to-high level income riders increasing by 29% year-on-year, and the number of riders with monthly income exceeding ten thousand also increased by 40% year-on-year. We continuously enhance our management capabilities, resulting in a noticeable improvement in rider efficiency during the Reporting Period. We also strictly implement our responsibilities as a platform by continuously expanding services to safeguard riders' rights and interests and by providing our riders with professional empowerment and comprehensive support.

We attach great importance to our riders' platform experience, care & welfare, and rights protection. We value riders' feedback and collect their voices through various channels such as customer service platforms, feedback rewards, and offline heart-to-heart meetings to help solve their difficulties. We remain devoted to riders' welfare care and organized over 10,000 offline caring events during the Reporting Period, providing coolness in summer, warmth in winter and holiday blessings etc. We also established a penalty exemption mechanism for extreme weather to protect riders' rights. During the Reporting Period, we became the first in the industry to introduce "Grievance Care Allowance", and launched the "30 Million Public Charity Fund" program, which included scholarships for riders' children and summer support programs for university student riders, building a comprehensive and multi-layered welfare system for riders. We have successfully held the Rider Festival for six consecutive years, fostering a friendly platform culture for riders. Additionally, we created an extensive and complete rider honor system to cultivate an atmosphere of "stepping up and continuously rising," enhancing riders' sense of identity and belonging to the platform, further improving rider activity and retention rates.

We prioritize the safety and health of our riders, and we regularly improve our safety policies, providing daily safety training, equipping protective gear and setting up safety reminders, anti-fatigue alerts, special weather warnings, and safety incident reporting services for riders, striving to enhance their overall safety experience. We prioritize safeguarding riders' health rights, collaborating with local traffic police to promote traffic safety days and training, and organizing AED emergency aid trainings, traffic, and fire safety activities to enhance riders' emergency response capabilities and strengthen their safety awareness. During the Reporting Period, our safety accident rate decreased by 17% compared to the last year.

Our Technologies

Technology is at the core of our business and is key to efficiency improvement and cost reduction. We are committed to advancing digital operations and AI decision-making intelligence at various stages of our business. 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. Based on big data analysis and AI algorithms, the system can effectively predict order fluctuations and comprehensively coordinate factors such as front-end sales and marketing strategy, rider distribution and dispatch, route planning, willingness to pick up and subsidies, waiting times at the store, and delivery times. The system optimally matches orders with riders in different industries, scenarios, and complex delivery networks. During the Reporting Period, we actively promoted the multi-scenario application of AI Foundation Models capabilities by collaborating with leading domestic model providers. This has enabled us to enhance user experience and improve efficiency across the entire process, including user preference analysis, merchant operation strategies, intelligent customer service, delivery procedures, riders scheduling and so on.

We strive to integrate innovative technology services with diverse scenarios. Based on front-end user needs and operational models, we optimize order recommendations and rider dispatching patterns. For KA merchants, we continue to refine our customized service capabilities to ensure fulfilment. For small and medium-sized merchants, we enhance order exposure to improve order pick-up responding speed and continuously boost the pick-up efficiency of medium-to-long distance orders. For individual consumers, we strengthen anomaly monitoring and dispatch supervision, optimize the fulfilment of high-value orders, ensure fair algorithms and safe delivery, and upgrade the dispatch and scheduling logic to ensure stable fulfilment.

For merchants, as a neutral and open third-party platform, we will continue to strengthen connections with various channels, platforms, and private domains for order sources, providing intelligent distribution and planning, delivery time prediction and real-time order monitoring to help merchants improve digital operational efficiency and generate revenue in the trend of decentralized traffic. In 2024, we focused on enhancing the dispatch and scheduling capabilities based on distance stratification, ensuring timely fulfilment for citywide deliveries while effectively reducing delivery costs.

For riders, we fully consider the availability and convenience of rider's time and routes. We optimized the rationality of rider dispatch and route planning to improve the efficiency of matching riders with orders, reduce delivery difficulty, and help riders effectively increase productivity and personal income. Our system also enhances rider experiences in combination with rider incentive systems, considering rider delivery experiences, adverse weather conditions, night shifts, and peak times, offering personalized dispatch support to enhance the platform's care with technological backing. Additionally, the system considers various factors related to riders, such as the duration of their delivery runs and their attendance, to offer support from a technical standpoint.

We also continued to explore the commercial potential of smart logistics and unmanned delivery technology. In 2024, we launched unmanned vehicle delivery operations in multiple cities, focusing on unmanned deliveries between transit hubs and local delivery outlets as part of our last-mile delivery service, and operated over one thousand active routes on average per month nationally. Meanwhile, we developed relevant technological capabilities to enhance functions such as vehicle dispatch, operational monitoring and route management. By analyzing actual fulfilment scenarios and leveraging data insights, we consistently refined operational strategies and strengthened real-time monitoring to enhance the efficiency and stability of unmanned vehicle deliveries and further reduce operational costs. We believe that unmanned delivery capabilities will become an effective supplement to the existing rider network, driving efficiency improvements and providing users with a unique interaction experience.

Outlook

Looking back at 2024, we have been firmly rooted ourselves in the local lifestyle services industry, proactively embracing the diverse demands arising from new consumption trends. Leveraging our neutral and open market positioning along with our service capabilities across scenarios, we continue to optimize our products and services. While consolidating our existing business advantages, we seek new growth opportunities. As part of the intra-city delivery infrastructure, we have remained steadfast in executing our strategic plans, committed to serving every customer and supporting our riders in delivering every order. These focused efforts have culminated in favorable business results for our company. In 2024, we delivered impressive performance, and achieved significant growth in both revenue and profit.

Looking ahead, we will remain committed to our operational goal of "high-quality and healthy growth." We will embrace market opportunities in the diversified traffic, local retail development, accelerated intra-city logistics, and the ongoing expansion of third-party on-demand delivery services. We will keep expanding on a large-scale, covering a wide range of scenarios, providing excellent services, and establishing a robust network. As local lifestyle consumption scenarios and consumption patterns continue to evolve, we will remain focused on our core value contributions within the industry and urban operations. We will also strive to expand the boundaries of on-demand fulfilment services, enhance our technological capabilities, and collaborate with more business partners. Together, we will safeguard the prosperous development of new consumption trend and better fulfil our mission of "bringing enjoyable lifestyle to your fingertips".

FINANCIAL REVIEW

The following table sets forth the comparative figures for the years ended December 31, 2023 and 2024.

Consolidated Statement of Comprehensive Income

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Revenue	**15,746,083**	12,387,416
Cost of revenue	**(14,674,587)**	(11,592,676)
Gross profit	**1,071,496**	794,740
Selling and marketing expenses	**(234,234)**	(212,684)
Research and development expenses	**(108,110)**	(91,717)
Administrative expenses	**(636,625)**	(517,348)
Other income	**12,495**	43,487
Other gains, net	**15,379**	6,423
Net impairment losses of financial assets	**(3,118)**	(3,750)
Operating profit	**117,283**	19,151
Finance income	**29,362**	41,423
Finance costs	**(783)**	(1,296)
Finance income, net	**28,579**	40,127
Share of profit of a joint venture accounted for using the equity method	**(899)**	3,311
Profit before income tax	**144,963**	62,589
Income tax (expenses)/credits	**(12,503)**	2,268
Profit from continuing operations	**132,460**	64,857
Discontinued operation		
Loss from discontinued operation	**–**	(14,262)
Profit for the year	**132,460**	50,595
Profit attributable to		
– Owners of the Company	**132,460**	50,595

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Earnings per share for profit from continuing operations attributable to owners of the Company (expressed in RMB per share)		
– Basis earnings per share (in RMB)	**0.15**	0.07
– Diluted earnings per share (in RMB)	**0.15**	0.07
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)		
– Basis earnings per share (in RMB)	**0.15**	0.05
– Diluted earnings per share (in RMB)	**0.15**	0.05
Profit for the year	**132,460**	50,595
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	**7,249**	3,876
Items that will not be reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	**(29,415)**	(5,134)
Other comprehensive income for the year, net of tax	**(22,166)**	(1,258)
Total comprehensive income for the year	**110,294**	49,337
Total comprehensive income for the year attributable to:		
– Owners of the Company	**110,294**	49,337
Total comprehensive income for the year attributable to owners of the Company arises from:		
Continuing operations	**110,294**	63,599
Discontinued operation	**–**	(14,262)
	110,294	49,337

Key Consolidated Statement of Financial Position Items

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Total non-current assets	**398,084**	419,042
Total current assets	**4,271,649**	3,780,649
Total assets	**4,669,733**	4,199,691
Total non-current liabilities	**9,140**	11,483
Total current liabilities	**1,700,065**	1,207,114
Total liabilities	**1,709,205**	1,218,597
Total equity	**2,960,528**	2,981,094
Total equity and liabilities	**4,669,733**	4,199,691
Net current assets	**2,571,584**	2,573,535

CONTINUING OPERATIONS

The following discussions and analysis are in relation to our continuing operations unless otherwise indicated.

Revenue

The following table sets forth our revenue by line of business for the years ended December 31, 2023 and 2024 respectively.

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Intra-city on-demand delivery service	**15,746,083**	12,387,416
Intra-city delivery service	**9,121,157**	7,387,265
(1) To Merchants *(i.e. to B)*	**6,688,290**	5,219,676
(2) To Consumers *(i.e. to C)*	**2,432,867**	2,167,589
Last-mile delivery service	**6,624,926**	5,000,151
Total	**15,746,083**	12,387,416

Revenue increased by 27.1% to RMB15,746.1 million for the year ended December 31, 2024, compared to RMB12,387.4 million for the year ended December 31, 2023, mainly due to (i) an increase in order volume and further leveraging the economies of scale and network effect; (ii)the steadfast execution of a healthy and high-quality development strategy, driving continuous deepening of strategic partnerships and improvement of the business structure; and (iii) increased efforts to tap into lower-tier markets and improved performance in niche markets to attract more high-quality customers.

Cost of Revenue

The following table sets forth our cost of revenue by category for the years ended December 31, 2023 and 2024 respectively.

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Labour outsourcing costs	**14,460,953**	11,408,686
Cost of material	**70,016**	52,992
Amortization of intangible assets	**35,505**	30,038
Employee benefit expenses	**36,855**	21,173
Depreciation of right-of-use assets	**3,290**	10,988
Depreciation of property, plant and equipment	**1,906**	1,606
Others	**66,062**	67,193
Total	**14,674,587**	11,592,676

Cost of revenue increased by 26.6% to RMB14,674.6 million for the year ended December 31, 2024, compared to RMB11,592.7 million for the year ended December 31, 2023, mainly due to an increase in business scale and order volume that led to an increase in costs for delivery by riders.

Gross Profit and Margin

As a result of the foregoing, our gross profit and gross profit margin for the year ended December 31, 2024, were RMB1,071.5 million and 6.8% respectively, compared to the gross profit and the gross profit margin of RMB794.7 million and 6.4% respectively for the year ended December 31, 2023. The change in gross profit is mainly due to (i) further improved economies of scale driven by revenue growth; and (ii) enhanced operating quality and efficiency driven by digital intelligence technology and lean management.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 10.1% to RMB234.2 million for the year ended December 31, 2024, compared to RMB212.7 million for the year ended December 31, 2023, mainly due to an increase in employee benefit expenses and promotion and advertising expenses with a view to raising our profile and brand image.

Research and Development Expenses

Our research and development expenses increased by 17.9% to RMB108.1 million for the year ended December 31, 2024, compared to RMB91.7 million for the year ended December 31, 2023, mainly due to an increase in research and development investment. See "Business Review – Our Technologies".

Administrative Expenses

Our administrative expenses increased by 23.1% to RMB636.6 million for the year ended December 31, 2024, compared to RMB517.3 million for the year ended December 31, 2023, mainly due to an increase in employee benefit expenses.

Other Income

Our other income decreased by 71.3% to RMB12.5 million for the year ended December 31, 2024, compared to RMB43.5 million for the year ended December 31, 2023, mainly due to a change in the policy on additional deductions for value added tax.

Finance Income, Net

Our finance income, net decreased from RMB40.1 million for the year ended December 31, 2023 to RMB28.6 million for the year ended December 31, 2024, mainly due to decrease in interest rates, resulting in decrease in interest income.

Income Tax Expenses

Our income tax expenses were RMB12.5 million for the year ended December 31, 2024, 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 RMB132.5 million and 0.8% respectively for the year ended December 31, 2024, compared to a net profit and a net profit margin of RMB50.6 million and 0.4% respectively in the year ended December 31, 2023.

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 profit for the year as profit for the year adjusted by adding back share-based compensation expenses. Share-based compensation expenses are non-operational expenses arising from granted trust benefit units, which correspond to a certain amount of the shares of the Company, to selected employees, 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 years to profit for the years with its most directly comparable financial measure calculated and year presented in accordance with IFRS Accounting Standards:

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Reconciliation of adjusted net profit (non-IFRS Accounting Standards measure)		
Net profit for the year	**132,460**	50,595
Add:		
Share-based compensation expenses	**13,392**	6,805
Adjusted net profit (non-IFRS Accounting Standards measure) (unaudited)	**145,852**	57,400

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 RMB1,368.8 million as of December 31, 2024, compared to the balance of RMB1,898.7 million as of December 31, 2023. The following table sets forth our cash flows for the years indicated:

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Operating cash flows before changes in working capital	**175,577**	78,163
Changes in working capital	**72,050**	155,560
Interest received	**29,362**	41,446
Income tax paid	**(5,065)**	(8,878)
Net cash generated from operating activities	**271,924**	266,291
Net cash (used in)/generated from investing activities	**(643,821)**	294,630
Net cash used in financing activities	**(158,590)**	(120,054)
Net (decrease)/increase in cash and cash equivalents	**(530,487)**	440,867
Cash and cash equivalents at the beginning of the year	**1,898,743**	1,458,024
Effects of exchange rate changes on cash and cash equivalents	**579**	(148)
Cash and cash equivalents at the end of the year	**1,368,835**	1,898,743

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, 2024, net cash generated from operating activities was RMB271.9 million, which was mainly attributable to our profit before income tax of approximately RMB145.0 million, as adjusted by: (i) non-cash and non-operating items, primarily comprising share-based compensation expenses, amortization and depreciation of assets and gain from fair value adjustments of financial assets of approximately RMB60.0 million; (ii) changes in working capital of approximately RMB72.1 million; and (iii) payment of income tax of approximately RMB5.1 million.

Net Cash Used in Investing Activities

For the year ended December 31, 2024, net cash used in investing activities was RMB643.8 million, which was mainly attributable to our purchase of structured deposit products.

Net Cash Used in Financing Activities

For the year ended December 31, 2024, net cash used in financing activities was RMB158.6 million, which was mainly attributable to our repurchase of the Company's shares.

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, 2024, given that the cash and cash equivalents exceed the aggregation of total borrowings and lease liabilities, gearing ratio is no longer calculated.

Financial Assets Measured at Fair Value through Profit or Loss

Our financial assets measured at fair value through profit or loss increased from RMB516.8 million as of December 31, 2023 to RMB1,145.9 million as of December 31, 2024, mainly due to an increase in our purchased structured deposit products.

Borrowings

As of December 31, 2024, 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,	
	2024	2023
	RMB'000	RMB'000
Investment accounted for using the equity method	**25,000**	25,000
Total	**25,000**	25,000

Capital Expenditure

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Payment for intangible assets	**32,309**	61,178
Payment for property, plant and equipment	**15,422**	7,814
Total	**47,731**	68,992

Lease Commitments and Arrangements

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

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Within 1 year	**909**	739
	909	739

Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

For the financial year ended December 31, 2024, 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.

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, 2024, the Group had HK$7 million cash in bank (as at December 31, 2023: HK$9 million cash in bank) which is different from the functional currency of RMB and is exposed to foreign exchange risk. If the RMB strengthened/weakened by 1% against the HK$ with all other variables held constant, net profit before tax for the year would have been RMB73,000 lower/higher (as at December 31, 2023: if the RMB strengthened/weakened by 1% against the HK$ with all other variables held constant, net profit before tax would have been RMB93,000 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, 2024, 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, 2024, 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.

Future Plans for Material Investments and Capital Assets

As of December 31, 2024, we did not have other plans for material investments and capital assets.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

The Group had no material events during the period from January 1, 2025 to the approval date of the consolidated financial statements by the Board of Directors on March 28, 2025.

EMPLOYEES AND REMUNERATION POLICY

As at December 31, 2024, the Group had a total of 2,048 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, 2024, 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, 2024.

Corporate Governance Report

The Board is pleased to present this Corporate Governance Report covering the period from January 1, 2024 to December 31, 2024.

