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WHO WE ARE

Over the past decade, we have seen how digital mobility platforms have transformed the way people move globally. Despite technological advancements, the transportation of goods, represented by the multi-trillion dollar logistics market, still lacks efficiency and quality. In 2025, around US\$12.2 trillion was spent globally on logistics, including US\$4.0 trillion spent on road freight, according to Frost & Sullivan. However, millions of merchants around the world, regardless of their sizes, still face a myriad of challenges as they rely heavily on traditional offline approaches — phone calls, agent referrals and acquaintances, to procure transportation services from carriers. Valuable time is lost and unnecessary costs are incurred in locating carriers. For many merchants, it is economically inefficient to own a fleet of vehicles with low utilization rates. On the other hand, carriers are constantly looking for more shipping orders to reduce idle capacity, fill return legs on round trips, and increase income. Today, millions of merchants and carriers underserved by the traditional logistics industry are in dire need of online, digitalized logistics platforms that can drive their businesses forward.

We are a leading technology-empowered, data-driven logistics transaction platform with a global footprint. According to Frost & Sullivan, we are: (i) the world’s largest logistics transaction platform by closed-loop freight GTV, with a market share of 53.1% in 2025; (ii) the world’s largest intra-city logistics transaction platform by closed-loop freight GTV in 2025; (iii) the world’s largest logistics transaction platform in terms of number of fulfilled orders in 2025; and (iv) the world’s largest logistics transaction platform by average merchant MAUs in 2025.

In 2024, our platform facilitated over 779 million fulfilled orders with a global freight GTV of US\$10,273.8 million. In 2025, our platform facilitated over 1,027 million fulfilled orders with a global GTV of US\$13,321.1 million, and we had approximately 21.3 million average merchant MAUs and 2.1 million average carrier MAUs in over 400 cities across 15 major markets globally.

We are an early mover and a major driving force of the digitalization of the road freight industry, especially in the intra-city freight segment, according to Frost & Sullivan. We launched our platform in Hong Kong in 2013, to digitalize the road freight industry, where transactions had been conducted largely offline. In 2014, we expanded into the road freight market in Mainland China, a massive, fast-growing market with tremendous potential for digitalization, as well as Southeast Asia. Since 2014, we have expanded to additional cities in Mainland China and Southeast Asia. We also set up our Group’s headquarters in Chongqing and Shenzhen to strengthen our presence in Mainland China. We started to enter other overseas markets, such as the LatAm markets in 2019.

Over the years, we have built a platform addressing all major logistics needs in intra- and inter-city freight transactions, while providing diversified logistics services and value-added services to both merchants and carriers. Through technology, we connect merchants and carriers online, digitalize the transaction process, and optimize efficiency. On our platform, merchants have access to convenient, reliable and cost-effective freight services provided by a large pool of carriers, to fulfill their on-demand or pre-scheduled shipping orders. On the other hand, our platform enables carriers, who are mainly individuals, to meaningfully increase their income by making available a vast reservoir of shipping orders constantly matched with their capacity, work schedules and personal preferences. By delivering compelling value propositions to both merchants and carriers, we are able to rapidly scale our business around the world and strengthen our leading position in Asia.

We have achieved robust operational and financial growth since our inception. Our global GTV increased from US\$9,414.3 million in 2023 to US\$13,321.1 million in 2025, representing a CAGR of 19.0%. Our global fulfilled orders increased significantly from 588 million in 2023 to 1,027 million in 2025, representing a CAGR of 32.1%. Our revenue increased from US\$1,334.2 million in 2023 to US\$2,139.2 million in 2025, respectively, representing a CAGR of 26.6%. We recorded adjusted profits (non-IFRS) of US\$390.6 million, US\$500.8 million, and US\$560.3 million in 2023, 2024 and 2025, respectively. For a more detailed discussion of the changes in our global GTV and financial performance during the Track Record Period, see “Financial Information — Our Key Operating Metrics” and “Financial Information — Description of Selected Items from the Consolidated Statements of Profit or Loss and Other Comprehensive Income”.

OUR BUSINESS MODEL

We operate a marketplace model connecting and serving both merchants and carriers. Our platform facilitates closed-loop transactions from online shipping order booking to intelligent order matching, and automated dispatching to after-sale services. Pricing is largely determined upfront with full transparency to both merchants and carriers.

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We enjoy the following benefits from our powerful marketplace model:

- Closed-loop.** We differ from information listing platforms that simply display request for freight delivery and contacts of carriers and merchants. Instead, we facilitate the freight transactions from end to end — from order placement, pricing determination, prepayment, freight matching, order tracking to payment settlement and confirmation. With agreed pricing, merchants “close” the transactions and securely settle payments when shipping orders are fulfilled by carriers. For merchants and carriers, transacting on our platform means they can easily and securely complete the transaction in one place. We believe this convenient, one-stop experience is a critical part of why many of them use our platform and enables us to improve user retention and nurture long-term user stickiness. Additionally, throughout the freight transportation cycle, we are able to monetize transactions on our platform through carrier discount program fees and commissions paid by carriers. By enabling merchants and carriers to confirm and settle payments via our platform, we generate valuable insight into whether the freight transactions we facilitate are actually completed and the value of these transactions, which is information critical to developing an effective commission-based fee model as the commission is charged as a percentage of such value. Further, the relevant insight generated throughout all major steps of the transaction cycle strengthens our proprietary know-how, which we leverage to optimize our technology, products and services across our geographic markets. During the Track Record Period, substantially all of the transactions completed through our platform were closed-loop transactions. According to Frost & Sullivan, in 2025, 22.1% of the online road freight GTV globally was attributable to closed-loop transactions. According to the same source, we are currently the only digital freight platform in China and one of the very few platforms globally that generate over US\$1 billion in closed-loop freight GTV annually.
- Highly scalable.** Our platform is built upon a common foundation of core technology and data infrastructure. It improves over time by accumulating operational know-how in all aspects of digitalized logistics transactions. Insight gained from millions of transactions then helps us optimize our entire platform to benefit all future transactions taking place across our markets, making our business model highly scalable. In Mainland China, where we have the largest presence, we have been able to scale rapidly despite the complex and diverse market dynamics across different parts of the country from mega cities to a large number of lower-tier cities. We replicate our success in intra-city freight service across Mainland China to other markets as we expand globally.
- Expansive.** We started with a focus on the intra-city freight service. Our technology infrastructure, operational expertise and existing large merchant base allowed us to successfully expand our platform to serve the inter-city freight segment. As a natural extension of our merchants’ demand for logistics services, our inter-city freight business has allowed us to increase our wallet share of their logistics spending and is expected to be one of the key drivers of our long-term growth. Since the launch of our inter-city freight services through December 31, 2025, more than 70% of first-time merchants were existing merchants using our intra-city freight services. As we grew beyond serving small- and medium-sized merchants, we expanded our platform to serve large businesses by introducing enterprise services and to provide various value-added services to carriers. Overall, our platform is highly expansive across different segments, and its ability to address diverse logistics service demands significantly expands our addressable market.

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- *Network effect.* As we onboard and retain more merchants, the number of shipping orders generated on our platform increases, leading to higher utilization rate of vehicles and higher potential income for the carriers, which in turn attracts more carriers to our platform. The resulting higher order acceptance rate, reduced response time and optimized freight charges further incentivize more merchants to join the platform and place more shipping orders with higher value more frequently. For intra-city freight business, such network effects are largely localized. We have essentially created a large number of “local networks” of merchants and carriers in more than 400 cities worldwide as of December 31, 2025, which serves as our competitive moat as new players have to conquer city by city to effectively compete with us. As many of our carriers travel between different cities to take shipping orders, they also naturally contribute to the network effect of our growing inter-city freight services.
- *Hybrid monetization.* We pioneered the adoption of a hybrid monetization model for our intra-city freight services — where we generate revenues through a combination of carrier discount program fees and commissions — across various cities in Mainland China. As of December 31, 2025, we operated our hybrid monetization model in substantially all of the Mainland Chinese cities where we generated freight platform services revenue. Our freight platform services monetization rate in Mainland China decreased from 10.3% in 2023 to 9.1% in 2025. Rather than a one-size-fits-all approach, in order to cater to diverse user needs and local market conditions across different regions, we have strategically adopted such hybrid monetization model with different discount program and commission fee options available to carriers, based on our evaluation of the local market conditions. Such differentiated fee models not only allow us to monetize the freight transactions we facilitate but also allow carriers to maximize their earnings potential.
- *Asset-light.* We operate an asset-light business model. As a pure-play marketplace, we do not own a substantial number of vehicles or fleets. Rather, our platform allows merchants to choose from a variety of vehicles of different sizes for a diverse range of freight anytime, anywhere. We offer an enormous supply of capacity to merchants based on our expansive network of carriers.

OUR GLOBAL FOOTPRINT

We are a global platform striving to digitalize freight transactions across the world. We were founded in Hong Kong in 2013 and entered Mainland China and Southeast Asia in 2014. We also set up our Group’s headquarters in Chongqing and Shenzhen to strengthen our presence in Mainland China. We are a trailblazer among China-based freight transaction platforms to expand overseas, according to Frost & Sullivan. Since 2014, we have expanded to additional cities in Mainland China and Southeast Asia, and have entered other overseas markets such as the LatAm markets. As of December 31, 2025, we had operations in over 400 cities across 15 major markets in the world.

Our deep industry knowledge and robust technology infrastructure support our global expansion. On top of these is our strong local operation team with market-specific insight that helps us rapidly launch and scale our business in different regions with locally-tailored strategies. Our local teams are capable of implementing our corporate-level initiatives that we believe are critical to our operations worldwide, such as brand promotion with “Huolala” or “Lalamove” stickers. We believe a global mindset coupled with localization strategy allow us to compete effectively across different overseas markets. For example, we entered into certain Southeast Asian markets with an initial focus on offering two-wheeler delivery. This has allowed us to quickly build presence and gain market shares in these regions as two-wheelers are a popular transportation option in the regions. As we continue to scale our business in Southeast Asia, we are strategically expanding our operations to offer more four-wheeler delivery services by replicating our success in Mainland China.

VALUE PROPOSITIONS TO OUR PLATFORM PARTICIPANTS

Our digital platform has transformed the road freight industry by effectively addressing the industry’s long-standing critical challenges and delivering compelling value to both merchants and carriers:

Benefits to Merchants

- *Instant access to a massive network of carriers.* Merchants can submit their shipping orders with a simple click of a button and complete the entire transaction on a single platform, instead of making multiple phone calls, asking acquaintances for referrals, negotiating prices or seeking the assistance from intermediaries in order to secure a carrier. Our platform offers a variety of vehicles with different capacities to suit different use cases. In 2025, we achieved an average order respond rate of more than 85%. Typically, a carrier can respond in approximately 20 seconds of submitting a shipping order, and for our intra-city services, a carrier can arrive at the pick-up location in around seven and a half minutes.

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- *Cost-effective solutions.* Merchants can save logistics costs associated with owning and maintaining their own vehicles, as well as the commission fees paid to intermediaries. Our platform and AI-powered price prediction algorithms offer upfront price transparency so that merchants can make informed transportation and budgeting decisions.
- *Convenient and secure experience.* We perform background checks on drivers during the onboarding process. Merchants can conduct further screening based on driver reviews and ratings on our platforms. As a result, merchants can easily identify reliable carriers to complete the delivery. In addition, our mobile apps allow merchants to track the location and status of the vehicles.

Benefits to Carriers

- *Higher earning potential.* A myriad of job opportunities are available on our platform to carriers on a 24/7 basis. Through our platform, carriers can increase capacity utilization, reduce empty miles and increase income.
- *Scheduling flexibility.* Carriers can choose to accept shipping orders on their own schedule. Shipping orders are submitted to our platform throughout the day and we dispatch them real-time to carriers as they come in. This gives carriers the flexibility to decide their own schedule and pick up shipping orders when they want to.
- *One-stop service offerings.* New carriers can join our platform and access our one-stop service offerings, such as vehicle purchase or lease, energy services and credit solutions, to quickly become fully equipped to take shipping orders.

OUR TECHNOLOGY

Technology is the backbone of our business. We have built proprietary technology around major elements of the logistics industry to optimize efficiency and enhance safety for all the industry participants. For example, we have created advanced pricing, matching and dispatching algorithms to streamline the freight-matching between merchants and carriers and order fulfilment. We have also developed an intelligent transportation IoT system for vehicles, allowing us to obtain real-time information on road conditions, carrier status and cargo abnormalities. For more details, see “— Our Technology”.

Our edge in technology is complemented by our massive scale of operation and market leadership. We benefit from direct engagement with merchants and carriers and have accumulated a wide variety of proprietary data insight, such as demand and supply for different vehicle models in different cities to allow for constant optimization of our solutions. During the Track Record Period, more than 1.2 billion transactions were completed on our platform. Through these transactions, we have gained tremendous insight into our users’ preferences and demands, which serves as the foundation to our constantly improving technology capabilities.

OUR ADDRESSABLE MARKETS

The logistics industry is ripe for digital disruption and presents enormous market opportunities. According to Frost & Sullivan, in 2025, around US\$12.2 trillion was spent on logistics and out of that US\$4.0 trillion was attributable to the global road freight market. According to the same source, China’s road freight market is the largest in the world, generating over US\$1,340.3 billion GTV in 2025 (accounting for 33.7% of the global market), and is expected to grow steadily at a CAGR of 5.3% between 2025 and 2030.

Mainland China is our largest market. According to Frost & Sullivan, the intra-city freight segment in China recorded a GTV of US\$281.0 billion in 2025 and is expected to further grow at a CAGR of 7.6% from 2025 to 2030. According to the same source, the online penetration rate for the intra-city freight segment in China is expected to increase from only 4.7% in 2025 to 6.0% in 2030, and the online intra-city freight service platform closed-loop freight GTV in 2030 is expected to increase to approximately two times of that in 2025. According to Frost & Sullivan, the inter-city freight segment in China recorded a GTV of 784.3 billion in 2025 and is expected to grow steadily at a CAGR of 2.5% from 2025 to 2030. These attractive market segments are driven by continued urbanization, emerging retail business models, and increasingly developed logistics infrastructure.

According to Frost & Sullivan, the total GTV of the overseas intra-city road freight market is approximately 2.4 times the size of that of China in 2025. The Southeast Asian and LatAm markets combined had a GTV of US\$129.2 billion in 2025 and are expected to grow at a CAGR of 3.8% to US\$155.8 billion in 2030.

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According to Frost & Sullivan, the penetration of the global road freight industry by digital platform remains relatively low at present and there is tremendous potential for growth. According to Frost & Sullivan, only 2.6% of the road freight GTV was facilitated through digital platforms in 2025 globally. This figure is expected to increase rapidly in the next few years to reach 3.4% in 2030. With unique value propositions and technological strengths, “closed-loop” logistics transaction platforms are well positioned to address various industry pain points and capture the tremendous growth opportunities. According to Frost & Sullivan, the global online freight service platform closed-loop freight GTV is expected to increase from US\$23.3 billion in 2025 to US\$44.2 billion in 2030, at a CAGR of 13.7%.

OUR OPERATIONAL ACHIEVEMENTS

The following charts illustrate selected key operating metrics of our business:



We are able to continuously increase merchant engagement with our platform and grow our share of their freight transportation spending over time. As we continue to deliver compelling values to merchants, they tend to place with us more and higher-value shipping orders and more frequently. We define merchants in Mainland China who completed their first shipping order on our platform in 2019, 2020 and 2021 as our 2019 Cohort, 2020 Cohort and 2021 Cohort, respectively. The 2019 Cohort generated 45.5% more GTV in 2023 than in 2019, demonstrating growing merchant engagement with our platform. With growth hindered by the COVID-19 pandemic, the 2020 Cohort generated 12.6% more GTV in 2022 than in 2020, and the 2021 Cohort generated 11.6% less GTV in 2022 than in 2021.

OUR STRENGTHS

Leading logistics transaction platform with tremendous scale and network effects

We are the largest logistics transaction platform in the world by closed-loop freight GTV in 2025, the largest intra-city logistics transaction platform globally by closed-loop freight GTV in 2025 and the largest freight transaction platform globally in terms of number of fulfilled orders in 2025, according to

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Frost & Sullivan. We also have the broadest network of merchants in terms of merchant MAUs among all logistics transaction platforms worldwide in 2025, according to Frost & Sullivan. In 2025, we facilitated about 1,027 million fulfilled orders with a global GTV of US\$13,321.1 million, with approximately 21.3 million merchants served and business brought to approximately 2.1 million carriers in 2025.

We have transformed the logistics industry by creating a digitalized marketplace with massive scale that seamlessly connects merchants and carriers. As a result, our platform enjoys a powerful network effect that fuels a virtuous cycle of growth, allowing us to cost-effectively attract more merchants and carriers to our platform with increasing stickiness and loyalty. This translates into the growth of our extensive network.

