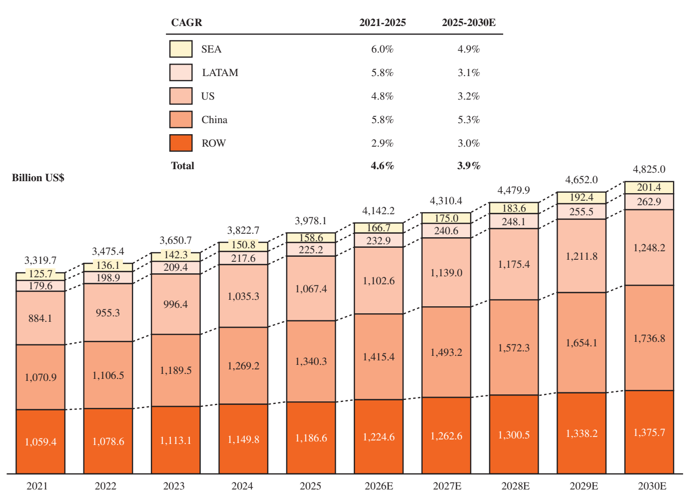
The information and statistics set out in this section and other sections of this Document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the [**REDACTED**]. *We believe that the sources of the information in this section and other sections of this Document are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall coordinators,* [**REDACTED**] *or any other party involved in the* [**REDACTED**] *and no representation is given as to its accuracy. For discussion of risks related to our industry, please see "Risk Factors — Risks Related to our Business and Industry".*

VAST GLOBAL ROAD FREIGHT MARKET

According to Frost & Sullivan, around US$12.2 trillion was spent on logistics globally in 2025. Road freight is a significant segment of the global logistics market. The chart below sets out the size of the global road freight market by major geographies.

Market Size of Global Road Freight Market, 2021-2030E

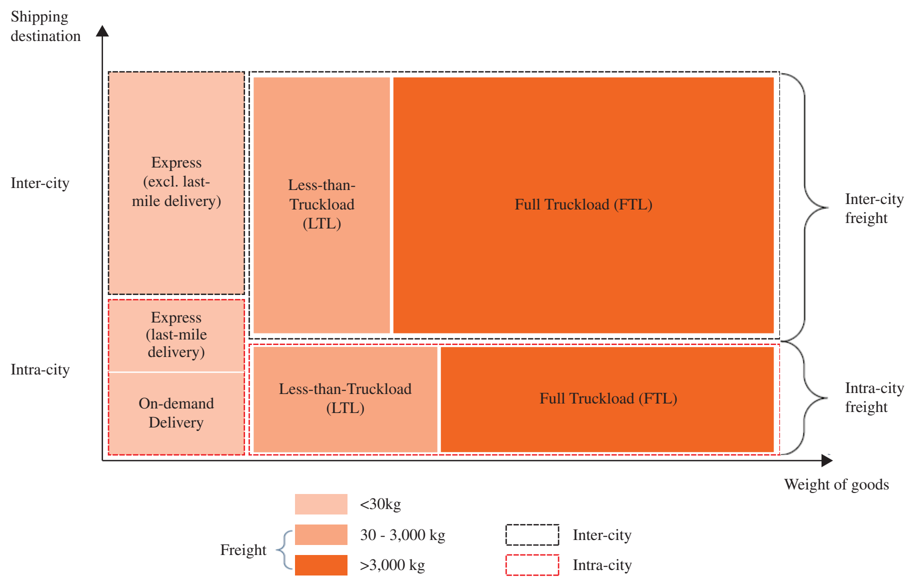


Source: National Development and Reform Commission ("NDRC"), American Trucking Associations ("ATA"), Association of Southeast Asian Nations ("ASEAN"), World Bank, expert interview, and Frost & Sullivan analysis

Market Segmentation of the Road Freight Industry

The road freight market can be segmented by shipping destination and weight of goods, as illustrated below. Freight transportation generally includes FTL and LTL and can be further divided into intra-city freight and inter-city freight, while goods below 30 kg are typically classified as express and on-demand delivery.