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 complied with all applicable principles of good corporate governance and code provisions of the CG Code, save and except the following in respect of code provision C.2.1 of the CG Code: in the Reporting Period, both the chairman of the Board and the Chief Executive Officer ("**CEO**") of the Company were held by Mr. Sun Haijin. Notwithstanding the deviation from code provision C.2.1, the Board believes that with the support of the management, vesting the roles of both Chairman and CEO by the same person can facilitate execution of the Group's business strategies and boost 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 *(Chairman of the Board and Chief Executive Officer)*
Mr. Chan Hey Man
Mr. Chen Lin

Non-executive Directors

Mr. Geng Yankun
Ms. Li Juhua
Mr. Li Qiuyu
Mr. Han Liu

Independent Non-executive Directors

Mr. Chan Kok Chung, Johnny
Mr. Wong Hak Kun
Mr. Zhou Xiang
Ms. Huang Jing

The biographic information of the Directors is set out in the section headed "Directors, Supervisors and Senior Management" on pages 49 to 55 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

Good governance emanates from an effective and accountable Board. The Board directly, and indirectly through its committees, leads and provides direction to the management by laying down strategies and overseeing their implementation by the management. The Board is accountable to the Shareholders' meetings, and its duties mainly include the execution of resolutions, formulation of major operational, financial and investment decisions, establishment of the Company's basic management system, and examination of the work of the senior management members. In respect of corporate governance, the Board is responsible for:

1. being informed of working reports of the senior management members of the Company and examining the work of the senior management members of the Company;
2. performing other duties and powers as stipulated in the laws and regulations, the Listing Rules, the Articles and as conferred by Shareholders' general meetings; and
3. the following matters:
   - Formulating, reviewing and improving the Company's corporate governance system;
   - Reviewing and supervising the training for and continuous professional development of Directors and senior management members;
   - Making relevant disclosures in accordance with the laws and relevant provisions regulations of the securities regulatory authority; and
   - Working out the Company's code of conduct and relevant compliance manual and supervising the behaviours of its employees and Directors, etc.

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.

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 Chairman of the Board plays the role of leading the effective operation of the Board, while the CEO focuses on the Group's business strategy, management and operation). 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 production, 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 prepare a plan for establishing internal governing bodies of the Company;
- to draft the Company's basic management system;
- to formulate fundamental rules and regulations for the Company;
- to propose to the Board to appoint or dismiss the other senior management members of the Company, as well as to decide appointment or dismissal of management members and general employees not requiring Board approval, 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.

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 received formal and comprehensive training on Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. 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.

The records of the continuous professional development that have been received by the Directors for the year ended December 31, 2024 and up to the Latest Practicable Date are summarised as follows:

Name of Directors	**Attended trainings**
Mr. Sun Haijin *(Chairman of the Board and Chief Executive Officer)*	✓
Mr. Chan Hey Man	✓
Mr. Chen Lin	✓
Mr. Geng Yankun	✓
Ms. Li Juhua	✓
Mr. Li Qiuyu	✓
Mr. Han Liu	✓
Mr. Chan Kok Chung, Johnny	✓
Mr. Wong Hak Kun	✓
Mr. Zhou Xiang	✓
Ms. Huang Jing	✓

During the year ended December 31, 2024, 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.

BOARD MEETINGS AND GENERAL MEETINGS

During the Reporting Period, the Board scheduled and held nine 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 6, 2024, and two extraordinary general meetings on October 25, 2024 and December 23, 2024.

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	**Attendance**	
	Board meetings	**General meetings**
Mr. Sun Haijin	9/9	3/3
Mr. Chan Hey Man	9/9	3/3
Mr. Chen Lin	9/9	3/3
Mr. Geng Yankun	9/9	3/3
Ms. Li Juhua	9/9	3/3
Mr. Li Qiuyu	9/9	3/3
Mr. Han Liu	9/9	3/3
Mr. Chan Kok Chung, Johnny	9/9	3/3
Mr. Wong Hak Kun	9/9	3/3
Mr. Zhou Xiang	9/9	3/3
Ms. Huang Jing	9/9	3/3

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.

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, Supervisors 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:

- to make recommendations to the Board regarding the appointment, reappointment, and removal of external auditor, approve the remuneration and terms of engagement of the external auditor, and deal with all matters relating to the resignation or dismissal of external auditor;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, to discuss with the external auditor the nature and scope of the audit and reporting obligations before the audit commences;
- to develop and implement policies on engaging an external auditor to provide non-audit services, to discuss with the Board of Directors and the senior management of the Company on such policies, and consider any significant and unusual items;
- to review the financial control, internal control and risk management system of the Company;
- to discuss with the management on risk management and internal control system to ensure that the management has performed its duty to maintain an effective risk management and internal control system;
- to consider major investigation findings on risk management and internal control on its own initiative or as delegated by the Board and the management's response to these findings;
- to monitor internal audit system of our Company and ensure the implementation of such system;
- to facilitate communications between the internal audit department and external auditor;
- to review the financial information and relevant disclosures of our Company;

- to review the external auditor's audit letter to the management, major queries raised by the external auditor about accounting records, financial accounts or control systems and the response of the management and ensure that the Board will provide a timely response to the issues raised in the external auditor's audit letter to the management;

- to monitor our Company in respect of financial reporting system, risk management and internal control system;

- to review the following arrangements of the Company: the employees of the Company can, in confidence, raise concerns about possible irregularities in financial reporting, internal control or other matters. The Committee shall ensure that proper arrangements are in place for the Company to conduct fair and independent investigations and to take necessary actions accordingly;

- to liaise with the external auditor as the key representative of the Company, and to monitor the relationship between the Company and the external auditor;

- to report to the Board of matters required by the aforementioned terms;

- to deal with other matters as authorized by the Board of Directors and as required by the relevant laws and regulations; and

- to perform other duties as required by the Listing Rules and the listing rules of the jurisdiction in which the securities of the Company are listed, as revised from time to time.

During the Reporting Period, the Audit Committee held two meetings and met twice 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:

Name of Directors	**Attendance**
Mr. Wong Hak Kun *(Chairman)*	2/2
Mr. Chan Kok Chung, Johnny	2/2
Mr. Li Qiuyu	2/2

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 three members, namely, Mr. Sun Haijin (ED), Mr. Chan Kok Chung, Johnny (INED), and Mr. Zhou Xiang (INED), a majority of whom are INEDs. Mr. Sun Haijin is the chairman of the Nomination Committee.

The primary responsibilities of the Nomination Committee are to further optimise the composition of the Board and the senior management and improve the corporate governance structure, including:

- to review the structure, size, and composition of our Board (including the skills, knowledge, and experience) and make recommendations on any proposed changes to our Board to complement our Company's corporate strategy;
- to identify individuals suitably qualified to become board members and make recommendations to our Board on the selection of individuals nominated for directorships;
- to assess the independence of our independent non-executive Directors;
- to assess the number of directorship of other listed companies held by candidates to be nominated as the independent non-executive Directors of the Company;
- to develop and maintain a policy for the nomination of the Directors which includes the nomination procedures and the process and criteria adopted by the Nomination Committee to identify, select, and recommend candidates for directorship;
- to develop, maintain, and review the policy concerning the diversity of the Board of Directors; and
- to review annually the time required from non-executive Directors and independent non-executive Directors; and to make recommendations to our Board on the appointment or re-appointment of our Directors and succession planning for Directors (in particular the chairman of the Board and the chief executive officer).

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

Name of Directors	**Attendance**
Mr. Sun Haijin *(Chairman)*	1/1
Mr. Chan Kok Chung, Johnny	1/1
Mr. Zhou Xiang	1/1

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 Nomination Committee are to establish a sound system of assessment for Directors and senior management and implement and review the remuneration policies and incentive plans, including:

- to make recommendations to the Board of Directors on the policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- to review and approve the management's remuneration proposals with reference to the Board of Directors' corporate goals and objectives;
- to make recommendations to the Board of Directors or determine on the remuneration packages of executive Directors and senior management (the model under Code Provision E.1.2.(c)(ii) of the CG Code);
- to make recommendations to the Board of Directors on the remuneration of non-executive Directors;
- to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules and any other employee incentive schemes adopted by the Company from time to time;
- to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Company and its subsidiaries;
- to review and approve the senior management's remuneration proposals with reference to the Board of Directors' corporate goals and objectives;
- to examine and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- to examine and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- to ensure that no Director or any of his associates is involved in deciding his/her own remuneration; and
- to consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time.

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

Name of Directors	Attendance
Mr. Chan Kok Chung, Johnny *(Chairman)*	2/2
Mr. Wong Hak Kun	2/2
Mr. Sun Haijin	2/2

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 (the expiry of the second session of the Board will be on June 20, 2025). Directors' term shall be three years. At the expiry of such term of office, the term is renewable upon re-election.

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.

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 gender diversity at the Board level has been attained during the Reporting Period with the current composition of two female Directors. We will continue to apply the principle of appointments based on merits with reference to our Board diversity policy as a whole, and are committed to providing career development opportunities for female staff.

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. It is delegated by our Board to increase the proportion of female members over time when selecting and making recommendations on suitable candidates for Board appointments to achieve an appropriate balance of gender diversity with reference to Shareholders' expectations and international and local recommended best practices, with the ultimate goal of bringing our Board to mixed gender.

We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including currently there are a number of female on our Board and the senior management teams, complying with the relevant requirements under the rules. The Company will commit to enhancing the other diversity requirements of the board members.

To enhance our corporate governance by promoting gender diversity at the Board, we have set out the following targets and policies:

(i) 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.

(ii) The Company is committed to providing career development opportunities for female staff and ensuring that there is gender diversity when recruiting staff at mid to senior levels so that our Company will have a pipeline of female senior management and potential successors to our Board in due time to ensure gender diversity of our Board. We emphasise on training senior female staff who have long contribution to and relevant experience in our business, including on-demand delivery industry and business management. Our Directors believe that this policy will provide the required manpower resources to better achieve gender diversity in our 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, 2024, we had 2,048 full-time employees, of whom 1,471 were men and 577 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.

SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

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, 2024 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) relating to the appointment of at least three INEDs or one-third of the Board with at least 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 personal particulars that may affect his 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 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. 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, 2024.

TERM OF OFFICE OF 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.

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 and external auditor will use all reasonable efforts to attend annual general meetings and to answer Shareholders' questions.

Procedure for Shareholders to convene Extraordinary General Meetings

- Shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to request the Board to convene an extraordinary general meeting, and such request shall be made in writing to the Board. The Board shall, in accordance with the laws, administrative regulations and the Articles, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of such proposal.

- If the Board agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original proposal made in the notice shall approved by the relevant Shareholders.

- If the Board does not agree to convene the extraordinary general meeting or fails to furnish a reply within 10 days upon receipt of such proposal, the Shareholders individually or jointly holding more than 10% of the shares of the Company shall have the right to request the Board of Supervisors to convene an extraordinary general meeting, and such request shall be made in writing.

- If the Board of Supervisors agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within five days upon receipt of the proposal. Any changes to the original proposal in the notice shall be approved by the relevant Shareholders.

- If the Board of Supervisors fails to issue the notice of the general meeting within the prescribed period, it shall be deemed that the Board of Supervisors does not convene and preside over the Shareholders' general meeting, and Shareholders individually or jointly holding more than 10% of the shares of the Company with voting rights at the proposed meeting may convene and preside over the meeting on their own.

- If the Board of Supervisors or Shareholders decide to convene a Shareholders' general meeting on their own, they shall notify the Board in writing and at the same time make a filing with the Stock Exchange. The shareholding of the convening Shareholders shall not be less than 10% before the announcement of the resolutions of the Shareholders' general meeting. The Board of Supervisors or the convening Shareholders shall submit relevant supporting documents to the Stock Exchange where the shares of the Company are listed when issuing the notice of the Shareholders' general meeting and announcing the resolutions of the Shareholders' general meeting.

- The Board and the secretary to the Board shall cooperate with the Board of Supervisors or the Shareholders to convene the Shareholders' general meeting upon receipt of the notice. The Board shall provide the register of shareholders on the date for registration of shareholding.

All reasonable expenses incurred for the Shareholders' general meeting convened by the Board of Supervisors or Shareholders on their own shall be borne by the Company.

Procedure for Shareholders to Put Forward Proposals in General Meetings

When the Company convenes a general meeting, the Board, the Supervisors and Shareholders individually or jointly holding 3% or more of the total voting shares of the Company are entitled to propose resolutions in writing to the Company.

Shareholders individually or jointly holding 3% or more of the shares of the Company are entitled to propose new resolutions in writing to the Company and submit them to the convener 10 days before the meeting. The convener of the general meeting shall issue a supplementary notice of the general meeting within 2 days upon the receipt of such proposal and announce the contents of the interim proposals.

Except as provided in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the general meeting or add new proposals after issuing the notice of the general meeting.

Proposals not set out in the notice of the general meeting or not in compliance with the Rules of Procedure for the Shareholders' General Meeting of the Company shall not be voted on or resolved at the general meeting.

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.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company amended the Articles pursuant to the consultation conclusions to the consultation paper on Proposed Amendments to Listing Rules Relating to Treasury Shares issued by the Hong Kong Stock Exchange on April 12, 2024 (the "**Consultation Conclusions**"), whereby from June 11, 2024 onwards, issuers no longer need to cancel repurchased shares as soon as reasonably practicable and can hold repurchased shares as treasury shares in accordance with the laws of the issuer's place of incorporation and its articles of association. Accordingly, the 16,082,200 H Shares repurchased by the Company between October 19, 2023 to June 10, 2024 were cancelled. The Company's registered share capital was reduced from 933,457,707 shares to 917,375,507 shares by the Board accordingly. The Board proposed the amendments of the Articles of Association based on the changes in the actual share capital and registered share capital of the Company in relation to the reduction of the registered share capital of the Company. Such amendments to the Articles and the relevant rules of the Company became effective upon the passing of the relevant special resolution at the 2024 first extraordinary general meeting held on October 25, 2024. For details, please refer to the Company's announcement and circular dated October 4, 2024 and October 25, 2024 respectively.

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

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, AGMs and other general meetings that may be convened, as well as all the disclosures submitted to HKEx. The Company maintains a website at 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.

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.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the risk management and internal control system of the Company and reviewing their effectiveness. The Audit Committee is delegated to oversee the effectiveness of our risk management system on an ongoing basis.

Risk Management Process

Risks are inherent in every area of our business. It is important to have a risk-aware culture in the Company, as well as a systematic approach to identify and assess risks such that they can be mitigated, transferred, avoided, or understood. We have devoted ourselves to building and maintaining risk management and internal control system consisting of policies, procedures, and risk management methods that we consider to be appropriate for our business operations, and are dedicated to continuously improving these systems. We have also adopted and implemented 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.

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.

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 reviewed one analysis report of 2024 on risk management and internal control, and put forward relevant opinions and suggestions.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control system for the year ended December 31, 2024, and 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 for 2025.

The Board, as supported by the Audit Committee as well as the management report and the internal audit findings, reviewed the risk management and internal control system, including the financial, operational and compliance controls, for the year ended December 31, 2024, 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. As of the date of this report, there are no material internal control findings.

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; and

- ensures, through its own internal reporting processes and the consideration of their outcome by senior management, the appropriate handling and dissemination of inside information.

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.

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, 2024 is set out below:

Service Category	Fees Paid/Payable (RMB '000)
Audit and audit-related service	2,460
Non-audit services (including tax and other advisory services)	661

The Directors are responsible for the preparation of consolidated financial statements for the year ended December 31, 2024. 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 83 to 86.

COMPANY SECRETARY

As at the date of this report, Ms. Liu Jia is the company secretary of the Company. On December 12, 2024, the Stock Exchange has confirmed that Ms. Liu Jia, one of the joint company secretaries, has qualified to act as the sole company secretary of the Company under Rule 3.28 of the Listing Rules..

Between January 1, 2024 and December 16, 2024, Mr. Chan Hey Man (a qualified person) as a joint company secretary provided assistance to Ms. Liu Jia in discharge of her duties. Mr. Chan Hey Man has ceased to act as a joint company secretary with effect from December 17, 2024 (i.e. the date on which the deliberation procedures of the Board are completed), and Ms. Liu Jia became the sole company secretary of the Company and has been solely responsible for facilitating the Board's processes and communications among Board members, with Shareholders and with management. Each of Ms. Liu Jia and Mr. Chan Hey Man has undertaken at least 15 hours of relevant professional training to update their skills and knowledge during the Reporting Period.

All Directors have access to the advice and services of the company secretary to ensure the board procedures, and all applicable law, rules, and regulations, are followed.

CHANGES IN SHARE CAPITAL

Statement of changes in share capital

Pursuant to the Consultation Conclusions, from June 11, 2024 onwards issuers no longer need to cancel repurchased shares as soon as practicable, and can hold repurchased shares as treasury shares in accordance with the laws of the issuer's place of incorporation and its articles of association. Accordingly, out of the 14,850,000 H Shares repurchased by the Company during the Reporting Period, those repurchased between January 1, 2024 to June 10, 2024, being 11,729,200 H Shares were cancelled, and the remaining 3,120,800 H Shares repurchased from June 11, 2024 to December 31, 2024 were held by the Company as treasury shares. For details, please refer to the Company's announcements and circulars dated June 6, 2024, August 6, 2024 and October 4, 2024, respectively.

Save as disclosed in this annual report, there was no change in the shareholding structure of the Company during the Reporting Period.

	January 1, 2024		Changes during the Reporting Period					December 31, 2024	
Unit: Shares	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	18.40	–	–	–	–	–	171,764,898	18.72
2. H Shares	761,692,809	81.60	–	–	–	(16,082,200)[1]	(16,082,200)	745,610,609[2]	81.28
III. Total number of shares	933,457,707	100.00	–	–	–	(16,082,200)	(16,082,200)	917,375,507	100.00

Notes:

(1) Among the 4,353,000 H Shares repurchased in 2023 and 11,729,200 H Shares repurchased between January 1, 2024 to June 10, 2024, a total of 16,082,200 H Shares were cancelled on August 6, 2024.