Our tremendous scale, coupled with the powerful network effects, strengthens our competitive advantages, which are difficult to replicate. For example, the accurate determination of freight charges has traditionally been one of the most challenging components in logistics transactions and has been a cause of numerous disputes between carriers and merchants. Given that the freight transaction volume is the highest on our platform and that our platform is able to provide end-to-end, closed-loop coverage of every major step of the freight-matching and delivery process, we have unparalleled insight into pricing optimization based on vast amounts of data, which enables us to maximize the attraction and retention of both merchants and carriers, and drive more transactions, forming a self-reinforcing positive feedback loop.

The preferred choice for local and digital freight with significant user mindshare

We believe we have become the preferred choice for local and digital freight. According to a survey conducted by Frost & Sullivan in June 2022*, in Mainland China, our largest market, more than 60% of the merchants and more than 70% of the carriers surveyed indicated that we are the first brand that comes to their mind for freight services apps. According to the same survey, we are the most recognized brand among intra-city logistics transaction platforms in China, and our users tend to associate our brand with convenience, efficiency, quality and value.

Our significant mindshare among merchants and carriers is a result of the following factors:

- *Effective branding strategies.* The omnipresence of branded vehicles with our stickers effectively promotes our brand. Our bright colored logo helps strengthen the mental connection between “freight” and “Huolala”/“Lalamove”. According to a survey conducted by Frost & Sullivan in June 2022, more than 60% of the merchants surveyed first came to know our brand for freight transactions through the logo stickers on our vehicles. As of December 31, 2025, approximately 1.3 million vehicles in around 335 cities had our logo stickers, while our average carrier MAUs reached 2.1 million in 2025. As these vehicles run on the road, it naturally captures the attention of other carriers and merchants, which helps us cost-effectively acquire carriers and ultimately contributes to our improved profitability.
- *User experience.* We deliver a frictionless experience to both merchants and carriers through closed-loop transactions on our platform, providing them with easy and ready access to each other, and seamless transaction facilitation with transparent pricing. Within a few clicks, merchants can submit their shipping orders and complete the entire transaction on our platform. Typically, a carrier can respond in approximately 20 seconds of submitting a shipping order, and for our intra-city services, a carrier can arrive at the pick-up location in around seven and a half minutes. We also provide carriers with flexible work schedules and higher earning potential. Leveraging our AI-powered algorithms, we automatically generate recommendations of shipping orders to carriers who can then choose to accept the shipping orders based on their own preference and schedule. The efficient on-demand access to freight transportation capacity for the merchants, together with the flexibility and income opportunities offered to the carriers, make us the preferred choice in the market.
- *Trust.* We establish trust between merchants and carriers by ensuring safety of the freight. We adopt a rigorous screening process for carriers, and put in place a rating system based on real-time feedback from merchants. Merchants view our carriers as trusted partners and associate them with our brand. We also provide merchants access to insurance services to be compensated in the rare case of freight loss or damage.

Our merchant and carrier base recognize our brand for trusted, convenient logistics transaction services with an excellent user experience. We have seen word-of-mouth promotion of our brand globally.

* The effective sample size of the survey is 1,200, covering carriers and merchants, substantially all of whom were based in Mainland China. The survey respondents have used digital freight platforms at least once in the last twelve months. No spending threshold was required for the survey respondents.

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Successful track record of service innovations driving a virtuous cycle of growth

Innovation is at the heart of our Company’s success — we strive to transform the global logistics industry through constant innovations to address evolving needs of users throughout the logistics value chain. We adopt an innovative business model to identify and address the evolving logistics needs of merchants and carriers by offering seamless, one-stop, and on-demand access to a diversified portfolio of intra- and inter-city freight and other related services.

We set out with a focus on intra-city freight service in 2013. Our GTV generated from the intra-city freight services increased from US\$6,553.8 million in 2023 to US\$8,112.8 million in 2025, representing CAGR of 11.3%. Our technological and operational expertise allowed us to successfully expand our platform to serve the inter-city freight segment in 2018 as a natural extension of our merchant base’s evolving logistics demand, which in turn increases our wallet share in their spending. Since the launch in 2018, we have quickly expanded our inter-city freight services to more than 360 cities as of December 31, 2025. According to Frost & Sullivan, as of December 31, 2025, we were the only digital freight platform in China that operated both intra-city and inter-city freight services at scale (i.e., with more than US\$100 million annual closed-loop freight GTV for both intra-city and inter-city business).

With our robust technology infrastructure and product expertise, we are able to rapidly launch and scale new service offerings by leveraging our extensive user base, deep industry insight and operational excellence. Our pursuit of innovation in new service offerings fuels a virtuous cycle of growth — each new service adds nodes to our network and strengthens the shared capabilities and synergies across our service offerings, allowing us to more efficiently introduce and enhance additional services and lower our innovation risks. Each new service increases our touch points with users, enabling us to increase engagement and build long-term user relationships, which further expands our total addressable market. The expansion of our offerings also enables us to achieve economies of scale and synergies through the sharing of technology and operational capabilities as well as cross selling opportunities across different offerings. The breadth of our offerings and the one-stop experience that we enable are a critical part of our ability to facilitate closed-loop freight transactions, making us the preferred choice for users to meet their diverse freight and ancillary needs.

Proprietary and purpose-driven technology

We use technology to enable faster and easier freight transport across the world. Focused on the key components of the logistics ecosystem, we aim to digitalize and deliver smart, easy-to-use services to our merchants and carriers through our proprietary technology purposely built to support our business model and to enhance efficiency, transparency and safety of freight transportation.

We connect merchants and carriers through our advanced marketplace technology including order matching, dispatching and automated pricing. Due to the greater variety of freight in size and categories, matching freight with vehicles is more complex than matching passengers with cars. We are able to leverage our data insights to match and dispatch shipping orders quickly, accurately and dynamically. While our order matching and dispatching algorithm allows carriers to pick their preferred orders on a first-come-first-served basis, it also helps assign the orders to the suitable carriers leveraging our big data analytics capabilities. We have also developed AI-based pricing algorithms trained and optimized by a variety of proprietary data we have accumulated throughout the end-to-end transaction process, including input from users, such as vehicle types, as well as traffic and transit data that helps predict the real-time congestion hotspots and areas with the highest shipping demand.

We are promoting the application of IoT solutions to all of our vehicles to enhance safety and transparency. Our intelligent transportation three-camera IoT system, Anxinla (安心拉), enables real-time tracking and analysis of vehicles, drivers and freight. These can help predict maintenance needs, prevent system failures, and improve safety for both drivers and freight. According to Frost & Sullivan, we are the first company in China to mass deploy a three-camera IoT system for freight transportation. We have also self-developed integrated IoT software to support the operation of the intelligent transportation IoT system on a 24/7 basis.

Relentless focus on capital efficiency and operational excellence

Since inception, we have been able to achieve rapid growth in a capital-efficient manner. Our capital efficiency is mainly attributable to our relentless pursuit of efficiency using a systematic, technology driven approach and our continued focus on quality and organic growth.

- *Relentless pursuit of efficiency with a systematic, technology driven approach.* When we first entered the Mainland China market in 2014, we initially focused on our core intra-city freight business, through which we have developed a systematic, technology driven approach to business operations. Across our different business lines and global markets, our teams follow the same management principles and leverage our common technology infrastructure. This has enabled us to cost-effectively scale our business and maintain our capital efficiency.

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- *Continued focus on quality and organic growth.* Instead of relying on high subsidies to attract carriers and merchants, we have been focusing on quality and organic growth driven by our brand recognition, superior service quality and enhanced transaction efficiency across our carriers and merchants. In particular, we achieved user growth and gained market share in terms of global intra-city closed-loop freight GTV between 2023 and the 2025, with generally improved profitability during the same period.

Our operational excellence is built upon the following:

- *Deep industry insight.* Based on our deep understanding of the dynamic supply and demand as well as users preference and pricing strategies in local markets, we are able to identify and attract high-frequency and high-value users. This has been critical to the rapid expansion of our merchant and carrier networks across the markets globally in which we operate.
- *Exceptional offline operational capabilities.* We have local, on-the-ground operation teams that use their extensive market-specific knowledge to rapidly launch and scale our business in different regions. Our on-the-ground teams actively promote our platform and services to carriers across local logistics parks and wholesale markets. The exceptional offline operational capabilities of these teams have enabled us to penetrate the local freight market across 15 major markets in the world as of December 31, 2025.

Founder-led, visionary management team with strong execution capabilities

Our founder, Mr. Chow, has been leading us with a focused and consistent vision to empower communities by making logistics fast and simple. With his vision, we have been able to capitalize on the enormous potential for logistics marketplaces since the early days of our Company and develop our strategies to address evolving user demands. We have been committed to our core strategy and have executed it with consistency and perseverance. This allowed us to differentiate ourselves from competitors and become a pioneer in revolutionizing the logistics industry by moving and facilitating transactions online.

The members of our core management team have complementary skillsets and extensive experience in logistics and technology. We have demonstrated strong capabilities to perform amid fierce competition in the early days and to effectively scale our business in recent growth periods.

We built our Company by fostering a culture of excellence, bias for action and a global mindset. These not only serve as the foundation to our superior organizational capabilities that enable us to stay nimble and respond quickly to new opportunities, but also shape our global strategies that have led to our growing overseas presence today.

OUR GROWTH STRATEGIES

Continue to grow in the massive intra-city freight market

In the massive, growing intra-city freight market, we will continue to drive growth in our merchant and carrier base as well as transaction volume on our platform. According to Frost & Sullivan, the intra-city freight segment in China recorded a GTV of US\$281.0 billion in 2025 and is expected to further grow at a CAGR of 7.6% from 2025 to 2030. According to the same source, the online penetration of intra-city freight transactions in China was only 4.7% in 2025, and is expected to increase rapidly to reach 6.0% in 2030. This indicates significant headroom for our future growth as we continue to penetrate this massive market in cities where we do not have presence. We also intend to expand our market share in cities where we already have operations.

We will mobilize more on-the-ground operation teams to continue to attract and serve more users in new cities and to expand our operations in existing ones. We also plan to upgrade our product and service offerings to further reduce any frictions in adopting our platform, thereby attracting more merchants and carriers to our network.

Expand our service offerings

Our deep industry know-how, superior operational capabilities and common technology infrastructure enable us to quickly expand into new service offerings with replicable success.

We have been expanding our services into new areas such as inter-city freight, integrated enterprise services, and home-moving services. With the extensive merchant base of our intra-city freight services, we plan to continue to quickly scale up our inter-city freight services in a cost-effective manner. We are also focused on building up our carrier pool for inter-city logistics demand by strategically expanding the vehicle types.

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We are launching door-to-door delivery services in selected Mainland Chinese cities, where we can replicate our successful experience in Southeast Asia. We are also tapping into new growth opportunities, such as the research and development of electric commercial vehicles, leveraging the know-how and expertise we have gained from operating our existing vehicle sales and leasing services.

Accelerate our global expansion

We have positioned ourselves as a global company since inception. We entered Southeast Asia in the same year we entered Mainland China, and we have been constantly expanding our presence in other overseas markets. As of December 31, 2025, we had operations in over 400 cities across 15 major markets worldwide, namely Mainland China, Hong Kong, Thailand, the Philippines, Singapore, Indonesia, Vietnam, Malaysia, Mexico, Brazil, Bangladesh, Japan, Turkey, United Arab Emirates and Germany. We also set up our Group’s headquarters in Chongqing and Shenzhen to strengthen our presence in Mainland China.

Our superior business model and deep industry know-how have enabled us to replicate our success from existing regions in new markets. For example, while we historically focused on offering two-wheeler delivery in certain overseas markets, we are increasingly focused on growing four-wheeler delivery services in these markets by leveraging our successful experience in Mainland China.

We will accelerate our expansion globally to capture the massive opportunity in the global logistics market. Southeast Asia and LatAm will remain our regions of focus where we plan to increase our investment to gain further penetration and market share.

Invest in technology and talent

Technology is the backbone of our Company and drives all elements essential for the transportation of freight. We will continue to invest in technology focused on these elements to better serve merchants and carriers on our platform.

In particular, we intend to (i) expand our R&D team to bring onboard more talented and committed individuals who believe in our vision; (ii) continue to upgrade our technology infrastructure; and (iii) enhance our intelligent transportation IoT system to better serve merchants and carriers on our platform.

OUR SERVICE OFFERINGS

We offer (i) freight platform services, (ii) diversified logistics services to merchants, and (iii) value-added services to carriers. The following table sets forth details of our revenue models:

Service Offerings	Revenue Model
Freight platform services	Our freight platform services involve digitally matching and fulfilling intra-city and inter-city shipping transactions between merchants and carriers through our online platform. We generate revenues from our freight platform services primarily using a hybrid monetization model, from (i) carrier discount program fees and (ii) commissions charged to carriers on the shipping orders they have fulfilled.
Diversified logistics services	- Our diversified logistics services include: - integrated enterprise services where we generate revenues primarily from the fees charged to large enterprise merchants for fulfilling their shipment orders and providing certain other ancillary services through our online platform; - LTL services where we generate revenues from the fees charged to individual users or enterprise merchants for fulfilling their LTL shipping orders, and we earn the fee differences between the fees charged to individual users or enterprise merchants for fulfilling their LTL shipping orders and fees paid to third parties who fulfill such orders; and - home-moving services where we generate revenues by charging fees to merchants for such services.

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Service Offerings

• Value-added services

Revenue Model

- Revenues from our value-added services consist of revenues generated from vehicle sales and leasing services, as well as a range of other value-added aftermarket services that we provide to carriers, such as energy services and credit solutions.

For revenue recognition methods for each of these service offerings and the breakdown of our total revenue by service offerings, see “Financial Institution.”

We currently offer all three types of services in Mainland China. We mainly provide freight platform services in our overseas markets.

The following table sets forth a breakdown of our total GTV by service offerings for the years indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	US\$	%	US\$	%	US\$	%
<i>(in millions, except for percentages)</i>						
Mainland China						
Freight platform services	7,572.3	80.4	8,575.3	77.0	10,194.2	76.5
Diversified logistics services	503.9	5.4	868.9	7.8	1,075.2	8.1
Value-added services	678.0	7.2	863.4	7.8	965.3	7.2
Subtotal	8,754.3	93.0	10,307.5	92.5	12,234.7	91.8
Overseas	660.1	7.0	829.6	7.5	1,086.3	8.2
Total	9,414.3	100.0	11,137.1	100.0	13,321.1	100.0

We take an integrated, holistic approach to managing our diversified service offerings. We have built our offerings upon common underlying data and a unified set of technology and infrastructure, so that we can use the data insight and know-how gained from one service offering to help optimize our entire service process and benefit all future transactions taking place across our geographic markets. For example, leveraging our existing scale and extensive user base of our intra-city freight services, we are able to quickly and efficiently scale up our inter-city freight services.

Based in our home market in Asia, we have been continuously expanding our offerings both within Asia and globally. We design and build our platform and service offerings to address market-specific user needs and preferences, with products tailored to each geographic market in which we operate. As of December 31, 2025, we had our largest presence in Mainland China with an extensive network covering 363 cities, including all first-tier cities. We also set up our Group’s headquarters in Chongqing and Shenzhen to strengthen our presence in Mainland China. We currently operate in 15 major markets globally, namely Mainland China, Hong Kong, Thailand, the Philippines, Singapore, Indonesia, Vietnam, Malaysia, Mexico, Brazil, Bangladesh, Japan, Turkey, United Arab Emirates and Germany. We intend to expand into new markets and further penetrate in existing markets in Southeast Asia and LatAm.

Freight Platform Services

Our freight platform services are at the core of our platform — we connect merchants who have on-demand freight service needs with suitable carriers and digitally facilitate their freight transactions. Our freight platform services provide end-to-end, closed-loop coverage of every major step of the freight-matching and delivery process. With data insight and proprietary technology, we are constantly improving our freight services to make freight-matching and delivery faster and easier. In 2025, we achieved an average order response rate of approximately 85.5% with orders typically answered in approximately 20 seconds.

We started with an initial focus on intra-city freight services and have over the years expanded our freight platform services to cover the inter-city freight market. We use the term intra-city freight services to refer to the freight platform services we offer to carriers operating vehicles, such as minivans or light trucks, with 4.3 meters and below in length. We use the term inter-city freight services to refer to the freight platform services we offer to carriers operating vehicles with length of over 4.3 meters. During the Track Record Period, the GTV generated from our intra-city freight services represented a vast majority of the total freight GTV generated in Mainland China.