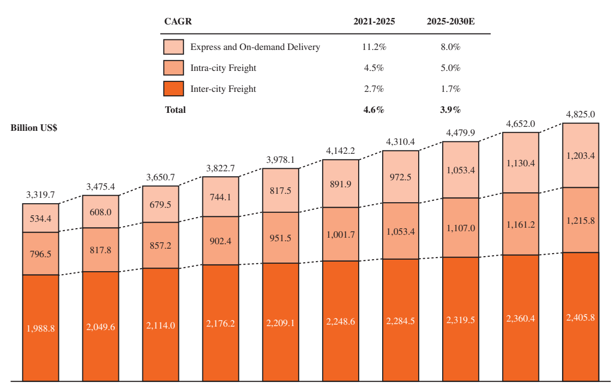
Market Segmentation of Road Freight Market



Source: literature review, expert interview, and Frost & Sullivan analysis

The chart below illustrates the steady growth by segments within the global road freight market, driven by continued economic development and urbanization, according to Frost & Sullivan.

Market Size of Global Road Freight Market, 2021-2030E

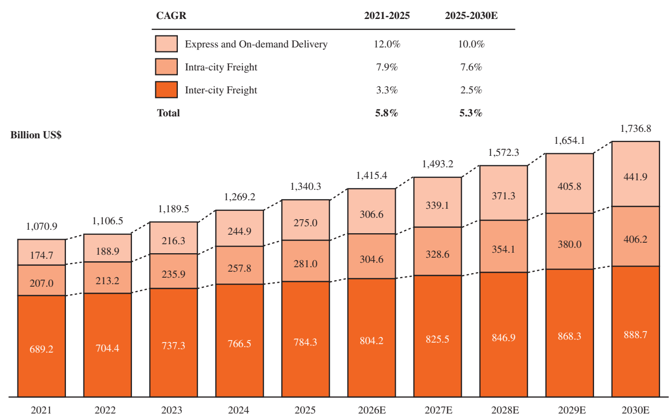


Source: NDRC, ATA, ASEAN, World Bank, expert interview, and Frost & Sullivan analysis

Massive Market Opportunity for Road Freight in China

According to Frost & Sullivan, China's road freight market is the largest in the world in terms of GTV, accounting for 33.7% of the global market in 2025. This massive market is built on the largest pool of merchants of approximately 200 million and carriers of approximately 17 million in China. The chart below sets out the segments of China's road freight market.

Market Size of China Road Freight Market, 2021-2030E



Source: NDRC, expert interview, and Frost & Sullivan analysis

Intra-city freight, which generally refers to point-to-point transportation of freight weighing over 30 kg within the same city, is an attractive segment in China, supported by continued urbanization and rising disposable income, which stimulate goods consumption; the expansion of new retail formats and convenience store networks, which increases the frequency of inventory replenishment and demand for more flexible and on-demand logistics; and increasingly dense warehouse and front-end warehouse networks, which shorten delivery distances and shift part of logistics demand from inter-city to intra-city transportation.

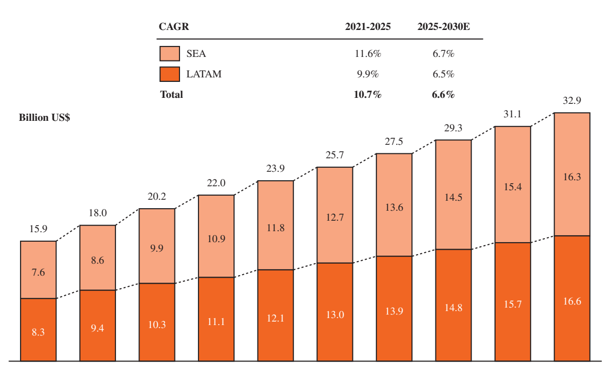
Intra-city freight customers mainly consist of enterprise customers and individual customers. Enterprise customers, which include businesses of various sizes, are typically higher-frequency users with higher average transaction values, while individual customers mainly use such services for home moving. As a result, business customers account for the majority of GTV in the intra-city freight market.