(2) Including 3,120,800 H Shares repurchased between June 11, 2024 to December 31, 2024 and held by the Company as treasury shares.

Security issuance and listing

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

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 53.39% 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, 2024, 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.

EXECUTIVE DIRECTORS

Mr. Sun Haijin, aged 45, 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 continues to be 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, and served as a director of various subsidiaries of the Company.

Mr. Sun has over 20 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 degree in administrative management from Nanchang University (南昌大學) in Jiangxi Province, the PRC in June 2005.

Mr. Chan Hey Man, aged 43, is our executive Director, chief financial officer 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 21 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 39, 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.

Mr. Chen has over 13 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 39, is our non-executive Director. Mr. Geng has more than 15 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 information and 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 46, is our non-executive Director and has more than 22 years of work experience. She is an employee representative supervisor of SF Holding, and is primarily responsible for supervising the performance of duties by the Directors and senior management of SF Holding. 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. 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) (listed on the Hong Kong Stock Exchange, stock code: 0848) from January 2011 to May 2012.

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 37, is our non-executive Director and a member of the Audit Committee. Mr. Li has over 14 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. Han Liu, aged 36, is our non-executive Director. Mr. Han has over 13 years of experience in logistics and supply chain management. Mr. Han started his career as a senior manager of the warehouse and logistics division of Jingdong E-commerce at JD.com, Inc. (a company both listed on NASDAQ, stock code: JD, and on the Hong Kong Stock Exchange, stock code: 9618) in 2011, and subsequently became a senior manager of the management supervision division in 2014. From 2015 to 2018, Mr. Han joined the JD Logistics Group and served as the general manager of the international supply chain division. Since January 2019, Mr. Han has been the general manager of the shared retail business unit (共享零售事業部), hyperlocal logistics business unit (同城物流事業部) and supermarket ecological business unit (超市生態事業部) of Alibaba Group Holding Limited ("**Alibaba Group**", a company with its American depositary shares listed on the New York Stock Exchange, stock code: BABA, and its ordinary shares listed on the Hong Kong Stock Exchange, stock code: 9988). He also served as the vice president of local retail (同城零售) of Alibaba Group between August 2021 and February 2022, and since March 2022, the vice president of Alibaba local life (阿里本地生活) and the president of fengniao logistics (蜂鳥即配). Mr. Han also served as the non-executive director of Sun Art Retail Group Limited (a company listed on the Hong Kong Stock Exchange, stock code: 06808) from November 2021 to February 2025.

In July 2011, Mr. Han obtained a bachelor degree in Logistics Engineering and Supply Chain Management from the Tianjin University in the Tianjin, the PRC.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Kok Chung, Johnny, aged 65, 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 has also been the founder and secretary general of the Asian Venture Capital and Private Equity Council Limited since November 2011. 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 (currently known as 8088 Investment Holdings Limited), where he served as an executive director from April 2000 to March 2008 and from October 2010 to March 2013, and a non-executive director from April 2008 to October 2010. He was the director of Crosby Asset Management (Hong Kong) Limited from November 2002 to December 2015 and the director of Crosby Wealth Management (Hong Kong) Limited since May 2004. He has been a director of Repton School (Hong Kong) Limited since May 2014 and Repton International (Asia Pacific) Limited since September 2010. He has been a director of Make a Difference Institute Limited since March 2015. He has been a director of Quantinuum 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. He has been an independent non-executive director of CNQC International Holdings (a company listed on the Hong Kong Stock Exchange, stock code: 1240) and a member of its audit, remuneration and strategic investment committees since January 2016. Mr. Chan has been an advisor of Our Hong Kong Foundation Limited and a council member of the HK Startup Council of the Federation of HK Industries 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 since July 2021. 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 has been appointed 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.

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 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 68, 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 46, 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 Decision Sciences and Managerial Economics Department from October 2013 to August 2016; a professor of the Decision Sciences and Managerial Economics Department since August 2016 and a chairperson of the Decision Sciences and Managerial Economics Department 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.

Ms. Huang Jing, aged 60, is our independent non-executive Director. 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.

SUPERVISORS

Ms. Gao Yuan, aged 45, is our Supervisor and the chairman of the Supervisory Committee. She has over 21 years of experience in financial management. Ms. Gao had previously worked in financial management in various listed companies including China Telecom Corporation Limited (中國電信集團有限公司) (whose shares are listed on the Hong Kong Stock Exchange, stock code: 0728) and the Shanghai Stock Exchange, stock code: 601728) and ZTE Corporation (中興通訊股份有限公司) (whose shares are listed on the Hong Kong Stock Exchange, stock code: 0763 and Shenzhen Stock Exchange, stock code: 000063). From March 2015 till now, Ms. Gao served in multiple positions in S.F. Holding Group, including the chief financial officer of Shenzhen S.F. Express Co., Ltd (深圳順豐快運股份有限公司) and the head of financial support for business unit of SF Holding Group.

Ms. Gao obtained a bachelor's degree in accounting from Xiamen University in Xiamen, the PRC in July 2002. In June 2021, Ms. Gao was admitted as a Fellow of the Institute of Public Accounts of Australia (FIPA), and a Fellow Financial Accountant of the Institute of Financial Accountant (FFA). In August 2021, Ms. Gao was awarded the professional title of Chinese Senior Accountant (中國高級會計師職稱) issued by Shenzhen Human Resources and Social Security Bureau. Ms. Gao was also admitted as a Chartered Global Management Accountant (CGMA) and a Fellow Chartered Management Accountant (FCMA) by the Chartered Institute of Management Accountants in December 2021, and was admitted as an International Accountant (AAIA) of the Association of International Accountants by the China Association of Chief Financial Officers in August 2023.

Mr. Wu Guozhong, aged 49, is our Supervisor. Mr. Wu joined the Group in October 2018, and his working experience within the Group mainly includes: serving as a supervisor of Shenzhen Intra-city from October 2018 to November 2020, serving as the supervisor of Shenzhen Zhongplus from December 2018 to November 2020, and serving as the supervisor of Shanghai Fengpai from January 2019 to September 2020. Mr. Wu has over 20 years of experience in legal and compliance. Prior to joining the Group, Mr. Wu's previous working experience until now mainly includes consecutively serving as head of license group of CEO's office and head of confidentiality group of SF Holding.

Ms. Su Xiaohui, aged 46, is our Supervisor. Ms. Su was appointed as a Supervisor in October 2019. Ms. Su has over 20 years of experience in human resources. Ms. Su joined SF Holding Group in July 2005 and served as the head of human resources of intra-city on-demand delivery business unit being responsible for our human resources management from September 2017 to June 2019. Ms. Su joined the Group in June 2019 as the head of human resources department of the Company. Prior to joining the Group, Ms. Su's previous working experience principally includes: serving in multiple positions including an organization development specialist and the deputy director of human resources performance management of SF Holding from July 2005 to September 2017.

Ms. Su obtained a bachelor's degree in international business administration from South China University of Technology (華南理工大學) in Guangzhou, the PRC in June 2000.

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 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 44, is the secretary of our Board and our company secretary. Ms. Liu has been the secretary of the Board from May 2021 to date. She has also been a joint company secretary of the Company prior to December 17, 2024 and became the sole company secretary of the Company since December 17, 2024. Ms. Liu currently also serves as the head of strategy & IR department of the Company, the executive director of Shanghai Fengpai and the executive director of Shunda Tongxing.

Ms. Liu has over 21 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 since March 2022, has served as the head of strategy & IR department of the Company. 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 YatSen 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. Ms. Liu has also obtained the approval from the Hong Kong Stock Exchange in December 2024 regarding her qualification to serve as an independently appointed company secretary.

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, 2024.

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 platform 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, 2024, 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, 2024 by principal activities is set out in the section headed "Management Discussion and Analysis" on pages 10 to 27 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.

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-subscription', 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, 2024 are set out in the consolidated statement of comprehensive income on pages 87 to 88. 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 10 to 27.

ISSUED SHARES

As at December 31, 2024, 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, 2024 are set out in note 26 to the consolidated financial statements.

DIVIDENDS

The Board does not recommend the distribution of a final dividend for the year ended December 31, 2024. 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, 2024, 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 and up to the date of this annual report, the Company repurchased certain H Shares on the Stock Exchange. Details of the shares repurchased are as follows:

		Purchase consideration per share		
Month of repurchase[4]	**No. of H Shares repurchased**	**Highest price paid (HK$)**	**Lowest price paid (HK$)**	**Aggregate consideration paid (HK$)**
2024				
January	6,530,600	11.20	8.92	66,600,984
February	–	–	–	–
March	114,000	9.47	9.27	1,061,986
April	2,879,800	10.56	9.79	29,313,940
May	2,046,000	11.08	9.94	21,221,648
June	1,919,000[1]	12.68	10.96	22,886,136
July	1,061,800[2]	11.66	10.06	11,644,100
August	–	–	–	–
September	298,800[3]	11.58	10.70	3,375,240
October	–	–	–	–
November	–	–	–	–
December	–	–	–	–
Total	**14,850,000**			**156,104,034**

(1) Among the H Shares repurchased in June 2024, 1,760,200 H Shares were held as treasury shares.

(2) All the 1,061,800 H Shares repurchased in July 2024 were held as treasury shares.

(3) All the 298,800 H Shares repurchased in September 2024 were held as treasury shares.

(4) No H shares was repurchased subsequent to the Reporting Period.

From January 1, 2024 to the date of this annual report, (1) the Company had repurchased an aggregate of 14,850,000 H Shares at an aggregate consideration of HK$156,104,034 (exclusive of transaction costs); (2) 16,082,200 H Shares repurchased by the Company were cancelled on August 6, 2024. As of December 31, 2024 and up to the date of this annual report, (3) 3,120,800 H Shares repurchased by the Company continued to be held by the Company as treasury shares; (4) the Company had 745,610,609 H shares (including treasury shares) and 171,764,898 domestic Shares in issue. Subject to compliance with the Listing Rules, the Company might consider using treasury shares for future resale or cancellation.

Save as disclosed in this annual report, during the Reporting Period and up to the date of this report, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Hong Kong Stock Exchange (including the sale of treasury shares).

USE OF PROCEEDS FROM THE LISTING

From the Listing Date to the date of this report, 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 the results announcement of the Company dated August 28, 2024 ("**2024 Interim Results Announcement**"). The unused net proceeds from the Global Offering as of December 31, 2024 were approximately HK$410.3 million after deducting underwriting commissions and offering expenses paid or payable.

As disclosed in (i) the section headed "Future Plans and Use of Proceeds" in the Prospectus and (ii) the annual report of the Company for the year ended December 31, 2023 (the "**2023 Annual Report**"), the net proceeds were intended to be used for the following purposes:

- approximately 35% of the net proceeds is expected to be used for research and development and technology infrastructure;
- approximately 20% of the net proceeds is expected to be used to expand our service coverage, including scenario coverage and geographical coverage, and to expand the rider pool;
- approximately 20% of the net proceeds is expected to be used for funding the potential strategic acquisition of and investment in upstream and downstream businesses along the industry value chain, which we may seek from time to time to supplement and expand our business operations;
- approximately 15% of the net proceeds is expected to be used for marketing and branding; and
- approximately 10% of the net proceeds is expected to be used for working capital and general corporate uses.

The net proceeds received by the Company, after deducting the underwriting commission and other listing expenses in connection to the Listing, were approximately HK$2,051.5 million.

As disclosed in the section headed "Use of Proceeds from The Listing" in the annual results announcement dated March 28, 2025, the Company had utilised approximately HK$1,641.2 million of the net proceeds up to December 31, 2024 in the manner disclosed therein.

CHANGE IN USE OF PROCEEDS

As of December 31, 2024, the unutilised net proceeds amounted to approximately HK$410.3 million. On August 28, 2024, the Board resolved to change the use of the unutilised net proceeds partially from funding potential strategic acquisitions and investments in upstream and downstream businesses to expanding the Company's service coverage. For further details, please refer to the 2024 Interim Results Announcement. An analysis of the utilisation of the net proceeds as during the Reporting Period and the proposed change in the use of the unutilised net proceeds is set out as below:

Purpose	Initial allocation of net proceeds from the Listing available as of January 1, 2024	Net proceeds from the Listing available after the Amendment	Actual net amount utilised up to December 31, 2024	Revised allocation and unused net proceeds up to December 31, 2024	Expected timeline for utilising unutilised net amount
	(HK$ million)	(HK$ million)	(HK$ million)	(HK$ million)	
Research and development and technology infrastructure	718.0	718.0	718.0	–	N/A
Expand the Company's service coverage	410.3	793.7	410.3	383.4	before end of 2026
Funding potential strategic acquisitions and investments in upstream and downstream businesses along the industry value chain	410.3	26.9	–	26.9	before end of 2026
Marketing and branding	307.7	307.7	307.7	–	N/A
Working capital and general corporate use	205.2	205.2	205.2	–	N/A
Total		**2,051.5**	**1,641.2**	**410.3**	

The unutilised net proceeds are expected to be utilised for expanding the Company's service coverage (including scenario coverage and geographical coverage), and for funding potential acquisitions and investments, and the timing for utilizing such net proceeds is extended to the end of 2026. See "Reasons for and Benefits of the Change in Use of Proceeds" below and refer to the 2024 Interim Results Announcement for further details.

Save for the aforesaid changes, there is no other change in use of the net proceeds.

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

As referred to in the 2024 Interim Results Announcement, over the past three years, the Company has been actively exploring investment targets that align with the Company's vision & development. However, due to the comprehensive impact of the COVID-19 pandemics and other market factors, no suitable investment target has been identified. As a result, no proceed has been used to fund potential acquisitions.

In order to meet the Company's plan to increase market share and explore potential market development, the Board is of the view that strict adherence to the implementation plan set out in the Prospectus will not be in the Group's best interest and therefore it should be appropriate to change the use of the unutilised net proceeds by (i) re-allocating HK$383.4 million (equivalent to approximately RMB355.8 million) for expanding our service coverage, in particular the growth in non-food delivery scenarios and expansion in lower-tier cities and counties; and (ii) reserving HK$26.9 million (equivalent to approximately RMB25 million) for potential strategic acquisition and investments of targets that have reached an annual revenue of more than RMB50 million, a valuation of more than RMB50 million and operating history of three years or more, and have a China or international geographical business coverage. The revised criteria of acquisition targets have taken into consideration the profiles of potential acquisitions targets that the Group has explored in the last three years and can better suit our business need and the current market dynamics, and the timing for utilizing such net proceeds (including the proceeds for expanding the service coverage and potential strategic acquisitions and investments) is extended to the end of 2026.

The Board is of the view that the re-allocation of the unutilised net proceeds will provide flexibility for the Group to manage its asset and liability and is favourable to the Group's long term business development as well as a better utilisation of the unutilised net proceeds. The Board will continue to assess the operations of the Group and the plan for the use of unutilised net proceeds and make revision when necessary.

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, 2024 are set out in the note 41 and note 27 respectively to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at December 31, 2024, the Company has no distributable reserves.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements during the year ended December 31, 2024 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, 2024, we do not have outstanding borrowing.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended December 31, 2024, the largest and the five largest customers of the Group accounted for approximately 42.8% and 66.5% of the Group's revenue, respectively. The largest and the five largest suppliers of the Group accounted for approximately 36.4% and 80.9% of the Group's purchases, respectively.

For the year ended December 31, 2024, the Group's revenue derived from one major customer (2023: 1), which individually contributed 10% or more of the Group's total revenue, for approximately RMB6,735.6 million (2023: RMB5,029.4 million), accounting for approximately 42.8% (2023: 40.6%) 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, 2024. 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, 2024, the Group has conducted the following connected transactions:

Continuing Connected Transactions

Continuing connected transactions	Connected parties(note)	Transaction value for the year ended December 31, 2024	Annual cap amount for the year ended December 31, 2024
		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.	366,605	450,000
– Last-mile Delivery Service	S.F. Holding Co., Ltd.	6,368,957	7,160,000
2. Comprehensive Service Purchasing Framework Agreement	S.F. Holding Co., Ltd.	46,634	84,000
3. Leasing Framework Agreement	S.F. Holding Co., Ltd.	1,685	8,000
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	801,427	864,000
– Interest income received by the SF Intra-city Group from SF Finance	SF Holding Group Finance Co., Ltd	5,193	16,416
– Entrusted Loan Service	SF Holding Group Finance Co., Ltd	—	144

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

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

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, 2024, 2025 and 2026 shall not exceed RMB450.0 million, RMB710.0 million and RMB1,100.0 million, respectively.

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

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, 2024, 2025 and 2026 shall not exceed RMB7,160.0 million, RMB9,455.0 million and RMB12,270.0 million, respectively.

2. Comprehensive Service Purchasing Framework Agreement

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 such as (a) routine work related to financial affairs including account keeping and reimbursement receipt review in accordance with the instruction and the predetermined rules provided by our Group; (b) facilitating and administrating the process of the payment and declaration of salary social insurance and housing allowance of the Group's employees in accordance with the instruction from the Group; (c) the maintenance of our administrative IT systems including the email system and other instant messaging applications; and (d) bill production and collection of receivables;

(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, 2024, 2025 and 2026 shall not exceed RMB84.0 million, RMB110.0 million and RMB134.0 million, respectively.