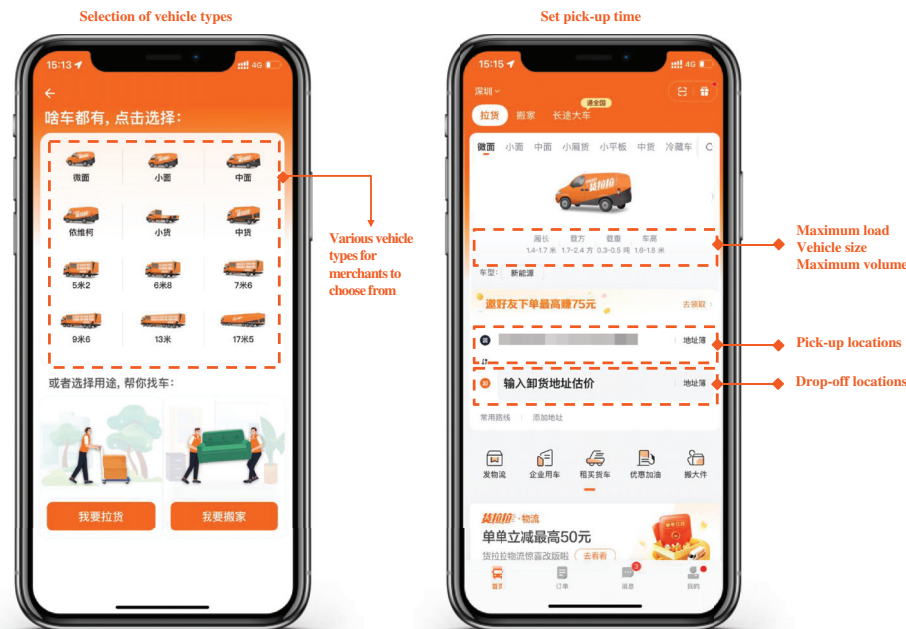
BUSINESS

We provide merchants and carriers with intuitive, easy-to-use mobile apps so that they can efficiently connect with each other, secure capacity on demand with upfront and transparent pricing, and track shipments in real-time from pick-up to delivery. We believe our freight platform services are closed-loop as they enable merchants and carriers to complete virtually every major step of freight-matching and delivery within our platform, from order placement, pricing determination, prepayment, freight matching, order tracking to payment settlement and confirmation. We believe such capability represents significant efficiency improvement over the traditional freight-matching and delivery process.

Order placement

Our mobile app enables merchants to create and place shipping orders with just a few clicks. To place a shipping order, merchants simply enter their pick-up and drop-off locations and, if they need a multi-stop delivery, add stops to the shipping route. Merchants can also choose from a variety of vehicle types and set the pick-up time based on their own shipping needs. They can specify their preferred delivery routes or use our digital tools to generate optimal routes automatically. Our AI-powered pricing engine calculates the estimated freight costs based on a variety of factors, including shipping order specifications, vehicle types, and routes. Once the shipping order is confirmed, merchants are required to pay the estimated freight costs upfront via our platform.

Our mobile apps offer a variety of features designed to help merchants connect with carriers as quickly and easily as possible, as illustrated in the screenshots below.



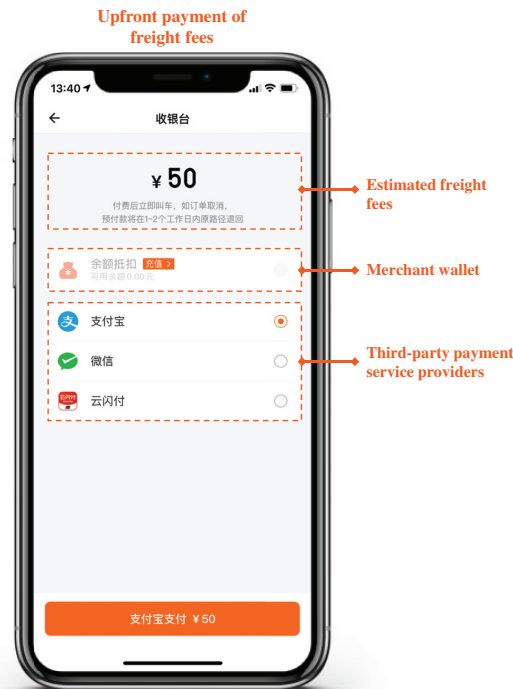
Order pricing and upfront payment

We believe transparent, upfront pricing is essential for both carriers and merchants to ensure fairness, efficiency and security of their transactions. We are able to dynamically and accurately predict freight fees for merchants and carriers by leveraging data insight and AI technology. Freight fees are calculated mainly based on route distance and vehicle type. We use our dynamic pricing technology to more effectively match unfulfilled shipping orders with available carriers, especially in high-demand geographic areas and during peak delivery times. We believe that our platform’s ability to determine freight fees upfront, coupled with transparent pricing for both merchants and carriers, effectively reduces the possibility of disputes over freight charges and improves user experience. Based on the determined freight charges, merchants are required to prepay for the transactions.

We have partnered with three major third-party online payment channels in Mainland China, namely Alipay, WeChat Pay and UnionPay Quick Pass. These platforms handle the collection and processing of payments from merchants and carriers. When a merchant pays the freight fees upfront through any of these payment channels, the payment is collected by the platform and then forwarded to our custodian bank. The bank holds these funds in escrow until the freight order is completed. Additionally, our carriers can use these payment channels to pay their discount program fees to us. The cost of processing these payments is primarily based on the total volume of transactions processed by each channel. In 2023, 2024 and 2025, the payment processing costs in Mainland China amounted to US\$22.9 million, US\$22.9 million and US\$25.4 million, respectively.

BUSINESS

The merchants’ end upfront payment interface of our mobile apps is set forth below.

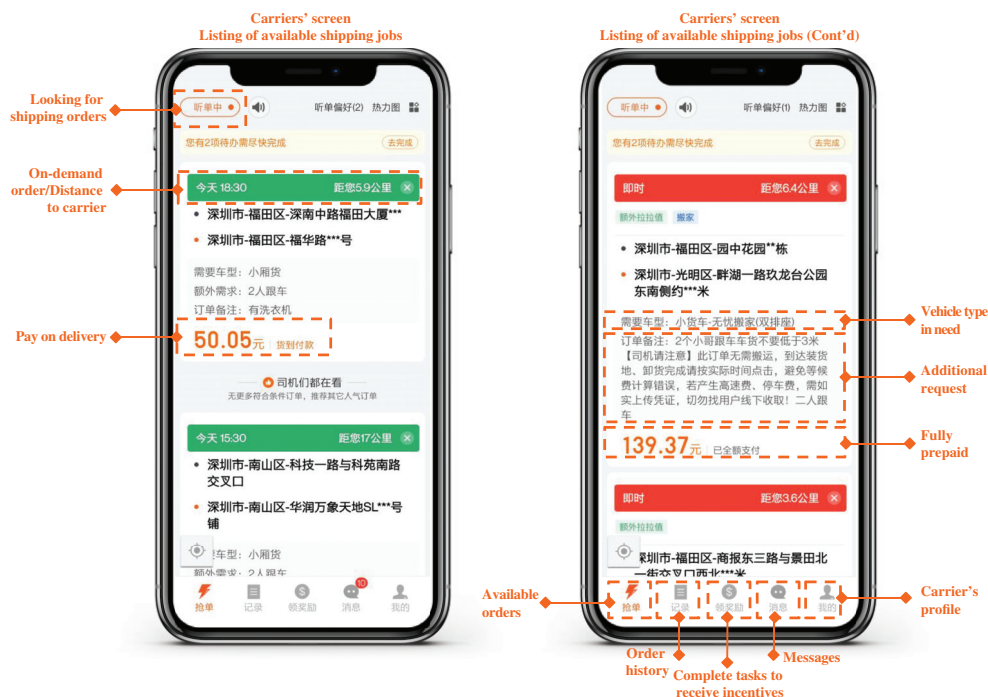


Freight matching

Carriers can browse through listings of available shipping jobs and accept a shipment placed by merchants at the touch of a button. The carriers will be informed how much they will be paid. Carriers can also conveniently search for their preferred shipping orders based on destinations, routes and other relevant criteria. Through our proprietary algorithms and data insight, we automatically generate recommendations of shipping orders to carriers based on their vehicle type, location, and our understanding of their preferred routes based on historical transactions and settings.

If more than one carrier expresses interests in the same shipping order, our algorithms swiftly identify the carrier that we believe is most suitable for the job based on a number of factors, such as the distance between merchants and carriers. Once a match is automatically made on our platform, the merchant can instantly access key information about the carrier and the vehicle, including license plate numbers and the carrier’s names and driving history.

The carriers’ end interface of our mobile apps are set forth below.



BUSINESS

Order fulfillment

After successfully accepting a shipping order, carriers drive to the pick-up points and load the shipments to their vehicles. Merchants can use our mobile apps to track in-transit and delivery details in real-time, which significantly improves the transparency and security of the transaction. We apply AI-powered navigation and route planning technology to enable carriers to optimize their routes, reducing travel time and fuel costs. Merchants and carriers typically settle their freight fees online through our platform, enabling secure, transparent closed-loop transactions. During the Track Record Period, substantially all of the transactions completed through our platform were closed-loop transactions.

The following screenshots illustrate the automatic navigation and route planning features on our carriers’ end and fee settlement on our merchants’ end.

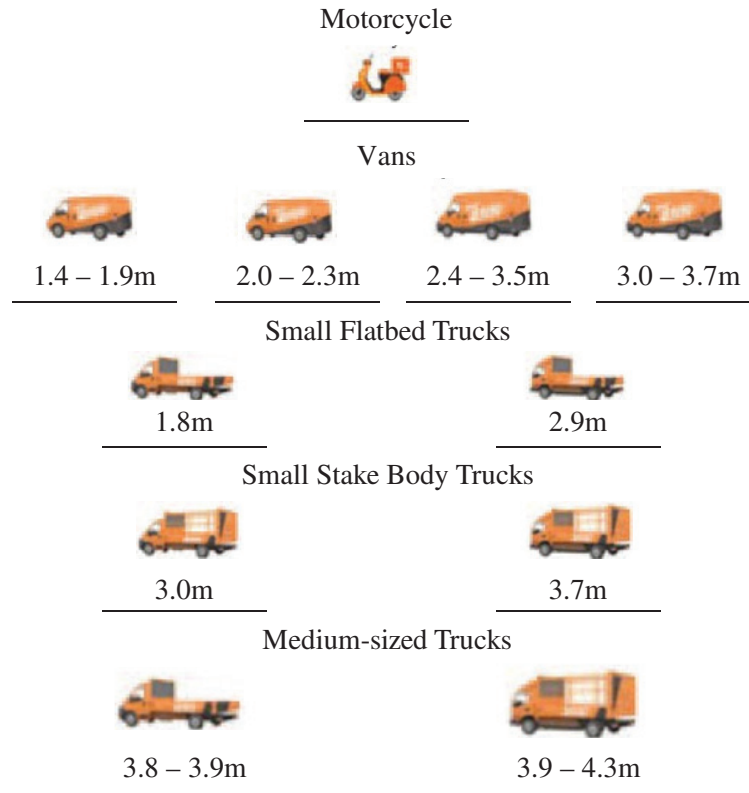


Intra-city freight services

Shipping orders facilitated through our intra-city freight services are fulfilled by vehicles of our carriers such as minivans or light trucks with 4.3 meters or below in length. For example, we mainly offer motorcycle delivery services in selected markets across Southeast Asia where there is a strong demand for more flexible, convenient delivery options in urban environments, particularly for short-distance shipping routes. With our diverse, purposefully selected vehicle pool, we are able to support a wide range of types of freight loads ranging from small and fragile items to large bulky goods, addressing varying logistics needs of our merchants across different geographic locations.

BUSINESS

The below pictures illustrate the major types of vehicles by lengths for our intra-city freight services:



We generate revenues from intra-city freight services through our hybrid monetization model (i.e., by charging both (i) carriers discount program fees and (ii) commissions on shipping orders). See “Hybrid monetization model” below for further details.

In Mainland China, we offer a tiered commission discount program for carriers that offers varying levels of discounts on the commissions charged for fulfilled orders. Carriers with higher-tiers benefit from lower commission rates on orders. As an example, the following table summarizes the three tiers of commission discount program we offered to carriers operating certain vehicle types in Shenzhen, Mainland China as of December 31, 2025.

Tier	Monthly fee	Commission rate (as a percentage of order value)
No tier	N/A	15% commission rate
First-tier	RMB209	11% commission rate
Second-tier	RMB499	8% commission rate
Third-tier	RMB709	5% commission rate

Our commission discount program terms do not include automatic renewals and our carriers may renew or cancel their commission discount program at will. We may terminate carriers’ commission discount program under certain circumstances such as when the carriers violate applicable laws and regulations.

Inter-city freight services

As our intra-city freight services continued to grow, we realized that many of our intra-city merchants had enormous unmet demands for convenient on-demand inter-city freight services. We also believe that the advantages of our closed-loop transaction platform are equally relevant in both intra-city and inter-city segments. This inspired us to expand our platform to serve the inter-city freight segment in 2018. We expect our inter-city freight services to continue to grow in the foreseeable future as one of the key drivers of our long-term sustainable growth.

We offer inter-city freight services in Mainland China with a coverage of more than 360 cities as of December 31, 2025. Shipping orders facilitated through our inter-city freight services are fulfilled by vehicles over 4.3 meters in length with a variety of selections. Our inter-city freight services are built upon the massive merchant base, data insight and technology infrastructure we have accumulated and developed from our leading intra-city freight services.

BUSINESS

We have built our inter-city freight services by effectively leveraging our existing established intra-city freight services. Since the launch of our inter-city freight services through December 31, 2025, more than 70% of first-time merchants were existing merchants using our intra-city freight services. Our leverage of existing user base, expertise and technology infrastructure enables us to rapidly scale up and expand geographically to cater to the diversified logistics needs of our merchants and increase their loyalty to our brand and platform.

The majority of our inter-city merchants are currently small- and medium-sized enterprises with recurring, high-frequency logistics needs based in Mainland China. The types of freight loads for our inter-city freight services consist mostly of large bulky goods and cargo. We generate revenues from inter-city freight services through our hybrid monetization model (i.e., by charging both (i) carriers discount program fees and (ii) commissions on shipping orders). See “— Hybrid monetization model” below for further details.

Similar to intra-city freight services, in Mainland China, we offer a tiered commission discount program for inter-city freight carriers that offers varying levels of discounts on the commissions charged for fulfilled orders. Carriers with higher-tiers benefit from lower commission rates on orders. As an example, the following table summarizes the two tiers of commission discount program we offered to carriers operating certain vehicle types in Shenzhen, Mainland China as of December 31, 2025.

Tier	Monthly fee	Commission rate (as a percentage of order value)
No tier	N/A	8% commission rate
First-tier	RMB929	4% commission rate
Second-tier	RMB1,079	2% commission rate

The below pictures illustrate the major types of vehicles by lengths for inter-city services:

Dry Van Trucks					
					
5.2m	6.8m	7.6m	9.6m	13.0m	17.5m
Flatbed Trucks					
					
5.2m	6.8m	7.6m	9.6m	13.0m	17.5m
Stake Body Trucks					
					
5.2m	6.8m	7.6m	9.6m	13.0m	17.5m

Hybrid monetization model

We adopt a hybrid monetization model for our freight platform services — where we generate revenues through a combination of carrier discount program fees and commissions. As we continue to grow our inter-city freight services, we are also extending our hybrid monetization model to our inter-city freight services across more regions and cities.

As of December 31, 2025, we operated this hybrid monetization model in substantially all of the Mainland Chinese cities where we generated freight platform services revenue. Rather than a one-size-fits-all approach, in order to cater to diverse user needs and local market conditions across different regions, we have strategically adopted such hybrid monetization model with different discounts and commission fee options available to carriers, based on our evaluation of the local market conditions. Such differentiated fee models not only allow us to monetize the freight transactions we facilitate but also allow carriers to maximize their earning potentials.

Mainland China’s road freight market is vastly diverse, with wide geographic variations in the level of economic development, market dynamics and user needs and preferences across regions. As a result, operating a hybrid monetization model at scale across so many cities is operationally challenging, especially when compared to those that rely predominantly on a single fee model. We have achieved this by combining our deep insight in local market conditions and practices on one hand, and our ability at the headquarters’ level to integrate local insight into firm-wide monetization strategy on the other hand, built upon our extensive on-the-ground capabilities.

BUSINESS

Diversified Logistics Services to Merchants

Drawing upon the proven success of our existing service offerings, we are constantly innovating and launching new transaction-based services to meet the diversified needs of merchants. With our leadership in intra-city freight services, we have successfully introduced a variety of new service offerings, including (i) integrated enterprise services; (ii) LTL services; and (iii) home-moving services. These efforts have made us an attractive one-stop destination for users to meet their diverse needs beyond freight services, which in turn reinforces user stickiness and engagement on our platform and increases our total addressable market. During the Track Record Period, our revenues generated from diversified logistics services were primarily from our integrated enterprise services.