"Inter-city freight" is defined as transportation of freight weighing greater than 30kg between two or more cities on a point-to-point basis. Compared with intra-city freight, it typically involves larger vehicles, larger-tonnage cargo and higher ticket sizes, and has materially greater involvement of freight transportation agents and middlemen. In 2025, such intermediaries were involved in approximately 75% of inter-city transactions, compared with 10% for intra-city transactions, indicating significant room for logistics transaction platforms to improve efficiency, user experience and monetization by enabling more direct transactions between merchants and carriers.

COMPELLING INTRA-CITY ROAD FREIGHT MARKET OUTSIDE CHINA

Outside China, intra-city road freight represents a sizeable market opportunity. According to Frost & Sullivan, the overseas intra-city road freight market was approximately 2.4 times the size of China's in 2025 in terms of GTV. In developing markets such as Southeast Asia and LatAm, intra-city last-mile express and on-demand delivery for small goods, typically fulfilled by two-wheelers, is also a relevant adjacent segment, as illustrated in the chart below.

Market Size of SEA and LATAM Intra-city on-demand delivery and Express Last Mile Market, 2021-2030E



Source: ASEAN, World Bank, and Frost & Sullivan analysis

Currently the overseas road freight markets of developing regions, such as Southeast Asia and LatAm, are mostly underserved with low efficiency due to the lack of technology-driven service providers. The infrastructure is underdeveloped with limited established digital platforms or large truck fleet operators.

Compared to the freight market, the delivery market typically involves two-wheelers and smaller transaction ticket size per shipping order. Despite the strong market presence of the two-wheelers delivery, in recent years, the overseas road freight markets have witnessed a growing demand for the four-wheelers freight option. The table below summarizes the key characteristics of the freight market and the delivery market, respectively.

	Freight	Delivery
Major Types of Vehicles	Four-wheelers	Two-wheelers
Major Customer Types	Merchants including all sizes of businesses	Individual consumers

Source: literature review, expert interview, and Frost & Sullivan analysis

PAIN POINTS IN THE GLOBAL ROAD FREIGHT INDUSTRY

The global road freight industry has been facing several structural pain points:

- *Fragmented demand and supply*. Carriers and merchants are highly fragmented in many markets, resulting in inefficient freight matching, reliance on middlemen, higher transaction costs and limited price transparency. According to Frost & Sullivan, individual truck owners and small fleet operators accounted for approximately 90% and 85% of the total available carriers in Mainland China and Southeast Asia, respectively, compared with approximately 40% in the U.S.

- *Low vehicle utilization*. Empty miles remain high across many markets. According to Frost & Sullivan, approximately 30% of the total miles driven in China, and approximately 40% in both Southeast Asia and LatAm, were empty miles, compared with approximately 12% in the U.S.

- *Increasing demand for on-demand freight services*. Faster delivery expectations and leaner inventory management are increasing demand for more flexible, responsive and on-demand freight solutions.

- *Lack of mutual trust*. Merchants and carriers often face uncertainty over service reliability, cargo safety and counterparty creditworthiness, which increases communication and transaction frictions.

These pain points are in general more acute for the intra-city market segment than the inter-city segment, due to:

- *Higher levels of fragmentation of carriers*. According to Frost & Sullivan, more than 90% of carriers in the intra-city segment are individual truck owners in China, Southeast Asia and LatAm, higher than that of the inter-city segment.

- *SME merchants relying more on transportation outsourcing than large enterprises*. In China, Southeast Asia and LatAm, more than 95% SME merchants do not have captive trucks and rely on transportation outsourcing, notably higher than that of 50% for large enterprise merchants in 2024, according to Frost & Sullivan.