3. Leasing Framework Agreement

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, 2024, 2025 and 2026 shall not exceed RMB8.0 million, 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 ("**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.

Scope of services

Under the financial services related agreements mentioned above, SF Finance has provided Deposit Services and Entrusted Loan 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.

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.

2. Entrusted Loan Services

The Company and its subsidiaries will provide entrusted loans to members of the SF Intracity Group through SF Finance and pay service fees to SF Finance.

Annual Caps

The maximum cap of service fees to be paid by the SF Intra-city Group to SF Finance for the year ending December 31, 2024 shall not exceed RMB144,000. There will be no Entrusted Loan Services pursuant to the 2025-2027 Financial Services Framework Agreement.

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.

The Company entered into certain transactions with "related parties" as defined under applicable accounting standards during the financial year ended December 31, 2024. 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

The Directors during the year ended December 31, 2024 and up to the Latest Practicable Date were:

Executive Directors:
Mr. Sun Haijin *(Chairman of the Board and Chief Executive Officer)*
Mr. Chan Hey Man
Mr. Chen Lin

Non-executive Directors:
Mr. Geng Yankun
Ms. Li Juhua
Mr. Li Qiuyu
Mr. Han Liu

Independent Non-executive Directors:
Mr. Chan Kok Chung, Johnny
Mr. Wong Hak Kun
Mr. Zhou Xiang
Ms. Huang Jing

SUPERVISORS

The Supervisors during the year ended December 31, 2024 and up to the Latest Practicable Date were:

Ms. Gao Yuan *(Chairman)*
Mr. Wu Guozhong
Ms. Su Xiaohui

The Board of Supervisors held two meetings during 2024. Details of the events conducted by the Board of Supervisors during 2024 are set out in the section headed "Report of Supervisors" of this annual report.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

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

Save for the respective contracts entered into by our Directors and Supervisors in respect of other management roles in the Group, none of our Directors or Supervisors 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, SUPERVISORS AND SENIOR MANAGEMENT

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

Information about the details of the Directors and senior management of the Company is set out in the section headed "Directors, Supervisors and Senior Management".

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, as of the year ended December 31, 2024 and up to the Latest Practicable Date, the changes in information of Directors of the Company are set out below:

1. In January 2024, Ms. Li Juhua became assistant CFO of the SF Holding Group. In April 2024, Ms. Li resigned as a non-executive Director of SF REIT Asset Management Limited (the manager of SF Real Estate Investment Trust (a company listed on the Hong Kong Stock Exchange, stock code: 2191.HK).

2. In July 2024, Mr. Chan Kok Chung, Johnny, ceased to be the deputy chairman and a member of the Listing Committee of the Hong Kong Stock Exchange. He became a board member of the Accounting and Financial Reporting Council (AFRC) since October 2024. He assumed the Chairmanship of Global Venture Capital Congress (GVCC) since November 2024. He has also been appointed as a panel member of the Securities and Futures Appeals Tribunal (SFAT) starting from April 2025.

3. In October 2024, Mr. Chan Hey Man became an independent non-executive director 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.

4. In December 2024, Mr. Chan Hey Man resigned as a joint company secretary, but remains as the executive director and the chief financial officer of the Company, the authorised representative of the Company pursuant to the Listing Rules, as well as a supervisor for certain subsidiaries of the Company. Ms. Liu Jia has since become the sole company secretary of the Company.

5. In February 2025, Mr. Han Liu resigned as a non-executive Director of Sun Art Retail Group Limited (a company listed on the Hong Kong Stock Exchange, stock code: 06808).

Save as disclosed in this annual report, there were no changes in information of Directors, Supervisors 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, SUPERVISORS, 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, Supervisors 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 AND SUPERVISORS IN TRANSACTION, ARRANGEMENT OR CONTRACT

The Directors and Supervisors have confirmed that other than business of the Group, none of the Directors and Supervisors 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, SUPERVISORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at December 31, 2024, the interests or short positions of the Directors, Supervisors 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, Supervisor and chief executive	Class of Shares	Nature of Interest	Number of Shares interested(1)	Approximate percentage of shareholding in the relevant class of Shares(2)	Approximate percentage of shareholding in the total issued Shares of the Company
Sun Haijin	H Shares	Interest of controlled corporation(3)	55,609,800 (L)	7.46%	6.06%
Chen Lin	H Shares	Others(4)	7,807,009 (L)	1.05%	0.85%
Li Qiuyu	H Shares	Others(5)	243,236 (L)	0.03%	0.03%
Su Xiaohui	H Shares	Others(6)	2,267,498 (L)	0.30%	0.25%
Chan Hey Man	H Shares	Beneficial owner(7)	1,200,000 (L)	0.16%	0.13%

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 treasury shares) and 171,764,898 Unlisted Domestic Shares as at December 31, 2024.

(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.

(5) Mr. Li Qiuyu is a limited partner of Tianwo Kangzhong. Tianwo Kangzhong is a beneficial owner of the Company.

(6) Ms. Su Xiaohui is a limited partner of Ningbo Shunxiang. Ningbo Shunxiang is a beneficial owner of the Company.

(7) Mr. Chan Hey Man was granted trust benefit units pursuant to the Employee Incentive Scheme adopted on April 19, 2023, and is a beneficial owner of the shares of the Company.

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

Name of Director, Supervisor and chief executive	Name of Associated Corporation	Nature of Interest	Number of Shares interested[(1)]	Percentage of the issued share capital of the associated corporation[(2)]
Li Qiuyu	SF Holding	Beneficial owner[(3)]	204,000 (L)	0.00%
Geng Yankun	SF Holding	Beneficial owner[(3)]	427,000 (L)	0.01%

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).

(3) Mr. Li Qiuyu and Mr. Geng Yankun has or is deemed to have interest in the underlying shares of equity derivatives of SF Holding respectively.

Save as disclosed above and so far as is known to the Directors, Supervisors and chief executives of the Company, as at December 31, 2024, none of the Directors, Supervisors 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, SUPERVISORS 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, 2024, the Company did not have any retirement benefit scheme (per definition in the Listing Rules). For details regarding remuneration received by the Directors and Supervisors 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, 2024, so far as is known to the Directors, the following persons (not being Directors, Supervisors 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[1]	Approximate percentage of shareholding in the relevant class of Shares[2]	Approximate percentage of shareholding in the total issued Shares of the Company
Wang Wei	Unlisted Domestic Shares	Interest of controlled corporation[3]	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[3]	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[3]	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[4]	192,973,764 (L)	25.88%	21.04%
SF Technology Co., Ltd.	H Shares	Interest of controlled corporation[4]	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%
SF Holding (HK) Limited	H Shares	Beneficial Owner	117,973,764 (L)	15.82%	12.86%
	H Shares	Interest of controlled corporation[5]	897,000 (L)	0.12%	0.10%
Sun Haijin	H Shares	Interest of controlled corporation[5]	55,609,800 (L)	7.46%	6.06%
Ningbo Shunxiang Tongcheng Venture Capital Investment Partnership (Limited Partnership)	H Shares	Beneficial Owner[5]	55,609,800 (L)	7.46%	6.06%
Boundless Plain Holdings Limited	H Shares	Interest of controlled corporation[6]	52,699,953 (L)	7.07%	5.74%
Alibaba Group Holding Limited	H Shares	Interest of controlled corporation[7]	51,844,000 (L)	6.95%	5.65%
Taobao Holding Limited	H Shares	Interest of controlled corporation[7]	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[6]	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, 2024, 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 Employee Incentive Scheme 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 Employee Incentive Scheme are set out in the "Employee Incentive Scheme" section below.

Other than the Employee Incentive Scheme, the Company did not enter into any equity-linked agreement during the year ended December 31, 2024.

LOAN AND GUARANTEE

As of December 31, 2024, we have not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors, Supervisors 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, 2024 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.

EMPLOYEE INCENTIVE SCHEME

Reference is made to the circular published by the Company on March 28, 2023 in relation to, among others, the proposed adoption of the Employee Incentive Scheme, which was subsequently approved by the Shareholders at the extraordinary general meeting held on April 19, 2023. The Employee Incentive Scheme shall be valid and effective for a period of ten (10) years from April 19, 2023 (the "**Effective Scheme Date**"). The remaining term of the Employee Incentive Scheme is approximately eight (8) years.

The purposes of the Employee Incentive Scheme are to (i) promote the achievement of long-term sustainable development and performance goals of the Company; (ii) closely align the interests of the employees with those of Shareholders, investors and the Company to enhance the cohesion of the Company and to facilitate the maximization of the value of the Company; and (iii) improve the Company's incentive mechanism to attract, motivate and retain core employees who have made contributions to the sustainable operation, development and long-term growth of the Company.

All eligible participants ("**Eligible Participants**") are eligible to participate in the Employee Incentive Scheme. The Board and/or the delegatee ("**Delegatee**") may select any qualified Eligible Participant to participate in the Employee Incentive Scheme as a grantee ("**Grantee**"). Unless so selected, no Eligible Participant shall be entitled to participate in the Employee Incentive Scheme.

The source of the Target Shares under the Employee Incentive Scheme shall be H Shares to be acquired by the Trustee through on-market or off-market transactions at the prevailing market price by utilising the scheme funds in accordance with the trust management agreement entered into between the Company and the Trustee pursuant to the Employee Incentive Scheme (the "**Trust Arrangement**") and in accordance with the instructions of the Company and the relevant provisions of the Employee Incentive Scheme. The maximum number of the Target Shares corresponding to the Trust Benefit Units that may be granted to any individual Grantee within a 12-month period from and including the date of grant of such Trust Benefit Units shall not exceed 1% of the total number of H Shares of the Company in issue as at the date of grant. The maximum number of Target Shares corresponding to the Trust Benefit Units available for grant under the entire Employee Incentive Scheme shall not exceed 5% of the Company's H Shares in issue as at the Effective Scheme Date (namely 15,514,451 H Shares, representing 5% of the 310,289,026 H Shares in issue as at April 19, 2023).

Pursuant to the Shareholders' approval of the Employee Incentive Scheme and the Trust Agreement, the Trust is established for the purpose of administering the Employee Incentive Scheme on June 27, 2023 (the "**Trust Establishment Date**"). Regarding the number of awards available for grant under the Employee Incentive Scheme mandate: (i) the number of Target Shares which may be granted as at the Trust Establishment Date was 15,514,451 H Shares, corresponding to 113,246,282 Trust Benefit Units as at the same date; (ii) the number of Target Shares which may be granted as at December 31, 2024 was 9,939,017 H Shares, corresponding to 84,969,178 Trust Benefit Units as at the same date; and (iii) the number of Target Shares which may be granted as at the date of this Report (i.e. March 28, 2025) was 9,939,017 H Shares, corresponding to 85,067,635 Trust Benefit Units, representing 1.08% of the 917,375,507 issued Shares of the Company (excluding the 3,120,800 treasury shares held by the Company), as at the same date[8]. Since the Trust Establishment Date and up to the end of the Reporting Period, the total Trust Benefit Units that had been granted to the Eligible Participants corresponded to 5,575,434 Target Shares.

8 The corresponding relationship between the Trust Benefit Units and the H Shares is based on their respective values. The value of H Share is measured by its closing price on the Stock Exchange on the relevant date, and 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 value of each Trust Benefit Unit so calculated was (i) RMB1 as at the Trust Establishment Date, (ii) approximately RMB0.9544 for the shares granted in 2023 (i.e. July 13, 2023) and vested in 2024 and (iii) approximately RMB1.1173 as at July 24, 2024 (i.e. the date of grant during the Reporting Period).

After the Board and/or the Delegatee has decided to make a grant of Trust Benefit Units to any Grantee, the Company shall issue an Award Letter to such Grantee, which should set out:

(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.

Subject to the terms and conditions of the Employee Incentive Scheme, the Board and/or the Delegatee may, at their absolute discretion and on such terms and conditions as the Board and/or the Delegatee thinks fit, grant the Trust Benefit Units to any Eligible Participant at nil consideration. Unless otherwise specified in the Award Letter approved by the Board and/or the Delegatee and subject to the vesting conditions as set out in the Employee Incentive Scheme, each tranche of the Trust Benefit Units granted under the Employee Incentive Scheme shall be vested in three tranches as follows:

	Vesting Period	**Proportion of vesting**
First Tranche	On the first anniversary of the date of grant	30% of the Trust Benefit Units granted to the relevant Grantee
Second Tranche	On the second anniversary of the date of grant	30% of the Trust Benefit Units granted to the relevant Grantee
Third Tranche	On the third anniversary of the date of grant	40% of the Trust Benefit Units granted to the relevant Grantee

Vesting of the Trust Benefit Units granted under the Employee Incentive Scheme is subject to the assessment conditions such as the Company's performance indicators, personal performance target and any other applicable vesting conditions as set out in the Award Letter.

According to the disposal instructions notified by the Grantees holding vested Trust Benefit Units, the Company issue investment instructions to the Trustee. Subject to compliance with relevant laws, regulations, rules and regulatory documents, as well as the Articles of Association, upon receipt of confirmation from the Company that all vesting criteria and conditions as set out in the Award Letter have been fulfilled and/or waived, the Trustee shall dispose of the Target Shares which correspond to the Trust Benefit Units vested in the Grantees through on-market or off-market transactions at the prevailing market price as soon as practicable in accordance with the investment instructions issued by the Company pursuant to the Employee Incentive Scheme and pay the Grantees the cash corresponding to the actual selling price (after deducting the relevant taxes to be borne by the Grantees, if applicable).

Details of the Trust Benefit Units granted, and movements during the year ended December 31, 2024 are as follows:

Name or category of Participants	Date of grant[(1)]	Purchase price of the Trust Benefit Units (RMB)	Fair value at the date of grant[(2)] (RMB/Trust Benefit Unit)	Number of Trust Benefit Units: Unvested as at January 1, 2024	Granted during the year[(3)]	Lapsed/ cancelled during the year[(4)]	Vested during the year[(5) (6)]	Unvested as at December 31, 2024
Directors, Supervisors, and senior management (on individual named basis)								
Chan Hey Man	July 24, 2024	–	1.1173	9,336,600	1,620,844	0	2,800,980	8,156,464
Five highest paid individuals during the Reporting Period								
In aggregate	July 24, 2024	–	1.1173	9,336,600	1,620,844	0	2,800,980	8,156,464
Other Eligible Participants								
In aggregate	July 24, 2024	–	1.1173	16,805,880	20,871,875	3,984,264	4,061,420	29,632,071
Total	July 24, 2024	–	1.1173	26,142,480	22,492,719	3,984,264	6,862,400	37,788,535

Notes:

(1) The vesting period of the Trust Benefit Units granted during the Reporting Period is as follows: 30% shall be vested on July 24, 2025, 30% shall be vested on July 24, 2026 and 40% shall be vested on July 24, 2027 upon fulfilment of the assessment conditions (see below).

(2) A description of the basis for fair value measurement of Trust Benefit Units is set out in note 29 to the consolidated financial statements.

(3) The closing price of the Trust Benefit Units immediately before the date on which the awards were granted was HK$10.5.

(4) During the Reporting Period, a total of 427,000 granted Target Shares, corresponding to 3,984,264 Trust Benefit Units lapsed and there was no cancellation of any Trust Benefit Units.

(5) The Trust Benefit Units 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). Performance targets at the Company level comprise a mixture of key financial performance indicators as determined by the Board and/or the Delegatee, for instance in the form of annual revenue or net profit margin thresholds to be reached in a particular financial year. Performance targets at the individual level are in the form of a comprehensive appraisal of each Grantee's performance and contribution to the Company.

(6) The relevant Trust Benefit Units were all vested on July 13, 2024 and thus the weighted average closing price of the H Shares immediately before the date on which the Trust Benefit Units were vested was HK$11.5 per share.

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 "2024 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 20, 2025 (the "**AGM**"). A notice convening the AGM will be published and dispatched to the Shareholders of the Company in the manner required by the Listing Rules in due course.

The register of members of the Company will be closed from June 17, 2025 to June 20, 2025, 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 16, 2025.

AUDITORS

The consolidated financial statements for the year ended December 31, 2024 have been audited by PricewaterhouseCoopers. A resolution regarding the appointment of an auditor of the Company for the year ended December 31, 2025 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, 2025 to the approval date of the consolidated financial statements by the Board of Directors on March 28, 2025.

On behalf of the Board

Sun Haijin
Chairman of the Board and Chief Executive Officer

PRC
March 28, 2025

During the Reporting Period, based on the principle of being responsible to the Company and its Shareholders, the Board of Supervisors has conscientiously and comprehensively performed its supervisory duties, including supervising and inspecting the lawful operation and financial situation of the Company, and supervising the members of the Board of Directors and the management of the Company, in strict accordance with the Company Law, the Company's Articles, the Terms of Reference of the Board of Supervisors and other relevant laws and regulations.

Methods for the Board of Supervisors to perform its supervisory duties mainly include: convening regular meetings of the Board of Supervisors; being present at and attending as non-voting participants the general meetings of Shareholders and relevant meetings of the Board of Directors; through the above work, the Board of Supervisors comprehensively supervises the Company's operations, risk management, internal control, and duty performance of directors and senior management, and puts forward constructive and targeted operation and management suggestions and supervision opinions.