- *Integrated enterprise services.* In addition to our standard freight platform services, we offer bespoke digital freight services to large- and medium-sized merchants through our integrated enterprise services. These services primarily include ad-hoc supplementation of transportation capacity, multi-stop deliveries, and the assembly of on-demand fleets encompassing various vehicle types. Our ad-hoc capacity supplementation allows enterprise merchants to quickly and easily increase their transportation capacity as needed, providing a flexible solution for peak periods or unexpected surges in demand. Multi-stop delivery enables merchants to consolidate multiple deliveries into a single trip, saving time and reducing costs while also offering more flexibility for our enterprise merchants. Additionally, our on-demand fleet assembly service covers multiple vehicle types, allowing our enterprise merchants to meet specific delivery requirements and ensuring that their goods are transported safely and efficiently.

We offer enterprise merchants with one-stop solutions customized to address their diverse logistics needs, such as tools that enable them to more efficiently request, manage, and pay for a significant number of deliveries, on both on-demand and long-term, scheduled basis. For example, during the peak seasons, with our extensive network of carriers, we arrange carrier capacity based on customized shipping needs of e-commerce merchants to ensure the speedy delivery from their factories to warehouses, from local shops to their end customers. Our on-demand integrated enterprise services effectively supplement the delivery force of our enterprise merchants, which allows them to manage their dynamic shipping demands without incurring significant costs in retaining a large in-house carrier crew. We also innovatively equip large enterprise merchants with the ability to efficiently manage a large number of freight transportation requests through a centralized, master account (as opposed to traditionally one account for each transaction). By doing so, we have fulfilled a significant gap that has long been underserved, especially for large enterprise merchants with highly sophisticated and time-consuming internal processes. According to Frost & Sullivan, we are one of the very few digital freight platforms in China that offer customized solutions targeted to large enterprises.

We have been constantly expanding and optimizing our integrated enterprise services, which covered substantially all types of vehicles available on our platform as of the Latest Practicable Date. Our carriers have the flexibility to accept orders from both freight platform services and integrated enterprise services. In addition to placing shipping orders directly through the enterprise-version of our mobile app, our enterprise merchants are also allowed to enter into logistics service agreements with flexible terms with us to fully customize their requests.

We charge our enterprise merchants freight fees that are determined predominantly based on route distance and vehicle types. We also pay our carriers certain remuneration to facilitate us to source the suitable carriers to fulfill the shipping orders placed by our enterprise merchants, namely our fulfillment costs. With respect to the integrated enterprise services, we mainly earn the differences between the enterprise merchant freight fees and fulfillment costs paid to our carriers. Driven by the continued expansion of our enterprise merchant pool, the gross profits of our diversified logistics services increased significantly during the Track Record Period. For further details, see “Financial Information”.

- *LTL services.* We offer an end-to-end logistics solution to our merchants. We believe our LTL services represent a more economical option than FTL transportation to small- and medium-sized enterprise merchants who often do not have enough freights to load up a full truck. We charge such merchants freight fees that are primarily determined based on the size of goods and route distance.
- *Home-moving services.* We offer professional home-moving services to better meet individuals’ needs. Such individuals receive detailed instructions and recommendations on vehicle types so that they can easily choose the right vehicle to fulfill their home-moving orders. They can also choose from our dedicated home-moving team to help make their entire home-moving process a smooth, effortless one. We charge such individuals service fees that are predominantly determined by the type of vehicle, the distance traveled, and whether or not professional home-movers are required. We also offer various home-moving packages tailored to different household sizes, which is more intuitive for the individual merchants to select a combination that is most suitable for their orders. We also offer Japanese-style home-moving services, where we provide individual merchants with one-stop home-moving services, eliminating labor required from the merchants in the process.

BUSINESS

Our technology-empowered logistics transaction platform offers a comprehensive suite of value-added services to carriers, making us an attractive one-stop shop for the carriers to meet their diverse and rapidly evolving needs. The breadth of our value-added service offerings also helps us attract a variety of other industry stakeholders, such as financial institutions, auto manufacturers and dealers, and aftermarket service providers, to our platform, thereby reinforcing its powerful network effects to all relevant stakeholders. During the Track Record Period, our revenues generated from value-added services were primarily from our vehicle sales and leasing services, and we mainly offered value-added services in Mainland China.

- *Vehicle sales and leasing services.* We operate an online marketplace for vehicle sales and leasing. On our platform, auto manufacturers and dealers can sell or lease their vehicle inventory to carriers in Mainland China. We charge service fees from the vehicle sales and leasing transactions facilitated through our platform. To a lesser extent, we procure vehicles directly from auto manufacturers or dealers and sell or sub-lease them to our carriers. In such case, we earn the price differences from the vehicles directly sold or subleased by us to carriers. We also provide carriers with other complementary services, such as registration of the license plates, to streamline the vehicle purchase process.
- *Energy services and others.* We generate real-time recommendations of gas and charging stations to carriers in Mainland China based on such carriers’ real-time locations. Carriers are entitled to certain discounts for diesel, gasoline or electricity on our mobile app if they choose to refuel or recharge at our recommended stations. We directly process carrier payments to the gas and charging stations on our mobile app, and receive service fees from such gas and charging station operators calculated based on sales volume. We also offer various types of credit solutions to carriers to help them meet their working capital needs. We facilitate funding to carriers in Mainland China particularly for their vehicle purchases which are typically secured by the titles in the vehicles. Additionally, we offer financial leasing and micro-credit solutions to carriers through our own financial institutions. During the Track Record Period, we offered online micro-credit solutions that enabled carriers to access various financing options provided by the third-party financing institutions. The revenue generated from the online micro-credit solutions is historically immaterial to our overall results of operations. To better focus on our core business, we have terminated our services of online micro-credit solutions, and we undertake not to resume such services. As advised by the PRC Legal Advisor, under the applicable PRC laws and regulations, we are required to obtain licenses, approvals and permits related to financial leasing and micro-credit services when offered through our own financial institutions. As further advised by the PRC Legal Advisor, (i) we have obtained all requisite licenses, approvals and permits necessary for our operations of financial leasing and micro-credit services in the PRC; and (ii) the operations of our financial leasing and micro-credit services in the PRC are in compliance with the PRC laws and regulations in all material respects. In July 2025, we launched our first electric vehicle model, DuoLa Bafang cargo van, which is designed to meet the specific needs of urban delivery leveraging our deep industry insights. Since its launch, our electric vehicle manufacturing business has experienced rapid growth. We operate our electric vehicle manufacturing business in Chongqing, one of our Group’s headquarters to strengthen our presence in Southwest China. As of December 31, 2025, the sales volume of DuoLa Bafang reached approximately 6,200 units. To further expand our electric vehicle model portfolio, we launched the DuoLa 3.8-meter cargo vehicle and DuoLa small truck in March 2026. We collaborate with OEM partners for the manufacturing of electric vehicles, and we may continue to expand such partnerships in the future.

OUR ECOSYSTEM

Powerful Network Effects

We have fostered a platform-based ecosystem to create significant values for merchants, carriers and other stakeholders along the industry value chain across geographies, transforming the logistics industry with technology.

Our ecosystem has created a powerful, self-reinforcing network effect. In more than 400 cities around the world, we have built a large number of “local-networks” of local carriers and merchants. As we attract more carriers and merchants to our network, the number of shipping orders available on our platform grows rapidly, which in turn attracts more carriers and merchants and other industry stakeholders to our platform and reinforces the powerful network effects of our platform.

We are working relentlessly to further expand and refine our service offerings and provide one-stop solutions to enable other industry stakeholders. By connecting more industry stakeholders through our digital transaction platform, we strive to further enhance its network effects and offer compelling value propositions to all stakeholders.

BUSINESS

Our Merchants

We use the term “merchants” to refer to shippers who use our platform to find carriers. Our merchants consist of businesses of all sizes and individuals. According to Frost & Sullivan, among all providers of intra-city freight services in Mainland China, we have the largest merchant base as of December 31, 2025, covering a wide array of industries with diversified logistics service needs. In 2024 and 2025, our platform connected a large network of 16.7 million and 21.3 million average merchant MAUs, in over 400 cities across 15 major markets globally as of December 31, 2025.

Our merchants operate in a wide variety of industries, including new and traditional retail, e-commerce, manufacturing and construction, as well as industry segments across the entire supply chain, from procurement and manufacturing to warehousing and end-customer delivery. We categorize the merchants on our platform into below categories.

- *SME merchants*: Small- and medium-sized enterprises, or SMEs. We address the critical logistics challenges faced by SMEs. SMEs generally have a higher demand for same-day or instant delivery than larger businesses. Our platform is able to satisfy the daily, on-demand logistics service needs of these SMEs and save them the costs of keeping an in-house carrier team. SMEs currently constitute the majority of our merchants.
- *Large enterprise merchants*: We also increasingly focus on serving and building long-term relationships with large merchants, especially key corporate accounts. We provide our large enterprise merchants with customized, integrated enterprise services tailored to their specific needs. We also offer additional value-added services, such as credit terms, to our large enterprise merchants.

The following sets forth key terms of our agreements with merchants who use our freight platform services to find carriers:

Services	We entrust a carrier to complete the freight platform services after we have received a request from a merchant; and we provide the carrier with the relevant information that the merchant submits to us;
Representations and Warranties	The merchant acknowledges that we only provide services as an online freight platform, and the merchant may not request any form of non-freight services from the carrier;
Data Privacy	By using our services, the merchant agrees to authorize us to collect, use, retain and update relevant information (including but not limited to personal data such as name, contact number, identification number, and geographical location) of the merchant and the merchant undertakes that such personal information is true, accurate and up-to-date; and
Termination	The merchant shall be responsible for any breach of contract, and we have the right to terminate the agreement and seek full compensation from the merchant for any loss incurred.

We have a dedicated and experienced account management team serving selected merchants who use our integrated enterprise services. As we become more knowledgeable about the business and process of such merchants, we are able to further expand and refine our service offerings customized based on their diverse and evolving needs.

We provide effective incentives in the form of discounts or coupons to attract new merchants. When we launch a new service offering or expand into a new geographic region, we typically offer additional incentives to new merchants.

Our Carriers

We have an extensive network of reliable carriers on our platform. We had 13.8 million verified carriers as of December 31, 2025.

BUSINESS

Most of our carriers are individual owner-operators who have traditionally relied heavily on offline logistics services. They used to have to wait for work at logistics parks or wholesale markets, where shipping orders are placed in a disorganized manner and had to go through multiple layers of brokers to negotiate and reach a deal. By digitalizing the entire logistics industry, our platform seamlessly connects carriers with a massive pool of merchants, providing them with one-stop shop for freight and other service offerings.

Our large carrier base also enables us to connect merchants to a vast array of vehicles, ranging from minivans to heavy-duty trucks.

We attract new carriers mainly through word-of-mouth referrals, sticker marketing, and effective advertising conducted by our on-the-ground sales and marketing teams. We encourage our carriers to place stickers of our brightly colored logo on their vehicles. As these vehicles run on the road, it naturally captures the attention of other carriers. Our on-the-ground teams also play a crucial role in acquiring new carriers. They go to logistics parks and wholesale markets to promote our platform and services to carriers.

We enter into a written agreement with every carrier who expresses interest in displaying our logo on their vehicles. These agreements clearly outline the specific terms, conditions, and branding guidelines that govern the display of our logo. It is explicitly stated in these agreements that carriers are prohibited from removing, altering, or tampering with the logos on their vehicles without obtaining our prior consent and violation of this provision may result in penalties imposed on the carriers, and that we are not under any obligation to pay carriers compensation for displaying our logo on their vehicles. Carriers’ abilities to use our platform are not conditioned upon their consent to display our logo or apply advertisements on their vehicles. We believe that we have complied with all relevant laws and regulations concerning the display of logos on vehicles in each region and geographical market where we operate in all material respects.

As advised by our PRC Legal Advisor, the laws and regulations in the PRC governing car-wrap advertising mainly focus on advertising administration and traffic safety. These regulations vary across national and regional levels. With respect to advertising administration, some geographic regions restrict or even prohibit the installation of profit-making outdoor advertisements on vehicles other than specific types, such as rail transport vehicles, buses, trolley-buses, taxis, and freight taxis. With respect to traffic safety, car-wrap advertising should not compromise safe driving, and certain geographic regions also have established restrictions on car-wrap advertising to ensure safety, including specifications regarding the sizes, positions, and colors of stickers on vehicles, as well as regulations on visible light transmission where applicable. The implementation practices of laws and regulations governing car-wrap advertising vary significantly across the geographic regions in the PRC.

We are fully committed to complying with the laws and regulations governing car-wrap advertising in each geographic region where we operate in the PRC. To ensure compliance with these requirements, we have implemented the following measures:

- (a) Requesting carriers to complete relevant filings with regulatory authorities after applying paints to display our logo on their vehicles;
- (b) Providing guidance to carriers on the appropriate positioning and appearance of car-wraps; and
- (c) Employing alternative advertising strategies in areas where stricter restrictions or prohibitions on car-wrap advertising are in place.

These measures have been acknowledged by regulatory authorities across various localities, and during the Track Record Period and as of the Latest Practicable Date, there have been no objections or ongoing governmental investigations related to our car-wrap advertising practices.

After its inquiry and search on the website of SAMR, (i) the PRC Legal Advisor advises us that we have not been subject to any administrative penalties in connection with car-wrap advertising that, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operations; and (ii) the PRC Legal Advisor is not aware that the Group is involved in any ongoing governmental investigations in relation to car-wrap advertising.

Having considered the foregoing, the PRC Legal Advisor affirms that, during the Track Record Period and as of the Latest Practicable Date, we have complied with relevant laws and regulations regarding the display of logos on vehicles in each geographic region where we implement car-wrap advertising in the PRC in all material respects.

BUSINESS

The following sets forth key terms of our agreements with carriers who use our freight platform services:

Services	We distribute to carriers’ information to merchants. In some cities in which we operate, we offer commission discount program to carriers;
Representations and Warranties	The carrier represents that he or she has obtained all certificates and qualifications required for cargo transportation under the applicable laws. The carrier further acknowledges that we only facilitate but are not a party of a specific freight service transaction;
Data Privacy	The carrier irrevocably agrees to authorize us to collect, use, retain and update relevant information (including but not limited to personal data such as name, contact number, identification number, and geographical location) of the carrier and the carrier undertakes that such personal information is true, accurate and up-to-date; and
Termination	In case of breach of contract, such as illegal charges, disrupting the order of the platform, virtual transactions, transferring and selling the information of each freight service transaction, the carrier shall bear the responsibility, and we have the right to terminate the agreement and demand full compensation from the carrier for any loss incurred.

We place great emphasis on the safety of merchants and carriers on our platform. To join our carrier network, a carrier has to submit his or her ID and vehicle details online for verification, and then complete a face-to-face verification at one of our offline stores. Prior to onboarding a new carrier to our platform, we run a robust process of background and qualification screening. We provide mandatory training to each new carrier as part of their onboarding process, and offer existing carriers various on-the-job trainings to hone their skills and capabilities. We continuously monitor and evaluate the performance of our carriers by leveraging our proprietary technology. Our comprehensive service rating system enables the merchants to rate the services of carriers, and lower ratings may result in longer settlement terms for freight fees with a range from seven days to 30 days as well as lower priority for order matching. To enhance our carriers’ safety awareness, we actively convey safety messages on our mobile apps and social media channels. We also collaborate with relevant government authorities to create a safety culture for our merchants and carriers.

We are promoting the application of Anxinla (安心拉), an in-vehicle intelligent transportation IoT system, to all vehicles registered on our platform to ensure transparency and safety to both our merchants and carriers. With its high-quality video recording function and the three-camera design, we either process independently or entrust a third party with Surveying Certificates to process real-time images and recordings during the transportation while monitoring the vehicle’s inside and outside environments. Anxinla is also capable of maintaining a recording quality with sufficient information even when the recording condition is compromised, such as recording at night or in low-light situations. For further details of Anxinla, see “— Our Technology”.

In addition to the application of Anxinla, we have also employed the following measures to promote personal and freight safety:

- We require new carriers to complete an online safety training and pass a safety test before they can take orders via our platform;
- We, from time to time, hold online and offline safety education training sessions on topics including freight safety and anti-fraud awareness; and
- We have adopted an internal procedure to enable us to better respond to public safety emergencies.

We deploy a dedicated customer service team for our carriers. By calling the customer service hotline, carriers can receive in-person, timely help with navigating the onboarding process, ensuring vehicle readiness and compliance, and addressing their day-to-day concerns.

BUSINESS

We use incentives to attract and retain carriers. Carrier incentives generally include payments we make to carriers should they accept certain less popular shipping orders, or if they complete a certain number of consecutive orders on the platform within a specified period of time. In some cases we also pay referral fees to carriers who refer new carriers to our platform. We believe these incentives help nurture a sense of belonging among our carriers, enhance their loyalty to our platform and expand the pool of available carriers on our platform.