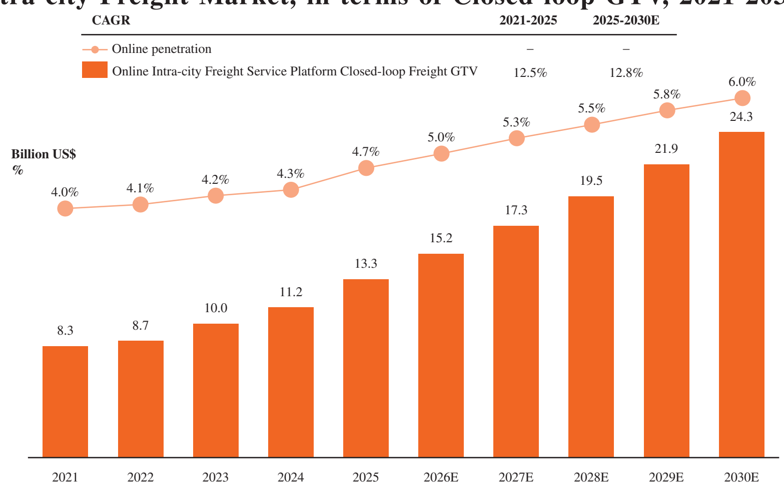
- *Higher time sensitivity*. Users' expectation for faster delivery within a city leads to more on-demand logistics requests. The intra-city segment therefore has a stronger urge to identify a solution.

EMERGENCE OF LOGISTICS TRANSACTION PLATFORMS

In recent years, digital platforms for road freight services have become an increasingly important part of the industry. By connecting merchants and carriers more efficiently, such platforms improve matching efficiency, pricing transparency, vehicle utilization and transaction security, thereby addressing key pain points in the road freight market.

According to Frost & Sullivan, online penetration of road freight services remains low globally, with only 2.6% of global road freight GTV facilitated through digital platforms in 2025, indicating substantial room for further digitalization. The chart below sets out the market size of China online intra-city freight service platforms and their penetration into the broader intra-city freight market, in terms of closed-loop freight GTV.

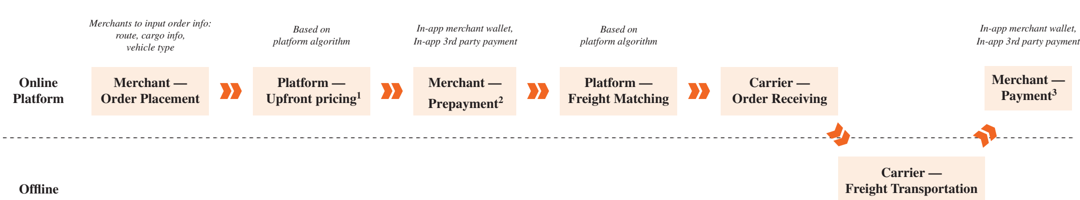
Market size of China Online Intra-city Freight Service Platform and Penetration Rate to Entire Intra-city Freight Market, in terms of Closed-loop GTV, 2021-2030E



Source: Literature Research, Expert Interview and Frost & Sullivan Analysis

There are different types of digital platforms for road freight services, principally information listing platforms and closed-loop transaction platforms. Closed-loop transaction platforms facilitate key stages of the transaction process, including order placement, pricing, freight matching, settlement and order tracking, enabling them to capture transaction data more comprehensively and improve service quality, efficiency and monetization. In contrast, information listing platforms mainly serve as matching venues, with pricing and settlement often completed offline.

Transaction Flow of Closed-loop Platforms



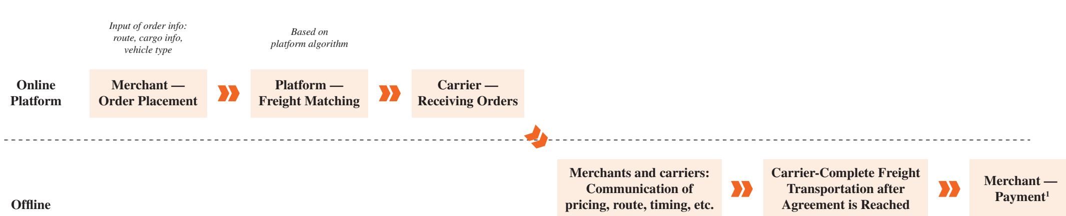
Notes:

1. Upfront pricing is the primary pricing mechanism for a closed-loop platform, while as an alternative under certain circumstances, the platform also allows direct negotiation between carriers and merchants.