WORKS OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

During the Reporting Period, the Supervisory Committee of the Company organized and convened two meetings in accordance with relevant rules:

(1) On March 26, 2024, a meeting was convened in the form of video conference meeting, at which the proposal on (i) the annual results of the Group for the year ended December 31, 2023; (ii) the Report of the Supervisory Committee in 2023; and (iii) the recommendation on not paying a final dividend were reviewed and approved.

(2) On August 28, 2024, a meeting was convened in the form of video conference meeting, at which the proposal on (i) the interim results of the Group for the six months ended June 30, 2024; and (ii) the recommendation on not paying an interim dividend for the six months ended June 30, 2024 were reviewed and approved.

During the Reporting Period, members of the Supervisory Committee attended all Board meetings of the Company held during the Reporting period, and conscientiously supervised the procedures and contents of such meetings. The reasonable suggestions and recommendations proposed by them were all adopted.

The Supervisory Committee continued to strengthen its self-improvement, focused on enhancing communications with the Board and the management, communicated adequately on important supervision matters, proposed reasonable suggestions and recommendations and improved the effectiveness of supervision work to protect the rights and interests of the Shareholders, the Company and the employees effectively.

COMMENTS OF THE SUPERVISORY COMMITTEE ON CERTAIN MATTERS OF THE COMPANY IN 2024

Lawful Operation of the Company

During the Reporting Period, the Company operated and managed its businesses in accordance with the laws and regulations, and its operational results were objective and true. There was substantial development and improvement in the depth and breadth of its internal control management, and the Company's operational decision-making processes were legitimate. The Directors and other senior management were honest, diligent and conscientious in the business operations and management processes, and they were not found to have breached any laws, regulations, or the Articles of Association or harmed the interests of the Shareholders.

Financial Position of the Group

The Board of Supervisors has carefully reviewed the audited financial statements of the Company during the Reporting Period, and believes that these financial statements are objective, practical and reasonable, conform to relevant provisions of the laws, regulations and the Articles of Association, and completely and objectively reflect the situation of the Company, without any false records, misleading statements or major omissions. The Board of Supervisors believes that the preparation of the Annual Report complies with relevant provisions of the laws, regulations and the Articles of Association, and the information disclosed therein completely and truly reflects the operation, management and financial status of the Company during the Reporting Period.

USE OF PROCEEDS FROM IPO

During the Reporting Period, the use of the proceeds from IPO strictly observed relevant provisions and the use disclosed, and no illegal use of the proceeds was found.

CONNECTED-PARTY TRANSACTIONS

The connected-party transactions (including continuing connected-party transactions) entered into by the Group during the Reporting Period were found in compliance with relevant laws and regulations, and in conformity to the provisions of relevant agreements on connected-party transactions. They were fair and reasonable to the Group and its shareholders, and did not harm the interests of the Company and its Shareholders.

2025 OUTLOOK

In 2025, the Board of Supervisors will continue to abide by the principle of being responsible to all the Shareholders, and perform its supervisory duties in strict accordance with relevant laws and regulations and the requirements of the Articles, so as to safeguard the legitimate rights and interests of the Group and its shareholders, and play a positive role in achieving the standardized operation and development of the Group.

By order of the Board of Supervisors

Gao Yuan
Chairman of the Board of Supervisors

March 28, 2025

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 87 to 166, comprise:

- the consolidated statement of financial position as at December 31, 2024;
- 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, 2024, 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 International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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
Intra-city on-demand delivery service revenue recognition Refer to notes 2.1.5 and 5 to the consolidated financial statements. The Group provides intra-city on-demand delivery services. Intra-city on-demand delivery service revenue of RMB15.7 billion was recognised for the year ended December 31, 2024. 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.	We have performed the following procedures to address this key audit matter: (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. (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. (iii) We tested revenue amounts, on a sample basis by examining the supporting documents, including records of delivery and cash receipts. 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.

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.

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.

- 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.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 28, 2025

Consolidated Statement of Comprehensive Income

	Notes	Year ended December 31, 2024 RMB'000	2023 RMB'000
Continuing operations			
Revenue	5	**15,746,083**	12,387,416
Cost of revenue	8	**(14,674,587)**	(11,592,676)
Gross profit		**1,071,496**	794,740
Selling and marketing expenses	8	**(234,234)**	(212,684)
Research and development expenses	8	**(108,110)**	(91,717)
Administrative expenses	8	**(636,625)**	(517,348)
Other income	6	**12,495**	43,487
Other gains, net	7	**15,379**	6,423
Net impairment losses of financial assets	11	**(3,118)**	(3,750)
Operating profit		**117,283**	19,151
Finance income	10	**29,362**	41,423
Finance costs	10	**(783)**	(1,296)
Finance income, net	10	**28,579**	40,127
Share of profit of a joint venture accounted for using the equity method	16	**(899)**	3,311
Profit before income tax		**144,963**	62,589
Income tax (expenses)/credits	12	**(12,503)**	2,268
Profit from continuing operations		**132,460**	64,857
Discontinued operation			
Loss from discontinued operation		**–**	(14,262)
Profit for the year		**132,460**	50,595
Profit attributable to			
– Owners of the Company		**132,460**	50,595

Consolidated Statement of Comprehensive Income

	Notes	Year ended December 31, 2024 RMB'000	2023 RMB'000
Earnings per share for profit from continuing operations attributable to owners of the Company (expressed in RMB per share)			
– Basis earnings per share (in RMB)	13	**0.15**	0.07
– Diluted earnings per share (in RMB)	13	**0.15**	0.07
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)			
– Basis earnings per share (in RMB)	13	**0.15**	0.05
– Diluted earnings per share (in RMB)	13	**0.15**	0.05
Profit for the year		**132,460**	50,595
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	27	**7,249**	3,876
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investments at fair value through other comprehensive income	27	**(29,415)**	(5,134)
Other comprehensive income for the year, net of tax		**(22,166)**	(1,258)
Total comprehensive income for the year		**110,294**	49,337
Total comprehensive income for the year attributable to:			
– Owners of the Company		**110,294**	49,337
Total comprehensive income for the year attributable to owners of the Company arises from:			
Continuing operations		**110,294**	63,599
Discontinued operation		**–**	(14,262)
		110,294	49,337

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

Consolidated Statement of Financial Position

	Notes	As at December 31, 2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	**22,145**	12,193
Intangible assets	15	**122,600**	138,226
Right-of-use assets	18	**19,203**	23,208
Investments accounted for using the equity method	16	**27,476**	28,375
Financial assets at fair value through other comprehensive income	20	**26,585**	56,000
Financial assets at fair value through profit or loss	21	**30,000**	–
Deferred income tax assets	17	**149,912**	160,847
Other non-current assets		**163**	193
Total non-current assets		**398,084**	419,042
Current assets			
Inventories	19	**7,513**	6,854
Trade receivables	23	**1,660,432**	1,195,199
Other receivables and prepayments	24	**118,252**	160,192
Financial assets at fair value through profit or loss	21	**1,115,859**	516,753
Cash and cash equivalents	25	**1,369,593**	1,901,651
Total current assets		**4,271,649**	3,780,649
Total assets		**4,669,733**	4,199,691
EQUITY			
Equity attributable to owners of the Company			
Share capital	26	**917,376**	933,458
Share premium	26	**4,021,702**	4,161,560
Treasury shares	26	**(33,555)**	(39,279)
Shares held for employee incentive scheme	29	**(46,406)**	(52,370)
Other reserves	27	**822,483**	831,257
Accumulated losses	28	**(2,721,072)**	(2,853,532)
Total equity		**2,960,528**	2,981,094

	Notes	As at December 31, 2024 RMB'000	2023 RMB'000
LIABILITIES			
Non-current liabilities			
Lease liabilities	33	**9,140**	11,483
Total non-current liabilities		**9,140**	11,483
Current liabilities			
Trade payables	30	**1,029,639**	703,044
Other payables and accruals	31	**571,577**	417,645
Contract liabilities	32	**88,342**	70,351
Income tax payables		**170**	3,667
Lease liabilities	33	**10,337**	12,407
Total current liabilities		**1,700,065**	1,207,114
Total liabilities		**1,709,205**	1,218,597
Total equity and liabilities		**4,669,733**	4,199,691

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

The consolidated financial statements on pages 87 to 166 were approved by the Board of Directors on March 28, 2025 and were signed on its behalf.

Sun Haijin
Director

Chan Hey Man
Director

	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
Balance at January 1, 2024		**933,458**	**4,161,560**	**(39,279)**	**(52,370)**	**831,257**	**(2,853,532)**	**2,981,094**
Comprehensive income								
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
Total comprehensive income for the year		–	–	–	–	(22,166)	132,460	110,294
Transactions with owners in their capacity as owners								
Repurchase of shares	26	–	–	(144,252)	–	–	–	(144,252)
Cancellation of shares	26	(16,082)	(133,894)	149,976	–	–	–	–
Vesting of awarded shares	26	–	(5,964)	–	5,964	–	–	–
Share-based compensation expenses	29	–	–	–	–	13,392	–	13,392
Total transactions with owners in their capacity as owners		(16,082)	(139,858)	5,724	5,964	13,392	–	(130,860)
Balance at December 31, 2024		**917,376**	**4,021,702**	**(33,555)**	**(46,406)**	**822,483**	**(2,721,072)**	**2,960,528**

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
Balance at January 1, 2023		933,458	4,161,560	–	–	825,057	(2,903,538)	3,016,537
Comprehensive income								
Profit for the year	28	–	–	–	–	–	50,595	50,595
Other comprehensive income								
– Fair value change on financial assets at fair value through other comprehensive income		–	–	–	–	(5,134)	–	(5,134)
– Translation difference		–	–	–	–	3,876	–	3,876
Total comprehensive income for the year		–	–	–	–	(1,258)	50,595	49,337
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to accumulated losses (net of tax)		–	–	–	–	589	(589)	–
Transactions with owners in their capacity as owners								
Repurchase of shares	26	–	–	(39,279)	–	–	–	(39,279)
Purchase of shares under employee incentive scheme	29	–	–	–	(52,370)	–	–	(52,370)
Share-based compensation expenses	29	–	–	–	–	6,805	–	6,805
Others		–	–	–	–	64	–	64
Total transactions with owners in their capacity as owners		–	–	(39,279)	(52,370)	6,869	–	(84,780)
Balance at December 31, 2023		933,458	4,161,560	(39,279)	(52,370)	831,257	(2,853,532)	2,981,094

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, 2024 RMB'000	2023 RMB'000
Cash flows generated from operating activities			
Cash generated from operations	35	**247,627**	233,723
Interest received		**29,362**	41,446
Income tax paid		**(5,065)**	(8,878)
Net cash generated from operating activities		**271,924**	266,291
Cash flows (used in)/generated from investing activities			
Proceeds from disposals of property, plant and equipment		**538**	106
Proceeds from disposals of financial assets at fair value through profit or loss	21	**3,027,294**	2,515,434
Proceeds from disposal of financial assets at other comprehension income		**–**	2,411
Net cash inflow arising from disposals of subsidiaries		**–**	55,671
Acquisition of assets, net of cash acquired		**6,078**	–
Payments for acquisition of financial assets at fair value through profit or loss	21	**(3,630,000)**	(2,200,000)
Addition of intangible assets		**(32,309)**	(61,178)
Purchases of property, plant and equipment		**(15,422)**	(7,814)
Payment for investments accounted for using the equity method		**–**	(10,000)
Net cash (used in)/generated from investing activities		**(643,821)**	294,630
Cash flows used in financing activities			
Payments of lease liabilities (including interests elements)	35	**(14,338)**	(28,405)
Payments for repurchase of shares		**(144,252)**	(39,279)
Purchase of shares under employee incentive scheme		**–**	(52,370)
Net cash used in financing activities		**(158,590)**	(120,054)
Net (decrease)/increase in cash and cash equivalents		**(530,487)**	440,867
Effects of exchange rate changes on cash and cash equivalents		**579**	(148)
Cash and cash equivalents at the beginning of the year		**1,898,743**	1,458,024
Cash and cash equivalents at the end of the year		**1,368,835**	1,898,743

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, Chengchuang 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. (the "Mingde Holding"), which is incorporated in the PRC with limited liability. The intermediate holding company of the Company is S.F. Holding Co., Ltd. (the "SF Holding"), which is incorporated in 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 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.

2 Summary of accounting policies (Continued)

2.1 Summary of material accounting policies (Continued)

2.1.1 Basis of preparation (Continued)

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, 2024:

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current liabilities with covenants
Amendments to IFRS 16	Lease liability in sale and leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

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.

New standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	January 1, 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	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

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.

(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.

2 Summary of accounting policies (Continued)

2.1 Summary of material accounting policies (Continued)

2.1.2 Intangible assets (Continued)

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.

(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.

2 Summary of accounting policies (Continued)

2.1 Summary of material accounting policies (Continued)

2.1.3 Financial assets (Continued)

(ii) Recognition and measurement (Continued)

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) 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, 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.

(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 are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

2 Summary of accounting policies (Continued)

2.1 Summary of material accounting policies (Continued)

2.1.3 Financial assets (Continued)

(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.

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 Summary of accounting policies (Continued)

2.1 Summary of material accounting policies (Continued)

2.1.4 Current and deferred income tax (Continued)

2.1.4.2 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).

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.

2 Summary of accounting policies (Continued)

2.1 Summary of material accounting policies (Continued)

2.1.5 Revenue recognition (Continued)

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.

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.

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 advances to employees, 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 Employee Incentive Scheme Trust (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 Employee Incentive Scheme Trust transfers the trust benefit units to the awardees upon vesting, the related costs of the awarded trust benefit units vested are credited to "Shares held for employee incentive scheme", with a corresponding adjustment made to "Other reserve".

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 Summary of accounting policies (Continued)

2.2 Summary of other accounting policies (Continued)

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.

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 Summary of accounting policies (Continued)

2.2 Summary of other accounting policies (Continued)

2.2.4 Foreign currency translation (Continued)

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.

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.

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.

2.2.9 Cash and cash equivalents

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.

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 Summary of accounting policies (Continued)

2.2 Summary of other accounting policies (Continued)

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.

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.

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.

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.

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.

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, 2024, the Group had HK$7 million cash in bank (as at December 31, 2023: HK$9 million cash in bank) which is different from the functional currency of RMB and exposed to foreign exchange risk. If the RMB strengthened/weakened by 1% against the HK$ with all other variables held constant, net profit before tax for the year would have been RMB73,000 lower/higher (as at December 31, 2023: if the RMB strengthened/weakened by 1% against the HK$ with all other variables held constant, net profit before tax would have been RMB93,000 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, 2024, the Group does not hold any long-term interest-bearing assets or borrowings, so there is no significant interest rate risk.

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, financial assets at FVPL, trade receivables and other receivables. The carrying amounts of cash and cash equivalents, 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 and financial assets at FVPL, the Group only transacts with state-owned or reputable financial institutions in the PRC. 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, 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.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

(ii) Expected credit loss ("ECL")

The Group formulates the credit losses of cash and cash equivalents, trade receivables and other receivables using expected credit loss models according to IFRS 9 requirements.

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, as follows:

– Stage 1: If the credit risk has not increased significantly since its initial recognition, the financial asset is included in stage 1.

– Stage 2: If the credit risk has increased significantly since its initial recognition but is not yet deemed to be credit-impaired, the financial instrument is included in stage 2. The description of how the Group determines when a significant increase in credit risk has occurred is disclosed in the following section of "judgement of significant increase in credit risk".

– Stage 3: If the financial instruments is credit-impaired, the financial instrument is included in stage 3. The definition of credit-impaired financial assets is disclosed in the following section of "the definition of credit-impaired assets".

The Group considers the credit risk characteristics of different financial instruments when determining if there is significant increase in credit risk. For financial instruments without or with significant increase in credit risk, 12-month or lifetime expected credit losses are provided respectively. The expected credit loss is the result of discounting the product of exposure at default, probabilities of default and loss given default.

According to whether the credit risk has increased significantly or whether the assets have been impaired, the Group measures the loss allowance with the expected credit losses of 12-month or the lifetime due to the credit risk characteristics of different assets.

Judgement of significant increase in credit risk ("SICR")

Under IFRS 9, when considering the impairment stages for financial assets, the Group evaluates the credit risk at initial recognition and also whether there is any significant increase in credit risk for each reporting period.

The Group set quantitative and qualitative criteria to judge whether there has been a SICR after initial recognition. The judgement criteria mainly includes the probabilities of default, changes of the debtors, changes of credit risk categories and other indicators of SICR, etc.. In the judgement of whether there has been a SICR after initial recognition, the Group has not rebutted the 30 days past due as presumption of SICR.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

3.1.2 Credit risk (Continued)

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

The definition of credit-impaired assets

When the Group assesses whether the debtor has credit impairment, the following factors are mainly considered:

- The debtor has overdue more than 90 days after the contract payment date
- The debtor has significant financial difficulties
- The debtor is likely to go bankrupt or other financial restructuring
- The lender gives the debtor concessions for economic or contractual reasons due to the debtor's financial difficulties, where such concessions are normally reluctant to be made by the lender

The credit impairment of financial assets may be caused by the joint effects of multiple events, and may not be caused by separately identifiable event.