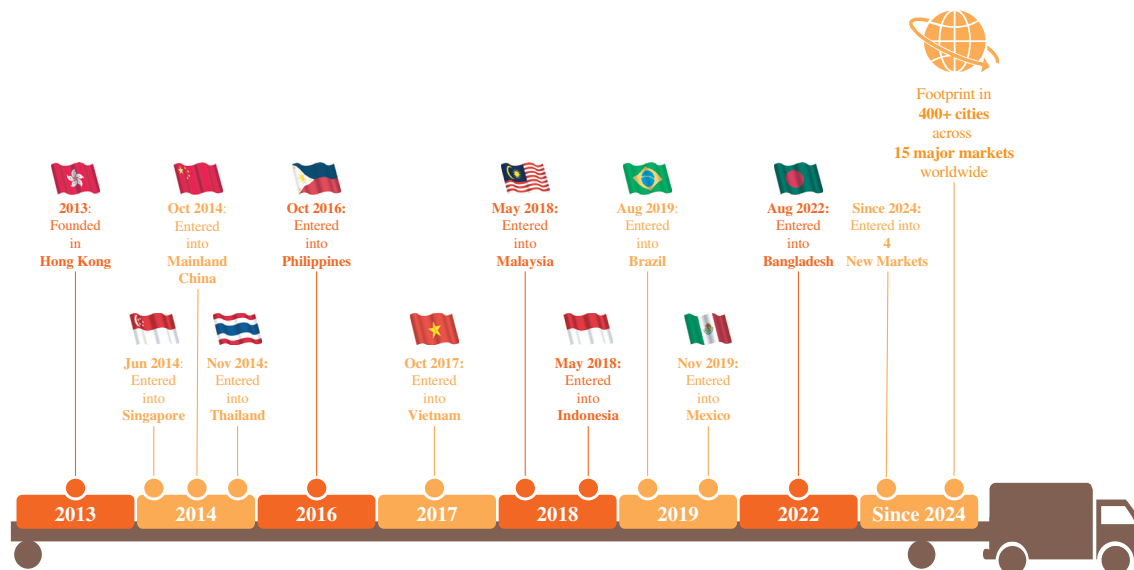
Other Ecosystem Participants

Our ecosystem also offers compelling value propositions to other stakeholders, such as home-movers, auto manufacturers, dealers and financial institutions. By providing one-stop solutions to these stakeholders, we enable them to better serve other stakeholders along the logistics value chain, while generating attractive returns for them.

Our Growing Global Footprint

We have positioned ourselves as a global company since inception, as we are dedicated to digitalizing freight transactions across the world.

Founded in Hong Kong, we quickly tapped into Mainland China and Southeast Asia in 2014 and other overseas markets, and EMEA. We also set up our Group’s headquarters in Chongqing and Shenzhen to strengthen our presence in Mainland China. Today, our global operations span 15 major geographic markets, including Mainland China, Hong Kong, Thailand, the Philippines, Singapore, Indonesia, Vietnam, Malaysia, Mexico, Brazil, Bangladesh, Japan, Turkey, United Arab Emirates and Germany. We are expanding into new markets on an experimental basis and intend to further penetrate in existing markets in Southeast Asia and LatAm. The below chart illustrates the key milestones in our global expansion.



We believe we are a leader and pioneer in global expansion among all China-based freight transaction platforms. According to Frost & Sullivan, we are among the first China-based freight transaction platforms to operate in Southeast Asia, one of the largest and most promising markets for digital freight transaction platforms globally.

In 2024, our platform facilitated over 779 million fulfilled orders with a global freight GTV of US\$10,273.8 million. In 2025, our platform facilitated over 1,027 million fulfilled orders with a global freight GTV of US\$12,355.8 million, and we had approximately 21.3 million average merchant MAUs and 2.1 million average carrier MAUs in over 400 cities across 15 major markets globally. The scalability and proven success of our business model have allowed us to expand rapidly in overseas markets with attractive market conditions. Specifically, in 2024 and 2025, our overseas markets in aggregate accounted for 9.3% and 9.2% of our total revenue, respectively.

We operate a largely homogeneous business model across geographies based on a common underlying technology infrastructure and a wealth of know-how, with offerings tailored to meet local needs and preferences. In our closed-loop transaction model, we develop and localize the service offerings

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on our platform to serve a highly diverse population across multiple markets and regulatory regimes. We believe it is difficult to enter into the overseas markets without first developing deep local insight and operational know-how. While the more critical firm-wide decisions are made at the headquarters’ level, we have relied on our experienced on-the-ground teams to implement our firm-wide strategies locally, and the day-to-day operations, such as carrier acquisition and management and marketing strategies, are delegated and primarily carried out locally with optimal operational efficiency.

We recruit talents locally to better serve the local communities. Leveraging their localization experience and insight, our on-the-ground teams are able to provide an instantaneous feedback loop to help management make better decisions. With first-mover advantages in many of our existing overseas markets, we continuously refine our service offerings to adapt to local needs and preferences, as many of these overseas markets have distinct characteristics that necessitate dedicated focus and extensive market knowledge. As part of our localization efforts, in many geographic markets in which we operate, we also offer extensive video training for carriers available in local languages. Driven by these locally-tailored product innovations, we have been able to quickly build market share, brand recognition and mindshare, and effectively compete against the competitors in the local markets.

As a result of our continued efforts in localization and the effective implementation of our proven operational expertise and shared technological infrastructure, we have experienced rapid growth in our overseas markets:

For the first time,

- In November 2018, our daily overseas fulfilled orders surpassed 50,000.
- In December 2018, our monthly overseas GTV exceeded US\$10 million.
- In December 2020, our daily overseas fulfilled orders exceeded 300,000.
- In December 2023, our monthly overseas GTV reached approximately US\$80 million.

The below examples illustrate our growth strategies in Southeast Asia:

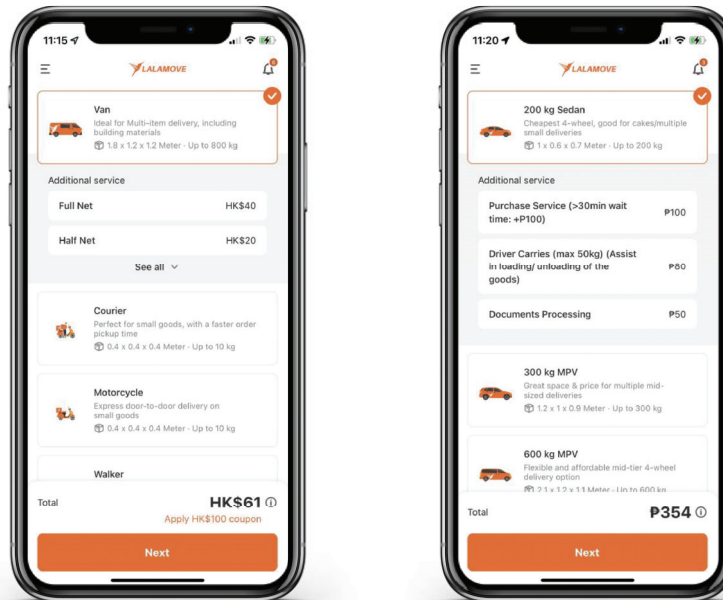
We entered Singapore and Thailand in 2014, and quickly expanded into other major Southeast Asian markets. Today, our operations cover all major Southeast Asian markets including Thailand, Indonesia, the Philippines, Singapore, Vietnam and Malaysia. In Southeast Asia, we generate our revenue predominately by charging commissions from carriers. To address the local demand for more flexible, convenient delivery options in urban environments, we offer two-wheeler delivery services in selected markets across Southeast Asia in addition to our traditional four-wheeler delivery services. In some of our Southeast Asian markets, we also provide same day and door-to-door delivery services to penetrate into the local markets and effectively compete with the local competitors.

In 2018, we expanded into Jakarta, the capital and largest city of Indonesia, and established solid local presence within four years. Our fulfilled orders in Jakarta increased from 12.9 million in 2023 to 26.3 million in 2025, representing a CAGR of 42.8%. During the COVID-19 pandemic, our two-wheeler carriers in Jakarta have provided continuous, strong support to the local communities. Starting in 2021, we strategically allocated more resources to our four-wheeler operations in Jakarta, applying operational insights gained from our experiences in Mainland China. For example, we replicated the sticker marketing strategy in Jakarta to enhance our mindshare among merchants and carriers in a cost efficient manner. In 2025, more than 38% of four-wheeler vehicles operated by our active carriers in that month in Jakarta displayed our logo stickers. Accordingly, the GTV of our four-wheeler business in Jakarta increased from US\$31.3 million in 2023 to US\$65.8 million in 2025 at a CAGR of 45.0%.

Our success in Jakarta stems from our strategic approach of combining localization with the replication of proven practices from our existing markets. By hiring local talent to manage operations and develop products tailored to local needs, we have effectively adapted to the Jakarta market. Additionally, we consistently transfer operational know-how from our established markets to new ones, ensuring a blend of local relevance and proven efficiency. Going forward, we plan to continue driving growth in international markets by leveraging this dual strategy of localization and replication across different geographies.

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Our merchants and carriers in Southeast Asia use the mobile app of *Lalamove* customized based on local preferences and languages, as illustrated in the below screenshots:



OUR TECHNOLOGY

Technology is the backbone of an innovative company like ours. Our advanced proprietary technology and extensive data insight allow us to relentlessly innovate and refine our service offerings to adapt to the users' evolving needs, while continuing to improve the operational efficiency. We have built proprietary technology and accumulated extensive data insight around major elements of the logistics industry to transform and create value for all participants in the logistics industry.

AI-based Pricing and Order Matching and Dispatching Algorithms

We leverage third-party AI technologies and our big data analytics capabilities to expeditiously match available carriers with merchants in need. We have developed market-leading proprietary pricing and order matching and dispatching algorithms through the massive data accumulated from millions of historical transactions completed on our platform. Leveraging strong AI and big data analytics capabilities, a carrier typically can respond in approximately 20 seconds after a shipping order is submitted, and for our intra-city services, a carrier typically can arrive at the pick-up location in around seven and a half minutes. Our AI-based pricing algorithm is also able to catch significant shifts in merchant demand and carrier supply, which helps optimize transaction pricing and reduce potential pricing disputes for both merchants and carriers.

AI-based Pricing Algorithm

Our AI-based pricing algorithm enables merchants to accurately price the shipments in advance. In particular, such algorithm is capable of automatically activating the dynamic pricing function when it detects significant shifts in merchant demand and carrier supply, especially in high-demand areas and during peak hours, which helps to rebalance carrier supply and merchant demand. Our AI-based pricing algorithm is trained and optimized using a variety of proprietary data we collect throughout the end-to-end transaction process, including user input, such as vehicle types, pick-up and drop-off locations and, if the merchants need a multi-stop delivery, stops along the routes. Based on a real-time holistic analysis of the data, our AI-based pricing algorithm can instantly calculate and dynamically adjust freight fees to reflect notable shifts in merchant demand and carrier supply. Based on our large transaction volume, we can easily accumulate massive torrents of data, such as the data on the demand and supply of various vehicle models in different cities.

AI-based Order Matching and Dispatching Algorithm

We have industry-leading freight matching capability in terms of response rate, response time and designated capacity during the peak time, according to Frost & Sullivan. While our order matching and dispatching algorithm allows the carriers to pick their preferred orders on a first-come-first-served basis,

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it also helps assign the orders to the most suitable carriers based on our analysis. We have deployed a comprehensive automated labeling system that incorporates a variety of labels organized into different data categories and are continuously streamlining the entire freight matching process by analyzing, aggregating, categorizing and profiling transaction data generated by carriers and merchants. To determine the most suitable carrier to take the order, we will conduct an analysis of various characteristics of the interested carriers. These characteristics may include the distance from the merchant, as well as the historical cancellation and order completion rates of the interested carriers.

Anxinla (安心拉)

To enhance safety and transparency to both merchants and carriers, we developed and adopted an intelligent transportation IoT system, Anxinla (安心拉), in March 2021. Anxinla encompasses a wide range of features, including audio and video recording within and outside vehicles, real-time vehicle positioning and route tracking, voice prompts and built-in algorithms. In particular, we entrust a third party with Surveying Certificates to process real-time information on road conditions, carrier status, and cargo abnormalities under the Anxinla business scenario.

Anxinla can detect any safety issues, through its camera in the passenger cabin. Anxinla also helps monitor the cargo conditions through our camera in the cargo cabin to prevent damage during the entire transportation process. The third and last camera monitors the real-time road condition. The use of Anxinla makes the order fulfillment process safer and more transparent, which in turn enhances user stickiness and engagement on the platform.

Equipped with edge computing capability, the three-camera IoT system is able to store and process the data collected during the order fulfillment process in real-time, which helps to provide more useful feedback to the users. Anxinla’s edge computing architecture allows data to be saved and processed closer to the “edge” (i.e., the IoT devices installed on the vehicles), enabling the data to be transmitted to third party cloud platforms or data centers with lower latency, thus reducing the costs associated with network and servers. Cloud service providers involved in Anxinla business data are contractually prohibited from storing or transferring the data outside of China. This requirement is in place to ensure their compliance with the data protection policies, as well as the applicable laws and regulations in China.

The integrated IoT software in-house has been developed to support the operation of the intelligent transportation IoT system around the clock. Benefiting from the in-house development, the function and iterative designs of the IoT software are further customized to address evolving user needs and enable a broad and increasing array of functions, including:

- *HD recording*: Aided by its high-quality video recording function and the three-camera design, we either process independently or entrust a third party with Surveying Certificates to process real-time images and recordings by Anxinla during the transportation while monitoring inside and outside environment of the vehicle in compliance with applicable laws and regulations. Anxinla is also capable of maintaining a recording quality with sufficient information even when the recording condition is compromised, such as recordings at night or in low lighting situations. For details on data privacy, see “— Cybersecurity and Data Privacy”.

Real-time In-transit and Delivery Tracking

Our real-time tracking system uses GPS technology to allow merchants to track in-transit and delivery details in real-time, providing increased transparency and safety. Through such tracking system, we also track the real-time movement of each on-duty vehicle.

Logistics-Centric Digital Maps

Compared to digital map services widely used in passenger transportation, digital maps used in freight transportation generally require a higher level of accuracy and reliability and more road-freight specific points-of-interest (“POIs”) (i.e., specific locations on a digital map which may be of interest to a user, such as gas and service stations) and other traffic information (e.g., road restrictions and blocks) given that freight goods typically must be carefully managed from its origin to its destination and loaded/unloaded at designated specific locations. This motivated us to launch the digital map in cooperation with qualified third-party digital map service providers with Surveying Certificates.

The data source of digital maps primarily come from the third-party mapping service providers. With the prior consent of our users, we also entrust a third party with Surveying Certificates to utilize the valuable data insights generated from freight transactions facilitated on our platform to continuously enhance, optimize, and iterate the digital map.

Based on GPS data, the digital map will generate automatic recommended pick-up and drop-off points and therefore facilitate the merchants’ selection of pick-up and drop-off locations, as illustrated in the below screenshots.

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Digital map with automatic recommended pick-up and drop off points



RESEARCH AND DEVELOPMENT

R&D is the key to our success. We have invested significantly in strengthening our research and development capacities to support our existing business while adding new features and functionalities to existing service offerings and solutions. In 2023, 2024 and 2025, we incurred US\$174.8 million, US\$178.6 million and US\$180.4 million of research and development expenses, respectively, representing 13.1%, 11.2% and 8.4% of our total revenue during the same years.

Our talented research and development team and robust technology architecture enable us to continuously introduce new innovations and offer superior user experience. Our research and development team primarily includes technology and platform development engineers that are focused on developing cutting-edge technology and implement enhancements and upgrades on our platform, risk management engineers that focus on cybersecurity and risk control, as well as infrastructure maintenance engineers that maintain our vast database and the stability of our platform.

Our R&D efforts can also be manifested by our enhanced reputation in the academic field. For example, in August 2021, we published an academic paper, namely “Improving the Information Disclosure in Mobility-on-Demand System”, which was highly recognized and selected by the 27th Association for Computing Machinery’s Special Interest Group on Knowledge Discovery and Data Mining (ACM SIGKDD) Conference on Knowledge Discovery and Data Mining.

OUR CUSTOMERS AND SUPPLIERS

We consider a customer as a person or entity from whom we generate revenues from the services we provide via our online platform. We have a broad base of customers including businesses of all sizes and individuals. Our top five customers in each year during the Track Record Period, which primarily comprise enterprise merchants of our integrated enterprise services, accounted for 2.0%, 1.8% and 1.3% of our total revenue in each year during the Track Record Period, respectively. Carriers are the major customers of our freight platform services, and substantially all of our carriers are individuals with low revenue contribution. To the best of our Directors’ knowledge, in each year during the Track Record Period and up to the Latest Practicable Date, none of our five largest customers is a connected person of us. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year during the Track Record Period.