2. Subject to user's choice, the payment could be made post the delivery of freight but most users choose prepaid mode.

3. If the payment is made upfront, such payment can be precisely tracked as it is completed on the platform, and the platform can charge the relevant users fees based on the value of their freight transaction orders.

Typical Transaction Flow of Traditional Information Listing Platforms

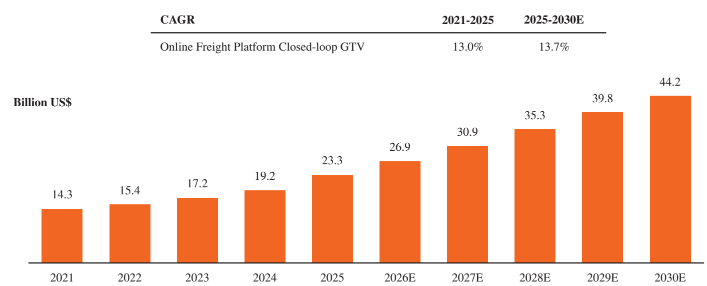


Note:

1. Most payment is done offline and the platform is unable to track them.

Closed-loop transaction platforms usually enjoy higher user stickiness and stronger monetization potential. According to Frost & Sullivan, in 2025, 22.1% of the online road freight GTV globally was attributable to closed-loop transactions.

Market size of Global Online Freight Service Platform, in terms of Closed-loop GTV, 2021-2030E



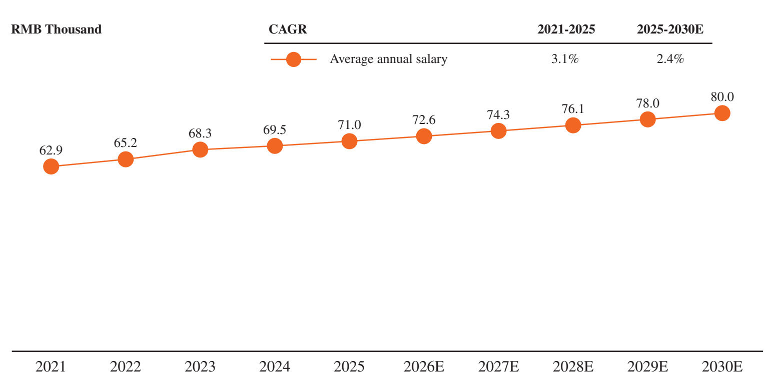
Source: Literature Research, Expert Interview and Frost & Sullivan Analysis

Building and operating a closed-loop platform at scale across geographic locations is technologically and operationally demanding and requires sustained long-term investment, operational know-how and continuous technology iteration. Unlike traditional freight listing platforms, where significant parts of the transaction and communication process are completed offline and much of the transaction data therefore remains fragmented, closed-loop platforms can capture and integrate data across key stages of the transaction cycle. This supports more effective algorithm optimization and service improvement, particularly in areas such as automated pricing, settlement and real-time order tracking. These technological and operational complexities create meaningful barriers to entry and have given leading closed-loop platforms significant first-mover advantages over pure information listing platforms.

PRICE ANALYSIS OF LABOR

Labor cost is the major cost component for companies in the internet technology industry. In China, the average annual salary of urban employees in the private sector has generally trended upward in recent years and is expected to remain on an upward trajectory, as illustrated in the chart below.

Average Annual Salary of Urban Employees in China, Private Sector, 2021-2030E



Source: Literature review, expert interview, and Frost & Sullivan analysis

KEY SUCCESS FACTORS

- *Scale and network effects*. For logistics transaction platform, the growth of the user base for both merchants and carriers is self-reinforcing due to the network effect. The larger the network, the higher the values that a platform can create in terms of efficiency and optionality. It therefore forms a competitive moat.

- *Closed-loop transaction capabilities*. Closed-loop capabilities are essential for accumulating data from the entire transaction cycle and leveraging data analytics to optimize service offerings. Besides, it brings larger potential for monetization.