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 the purchasing managers' index and producer price index to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Credit risk exposure of financial assets

Without considering the impact of collateral and other credit enhancement, for on-balance sheet assets, the maximum exposures are based on net carrying amounts as reported in the consolidated financial statements.

Concentration of credit risk reflects the sensitivity of the Group's operating results to a particular customer, industry or geographic location.

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 RMB955,568,000 and RMB678,299,000 respectively as at December 31, 2024 and 2023, 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.

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 (Continued)*

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.

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**

As at December 31, 2023, the analysis of loss allowance provision was presented as follows:

	Not overdue	Past due	Total
Expected loss rate	0.50%	1.23%	0.54%
Trade receivables from third parties (RMB '000)	491,896	27,806	519,702
Loss allowance provision (RMB '000)	2,459	343	2,802

2) *Other receivables*

Amounts due from related parties

As at December 31, 2024, 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.

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 (Continued)

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. Before granting the credit terms, 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, 2024 and 2023, the analysis of loss allowance provision was presented as follows:

	As at December 31,	
	2024	2023
Expected loss rate	**0.76%**	0.54%
Other receivables from third parties excluding non-financial assets (RMB '000)	**19,457**	18,627
Loss allowance provision (RMB '000)	**147**	101

3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Due to the dynamic nature of the Listing 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.

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

3.1.3 Liquidity risk (Continued)

Group	Within 1 Year RMB'000	Over 1 Year RMB'000	Total RMB'000	Carrying amount RMB'000
As at December 31, 2024				
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 receipts in advance, accrued payroll and other tax liabilities)	**266,569**	**–**	**266,569**	**266,569**
Total	**1,307,024**	**9,608**	**1,316,632**	**1,315,685**
As at December 31, 2023				
Trade payables	703,044	–	703,044	703,044
Lease liabilities	12,909	12,037	24,946	23,890
Other payables and accruals (excluding receipts in advance, accrued payroll and other tax liabilities)	220,086	–	220,086	220,086
Total	936,039	12,037	948,076	947,020

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, 2024 and 2023, 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.

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, 2024 and 2023.

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, 2024 and 2023, 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, 2024.

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

The following table presents the Group's level 3 financial instruments as of December 31, 2023.

	Level 3 RMB'000
Financial assets at fair value through profit or loss	
Structured deposit products	301,282
Private fund investment	215,471
	516,753
Financial assets at fair value through other comprehensive income	
Equity investments in unlisted entities	56,000

Note:

(a) As at December 31, 2024, the Group invested in private fund, the investment scope of which is fixed income products.

(b) In August 2024, Beijing Shunda Tongxing Technology Co., Ltd., 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. along with options at a cash consideration of RMB30,000,000.

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

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

	Fair value				Range of inputs		
Financial assets	As of December 31, 2024 RMB'000	As of December 31, 2023 RMB'000	Valuation techniques	Significant unobservable inputs	As of December 31,2024	As of December 31,2023	Relationship of unobservable inputs to fair value
Financial investment at fair value through profit or loss – Structured deposit products and private funds	**1,115,859**	516,753	Discounted cash flow	Expected rate of return	**0.5%-2.95%**	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	**30,000**	–	Market approach	Expected volatility	**66.6%**	Not applicable	The higher the expected volatility, the lower the fair value.
Financial assets at fair value through other comprehensive income	**26,585**	56,000	Market approach	Discount for lack of marketability; market multiples	**20%; 1.15-5.89**	20%; 2.17-3.55	The higher the discount for lack of marketability, the lower the fair value. The higher the market multiples, the higher the fair value.

During the year ended December 31, 2024 and 2023, fair value changes arose from the financial assets through profit or loss measured at fair value classified within Level 3 as listed in the table above were immaterial. The directors of the Company consider that any reasonable changes in the significant unobservable inputs would not result in a significant change in the Group's results. Accordingly, no sensitivity analysis is presented.

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, 2024 would have been approximately RMB2,659,000 higher or lower (for the year ended December 31, 2023: RMB5,594,000 higher or lower).

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

	Financial assets at FVPL RMB'000	Financial assets at FVOCI RMB'000
As of January 1,2024	**516,753**	**56,000**
Additions	**3,630,000**	**–**
Changes in fair value	**19,626**	**(29,415)**
Disposals	**(3,027,294)**	**–**
Exchange difference	**6,774**	**–**
As of December 31, 2024	**1,145,859**	**26,585**

	Financial assets at FVPL RMB'000	Financial assets at FVOCI RMB'000
As of January 1,2023	812,087	63,545
Additions	2,200,000	–
Changes in fair value	16,916	(5,134)
Disposals	(2,515,434)	(2,411)
Disposal of subsidiaries	(697)	–
Exchange difference	3,881	–
As of December 31, 2023	516,753	56,000

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, 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.

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.

5 Segment information and Revenue

The 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,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Intra-city on-demand delivery service (i)	**15,746,083**	12,387,416

(i) Revenue is recognised upon the delivery of the above services which are 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/loss were substantially generated in PRC and the Group's identifiable assets and liabilities were substantially located in 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 from continuing operations was as follows:

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Subsidiaries of SF Holding	**6,735,562**	5,029,395

6 Other income

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Government grants (i)	**6,631**	11,049
Tax preference (ii)	**5,281**	32,059
Others	**583**	379
	12,495	43,487

(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.

(ii) During the year of 2023, taxpayers in logistics industry are allowed to enjoy additional 5% of input value-added taxes ("VAT") deductible from tax payable. Such additional VAT deduction was recorded as "Other income" in the period of VAT payment.

7 Other gains, net

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Fair value changes on financial assets at FVPL (Note 3.3)	**19,626**	16,916
Gains/(losses) on early termination of long-term leases	**657**	(99)
Exchange gains/(losses)	**556**	(1,064)
Net losses on disposal of property, plant and equipment	**(86)**	(4)
Penalty and compensation	**(6,327)**	(11,468)
Others	**953**	2,142
	15,379	6,423

8 Expenses by nature

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Labour outsourcing costs	**14,564,682**	11,497,026
Employee benefit expenses (Note 9)	**662,436**	512,301
Information service expenses	**79,081**	69,544
Marketing and promotion expenses	**76,797**	71,195
Costs of materials	**71,063**	53,921
Amortisation of intangible assets (Note 15)	**42,220**	37,615
Office and rental expenses	**31,972**	30,429
Call center service expenses	**28,990**	31,441
Professional service expenses	**14,786**	18,314
Depreciation of right-of-use assets (Note 18)	**13,804**	26,802
Travelling expenses	**12,943**	11,827
Other taxes and surcharges	**7,922**	2,726
Depreciation of property, plant and equipment (Note 14)	**5,957**	7,880
Auditor's remuneration		
– Audit and audit-related service	**2,460**	3,070
– Non-audit service	**661**	220
Insurance expenses	**1,020**	785
Transportation expenses	**727**	1,477
Others	**36,035**	37,852
	15,653,556	12,414,425

9 Employee benefit expenses

(a) Employee benefit expenses are analysed as follows:

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Wages, salaries and bonuses	**613,966**	494,177
Other employee benefits	**30,972**	30,642
Pension costs – defined contribution plans (i)	**29,763**	28,600
Share-based compensation expenses (Note 29)	**13,392**	6,805
	688,093	560,224
Less: capitalised in intangible assets	**(25,657)**	(47,923)
	662,436	512,301

(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, 2024 and 2023 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, 2024 and 2023, respectively are as follows:

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Wages, salaries and bonuses	**1,407**	1,410
Pension costs – defined contribution plans	**40**	38
Other employee benefits	**68**	62
	1,515	1,510

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,	
	2024	2023
HKD		
Nil – 1,000,000	**–**	–
1,500,001 – 2,000,000	**1**	1
2,500,001 – 3,000,000	**–**	–
8,500,001 – 9,000,000	**–**	–
10,500,001 – 11,000,000	**–**	–
	1	1

10 Finance income, net

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Finance income:		
Interest income on deposits in financial institutions	**29,362**	41,423
Finance costs:		
Interest expenses on leasing liabilities	**(783)**	(1,296)
Finance income – net	**28,579**	40,127

11 Net impairment losses of financial assets

	Year ended December 31, 2024 RMB'000	2023 RMB'000
Continuing operations		
Provision of impairment allowance for:		
Trade receivables	**3,072**	3,593
Other receivables	**46**	157
	3,118	3,750

12 Income tax expenses/(credits)

(a) Income tax expenses/(credits)

	Year ended December 31, 2024 RMB'000	2023 RMB'000
Continuing operations		
Mainland China corporate income tax		
Current income tax	**1,568**	12,545
Deferred income tax (Note 17)	**10,935**	(14,813)
Income tax expenses/(credits)	**12,503**	(2,268)

Income tax credits 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:

12 Income tax expenses/(credits) (Continued)

(a) Income tax expenses/(credits) (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, 2024 and 2023.

The Company's subsidiaries, Beijing Shunda Tongxing Technology Co., Ltd. is qualified as "high and new technology enterprises" and, accordingly, were eligible for a preferential income tax rate of 15% for the years ended December 31, 2024 and 2023.

The Company's subsidiaries, Suzhou Fengpai Technology Co., Ltd., Tianjin Fengpai 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, 2024 and 2023.

(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, 2024 and 2023.

(iii) Corporate income tax in other jurisdictions

Income tax on profit arising from other jurisdictions, including the United Kingdom, Netherlands, Germany and Singapore, had been calculated on the estimated assessable profit 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 Pillar Two model rules released by the Organization for Economic Co-operation and Development ("OECD"). The Pillar Two legislation had become effective in certain jurisdictions on January 1, 2024. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12. Under the Pillar Two legislation, the Group is liable to pay a top-up tax for difference between its Global Anti-Base Erosion ("GloBE") effective tax rate in each jurisdiction and the 15% minimum rate. The Group management's assessment indicates that the quantitative impact of the Pillar Two legislation is insignificant to the Group.

12 Income tax expenses/(credits) (Continued)

(b) Reconciliation of income tax expenses/(credits)

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Profit from continuing operations before income tax expense	**144,963**	62,589
Loss from discontinued operation before income tax expense	**–**	(14,262)
Profit before income tax	**144,963**	48,327
Tax calculated at applicable statutory tax rate of 25%	**36,241**	12,082
Different tax rates available to different jurisdictions	**83**	(222)
Preferential income tax rates applicable to subsidiaries	**3,528**	5,473
Tax effect of unrecognised tax losses and temporary differences (i)	**27,381**	19,009
Expenses not deductible for tax purposes	**1,834**	12,610
Income not subject to tax purpose	**(804)**	(1,258)
Utilization of previously unrecognised tax temporary differences and tax losses	**(15,839)**	(21,597)
Super deduction of research and development expense	**(14,106)**	(16,333)
Recognition of tax losses and temporary differences not recognised in prior years	**(25,815)**	(12,032)
	12,503	(2,268)

(i) Unrecognised tax losses and temporary differences

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Unused tax losses for which no deferred tax asset has been recognised	**1,360,155**	1,677,856
Unrecognised temporary differences	**73,145**	74,771
Potential tax impact	**309,644**	393,340

These substantial tax losses will be expired from 2025 to 2034.

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, 2024 and 2023.

	Year ended December 31,	
	2024	2023
Profit attributable to owners of the Company (RMB'000)	**132,460**	50,595
Weighted average number of shares in issue	**911,698,325**	931,349,092
Basic earnings per share (in RMB)	**0.15**	0.05

(b) Basic earnings per share from continuing operations

	Year ended December 31,	
	2024	2023
Profit from continuing operations attributable to owners of the Company (RMB'000)	**132,460**	64,857
Weighted average number of shares in issue	**911,698,325**	931,349,092
Basic earnings per share from continuing operations (in RMB)	**0.15**	0.07

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

The Employee 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 Employee Incentive Scheme (collectively forming the denominator for computing the diluted EPS).

	Year ended December 31,	
	2024	2023
Profit attributable to owners of the Company (RMB'000)	**132,460**	50,595
Weighted average number of shares in issue	**911,698,325**	931,349,092
Adjustments for Employee Incentive Scheme	**1,745,171**	224,971
Weighted average number of ordinary shares for the calculation of diluted EPS	**913,443,496**	931,574,063
Diluted earnings per share (in RMB)	**0.15**	0.05

13 Earnings per share (Continued)

(d) Diluted earnings per share from continuing operations

	Year ended December 31, 2024	2023
Profit from continuing operations attributable to owners of the Company (RMB'000)	**132,460**	64,857
Weighted average number of shares in issue	**911,698,325**	931,349,092
Adjustments for Employee Incentive Scheme	**1,745,171**	224,971
Weighted average number of ordinary shares for the calculation of diluted EPS	**913,443,496**	931,574,063
Diluted earnings per share from continuing operations (in RMB)	**0.15**	0.07

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
Year ended December 31, 2024					
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**
At December 31, 2024					
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**

14 Property, plant and equipment (Continued)

	Motor vehicles	Computers and electronic equipment	Machinery and equipment	Office equipment and other equipment	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2023					
Opening net book amount	157	7,639	661	6,342	14,799
Additions	1,901	2,296	452	2,739	7,388
Disposals	–	(93)	–	(2)	(95)
Disposal of subsidiaries	–	(561)	–	(1,183)	(1,744)
Depreciation					
– Continuing operations	(176)	(3,813)	(104)	(3,787)	(7,880)
– Discontinued operation	–	(169)	–	(106)	(275)
Closing net book amount	1,882	5,299	1,009	4,003	12,193
At December 31, 2023					
Cost	2,601	23,444	1,373	15,926	43,344
Accumulated depreciation	(719)	(18,145)	(364)	(11,923)	(31,151)
Closing net book amount	1,882	5,299	1,009	4,003	12,193

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Administrative expenses	**2,981**	5,140
Cost of revenue	**1,906**	1,606
Research and development expenses	**597**	630
Selling and marketing expenses	**473**	504
	5,957	7,880

15 Intangible assets

	Software			
	Developed internally	Acquired	Development costs in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2024				
Opening net book amount	**121,057**	**14,590**	**2,579**	**138,226**
Additions	**–**	**937**	**25,657**	**26,594**
Transfer	**26,355**	**–**	**(26,355)**	**–**
Amortisation				
– Continuing operations	**(35,386)**	**(6,834)**	**–**	**(42,220)**
Net book amount	**112,026**	**8,693**	**1,881**	**122,600**
At December 31, 2024				
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**
Year ended December 31, 2023				
Opening net book amount	122,864	22,379	41,556	186,799
Additions	–	1,210	56,290	57,500
Transfer	95,267	–	(95,267)	–
Amortisation				
– Continuing operations	(28,616)	(8,999)	–	(37,615)
– Discontinued operation	(6,675)	–	–	(6,675)
Disposal of subsidiaries	(61,783)	–	–	(61,783)
Net book amount	121,057	14,590	2,579	138,226
At December 31, 2023				
Cost	309,400	50,582	2,579	362,561
Accumulated amortisation	(188,343)	(35,992)	–	(224,335)
Net book amount	121,057	14,590	2,579	138,226

15 Intangible assets (Continued)

(a) Amortisation

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Cost of revenue	**35,505**	30,038
Administrative expenses	**6,715**	7,577
	42,220	37,615

16 Investments accounted for using the equity method

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Investment in joint venture	**27,476**	28,375

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
At beginning of the year	**28,375**	15,000
Additions	**–**	10,000
Share of profit of joint venture	**(899)**	3,311
Others	**–**	64
At end of the year	**27,476**	28,375

16 Investments accounted for using the equity method (Continued)

As at December 31, 2024, 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
			2024	2023	
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	RMB131,320,000	**38.07%**	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.