** ACM SIGKDD Conference is among the most influential and flagship conferences in the field of data analytics worldwide, which imposes a high selection criteria on the presentation and publication of submitted papers.

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Our top suppliers primarily include online promotion agents, vehicle suppliers for sales and rental services and IT services providers. Our top five suppliers in each year during the Track Record Period in the aggregate accounted for 20.8%, 20.1% and 24.2% of our total cost of services in each year during the Track Record Period, respectively. All of our five largest suppliers in each year during the Track Record Period are Independent Third Parties. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year during the Track Record Period.

The table below sets forth the details of our five largest suppliers in each year during the Track Record Period.

For the year ended December 31, 2023							
Rank	Supplier	Cost of services (US\$ in thousands)	Percentage of the total cost of services	Type of services supplied	Principal business	Years of business relationship with the Group	Typical credit period
1 . . .	Supplier A	30,429	10.3%	Vehicle supplier-rental	New energy vehicle operation and related services	3-4 years	30 days
2 . . .	Supplier B	11,797	4.0%	IT service	Cloud computing technology and services	2-3 years	None
3 . . .	Supplier C	8,203	2.8%	Online promotion agent	Online content services	> 4 years	30 days
4 . . .	Supplier D	6,717	2.3%	Cloud hosting services	Cloud computing technology and services	<1 year	30 days
5 . . .	Supplier E	4,244	1.4%	Online promotion agent	Internet advertising, media, marketing, planning	3-4 years	None
Total		<u>61,390</u>	<u>20.8%</u>				

For the year ended December 31, 2024							
Rank	Supplier	Cost of services (US\$ in thousands)	Percentage of the total cost of services	Type of services supplied	Principal business	Years of business relationship with the Group	Typical credit period
1 . . .	Supplier A	25,487	8.4%	Vehicle supplier-rental	New energy vehicle operation and related services	4-5 years	30 days
2 . . .	Supplier B	13,206	4.3%	IT service	Cloud computing technology and services	3-4 years	None
3 . . .	Supplier D	9,087	3.0%	Cloud hosting services	Cloud computing technology and services	1-2 years	30 days
4 . . .	Supplier C	8,873	2.9%	Online promotion agent	Online content services	> 5 years	30 days
5 . . .	Supplier F	4,624	1.5%	Online promotion agent	Internet and related services	1-2 years	30 days
Total		<u>61,276</u>	<u>20.1%</u>				

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For the year ended December 31, 2025

Rank	Supplier	Cost of services	Percentage of the total cost of services	Type of services supplied	Principal business	Years of business relationship with the Group	Typical credit period
1 . . .	Supplier A	37,589	9.3%	Vehicle supplier rental	New energy vehicle operation and related services	> 5 years	30 days
2 . . .	Supplier G	23,699	5.9%	Automobile manufacturing supplier	Research, development, production and sales of power battery systems	< 1 years	30 days
3 . . .	Supplier B	16,695	4.2%	IT service	Cloud computing technology and services	> 5 years	None
4 . . .	Supplier C	10,175	2.5%	Online promotion agent	Online content services	> 5 years	30 days
5 . . .	Supplier D	9,272	2.3%	Cloud hosting services	Cloud computing technology and services	3-4 years	30 days
Total .		<u>97,430</u>	<u>24.2%</u>				

Overlapping Customer and Supplier

In 2023, 2024 and 2025, one of our top five suppliers, Supplier A, who primarily engages in electric vehicle (“EV”) solutions in China, was also our customer. In light of such company national footprint, premium resources and involvement in different EV solutions, we have established collaboration with such company in various aspects of our business. On one hand, we provided services to such company and its affiliated company as we promoted their vehicles and helped such company sell certain vehicles as part of our vehicle sale services. On the other hand, such company provided vehicle rental services and occasionally sold to us certain specific types of vehicles, whereas we subleased or sold such vehicles to carriers based on their needs. In 2023, 2024 and 2025, revenue generated from such company and its affiliated company represented 0.2%, 0.3% and 0.4% of our total revenue, respectively, and the amount of procurement we incurred represented 10.3%, 8.4% and 9.3% of our procurement, respectively. We entered into different agreements with such company and its affiliated company on an arm’s-length basis in the ordinary course of business, and we negotiated terms with such company and its affiliated company using independent business teams. To the best of our Directors’ knowledge, these transactions were neither dependent nor conditioned upon each other and there were no other overlap between our major customers/suppliers and our suppliers/customers. As of the Latest Practicable Date, to the best of our Directors’ knowledge, none of our Directors, their close associates or any Shareholders who owned more than 5% of the issued share capital of our Company, had any interest in this overlapping customer and supplier in 2023, 2024 and 2025.

SALES AND MARKETING

We enhance our brand awareness through the provision of high quality services and marketing initiatives. We primarily rely on word-of-mouth referrals as well as effective online and offline branding and marketing efforts. For example, a large number of our newly registered merchants and carriers are referred by our existing merchants and carriers, respectively. Branded vehicles with our bright colored brand logo help to further strengthen our brand image and the mental connection between logistics and our brands. We also leverage our on-the-ground teams to promote our platform and services to the carriers through personal connection and face-to-face meetings. In addition, we utilize other online marketing channels, such as app store advertising, search engine optimization and marketing campaigns on popular social media platforms. From time to time, we provide effective incentives in the form of discounts or coupons to attract more merchants and carriers to our platform. For a more detailed discussion of carrier incentives, see “Financial Information — Key Factors Affecting Our Results of Operations — Specific Factors Affecting Our Results of Operations — Our ability to expand our carriers and merchants base and increase their engagement with our platform”.

CUSTOMER SERVICES

We believe our superior customer services enhance our customer loyalty and brand image. As of December 31, 2025, our customer services team consisted of over 171 people globally, and our customer services are available to our users on a 24/7 basis. We analyze the logistics service needs of our merchants

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and carriers by leveraging our wealth of data insight, which enables us to promptly, and sometimes proactively, address their concerns. We also offer AI-powered customer services to efficiently process merchants’ and carriers’ complaints and inquiries.

Merchants and carriers can submit questions or complaints directly through our mobile apps or by calling our customer service hotlines. We implement rules that target common merchant and carrier issues, such as order cancellation, punctuality and reliability issues, and non-payment of freight fees. Parties who break our rules may, in the worst-case scenario, be banned from using our services in the future.

CYBERSECURITY AND DATA PRIVACY

We are committed to protecting the data privacy and security of our merchants and carriers. With our global footprint, we have developed a full suite of data security policies adapted to the local requirements, including among others, Information Security Guidelines, Information Security Management Strategy, Employee Information Security Code of Conduct and Data Security Management Policy. We carry out scenario-based management to address the threats and risks of data availability, integrity and confidentiality. We strictly limit and monitor our employee access to user data. We provide data privacy training to authorized employees and require them to report to us promptly on any potential data leakage.

Data Collection and Usage

We mainly collect and store data relating to background information of merchants and carriers, as well as the attributes and locations of vehicles and goods. For example, (a) during the account registration process, we collect users’ mobile phone numbers, SMS verification codes, and online identification information; (b) to ensure the personal and freight safety during the order fulfillment process, we collect the names and mobile numbers of users’ emergency contacts; (c) for each payment transaction, we collect payment instruction information, payment account risk control information, and payment status; and (d) with the assistance of Anxinla, we either process independently or entrust a third party with Surveying Certificates to process video recordings of the cargo, as well as the interior and exterior of the vehicle. Such information is collected with prior user consent in accordance with applicable laws and regulations.

We have adopted a standard data usage and privacy policy, which is provided on our mobile apps, websites or, for Mainland China, our WeChat mini-app. Specifically, we undertake to manage and use the user data in accordance with applicable laws and make reasonable efforts to prevent the unauthorized access, breach, tampering or loss of personal information. In Mainland China, carriers and merchants would use cryptographic numbers to communicate via our platform.

In our data usage and privacy policy, we detail our commitment to safeguarding users’ data privacy, and fully disclose the potential uses of information and data received from our users, which may include: (i) enabling our services and ensuring our solutions function properly; (ii) ensuring security and reliability of our services by verifying users’ identity against the information and data on file; (iii) using information and data on an anonymous basis for internal audit, analysis and research purposes; and (iv) assisting with regulatory investigations or other legal proceedings in accordance with applicable laws and regulations, and court or administrative orders.

To enhance the safety of freights and protect the rights of carriers, we may process audio and video data inside and outside the vehicle either independently or by entrusting a third party with Surveying Certificates, including data related to Anxinla deployment. However, we only collect such information with the prior consent of the relevant users. We process the collected data either independently or by entrusting a third party with Surveying Certificates in accordance with the applicable laws and regulations and do not process such data outside of the vehicle unless permitted. The audio data collected through Anxinla is generally stored on local in-vehicle devices, unless the relevant carrier agrees to upload it to our cloud. The recorded video footage outside the vehicle may be used to resolve disputes over deliveries and accidents with the consent of the parties involved. The recorded video footage inside the vehicle is utilized to ensure the safety of order fulfillment, including verifying the identity of the carrier and enhancing driving safety measures.

For dispute resolution and liability determination, we may either process independently or entrust a third party with Surveying Certificates to process video data inside and outside the vehicle and the accurate GPS positioning information through Anxinla deployment per the applicable laws and regulations. Among them, the data collected from public areas through Anxinla may involve off-vehicle data such as face information and license plate information of carriers, other parties involved in safety accidents, and pedestrians. The off-vehicle data collected through Anxinla is generally stored on local in-vehicle devices, and its loop recording feature enables the device to automatically overwrite the oldest data when storage reaches maximum capacity. The recorded video footage outside the vehicle may be used to resolve disputes over deliveries and accidents, where carriers can play back the recorded video footage on the vehicle-mounted devices. Solely for dispute resolution purposes, we may upload the said video footage recorded outside the vehicle with the consent of the parties involved in the accident to our designated cloud server in the PRC.

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As advised by the PRC Legal Advisor, according to the Personal Information Protection Law and the Several Provisions on Car Data Security Management (for Trial), the processing of personal information by car data processors shall, in principle, be subject to the consent of the relevant individuals or otherwise permitted by applicable laws and administrative regulations. Where it is impossible to obtain the consent of the individuals concerned and, to ensure driving safety, such personal information is collected and provided outside of the vehicles, car data processors shall anonymize the personal information provided outside the vehicles.

We or our entrusted qualified third party with Surveying Certificates have taken the following measures to mitigate the compliance risks in accordance with the above requirements:

- Where Anxinla collects video data outside of the vehicle that contains personal information of the parties involved in an accident and provides such personal information outside of the vehicle, we will ask for the consent of the persons involved in the accident;
- For the personal information of persons not involved in accidents but captured in the video and image data, where such personal information is provided outside of the vehicle, we anonymize the personal information immediately after the liability determination is completed, by deleting video frames containing faces and license plates that can identify non-involved persons; and
- We respond to requests from individuals regarding the deletion of relevant sensitive personal information that has been collected outside of the vehicles within ten working days, provided that there are no ongoing disputes related to or arising from the shipping orders in which such personal information is collected and that we are not required by laws and regulations to retain such video and image data collected outside of the vehicles.

Our Directors are of the view that we will be able to comply with the Cyber Data Security Regulations in all material aspects, on the basis that (i) we have implemented comprehensive measures to ensure privacy protection and data security and to comply with applicable cybersecurity and data privacy laws and regulations, (ii) as of the Latest Practicable Date, we had not been subject to any material investigation, inquiry, notice, warning, or sanction in relation to cybersecurity or data privacy or any cybersecurity review from the CAC or any other relevant PRC Governmental Authority, (iii) during the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material fines or other material penalties due to non-compliance with cybersecurity or data privacy laws or regulations, and (iv) we have been closely monitoring and assessing applicable regulatory developments regarding cybersecurity and data privacy laws and continuously seeking to enhance our data processing practices to ensure our compliance with the Cyber Data Security Regulations and any similar new laws and regulations once they come into effect.

During the Track Record Period and as of the Latest Practicable Date, we were not subject to any regulatory or administrative actions in relation to the violation of personal information protection obligations arising from our operation of Anxinla, and there was no material data security incident relating to theft, leakage, damage, or loss of car data or personal information from our operation of Anxinla.

In light of the above, the PRC Data Compliance Legal Advisor is of the view that (i) the likelihood that we would be subject to any administrative penalties as a result of the collection of data from public areas through Anxinla is remote; and (ii) the collection of data from public areas through Anxinla complies with the PRC laws and regulations relating to personal information protection and car data security protection in all material respects. However, the PRC Data Compliance Legal Advisor has further advised us that there remains uncertainty regarding the interpretation and implementation of laws and regulations concerning personal information protection and car data security protection in the PRC and its opinions summarized above are subject to any future laws, regulations and rules or detailed implementations and interpretations in any form pertaining to the aforementioned laws and regulations.

Data Storage, Transmission and Sharing

We require that user and transaction data that we collect in our business operations in the PRC be stored and preserved within the PRC, as required by applicable laws and regulations. We have adopted robust internal rules and procedures designed to prevent illegal and/or authorized cross-border transmission of data.

We ensure the security of data storage and transmission by utilizing encrypted storage devices and secure protocols. We have implemented the Management Measures for Storage Media Security to prevent asset damage and business interruptions by controlling and physically protecting storage media.

We do not share or transfer information and data collected or preserved by us to any person, unless with prior explicit consent. Without consent from our users, we are prohibited from disclosing users' data to any third party, unless such disclosure is mandated by a court or administrative order. We are not engaged in any cross-border transmission of user data.

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Data Protection

We recognize the importance of life-cycle data management — from data entry to data destruction. We employ various technology to protect the data with which we are entrusted. We have implemented a comprehensive set of data management technical measures, including data access control, personal information anonymization display, personal information encryption for storage and transmission, network log recording, backup and recovery, boundary protection, and intrusion defense. For example, we store user data in encrypted format. We generally de-identify and encrypt confidential personal information and take other technological measures to ensure the secure processing, transmission and usage of data. If such personal information is relevant to our business, we will minimize our employee access to such information and closely monitor their access frequency. To enhance the cybersecurity of our apps, we have also procured third-party security reinforcement services for our apps. We closely monitor access to sensitive data and systems to detect any unauthorized access or unusual activity. This allows us to promptly investigate any potential breaches and maintain the security of our systems and data. In accordance with our Data Classification Guidelines, we categorize commercial secrets and core secrets, which include sensitive personal information and financial data, as sensitive data. These data receive heightened protection measures to ensure their confidentiality and security. In terms of network log recording, we diligently maintain logs of internal employee activities and external user actions. We currently store our network logs for a period of six months or more to ensure long-term preservation.

We also adopt a combination of full backup and incremental backup to ensure that the data we collect is well maintained. We use distributed storage of data with multiple data replicas to increase security level. In particular, we have been constantly improving our internal classification and grading system of sensitive data. All sensitive data would be protected by field-level encryption. Sensitive application programming interface parameters are adopted to prevent data leakage or loss during circulation.

In addition, we have firm-wide data access controls in place that restrict access to sensitive or personal data to authorized personnel only. We rigorously enforce access control for authorized personnel, ensuring strict control over their access privileges. The permissions for each access role are clearly defined, encompassing actions such as read, write, delete, execute, and other relevant operations. We utilize role-based access control and enforce a data access permission policy that sets forth criteria for allocating and managing data access roles and permissions, as well as requirements for managing data access control and specific business data. We also regularly organize internal drills to address data security and personal information protection incidents.

Data Retention and Destruction

We have implemented policies that govern the retention and disposal of data after its useful life has expired, which helps prevent unauthorized access to sensitive data. To keep up with the constantly evolving laws and regulations on personal information protection, we closely monitor the latest legislative progress and intend to update our data retention and destruction policies to ensure strict compliance with existing and future applicable laws and regulations.

Data Security Awareness

We also enter into confidentiality agreements with our employees. The confidentiality agreements provide that, among others, our employees are legally obligated not to share, distribute or sell confidential information to any party, including other employees who otherwise have no access to such information. We provide regular data privacy and security trainings. Our employees are also legally obligated to return all confidential materials in possession upon cessation or termination of their employment and will remain obligated to maintain confidentiality of such materials thereafter. Our employees may be subject to penalty if they breach their confidentiality obligations or otherwise commit misconduct resulting in a leakage of confidential information.

Additionally, we have established an incident response plan that outlines procedures for promptly responding to a data breach or any other security incident. This plan includes well-defined steps for containing the breach, assessing the extent of the damage, and notifying any affected parties. By having this plan in place, we aim to improve our overall ability to manage information system emergencies and to respond to them in a timely and effective manner.

Our PRC Data Compliance Legal Advisor is of the view that (i) in all material respects, the Group is in compliance with all cybersecurity data privacy laws and regulations, as well as laws and regulations related to car data security protection and personal information protection; (ii) there has not been any material privacy issues, penalties, investigations, litigations or legal proceedings relating to data privacy and protection, during the Track Record Period and up to the Latest Practicable Date.