- *Brand recognition and user mindshare*. By offering high-quality services to platform users and addressing their pain points, a platform can enhance its brand recognition and mindshare among users. It translates into wallet share gain on existing users and word-of-mouth referral for new user acquisition with minimal selling and marketing spending.

- *Operational know-how*. Operational know-how is important for identifying high-value users on the platforms and keeping them engaged. It is also critical for platforms to adopt customized and innovative user acquisition and pricing strategy across different geographic regions.

- *Technology and data capabilities*. Cutting-edge technology such as IoT and big data analytics can help platforms to improve their algorithm. Advanced algorithm typically leads to higher freight-matching efficiency and better understanding of various users' needs.

- *Diversified service offerings*. Platforms that can offer a comprehensive suite of products can enhance user stickiness. For example, a merchant would prefer a platform that can cover both their intra-city and inter-city logistics needs. Carriers tend to choose one-stop, integrated platforms that offer not only freight-matching services but also value-added services such as vehicle sales and leasing and energy and other aftermarket services.

MARKET DRIVERS

- *Favorable policies.* The Chinese government has introduced multiple favorable policies and incentives in recent years to support the digitalization of road transportation industry as part of its commitment to promote digital and platform economy. The *14th Five-Year Plan for the Development of the Digital Economy* promulgated by the PRC government in early 2021 provides a detailed roadmap for digitalization, while recent government policies encourage healthy platform economy growth.

- *Advancement of new technologies that further improve online freight platforms' operation efficiency.* Cutting-edge technologies such as IoT, cloud computing, and AI are rapidly advancing, which will further enhance efficiency and service quality of online freight platforms. The integration of these technologies will lead to higher efficiency of freight matching, pricing accuracy, and order dispatching.

ENTRY BARRIERS

- *Network effects and economics of scale.* Logistics transaction platforms benefit from strong network effects, as a larger base of carriers, merchants and users improves matching efficiency, user stickiness and platform attractiveness. These effects are difficult to replicate across regions given the localized nature of road freight services, creating a meaningful barrier to entry.

- *Extensive sector insights and operational know-how to address industry pain points*. Road freight is complex and highly specialized. Successful platforms require deep understanding of merchant and carrier needs and strong operational capabilities to develop suitable services and deliver superior user experience.

- *Brand recognition and user mindshare.* Reputation and trust are critical in the freight transportation industry. Established platforms with strong brand recognition and user mindshare are better positioned to attract and retain users, making it harder for new entrants to gain traction.

- *Continuous investment in and successful application of cutting-edge technologies.* Sustained investment in technologies such as AI, IoT and cloud computing strengthens pricing, matching and operational efficiency. The ability to continuously develop and apply such technologies is an important barrier to entry.

CHALLENGES FACED BY LOGISTICS TRANSACTION PLATFORMS

- *More intense competition.* One of the most significant threats is the prospect of more intense competition. As leading logistics transaction platforms expand their focus to include inter-city and intra-city freight segments, they will increasingly compete with each other across all segments. This will create more intense competition in the market and make it harder for new entrants to gain a foothold.

- *Higher operational safety and compliance requirements*. Logistics transaction platforms must continuously strengthen transportation safety and regulatory compliance as they connect large numbers of carriers and users. Effective safety and compliance management is important to building trust and supporting long-term development.

COMPETITIVE LANDSCAPE

The Company is equipped with all the above key success factors and became the largest logistics transaction platform in the world by closed-loop freight GTV in 2025 with a market share of 53.1%, well ahead of its major competitors, according to Frost & Sullivan. The top five players in aggregate accounted for 79.1% of the market share in 2025. The table below sets forth ranking of logistics transaction platforms globally in terms of closed-loop freight GTV in 2025.