17 Deferred income tax assets

(a) Deferred income tax assets

	As at December 31, 2024 RMB'000	As at December 31, 2023 RMB'000
The balance comprises temporary differences attributable to:		
– Deductible losses	**141,167**	150,589
– Employee benefits	**6,792**	7,461
– Leases	**4,461**	5,197
– Depreciation and amortisation	**1,466**	1,489
– Provisions for assets impairment	**1,354**	1,216
– Others	**–**	50
Total gross deferred income tax assets	**155,240**	166,002
Set-off of deferred income tax assets pursuant to set-off provisions	**(5,328)**	(5,155)
Net deferred income tax assets	**149,912**	160,847

	As at December 31, 2024 RMB'000	As at December 31, 2023 RMB'000
Deferred income tax assets:		
– to be recovered within 12 months	**50,240**	36,658
– to be recovered after 12 months	**105,000**	129,344
	155,240	166,002

17 Deferred income tax assets (Continued)

(a) Deferred income tax assets (Continued)

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

	Employee benefits	Deductible losses	Provisions for assets impairment	Depreciation and amortisation	Leases	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
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**
As at January 1, 2023	5,306	138,557	825	1,067	9,547	50	155,352
Credit to profit or loss, net	2,155	12,032	391	422	(4,176)	–	10,824
Disposals of subsidiaries	–	–	–	–	(174)	–	(174)
As at December 31, 2023	7,461	150,589	1,216	1,489	5,197	50	166,002

(b) Deferred income tax liabilities

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
The balance comprises temporary differences attributable to:		
– Leases	**4,408**	5,155
– Depreciation and amortisation	**920**	–
Total gross deferred income tax liabilities	**5,328**	5,155
Set-off of deferred income tax liabilities pursuant to set-off provisions	**(5,328)**	(5,155)
Net deferred income tax liabilities	**–**	–

17 Deferred income tax assets (Continued)

(b) Deferred income tax liabilities (Continued)

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Deferred income tax liabilities:		
– to be recovered within 12 months	**3,335**	3,153
– to be recovered after 12 months	**1,993**	2,002
	5,328	5,155

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

	Depreciation and amortisation	Leases	Total
	RMB'000	RMB'000	RMB'000
As at January 1, 2024	**–**	**5,155**	**5,155**
Credit to profit or loss, net	**920**	**(747)**	**173**
As at December 31, 2024	**920**	**4,408**	**5,328**
As at January 1, 2023	–	9,318	9,318
Credit to profit or loss, net	–	(3,989)	(3,989)
Disposals of subsidiaries	–	(174)	(174)
As at December 31, 2023	–	5,155	5,155

18 Right-of-use assets

	Properties RMB'000
Year ended December 31, 2024	
Opening net book amount	**23,208**
Additions	**11,332**
Disposals	**(1,533)**
Depreciation	
– Continuing operations	**(13,804)**
Closing net book amount	**19,203**
At December 31, 2024	
Cost	**109,377**
Accumulated depreciation	**(90,174)**
Net book amount	**19,203**
Year ended December 31, 2023	
Opening net book amount	40,103
Additions	13,789
Disposals	(2,723)
Disposal of subsidiaries	(773)
Depreciation	
– Continuing operations	(26,802)
– Discontinued operation	(386)
Closing net book amount	23,208
At December 31, 2023	
Cost	99,578
Accumulated depreciation	(76,370)
Net book amount	23,208

18 Right-of-use assets (Continued)

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Continuing operations		
Administrative expenses	**8,536**	9,213
Cost of revenue	**3,290**	10,988
Research and development expenses	**1,978**	6,601
	13,804	26,802

19 Inventories

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Rider equipments, at cost	**7,513**	6,854

For the years ended December 31, 2024 and 2023, the cost of inventories from operations recognised as cost or expenses amounted to RMB71,063,000 and RMB53,921,000 respectively.

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,	
	2024	2023
	RMB'000	RMB'000
Non-current asset		
Equity investments in unlisted entity	**26,585**	56,000

(iii) Amounts recognised in other comprehensive income

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Loss recognised in other comprehensive income (Note 27)	**(29,415)**	(5,134)

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

(iv) No dividend has been paid or declared by Shenzhen Fushi Technology Co., Ltd. during the year ended December 31, 2024 and 2023.

(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,	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	**516,753**	812,087
Additions	**3,630,000**	2,200,000
Changes in fair value	**19,626**	16,916
Disposals	**(3,027,294)**	(2,515,434)
Disposal of subsidiaries	**–**	(697)
Exchange difference	**6,774**	3,881
At the end of the year	**1,145,859**	516,753

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.

22 Financial instruments by category

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents (Note 25)	**1,369,593**	1,901,651
Trade receivables (Note 23)	**1,660,432**	1,195,199
Other receivables excluding non-financial assets (Note 24)	**69,816**	59,135
	3,099,841	3,155,985
Financial assets at fair value:		
Financial assets at fair value through profit or loss (Note 21)	**1,145,859**	516,753
Financial assets at fair value through other comprehensive income (Note 20)	**26,585**	56,000
	1,172,444	572,753
Financial liabilities		
Financial liabilities at amortised cost:		
Trade payables (Note 30)	**1,029,639**	703,044
Other payables excluding non-financial liabilities	**266,569**	220,086
Lease liabilities (Note 33)	**19,477**	23,890
	1,315,685	947,020

23 Trade receivables

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Trade receivables		
– related parties (Note 36 (d))	**955,568**	678,299
– third parties	**708,413**	519,702
	1,663,981	1,198,001
Impairment loss allowance	**(3,549)**	(2,802)
	1,660,432	1,195,199

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

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Within 30 days	**1,421,149**	993,120
30 to 180 days	**242,832**	204,881
	1,663,981	1,198,001

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	**(2,802)**	(2,847)
Provision of impairment allowance		
– Continuing operations	**(3,072)**	(3,593)
– Discontinued operation	**–**	(4)
Written off as uncollectible	**2,325**	3,638
Disposal of subsidiaries	**–**	4
At the end of the year	**(3,549)**	(2,802)

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

24 Other receivables and prepayments

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Other receivables		
– Amounts due from related parties (Note 36(d))	**50,506**	40,609
– Value-added tax recoverable	**29,781**	83,977
– Deposits paid	**14,959**	13,372
– Prepaid social insurance premium	**1,975**	4,533
– Advances to employees	**611**	155
– Others	**3,887**	5,100
	101,719	147,746
Prepayments to suppliers	**16,680**	12,547
– Less: impairment loss allowance	**(147)**	(101)
	118,252	160,192

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

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
At the beginning of the year	**(101)**	(518)
Provision of impairment allowance		
– Continuing operations	**(46)**	(157)
– Discontinued operation	**–**	86
Written off as uncollectible	**–**	134
Disposal of subsidiaries	**–**	354
At the end of the year	**(147)**	(101)

25 Cash and cash equivalents

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Cash held in other financial institutions (i)	**733,629**	110,878
Cash at banks (ii)	**635,206**	1,787,865
Others	**758**	2,908
	1,369,593	1,901,651

(i) As at December 31, 2024 and 2023, the Group had certain amounts of cash held in accounts managed by third party payment platforms, which are third party payment platforms, in the amount of RMB24.4 million and RMB19.8 million, respectively, and which have been classified as cash and cash equivalents on the consolidated statements of financial position.

As at December 31, 2024, the Group had RMB709.2 million (December 31, 2023: RMB84.9 million) held in accounts managed by SF Holding Group Finance Co., Ltd. ("SF Finance"), a wholly-owned subsidiary of SF Holding which is incorporated upon approval from China Banking and Insurance Regulatory Commission ("CBIRC") (Shen Yin Jian Fu [2016] No. 193) in 2016.

(ii) As at December 31, 2024, the Group had RMB4.4 million (December 31, 2023: RMB6.2 million) held in a bank account managed by Hwabao Trust Co., Ltd., for acquisition of the Company's shares (Note 29). 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'.

Cash and cash equivalents were denominated in the following currencies:

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
RMB	**1,244,983**	1,885,934
USD	**110,583**	1,028
HK$	**6,857**	14,689
EUR	**4,970**	–
SGD	**1,722**	–
GBP	**478**	–
	1,369,593	1,901,651

26 Share capital, share premium and treasury shares

	Number of shares	Share capital RMB'000	Share premium RMB'000	treasury shares RMB'000
As at January 1, 2023	933,457,707	933,458	4,161,560	–
Repurchase of shares (i)	–	–	–	(39,279)
As at December 31 2023	933,457,707	933,458	4,161,560	(39,279)
Repurchase of shares (i)	–	–	–	(144,252)
Cancellation of shares (i)	(16,082,200)	(16,082)	(133,894)	149,976
Vesting of awarded shares (ii)	–	–	(5,964)	–
As at December 31 2024	**917,375,507**	**917,376**	**4,021,702**	**(33,555)**

(i) During the year of 2024, the company bought back 14,850,000 H Shares on the market, out of which, 3,120,800 had not been cancelled as at December 31, 2024 (2023: the company bought back 4,353,000 H Shares on the market, out of which, 4,353,000 had not been cancelled as at December 31, 2023 and had been subsequently cancelled in August 2024). The shares were acquired at an average price of HK$10.51 per share, with prices ranging from HK$8.92 to HK$12.68. The total amount of RMB144,252,000 paid to acquire the shares has been deducted from total equity.

(ii) During the year ended 31 December 2024, the Share Scheme Trust vested 735,000 ordinary shares of the Company (2023: Nil) to the share awardees, with an equivalent value of 6,862,400 trust benefit units (Note 29).

27 Other reserves

	Note	Share based compensation reserves RMB'000	Financial assets at FVOCI RMB'000	Foreign currency translation RMB'000	Deemed contribution reserves RMB'000	Others RMB'000	Total other reserves RMB'000
Balance at January 1, 2023		395,809	(589)	(5,414)	435,251	–	825,057
Share-based compensation expenses	9	6,805	–	–	–	–	6,805
Revaluation of financial assets at FVOCI	20	–	(5,134)	–	–	–	(5,134)
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to accumulated losses (net of tax)		–	589	–	–	–	589
Currency translation differences		–	–	3,876	–	–	3,876
Others		–	–	–	–	64	64
Balance at December 31, 2023		402,614	(5,134)	(1,538)	435,251	64	831,257
Balance at January 1, 2024		**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**
Balance at December 31, 2024		**416,006**	**(34,549)**	**5,711**	**435,251**	**64**	**822,483**

28 Accumulated losses

	Year ended December 31, 2024 RMB'000	2023 RMB'000
At the beginning of the year	**(2,853,532)**	(2,903,538)
Profit for the year		
– Continuing operations	**132,460**	64,857
– Discontinued operation	**–**	(14,262)
Reclassification of loss on disposal of equity instruments at fair value through other comprehensive income, net of tax	**–**	(589)
At the end of the year	**(2,721,072)**	(2,853,532)

29 Share-based payments

Employee Incentive Scheme

The Company adopted an employee incentive scheme (the "Employee Incentive Scheme") on April 19, 2023. To implement the Employee Incentive Scheme, the Company has set up an employee incentive scheme trust (the "Employee Incentive Scheme Trust") with an independent trustee appointed by the Company to administer and hold the Company's shares acquired. The Employee Incentive Scheme Trust purchases the shares of the Company on the market out of the Company's resources in accordance with the Employee Incentive Scheme Trust agreement and in accordance with the instructions of the Company and the relevant provisions of the Employee Incentive Scheme rules. Pursuant to the Employee Incentive Scheme, eligible participants are granted trust benefit units by the Company for no cash consideration, which correspond to a certain amount of the shares of the Company.

As the Employee Incentive Scheme Trust was set up for the employee 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 by the scheme, the Employee Incentive Scheme Trust is 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 Employee Incentive Scheme Trust from the market is presented as "Shares held for employee incentive scheme" and the amount is deducted from total equity.

Movement in the number of awarded trust benefit units for the year ended December 31, 2024 is as follows:

	Number of awarded trust benefit units
At the beginning of the year	26,142,480
Granted during the year	22,492,719
Vested during the year	(6,862,400)
Forfeited during the year	(3,984,264)
At the end of the year	**37,788,535**

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.

The expenses arising from the Employee Incentive Scheme recognised during the year are RMB13,392,000 (note 9).

30 Trade payables

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Trade payables to third parties	**1,009,595**	685,809
Trade payables to related parties (Note 36 (d))	**20,044**	17,235
	1,029,639	703,044

The aging analysis of the trade payables based on the recognition date are as follows:

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Within 3 months	**984,253**	677,804
3 months to 1 year	**35,653**	15,628
Over 1 year	**9,733**	9,612
	1,029,639	703,044

31 Other payables and accruals

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Salaries, wage and accrued bonus	**291,865**	186,008
Deposits received	**227,420**	179,422
Other tax payable	**13,143**	11,551
Payables for assets purchases	**5,068**	1,919
Amounts due to related parties (Note 36 (d))	**2,008**	596
Others	**32,073**	38,149
	571,577	417,645

32 Contract liabilities

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Contract liabilities – Intra-city on-demand delivery service		
– Third parties	**87,644**	70,097
– Related parties (Note 36 (d))	**698**	254
Total current contract liabilities	**88,342**	70,351

(a) Revenue recognised in relation to contract liabilities

For the years ended December 31, 2024 and 2023, revenue recognised that included in the contract liability balance at the beginning of the years were RMB70,351,000 and RMB46,658,000 respectively.

The Group receives payments from customers based on the billing schedule as established in contracts. Payments are usually received in advance of the performance under the contracts which are mainly for providing intra-city on-demand delivery service. The increase in contract liabilities during the years ended December 31, 2024 was mainly attributable to the increase of the business scale.

33 Lease liabilities

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Minimum lease payments due		
– Within 1 year	**10,816**	12,909
– Between 1 and 2 years	**5,142**	8,959
– Between 2 and 5 years	**3,985**	2,155
– Later than 5 years	**481**	923
	20,424	24,946
Less: future finance charges	**(947)**	(1,056)
Present value of lease liabilities	**19,477**	23,890
At the end of the year		
– Within 1 year	**10,337**	12,407
– Between 1 and 2 years	**4,885**	8,615
– Between 2 and 5 years	**3,779**	1,974
– Later than 5 years	**476**	894
	19,477	23,890

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, 2024 was RMB6,105,000 (for the year ended December 31, 2023: RMB6,275,000).

The total cash outflow for leases for the year ended December 31, 2024 was RMB22,522,000 (for the year ended December 31, 2023: RMB33,954,000).

34 Dividends

No dividend has been paid or declared by the Group during each of the financial years ended December 31, 2024 and 2023.

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,	
	2024	2023
	RMB'000	RMB'000
Profit before income tax from		
– Continuing operations	**144,963**	62,589
– Discontinued operation	**–**	(14,262)
Profit before income tax including discontinued operation	**144,963**	48,327
Adjustments for:		
Share-based compensation expense (Note 9)	**13,392**	6,805
Amortisation of intangible assets (Note 15)	**42,220**	44,290
Depreciation of right-of-use assets (Note 18)	**13,804**	27,188
Depreciation of property, plant and equipment (Note 14)	**5,957**	8,155
Impairment of financial assets measured at amortised cost	**3,118**	3,668
Finance income	**(28,579)**	(40,143)
Losses on disposals of property, plant and equipment (Note 7)	**86**	1
(Gains)/losses on early termination of long-term leases (Note 7)	**(657)**	99
Share of gains of investments accounted for using the equity method (Note 16)	**899**	(3,311)
Fair value changes on financial assets at FVPL (Note 7)	**(19,626)**	(16,916)
Operating cash flows before changes in working capital	**175,577**	78,163
Changes in working capital:		
(Increase)/decrease in inventories	**(659)**	8,722
Decrease/(increase) in restricted cash	**2,150**	(908)
Increase in trade receivables, other receivables and prepayments	**(426,480)**	(66,422)
Increase in trade and other payables and contract liabilities	**497,039**	214,168
Cash generated from operations	**247,627**	233,723

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 year presented.

	Lease liabilities RMB'000
Balance as at January 1, 2024	**23,890**
Cash flows	**(14,338)**
Interest expenses accrued	**783**
Addition	**11,332**
Disposal	**(2,190)**
Balance as at December 31, 2024	**19,477**
Balance as at January 1, 2023	40,535
Cash flows	(28,405)
Interest expenses accrued	1,303
Addition	13,789
Disposal	(3,332)
Balance as at December 31, 2023	23,890

(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, 2024 and 2023.

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, 2024 and 2023:

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
Tianjin Wulianshuntong Supply Chain Management Co., Ltd.	Joint venture of SF Holding
Shenzhen Shenghai Information Service Co., Ltd.	Joint venture of SF Holding
Beijing Shunhetongxin Technology Co., Ltd.	Joint venture of SF Holding
CR-SF International Express Co.,Ltd.	Joint venture of SF Holding
Shenzhen Shun Jie Feng Da Express Co., Ltd.	Associated company of SF Holding

(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,	
	2024	2023
	RMB'000	RMB'000
Wages, salaries and bonuses	**8,930**	8,992
Share-based compensation expenses	**4,416**	2,430
Fees	**1,096**	996
Pension costs – defined contribution plans	**233**	216
Other employee benefits	**363**	333
	15,038	12,967

36 Related party transactions (Continued)

(c) Significant transactions with related parties

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Intra-city on-demand delivery business and other business revenue		
– Subsidiaries of SF Holding	**6,735,562**	5,029,395
– Others	**3,749**	3,648
	6,739,311	5,033,043
Comprehensive services and material purchasing fee (Note i)		
– Subsidiaries of SF Holding	**46,634**	63,653
– Others	**832**	401
	47,466	64,054
Rental expense		
– Subsidiaries of SF Holding	**1,685**	1,344
Interest income of deposits (Note ii)		
– Subsidiaries of SF Holding	**5,193**	926
Outsourcing services and labor safety supplies purchasing fee		
– Subsidiaries of SF Holding	**196**	1,081
– Others	**11,685**	236
	11,881	1,317
Asset acquisitions (Note 40(ii))		
– Subsidiaries of SF Holding	**4,691**	–

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 the Group with deposits and related services and entrusted loan 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.

36 Related party transactions (Continued)

(d) Balances with related parties

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Cash deposited in related party (Note 25(i))		
– Subsidiaries of SF Holding	**709,188**	84,940
Trade receivables from related parties (Note 23)		
– Subsidiaries of SF Holding	**954,931**	677,457
– Others	**637**	842
	955,568	678,299
Prepayments to related parties		
– Subsidiaries of SF Holding	**186**	267
– Others	**120**	–
	306	267
Trade payables to related parties (i)		
– Subsidiaries of SF Holding	**19,526**	17,004
– Others	**518**	231
	20,044	17,235
Lease liabilities to related parties		
– Subsidiaries of SF Holding	**4,071**	9,627
– Subsidiaries of Mingde Holding	**2,331**	2,636
	6,402	12,263
Contract liabilities from related parties (Note 32)		
– Subsidiaries of SF Holding	**388**	223
– Others	**310**	31
	698	254
Amounts due from related parties (ii)		
– Subsidiaries of SF Holding	**50,306**	40,585
– Others	**200**	24
	50,506	40,609
Amounts due to related parties (iii)		
– Subsidiaries of SF Holding	**1,938**	450
– Others	**70**	146
	2,008	596

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, 2024 and 2023, the balances were unsecured, interest-free, and collectible on demand.