Cybersecurity Risk Management

We operate robust application and infrastructure security controls, which are designed to prevent, identify and respond to information security threats. We have adopted a standard operation procedure to

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address any potential hacking or data leakage incidents. At the terminal security level, our system is able to identify terminal risks and provide traceability analysis for security risk mitigation with the assistance of terminal data loss prevention products. We closely monitor the flow of sensitive user data on our terminals, and will create alerts in a timely manner when any abnormality is detected. We also adopt the Security Development Lifecycle (SDL) approach to proactively detect cybersecurity-related vulnerabilities and risks, and to manage vulnerability fixes during the development process of our apps and systems.

We have assembled a specialized data security team to oversee all data privacy and security matters across our Group. Our data security team comprises approximately 60 members with diverse backgrounds and qualifications, including product development and data security management. The head of our data security team possesses over 20 years of relevant work experience. To safeguard the confidentiality and integrity of the data we collect and preserve, we have obtained several globally recognized certifications for information security, privacy, and compliance. Notably, some members of our data security team hold certifications for ISO 27001 Information Security Management.

We engage third-party cybersecurity companies to conduct regular penetration tests to identify weaknesses in our system and evaluate its security. If an issue is identified, we will take prompt actions to adjust or upgrade our system and mitigate any potential problems that may undermine the security of our system.

As part of our ongoing compliance efforts, we regularly update our internal- and external-facing policies and procedures. To keep abreast with recent regulatory developments, we have engaged a PRC Data Compliance Legal Advisor to advise us on the new requirements under the recently enacted data protection laws and regulations of the PRC to ensure the integrity and effectiveness of our data protection policies in compliance with all applicable laws and regulations. With the assistance of our PRC Data Compliance Legal Advisor, we have implemented a series of improvements to our data security measures, including, among others, upgrades to our user data classification system and procedures, enhanced centralized management of access to our major business and operational systems by our employees and optimization of user privacy policies. As a result of these internal control and compliance efforts, no material weakness or deficiency has been identified by our PRC Data Compliance Legal Advisor and our business operations are in compliance with all current data security laws and regulations in all material aspects. During the Track Record Period, we did not experience any material information leakage or loss of user data in the PRC or any overseas market.

INTELLECTUAL PROPERTY

Our success depends upon our ability to protect our core technology and intellectual property. To establish and protect our proprietary rights, we rely on a combination of patents, trademarks, copyrights, trade secrets and confidentiality policies. Our material intellectual properties primarily comprise of the trademarks we use in the ordinary course of our business operation and patents relating to our IT infrastructure, the domain names of our websites and the copyrights of our mobile applications. Our trademarks and patents generally have a term of duration of 10 years.

In general, our employees must enter into a standard employment contract that includes a clause acknowledging that all inventions, trade secrets, developments and other processes generated by them during their employment with us are our property, and assigning to us any ownership rights that they may claim in those works.

As of the Latest Practicable Date, we had more than 370 patents, approximately 530 pending patent applications, more than 470 registered trademarks and approximately 100 pending trademark applications in Mainland China. As of the Latest Practicable Date, we also had approximately 89 registered software copyrights in Mainland China. As of the Latest Practicable Date, we had two patents, approximately 405 registered trademarks and approximately 50 pending trademark applications in our overseas markets. We owned approximately 184 registered domain names in Mainland China, including one registered domain names that we consider to be material to our business, as of the Latest Practicable Date.

Despite our precautions, however, third parties may obtain and use intellectual property that we own or license without our consent. We did not identify any material disputes or any other pending material legal proceedings of intellectual property rights with third parties during the Track Record Period and up to the Latest Practicable Date. However, unauthorized use of our intellectual property by third parties and the expenses incurred in protecting our intellectual property rights from such unauthorized use may adversely affect our business and results of operations.

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COMPETITION

We compete with a wide range of companies in substantially all of the businesses we engage in. We face competition from other logistics transaction and digital freight platforms in China and around the world, as well as players that focus on certain segments of the logistics market. We also compete with other companies, such as home-moving companies and automobile dealers, for value-added services that cater to diverse logistics service needs of merchants and carriers. In addition, we face competition from large established technology companies that are developing their own logistics transaction platforms. We believe we have been competing effectively against other industry players in China and globally due to a number of factors. These factors include scale and network effects, closed-loop transaction capabilities, brand recognition and user mindshare, operational know-how, technology and data capabilities, and diversified service offerings. For further information, see “Industry Overview”.

EMPLOYEES

As of December 31, 2025, we had a total of 9,166 employees globally. Carriers on our platform are not our employees. As of December 31, 2025, approximately 85.9% of our employees were based in Mainland China and 14.1% were based overseas. The following table sets forth a breakdown of our employees categorized by function as of December 31, 2025.

Function	Number of employees	% of total employees
Customer services and operations	3,639	39.7
Research and development	1,807	19.7
General and administration	3,265	35.6
Sales, marketing and business development	455	5.0
Total	9,166	100.0

Our success depends on our ability to attract, motivate, train and retain qualified personnel. We believe we offer our employees competitive compensation packages and a collegial and creative working environment and, as a result, have generally been able to attract and retain qualified personnel and maintain a stable core management team. We place strong emphasis on providing trainings to our employees in order to maintain the quality, knowledge and skill levels of our workforce. We offer trainings to employees at all levels in accordance with their functions, positions and responsibility. The training curriculum covers both soft skills and technical skills. Additional trainings may be required to satisfy the specific local needs of our overseas markets.

As required by PRC laws and regulations, we participate in various government statutory employee benefit plans, including social insurance, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance, and housing funds. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government regulations from time to time. During the Track Record Period, we complied with all material aspects of these requirements and were not subject to any material administrative fines or penalties.

We generally enter into standard labor, confidentiality and non-compete agreements with our key employees. The non-compete restricted period typically expires two years after the termination of employment, and we agree to compensate the employee with a certain percentage of his or her pre-departure salary during the restricted period.

We believe that we maintain a good working relationship with our employees. During the Track Record Period, we did not experience any strikes, work stoppages, labor disputes or actions, which had a material adverse effect on our business and operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We believe success is rooted in our long-term commitment to making positive impacts on our carriers, merchants, employees, their families and our communities. We have been dedicated to building our ESG work around four pillars: “greening every move”, “creating a culture of safety and vibrant gig ecosystem”, “building sustainable cities and communities” and “committing to sustainable governance”. Through these pillars, we aim to extend the benefits of our ecosystem to the wider society, and we have launched a range of relevant initiatives that actively support our commitment.

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Environmental Sustainability

We understand that sharing economy can accelerate the transition to a resource-efficient and sustainable economy. As a technology-empowered logistics transaction platform, we leverage our technology capabilities to reallocate idle resources to improve the utilization rate and efficiency of vehicles. At the same time, vehicles and roads are used more efficiently, reducing congestion and minimizing environmental impacts. For example, our real-time matching system significantly reduces idle time and distance for carriers, while our freight navigation solutions optimizes route planning, saving time and resources. Our return order options reduce empty runs on long-haul routes, reducing carbon emissions per unit of freight. In order to develop a carbon emissions policy and strategy based on empirical evidence, we are also conducting comprehensive baseline analysis at the Group level to estimate carbon emissions within our own operations as well as our value chain. This analysis includes assessing various emission sources such as carrier carbon emissions and overall energy consumption within the Group.

The vehicle emissions generated by each trip made by our carriers are one of the most significant sources of carbon emissions in our supply chain. As a responsible company, we recognize the important role and mission of business in reducing carbon emissions and climate risks. We have always been committed to using green logistics and reducing resource consumption in the provision of logistics services. We encourage our carriers to use eco-friendly vehicles, such as new-energy vehicles to fulfill the shipping orders. In 2024 and 2025, in Mainland China, nearly all of our leased vehicles were new-energy vehicles, and 99.0% of the vehicles we sold were new-energy vehicles. We collaborate with new-energy vehicle distributors and leasing partners. We also collaborate with major electric vehicle charging stations in China to provide affordable electric vehicle (“EV”) charging solutions to our carriers, which covered approximately 182,000 EV charging stations in approximately 340 cities in China as of December 31, 2025. As we continue our efforts to provide carriers with electric vehicle options, we believe the proportion of new energy vehicles on our platform will continue to increase.

Climate-related Risks and Opportunities

Climate-related issues are among our common agenda. The demand for our services depends on a stable natural and social environment. Epidemics, extreme weather, earthquakes, and other natural disasters may negatively impact our and our users’ operations. Climate change may result in weather pattern changes, which may increase the frequency of extreme weather conditions, affecting transportation and urban infrastructure and eventually the logistics services we facilitate.

We are also aware that many geographic markets where we operate have been committed to achieving carbon neutrality or net-zero emissions by 2050 or other similar timeline. In the medium to long term, the governments may revise existing or enact new environmental or climate-related laws and regulations to strengthen climate-related requirements, affect vehicle ownership costs of our carriers, increase labor costs, and change merchants’ preference and demand, which may affect our business, operations and financial position. As a result, we have proactively taken the climate-related issues into account when formulating and implementing our business strategies in the geographic markets where we operate to adapt to the evolving climate-related regulatory landscape.

Our Board will assume the responsibility of devising and approving the policies and mechanisms to manage climate-related issues and ensuring adequacy of resources, while our ESG Committee will be responsible for actual implementation of such policies and mechanisms in an effective manner. After the [REDACTED], we will stay informed about the most recent developments in climate-related laws and regulations in the geographic markets where we operate. We will proactively assess and manage climate-related risks by implementing policies to identify and mitigate potential impacts. Additionally, we will leverage our business model and operations to reduce the carbon footprint of our logistics services provided to users, while also identifying opportunities for improvement.

Carrier Welfare

Well-being of carriers on our platform is critical to us. We have developed a framework consisting of five pillars to foster a healthy platform economy across all of the geographic markets where we operate. These pillars include flexibility, autonomy, opportunities and empowerment, transparency, as well as safety and welfare. In addition to a broad range of application features that are designed to enhance carrier satisfaction, we have been devoted to carrier-caring programs since our inception:

- We have founded a “Carrier Care Fund” to provide support to carriers who have experienced family challenges caused by illnesses or natural disasters. Eligible carriers can apply for the “Carrier Care Fund” online and we will review each application on a case-by-case basis before granting any relief. When reviewing and approving applications for the fund, we will take into account various factors such as the carrier’s household income and number of family members. As of December 31, 2025, we have contributed approximately RMB3.4 million to our “Carrier Care Fund”. Through this fund, we have provided assistance to approximately 170 carriers on our platform who faced family hardships resulting from natural disasters or illnesses;

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- We provide carriers with various types of online and offline trainings to help them improve their service quality;
- We launched a carrier-caring campaign, namely Anxinyun (安心運), in September 2022 to help tackle common issues faced by carriers;
- We have established an online carrier forum, and from time to time, organize offline panel discussions with our carriers to facilitate effective communication with them;
- We have set up “Carriers’ Home” to offer convenience services to our carriers, such as leisure facilities, refreshment offerings, and voluntary clinic; and
- We have implemented a transparent communication system with our carriers to prevent and respond to safety incidents during delivery.

In recent years, the PRC government issued a series of opinions in connection with carrier welfare, including the Labor Protection Opinions, the Freight Drivers Opinion and the New Forms of Transportation Opinion. For details, see “Regulation — Regulations Related to Labor Protection”. During the Track Record Period and as of the Latest Practicable Date, we have not engaged in any activity which is prohibited by the Labor Protection Opinions, the Freight Drivers Opinion or the New Forms of Transportation Opinion.

In response to these regulatory developments, we have taken the following specific actions to improve the carriers’ safety and welfare.

- ***Fair and transparent compensation.*** We have taken a wide range of measures to ensure that carriers are fairly compensated for their services and that compensation policies are transparent and clearly communicated to the carriers. For example, we have implemented a system that enables carriers to actively bid for freight orders instead of being passively assigned jobs. The system does not permit carriers to voluntarily lower their fees. These efforts allow carriers to have more control over their income potential by selectively opting for the most favorable and lucrative orders, considering factors such as market conditions, demand-supply dynamics, and personal preferences. For details of our freight matching mechanism, see “— Our Service Offerings — Freight Platform Services — Freight matching”. The multiple tiers of commission discount program that we offer to carriers also contributes to increasing their income potential by giving them the flexibility to tailor their discount program level to their availability, preferences, and goals. Carriers who can commit more hours to driving may opt for a higher-tier with added benefits, such as lower commission rate, while those with limited availability may choose a lower-tier that entails a lower fixed discount program fee. We also proactively monitor and address illicit practices or violations of our terms of services employed by certain carriers in an attempt to gain an unfair advantage during the bidding process for freight orders, such as the use of scripts or bots to automate and rapidly place bids on multiple jobs. We are committed to continuously monitoring and enhancing the carriers’ average order response rate, a metric that demonstrate their prompt and consistent engagement with incoming freight orders.
- ***Recognition and reward for good performance.*** we implement a rating system that highlights the top-performing carriers. Carriers who consistently receive high ratings are given rewards such as badges in recognition of their achievements.
- ***Training and development opportunities.*** We provide training and development opportunities for carriers, including safety and skill training, to help improve carriers’ skills and enhance their job satisfaction.
- ***Health and wellness programs.*** We are proud to participate in the occupational injury insurance pilot scheme in cooperation with relevant authorities, which currently covers the major cities in the Mainland China, such as Beijing and Shanghai. As of December 31, 2025, we have provided occupational injury insurance to over 954 million shipping orders facilitated on our platform under the pilot scheme. We are also dedicated to staying up-to-date on the latest regulatory developments.

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- ***Carriers feedback and engagement.*** We are committed to enhancing our communication with carriers by leveraging both online carrier forums and offline panels, as well as continuously optimizing our platform rules and operations. We regularly solicit feedback from carriers and engage them in the development of our carrier-related policies and practices which helps to build trust and improve carriers satisfaction and well-being.

Our Directors are of the view, concurred by our PRC Legal Advisor, that we have complied with the Labor Protection Opinion, the Freight Drivers Opinion, the New Forms of Transportation Opinion and other laws and regulations in relation to labor protection of carriers in all material respects. We will continue to closely monitor regulatory developments and regularly consult with our legal counsel in the geographic markets where we have a significant presence to ensure ongoing compliance.

Human Capital

We aspire to provide our employees with welfare benefits and a wide array of career development opportunities. We have established a sound talent cultivation mechanism and created an online-offline integrated training platform. For example, our “Global Trainee Plan” enables fresh graduates joining us to swiftly understand the mechanism of our system and platform. We also strive to improve the work-life balance of our employees. In each of our markets, we recruit talents locally to better serve the local communities and customize our service offerings to cater to local needs. The international backgrounds of our employees reflect the expansive reach of our global footprint. As of December 31, 2025, we had 9,166 employees globally.

We have established internal policies regarding overtime working, including the payment of overtime wages and the process for requesting and approving overtime working, in compliance with applicable PRC labor laws. When an employee anticipates the need for overtime working, they are required to submit a formal request via our online intranet to their supervisor or the manager of the HR department. The request should include details such as the reason for overtime working and expected duration. The employee’s supervisor or HR manager reviews the overtime working request and assesses its validity and necessity, considering multiple factors such as workload, staffing needs and any relevant company guidelines. Once the overtime working request is pre-approved by such supervisor or HR manager, the request will be sent to the manager of the employee’s business unit for final approval. The overtime hours and corresponding wages are also recorded in our payroll system. Our overtime working and wages policy is provided to new hires during their onboarding process and made available to existing employees. The overtime working and wages policy is also easily accessible through our online employee intranet. We also encourage the supervisors and managers of each business unit to have individual discussions with their team members to explain the overtime working policy in details on an as-needed basis.

Corporate Governance

Our Board acknowledges its collective and overall responsibility for establishing, adopting, and regularly reviewing our ESG objectives and policies. Our Board will periodically evaluate our ESG-related risks, while overseeing the integration of climate-related factors into our risk management and daily business operations. Our Board will also track our progress towards meeting climate-related targets. Additionally, we [have adopted] a comprehensive set of ESG policies in compliance with the Listing Rules, which outline our corporate social responsibility objectives and provide guidance for carrying out our responsibilities in day-to-day operations.

We [have also established] an ESG Committee to oversee the implementation of our ESG policies and to regularly monitor our ESG-related risks. Our ESG Committee will assist in formulating and reviewing our ESG responsibilities, vision, strategy, framework, principles and policies. Our ESG Committee will also monitor the implementation of ESG policies passed by our Board. For details, see “Directors and Senior Management — Committees under the Board of Directors”. After the [REDACTED], our Board may assess or engage one or more independent external advisors to evaluate ESG-related risks and provide guidance on our existing ESG strategies and initiatives. We will continuously monitor our ESG performance on a regular basis to effectuate the purpose of our ESG policies and to comply with the recommendations and requirements of the applicable laws, regulations and guidance.