Ranking	Platform	Introduction	GTV (USD Million)	Market Share (%)
1	The Company	A leading technology-empowered logistics transaction platform with a global footprint	12,355.8	53.1%
2	Company C	Launched in 2020, Company C is a China based intra-city freight transaction platform under a Chinese leading mobility service platform	2,293.2	9.9%
3	Company A	Founded in 2015, Company A is a China based road freight transportation platform currently providing long-haul trucking logistics services to enterprises and third-party logistics firms through web and mobile applications	2,003.4	8.6%
4	Company B	Launched in 2017, Company B is a freight transaction platform under a US listed car hailing company, who mainly provides a mobile application that helps truck drivers connect with shipping companies	1,527.9	6.6%
5	Company D	A Hong Kong listed, Asia based online intra-city logistics platform, currently operates in more than 370 cities across six countries and regions in Asia, including Mainland China, Hong Kong, Singapore, Korea, India and Vietnam	205.9	0.9%
	Others	–	4,865.0	20.9%
	Total	**–**	**23,251.2**	**100.0%**

Source: literature review, expert interview, and Frost & Sullivan analysis
The peer companies are presented in the table using code names because the GTV used in the ranking above is non-public information. This information was estimated based on Frost & Sullivan's primary interviews and calculations, and neither we nor Frost & Sullivan has obtained consent from such peer companies to disclose their GTV details.

The major logistics transaction platforms in terms of closed-loop freight GTV in the world mainly consist of the Company, Didi Freight, For-U Smart Freight, GOGOX and Uber Freight.

The table below sets forth ranking of logistics transaction platforms in China in terms of closed-loop freight GTV in 2025.

Ranking	Platform	Introduction	GTV (USD Million)	Market Share (%)
1	**The Company**	**A leading technology-empowered logistics transaction platform with a global footprint**	**11,269.5**	**61.0%**
2	Company C	Launched in 2020, Company C is a China based intra-city freight transaction platform under a Chinese leading mobility service platform	2,293.2	12.4%
3	Company A	Founded in 2015, Company A is a China based road freight transportation platform currently providing long-haul trucking logistics services to enterprises and third-party logistics firms through web and mobile applications	2,003.4	10.8%
4	Company D	A Hong Kong listed, Asia based online intra-city logistics platform, currently operates in more than 370 cities across six countries and regions in Asia, including Mainland China, Hong Kong, Singapore, Korea, India and Vietnam	101.5	0.5%
	Others	–	2,820.4	15.3%
	Total	**–**	**18,488.0**	**100.0%**

Source: literature review, expert interview, and Frost & Sullivan analysis
The peer companies are presented in the table under code names because the GTV used in the ranking above is non-public information. This information was estimated based on Frost & Sullivan's primary interviews and calculations, and neither we nor Frost & Sullivan has obtained consent from such peer companies to disclose their GTV details.

The major logistics transaction platforms in terms of closed-loop freight GTV in China primarily include the Company, Didi Freight, For-U Smart Freight and GOGOX.

According to Frost & Sullivan, the Company is the largest intra-city logistics transaction platform in the world in terms of closed-loop freight GTV in 2025. The Company is also the world's largest logistics transaction platform in terms of merchants MAUs in 2025, and the largest logistics transaction platform globally in terms of number of fulfilled orders in 2025.

REPORT COMMISSIONED BY FROST & SULLIVAN

In connection with the [**REDACTED**], we have engaged Frost & Sullivan to conduct a detailed analysis and to prepare an industry report on the markets that we operate. Frost & Sullivan is an independent global market research and consulting company founded in 1961 and is based in the U.S.. Services provided by Frost & Sullivan include market assessments, competitive benchmarking, and strategic and market planning for a variety of industries.

We have included certain information from the Frost & Sullivan Report in this Document because we believe such information facilitates an understanding of the market that we operate for potential [**REDACTED**]. Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan contacts companies operating in the industry to gather and synthesize information in relation to the market, prices and other relevant information. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently analyzed the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of these assumptions and the choice of these primary and secondary sources.

We have agreed to pay Frost & Sullivan a fee of RMB2,510,000 for the preparation of the Frost & Sullivan Report. The payment of such amount was not contingent upon our successful [**REDACTED**] or on the content of the Frost & Sullivan Report. Except for the Frost & Sullivan Report, we did not commission any other industry report in connection with the [**REDACTED**]. We confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the report prepared by Frost & Sullivan which may qualify, contradict or have an impact on the information set forth in this section in any material respect.