(iii) As at December 31, 2024 and 2023, 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,	
	2024	2023
	RMB'000	RMB'000
Within 1 year	**909**	739
	909	739

Significant capital expenditure contracted for at the end of the years but not recognised as liabilities are as follows:

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Investment accounted for using equity method	**25,000**	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, 2025 to the approval date of the consolidated financial statements by the Board of Directors on March 28, 2025.

40 Subsidiaries

The Company's major subsidiaries at December 31, 2024 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
			2024	2023	
Directly held:					
Shenzhen SF Intra-city Logistics Co., Ltd. (深圳市順豐同城物流有限公司)	PRC, Limited liability company	RMB3,420,000,000/ RMB3,382,594,716	**100%**	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	**100%**	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	**100%**	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	**100%**	100%	Software development and information technology services in PRC
SF Intra-city Holding Limited	HK, Limited liability company	USD30,000,000/ USD30,000,000	**100%**	100%	Investment holding in PRC
Shenzhen Fengsuqihang Technology Co., Ltd. (深圳市豐速啓航科技有限公司)	PRC, Limited liability company	RMB1,000,000/Nil	**100%**	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) (i)	PRC, Limited liability company	RMB10,000,000/Nil	**100%**	–	Procurement of equipment in PRC
Harvest Mind Limited (ii)	HK, Limited liability company	HK$1/HK$1	**100%**	–	Investment holding in PRC
Hangzhou Shunyu Technology Co., Ltd. (杭州順譽科技有限公司) (i)	PRC, Limited liability company	RMB10,000,000/Nil	**100%**	–	Third party on-demand delivery services in PRC
Indirectly held:					
Suzhou Fengpai Technology Co., Ltd. (蘇州豐湃科技有限公司)	PRC, Limited liability company	RMB5,000,000/ RMB700,000	**100%**	100%	Third party on-demand delivery services in PRC

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
			2024	2023	
Tianjin Fengpai Technology Co., Ltd. (天津豊湃科技有限公司)	PRC, Limited liability company	RMB10,000,000/ RMB400,000	**100%**	100%	Information technology services in PRC
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 (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. (ii)	NL, Limited liability company	EUR 350,060/ EUR 350,060	**100%**	–	Investment holding in EUR, logistics and delivery services in NL
SF Intra-city Delivery (UK) Limited (ii)	UK, Limited liability company	EUR 380,000/ EUR 380,000	**100%**	–	Logistics and delivery services in UK
SF Intra-city Delivery (Germany) GmbH (ii)	GER, Limited liability company	EUR 25,000/ EUR 25,000	**100%**	–	Logistics and delivery services in GER
Ample Ornate Limited (ii)	BVI, Limited liability company	USD1/USD1	**100%**	–	Investment holding in PRC
SF Intracity (Singapore) Pte. Ltd. (ii)	SGP, Limited liability company	SGD500,000/Nil	**100%**	–	SaaS Software, intracity delivery services in SGP

(i) These subsidiaries were newly established during this year.

(ii) These subsidiaries were newly acquired at a total cash consideration of HK$2,022,000 and US$385,000 (equivalent to approximately RMB4,691,000) from the related parties controlled by SF Holding this year. Since the transactions did not meet the criteria for business combinations, they were accounted for as asset acquisitions.

41 Statement of financial position and reserves movements of the Company

(a) Company statement of financial position

	Notes	As at December 31, 2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Investment in the subsidiaries		**4,766,371**	4,556,443
Deferred income tax assets		**–**	4,872
Total non-current assets		**4,766,371**	4,561,315
Current assets			
Other receivables and prepayments		**11,808**	12,177
Amounts due from related parties		**3,258**	1,811
Financial assets at fair value through profit or loss		**741,575**	201,136
Cash and cash equivalents		**1,210,895**	1,868,488
Contribution to Share Scheme Trust		**5,043**	6,834
Total current assets		**1,972,579**	2,090,446
Total assets		**6,738,950**	6,651,761
EQUITY			
Equity attributable to owners of the Company			
Share capital		**917,376**	933,458
Share premium		**4,021,702**	4,161,560
Treasury shares		**(33,555)**	(39,279)
Shares held for employee share scheme		**(46,406)**	(52,370)
Other reserves	41(b)	**416,006**	402,614
Accumulated losses	41(b)	**(425,955)**	(405,727)
Total equity		**4,849,168**	5,000,256
LIABILITIES			
Current liabilities			
Trade payables		**14,095**	16,084
Other payables and accruals		**16,145**	4,071
Amounts due to related parties		**1,859,542**	1,631,350
Total current liabilities		**1,889,782**	1,651,505
Total liabilities		**1,889,782**	1,651,505
Total equity and liabilities		**6,738,950**	6,651,761

The statement of financial position of the Company was approved by the Board of Directors on March 28, 2025 and was signed on its behalf:

Sun Haijin
Director

Chan Hey Man
Director

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
Balance as at January 1, 2024	**402,614**	**(405,727)**
Equity-settled share-based payments (Note 9)	**13,392**	**–**
Loss for the year	**–**	**(20,228)**
Balance as at December 31, 2024	**416,006**	**(425,955)**
Balance as at January 1, 2023	395,220	(160,814)
Equity-settled share-based payments (Note 9)	6,805	–
Transfer to accumulated losses	589	(589)
Loss for the year	–	(244,324)
Balance as at December 31, 2023	402,614	(405,727)

42 Benefits and interests of directors and supervisors

(a) Directors' and supervisors' emoluments

Remuneration of directors and supervisors during the years ended December 31, 2024 and 2023 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
Year ended December 31, 2024						
Executive directors						
Mr. Sun Haijin (Chairman 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
Total	1,096	7,523	4,416	295	194	13,524

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
Year ended December 31, 2023						
Executive directors (i)						
Mr. Sun Haijin (Chairman and Chief Executive Officer)	–	2,331	–	62	38	2,431
Mr. Chan Hey Man	–	1,436	2,430	1	5	3,872
Mr. Chen Lin	–	2,211	–	146	95	2,452
Mr. Tsang Hoi Lam	–	524	–	–	2	526
Non-executive Directors (ii)						
Ms. Li Juhua	–	–	–	–	–	–
Mr. Han Liu	–	–	–	–	–	–
Mr. Li Qiuyu	–	–	–	–	–	–
Mr. Geng Yankun	–	–	–	–	–	–
Mr. Chan Fei	–	–	–	–	–	–
Mr. Xu Zhijun	–	–	–	–	–	–
Independent non-executive Directors						
Mr. Chan Kok Chung, Johnny	249	–	–	–	–	249
Mr. Wong Hak Kun	249	–	–	–	–	249
Mr. Zhou Xiang	249	–	–	–	–	249
Ms. Huang Jing	249	–	–	–	–	249
Supervisors (iii)						
Mr. Yang Zunmiao	–	–	–	–	–	–
Ms. Gao Yuan	–	–	–	–	–	–
Mr. Wu Guozhong	–	–	–	–	–	–
Ms. Su Xiaohui	–	1,080	–	62	38	1,180
Total	996	7,582	2,430	271	178	11,457

42 Benefits and interests of directors and supervisors (Continued)

(a) Directors' and supervisors' emoluments (Continued)

(i) Mr. Chan Hey Man was appointed as an executive director of the Company in April 2023. The remuneration disclosed above of Mr. Chan Hey Man only included amounts related to the period of service after he was appointed as the executive director.

(ii) Mr. Geng Yankun was appointed as the non-executive director of the company in September 2023. Ms. Li Juhua was appointed as the non-executive director of the Company in November 2023.

(iii) Ms. Gao Yuan was appointed as a supervisor of the Company in April 2023.

(iv) 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, 2024 and 2023.

(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, 2024 and 2023.

(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, 2024 and 2023.

(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, 2024 and 2023.

(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, 2024 and 2023.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended December 31,				
	2020	2021	2022	2023	**2024**
	RMB'000	RMB'000	RMB'000	RMB'000	**RMB'000**
			(Restated)[(i)]		
Revenues	4,843,366	8,173,953	10,228,787	12,387,416	**15,746,083**
Gross(loss)/profit	(188,506)	94,809	410,727	794,740	**1,071,496**
(Loss)/profit before income tax	(784,190)	(902,586)	(239,587)	62,589	**144,963**
(Loss)/profit for the year	(757,677)	(898,851)	(286,903)	50,595	**132,460**
(Loss)/profit attributable to owners of the Company	(757,677)	(898,851)	(286,903)	50,595	**132,460**
Total comprehensive (loss)/income for the year	(757,677)	(898,851)	(292,906)	49,337	**110,294**
Total comprehensive (loss)/income for the year attributable to owners of the Company	(757,677)	(898,851)	(292,906)	49,337	**110,294**

(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,				
	2020	2021	2022	2023	**2024**
	RMB'000	RMB'000	RMB'000	RMB'000	**RMB'000**
ASSETS					
Non-current assets	326,489	375,555	677,218	419,042	**398,084**
Current assets	1,087,031	3,833,360	3,425,455	3,780,649	**4,271,649**
Total assets	1,413,520	4,208,915	4,102,673	4,199,691	**4,669,733**
LIABILITIES					
Non-current liabilities	25,714	20,505	17,311	11,483	**9,140**
Current liabilities	1,022,342	878,967	1,068,825	1,207,114	**1,700,065**
Total liabilities	1,048,056	899,472	1,086,136	1,218,597	**1,709,205**
EQUITY					
Equity attributable to owners of the Company	365,464	3,309,443	3,016,537	2,981,094	**2,960,528**
Total equity	365,464	3,309,443	3,016,537	2,981,094	**2,960,528**
Total equity and liabilities	1,413,520	4,208,915	4,102,673	4,199,691	**4,669,733**

Definitions

"AI"	artificial intelligence
"active consumer(s)"	refers to the number of unique consumer accounts that purchase a particular service at least once during the prescribed period
"active merchant(s)"	refers to the number of unique merchant accounts that purchase a particular service at least once during the prescribed period
"active rider(s)"	refers to the number of unique rider(s) who fulfil at least one order during the prescribed period
"Articles of Association" or "Articles"	the articles of association of the Company currently in force
"Audit Committee"	the audit committee of the Company
"Award Letter"	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
"Board" or "Board of Directors"	the board of Directors of the Company
"Celestial Ocean Investment Limited"	Celestial Ocean Investment Limited, a limited company incorporated in Hong Kong, a subsidiary of SF Holding (HK) Limited
"China" or "PRC"	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
"CLS"	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
"Company", "our Company" or "SF Intra-city"	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
"Company Law"	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

"Comprehensive Service Purchasing Framework Agreement" or "2024-2026 Comprehensive Service Purchasing Framework Agreement"	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 and accounting centre services (ii) certain operation related services; and (iii) research and development service. 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
"Consultation Conclusions"	consultation conclusions to the consultation paper on Proposed Amendments to Listing Rules Relating to Treasury Shares issued by the Hong Kong Stock Exchange on April 12, 2024
"Controlling Shareholder(s)"	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 Technology, Intra-city Tech, SF Holding (HK) Limited and Celestial Ocean Investment Limited, as the case may be
"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
"Credit Customers"	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 Group and/or its associates offers
"crowd-sourced riders"	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
"Delegatee(s)"	the Board committee(s) and/or person(s) delegated by the Board
"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
"Directors"	the director(s) of the Company
"Eligible Participant(s)"	any full-time PRC or non-PRC employee of any members of the Group, who is a Director, Supervisor, senior management or employee of the Group; however, no individual, who is resident in a place where the grant, acceptance or vesting of Trust Benefit Units pursuant to the Employee Incentive 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 Employee Incentive Scheme and such individual shall therefore be excluded therefrom

"Employee Incentive Scheme"	the Employee Incentive Scheme (2023) of the Company as approved by the Shareholders at the extraordinary general meeting held on April 19, 2023
"Entrusted Loan Services"	The Company and its subsidiaries will provide entrusted loans to members of the SF Intracity Group through SF Finance and pay service fees to SF Finance
"Financial Services Framework Agreement" or "2025-2027 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 (the "**Financial Services Framework Agreement**"). Pursuant to the Financial Services Framework Agreement, 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. On November 13, 2024, the Company and SF Finance entered into a renewed financial services framework agreement (the "**2025-2027 Financial Services Framework Agreement**") in light of the impending expiry of the Financial Services Framework Agreement and the Group's business needs. 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
"fulfillment in-time rate"	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
"Global Offering"	the offer of H Shares for subscription as described in the prospectus of the Company dated November 30, 2021
"Grantee(s)"	Eligible Participants who are eligible to participate in the Employee Incentive Scheme and have been granted Trust Benefit Units
"Group", "our Group", "we" or "us"	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
"HKEx", "Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"HK$" or "HKD"	Hong Kong dollars, the legal currency of Hong Kong
"H Share(s)"	the overseas-listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"IFRS"	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
"intra-city on-demand delivery"	on-demand delivery within a particular city region

"Intra-city On-demand Delivery Service Cooperation Framework Agreement" or "2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement"	the intra-city on-demand delivery service cooperation framework agreement that the Company and SF Holding entered into on November 19, 2021, pursuant to which the Group provides 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 on December 31, 2023, the Board resolved on October 19, 2023 to renew the existing agreement for a term of 3 years effective from January 1, 2024, which was approved at the 2023 third extraordinary general meeting held on November 30, 2023 (the "**2024-2026 Intra-city On-demand Delivery Service Cooperation Framework Agreement**"). 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
"Intra-city Tech"	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
"Latest Practicable Date"	April 22, 2025
"Leasing Framework Agreement" or "2024-2026 Leasing Framework Agreement"	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**"). 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
"Listing"	the listing of H Shares on the Main Board of the Stock Exchange
"Listing Date"	December 14, 2021
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"local e-commerce"	generally cover delivery of 3C Electronics, apparel, jewelry and cosmetics etc.
"local retail"	generally cover delivery of fresh produce, flowers, cakes and desserts and other groceries
"local services"	generally cover personal errands service and task-based government and enterprise services, etc.
"lower-tier cities and counties"	cities, counties and towns in the third tier or below
"Main Board"	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

Definitions

"Master Service Agreements"	the master service agreements entered into between the Credit Customers and SF Holding and/or its associates in respect of a variety of delivery and logistics solution service products SF Holding Group and/or its associates offers
"Mingde Holding"	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
"Model Code"	Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
"Net Value of Trust Property"	the residual amount of the Total Value of Trust Property after deducting the fees and liabilities (if any) incurred under the Trust and the Trust Agreement between the Company and the Trustee
"Ningbo Shunxiang"	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
"Nomination Committee"	the nomination committee of our Company
"non-food delivery scenarios"	on-demand retail delivery and fulfillment service unrelated to food delivery scenarios
"Prospectus"	the prospectus of the Company issued in connection with the Global Offering
"Reporting Period"	the period from January 1, 2024 to December 31, 2024
"Remuneration Committee"	the remuneration committee of our Company
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"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
"SF Finance"	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
"SF Holding"	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
"SF Holding Group"	SF Holding and its subsidiaries

"SF Holding (HK) Limited"	SF Holding (HK) Limited, a limited company incorporated in Hong Kong, one of our Controlling Shareholders
"SF Taisen"	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
"SF Technology"	SF Technology Co., Ltd. (順豐科技有限公司), a limited company incorporated in the PRC, one of our Controlling Shareholders
"Shanghai Fengpai"	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
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所)
"Share(s)"	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)
"Shareholders(s)"	holder(s) of Share(s)
"Shenzhen Intra-city"	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
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange (深圳證券交易所)
"Shenzhen Zhongplus"	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
"Shunda Tongxing"	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
"Supervisor(s)"	the supervisor(s) of the Company
"Supervisory Committee" or "Board of Supervisors"	the supervisory committee of our Company
"third-party on-demand delivery service"	an on-demand delivery service that fulfills orders acquired from non-related parties or parties unaffiliated with centralised marketplaces
"Tianwo Kangzhong"	Ningbo Meishan Free Trade Port Zone Tianwo Kangzhong Enterprise Management Partnership (Limited Partnership) (寧波梅山保税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
"Tonglu Zhiyuan"	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
"Total Value of Trust Property"	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
"Trust"	the trust constituted under the Trust Agreement entered into between the Company and the Trustee pursuant to the Employee Incentive Scheme

"Trust Agreement"	the trust management agreement entered into between the Company and the Trustee pursuant to the Employee Incentive Scheme
"Trustee"	the trustee appointed by the Company for the purpose of the Trust, which shall be an independent third party
"Trust Benefit Unit(s)"	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
"Trust Property"	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
"Unlisted Domestic Share(s)"	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
"USD"	United States dollars, the lawful currency of the United States of America

杭州順豐同城實業股份有限公司
HANGZHOU SF INTRA-CITY INDUSTRIAL CO.,LTD.