ESG Risk Identification and Management

We actively identify and monitor the actual and potential ESG-related risks to our business, strategy and financial performance. We integrate these risks into our sustainability strategies to align with stakeholder expectations and sustainability trends. We may also engage independent external advisors to evaluate ESG-related risks and review our existing strategy, targets, and internal control measures. We will then implement necessary improvements to mitigate or transfer any significant ESG-related risks identified.

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We will continue to enhance our management of ESG matters by implementing a range of measures. These include integrating ESG matters into our strategic planning, conducting regular and updated materiality assessments to identify and evaluate material ESG issues, periodically reviewing our ESG policies and strategies, and regularly monitoring, assessing and transparently disclosing our ESG performance. During the Track Record Period and up to the Latest Practicable Date, we did not own or maintain a server to support our business operations. Alternatively, we utilized various well-known third-party cloud service providers in our daily operations, which is consistent with industry norms. Specifically, ESG will also be a key factor we consider when we select and evaluate our third-party service providers.

HEALTH, WORKPLACE SAFETY AND ENVIRONMENTAL MATTERS

We do not operate any production facilities. We are not subject to significant health, workplace safety or environmental risks. To ensure compliance with applicable laws and regulations, from time to time, our human resources department would, if necessary, adjust our human resources policies to accommodate material changes to relevant labor and work safety laws and regulations. For more information about our employees, see “— Employees”. Carriers on our platform are not our employees.

We have placed a strong emphasis on environmental sustainability and continue to integrate sustainability thinking into corporate decision-making and platform operations. During the Track Record Period and up to the Latest Practicable Date, we have not been subject to any fines or other penalties due to non-compliance in relation to health, workplace safety or environmental regulations, and have not had any accident, or claim for personal or property damage made by our employees which had materially and adversely affected our financial condition or business operations.

PROPERTIES

Our headquarters are based in Kowloon, Hong Kong, and we have over 70 offices in major Mainland Chinese cities, including Beijing, Shanghai, Guangzhou and Shenzhen and over 40 offices in our major overseas markets, such as Thailand, the Philippines, Indonesia, Singapore and Malaysia, as of December 31, 2025. As of the same date, we did not own any properties, and have leased an aggregate of approximately 56,000 square meters of office and off-line operation space in major Mainland Chinese cities and approximately 22,000 square meters in our major overseas markets. We believe that our existing facilities are sufficient for our current needs and we may need to obtain, usually by lease, adequate facilities to accommodate any future expansion plans as we further scale up our business operation. Our leased properties are used for non-property activities as defined under Rule 5.01(2) of the Listing Rules. According to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance which requires a valuation report with respect to all our interests in land or buildings, for the reason that, as of December 31, 2025, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets.

As of the Latest Practicable Date, the lease agreements of all of our leased properties in the PRC have not been registered with the relevant PRC government authorities, and although failure to do so does not in itself invalidate the leases, we may be exposed to potential fines if we fail to rectify within the prescribed time period after receiving notices from the relevant PRC government authorities. Pursuant to relevant PRC laws and regulations, failure to complete such registration may subject us to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. See “Compliance with Laws and Regulations — Defective leased property.”

INSURANCE

We believe that our insurance coverage is in line with the industry practice and is adequate to cover our key assets, facilities and liabilities. Pursuant to PRC regulations, we provide social insurance including pension insurance, unemployment insurance, work-related injury insurance and medical insurance for our employees based in Mainland China. As part of our onboarding process, we require our carriers to obtain compulsory automobile liability insurance. This insurance coverage is necessary to protect against potential personal injury and property damage arising from road traffic accidents involving third parties. Since June 2022, we have also been participating in the occupational injury insurance pilot scheme in cooperation with relevant authorities, which currently covers the major cities in the Mainland China, such as Beijing and Shanghai. As of December 31, 2025, we have provided occupational injury insurance for over 954 million shipping orders facilitated on our platform under the pilot scheme. As of the same date, the insurance claim payouts under the occupational injury insurance scheme, in aggregate, amounted to approximately RMB162 million. In line with general market practice, we do not maintain any business interruption insurance, which is not mandatory under the relevant laws of the jurisdictions we operate. We

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do not maintain key-man insurance or any insurance covering liabilities resulting from misconducts or illegal activities committed by our employees, platform users or business partners, which is consistent with the industry norm. We also do not currently maintain insurance coverage for potential risks of personal injury to our carriers or property damage that may occur during the order fulfillment process, which is aligned with the general market practice.

We have taken proactive measures to mitigate our liability exposure from any misconduct or illegal actions by third parties:

- (i) Users: Our platform has implemented rigorous procedures and policies to regulate user conduct. During the registration and onboarding process, we require users to submit their identity and other relevant information. We also conduct background checks on carriers and their vehicles, as well as inspect and verify their licenses. We are committed to promoting the adoption of Anxinla to further enhance safety measures for our carriers. To increase carriers' safety awareness, we regularly communicate safety messages through our mobile apps and social media channels.
- (ii) Employees: We have implemented a comprehensive set of internal control policies that cover various aspects of human resource management, including but not limited to recruiting, training, work ethic, and legal compliance. To ensure that our employees adhere to our ethical standards, we mandate that they comply with a code of conduct that is outlined in our employee handbook. We also provide regular training sessions to our employees on various relevant topics such as work ethic, working procedures, internal policies, management, and technical skills.
- (iii) Business partners: We conduct standard Know Your Customer (KYC) procedures before onboarding or engaging with a business partner. Additionally, in the service agreements we enter into with our business partners, we typically require them to compensate us for any damages resulting from their misconduct or illegal activities.

As advised by the PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we were not subject to any claims for damages or regulatory actions in connection with the misconducts or illegal activities by our employees, carriers, merchants or business partners in PRC, which would individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

LEGAL PROCEEDINGS AND OTHER INCIDENTS

During the Track Record Period and up to the Latest Practicable Date, we had not been a party to, and were not aware of any threat of, any legal, arbitral or administrative proceeding, which, in our opinion, would likely have a material and adverse effect on our business, financial conditions or results of operation. We may from time to time become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business.

During the Track Record Period, we have also experienced the following other types of incidents. We believe none of such accidents has individually or in the aggregate resulted in a material adverse impact on our business operations and financial performance:

- (i) Road accidents involving carriers that occurred while fulfilling orders, resulting in damage to or loss of cargo, personal injury or casualties. We have been from time to time involved in disputes with the victims of such road accidents who sought to hold us liable alleging that we failed to exercise due care in verifying carriers' qualification during onboarding and registration process.
- (ii) Incidents where merchants violated our internal policy by placing orders for transporting passengers without any freight, potentially resulting in carriers illegally using commercial vehicles to transport passengers and leading to regulatory penalties. For example, in May 2022, local transportation regulatory authorities in Shanghai fined us RMB100,000 and requested rectification measures due to multiple instances of our carriers illegally transporting passengers without any freight.
- (iii) Other types of accidents involving carriers and merchants, sometimes unrelated to the fulfillment of freight orders. For instance, in February 2021, a merchant died tragically after falling from a moving vehicle operating by a carrier that she hired through our platform. This incident received negative press coverage in Mainland China.

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During the Track Record Period and up to the Latest Practicable Date, we have been involved in a total of 243 lawsuits in China resulting from road accidents that caused the fatalities of merchants, carriers, pedestrians, operators of other vehicles or any third-party individuals. We were not the primary party at fault in all of these 243 lawsuits in China. The plaintiffs sought varying amounts of monetary damages, ranging from RMB0 million to RMB3.2 million, totaling approximately RMB264.9 million. Out of these lawsuits, the courts have made their rulings in 180 lawsuits, including: (i) 15 lawsuits in which the courts ruled that we were vicariously liable for civil law liabilities arising from the misconduct of our carriers, resulting in a total of approximately RMB4.8 million of compensation ruled for damages; (ii) three cases where we were not ordered to share a portion of the damages by the courts, we nonetheless voluntarily provided a compensation of RMB100,066 in total as a humanitarian gesture; (iii) nine cases where we reached a settlement through mediation and paid a compensation of RMB667,891; and (iv) 153 cases in which the courts ruled that we were not liable for civil law liabilities. For the 63 remaining lawsuits, the maximum potential liabilities, in aggregate, were RMB72.65 million.

Taking into account that (i) we were not identified as the primary parties at fault in all of these lawsuits, and (ii) the immaterial amount of monetary damages payable by us, we believe that these cases, individually or collectively, will not have a material adverse impact on our business operations. As advised by the PRC Legal Advisor, the Criminal Law of the PRC does not expressly impose on platform operator criminal liability arising from the misconduct of the carriers on the platform, and therefore the possibility that we are held criminally liable for the misconduct of the registered carrier is remote. We have not been a criminal defendant to any criminal proceedings or held liable for any criminal liabilities during the Track Record Period and up to the Latest Practicable Date. Additionally, we have from time to time received complaints from merchants about carriers providing unsatisfactory services or charging fees in violation of our policy.

We have put in place procedures and policies to screen and regulate the conduct of users on our platform, including requiring them to submit identity and other information during the registration and onboarding process, conducting background checks on carriers and their vehicles, inspecting and verifying the licenses and authorizations of carriers, merchants and vehicles, and developing an intelligent transportation 3-camera IoT system, Anxinla, to enhance safety for both drivers and freight. To ensure that carriers meet certain requirements before joining our platform, we have implemented a robust registration and onboarding process. Candidates are required to submit their ID and vehicle details online for verification, and then complete a face-to-face verification at one of our offline stores. Prior to onboarding, we conduct thorough background and qualification screening. For more details, see “— Our Carriers”. We offer clear communication channels for both merchants and carriers to resolve any issues or accidents that may arise, and provide dispute resolution mechanisms to help reach a mutually acceptable solution. If a complaint cannot be resolved through normal channels, we have an escalation process that allows users to bring the issue to higher levels of our management for resolution. We have also adopted clear user policies that outline acceptable behavior and consequences for violating those policies. Violators may be subject to penalties or account suspension or termination. Please also see “— Customer Services”.

We may also be involved in incidents relating to labor protection and disputes. For example, in November 2022, some carriers on our platform launched a three-day strike in various regions of Mainland China, alleging that changes in our fee policy had reduced their incomes. The strikes temporarily disrupted the delivery of goods and services, causing delays, increased costs and a temporary shortage in carrier supply in the regions impacted by the strikes. However, the impact of the strikes was temporary and immaterial, because (i) we had taken a variety of measures to mitigate their effects, such as finding alternative carriers or modes of transportation, and negotiating with the striking carriers on strikes; and (ii) the number of carriers involved in the strikes was immaterial as compared to the Company’s total carrier base. In addition, we have not been subject to any administrative and regulatory fines or penalties in connection with these strikes. We are dedicated to enhancing our carriers’ workplace safety and welfare. For details, see “— Environmental, Social and Governance — Carrier Welfare”.

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any legal or administrative proceedings in connection with such incidents or complaints, which would individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. We have voluntarily made compassionate payments in some instances to parties who suffered injuries in relation to such incidents.

LICENSES, PERMITS AND APPROVALS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant regulatory authorities that are material to our operations in China, other than as disclosed in this section below.

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The following table sets out a list of our material licenses and permits:

License/Permit	Entity Holding the License/Permit	Expiration Date
Value-added Telecommunications Business Operating License	Lala Energy	20/8/2030
Value-added Telecommunications Business Operating License	Lala Tianjin	23/8/2029
Value-added Telecommunications Business Operating License	Shenzhen Huolala	26/8/2027
Value-added Telecommunications Business Operating License	Shenzhen Huolala	26/8/2027
Value-added Telecommunications Business Operating License	Shenzhen Huolala	6/12/2028
Graded Protection of Communication Network Security Filing Certificate	Shenzhen Huolala	N/A
Notice on Result of Graded Protection of Information Security Assessment	Shenzhen Huolala	N/A
Road Transportation Operation License	Lala Tianjin	31/12/2025
Road Transportation Operation License	Tianjin Huolala	30/10/2027
Road Transportation Operation License	Shenzhen Huolala	04/01/2028
Road Transportation Operation License	Chongqing La La New Auto Technology Co., Ltd.	18/9/2029
Graded Protection of Information System Security Filing Record	Lala Tianjin	N/A
Value-added Telecommunications Business Operating License	Beijing Jiche	26/8/2026
Value-added Telecommunications Business Operating License	Tianjin Huolala	9/7/2026

COMPLIANCE WITH LAWS AND REGULATIONS

We are subject to various regulatory requirements and guidelines issued by the regulatory authorities in the jurisdictions in which we operate. During the Track Record Period and up to the Latest Practicable Date, we have had non-compliance incidents relating to carriers’ use of passenger vehicles in freight services, which we believe would not, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operations.

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents, i.e. incidents that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, and results of operations.

Carriers’ use of passenger vehicles in freight services

Background and Reasons for Non-compliance

According to Article 34 of the Road Transportation Regulation, a road transport vehicle for the transport of passengers shall not be used for the transport of goods. Under Article 38 of the PRC E-Commerce Law, when we are or should be aware of the services provided by the carriers using our platform do not comply with the requirements for protection of personal safety and property security, we are required to adopt requisite measures. For more information, see “Regulations — Regulations Related to Road Transportations” and “Regulations — Regulations Related to E-Commerce”.

If we were to prohibit our carriers from using passenger vehicles in freight delivery, the size of our carrier base would decrease and would lead to decrease of services available to our merchants and increases of service costs due to higher cost of freight vehicles. Furthermore, this may significantly affect

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the income levels of many carriers or even deprive the carriers of their employment opportunities as it will be financially impracticable for carriers to replace their passenger vehicles with freight vehicles within a short period of time. It is in the best interests of our carriers and us to maintain a vibrant and growing carrier base with increasing transaction volumes, while ensuring the safety and well-being of all carriers serving on our platform. Nonetheless, we had been proactively taken steps to prevent our carriers from using passenger vehicles, and that such measures effectively contributed to the reduced percentage of total GTV contributed by the transactions completed by the passenger vehicles on our platform. For details, see “— Remedial Measures”.

Potential Legal Consequences and Latest Status

Articles 38 & 83 of the PRC E-commerce Law

In accordance with Article 83 of the PRC E-commerce law, our maximum potential penalty for violating the provisions of Article 38 of the PRC E-commerce Law includes an order to suspend our business operations and make corrections, and a fine of RMB500,000 to RMB2,000,000.

Our PRC Legal Advisor has interviewed with the SAMR and its local branch. It has been confirmed in interviews with such regulatory authorities that there are no clear official guidelines as to what would constitute “serious cases” under Article 83 of the PRC E-commerce Law to warrant the imposition of a maximum penalty of business suspension. During the interviews, the PRC Legal Advisor disclosed to the authorities that some carriers used passenger vehicles when providing freight services via our platform and the authorities indicated their discreet attitudes toward the order of suspension of operators’ business operations under Article 83 of the PRC E-commerce Law, and confirmed that as a general principle, they will not order any large platform like us to suspend business operations under Article 83 of the PRC E-commerce Law. As advised by our PRC Legal Advisor, based on the PRC E-commerce Law and the internal organizational structure and functions of the SAMR and its local branches, the SAMR, such local branch interviewed and the officers attending the interviews have competent authority to address the inquiries. In addition, the PRC Legal Advisor has conducted searches on the website of SAMR where non-compliance cases nationwide are published and found no search results indicating that the SAMR has ordered any platforms to suspend business operations for serious violations of Article 83 of the PRC E-commerce Law. During the Track Record Period and as of the Latest Practicable Date, we have never been subject to any warning, penalty, sanction, investigation or reprimand by the PRC regulatory authorities as a result of our carriers’ use of passenger vehicles in freight services pursuant to Article 83 of the PRC E-commerce Law.

Based on the foregoing and considering the remedial measures taken by us as provided below, our PRC Legal Advisor is of the view that the likelihood that we would be ordered to suspend our business operations as a result of our carriers’ use of passenger vehicles in freight service pursuant to Article 83 of the PRC E-commerce Law is remote.

In light of the above, our Directors are of the view that (i) it is unlikely that we would be ordered to suspend the business operations under Article 83 of the PRC E-commerce Law, (ii) the maximum monetary penalty under Article 83 of the PRC E-commerce Law (i.e., RMB2 million) would not have a material financial or operational impact on us, and (iii) the non-compliance under Article 83 of the PRC E-commerce Law would not have any material adverse impact on us.

Remedial Measures

Contractual Safeguards

In the service agreements entered into with all carriers (the “Service Agreement”), we required all carriers to use vehicles that satisfy the relevant legal requirements for freight services and if in any event the vehicles fail to satisfy the requirement for freight services, the carriers shall immediately stop providing any freight services and promptly report such event to us. The Service Agreement also requires that all carriers provide their identification proof, driving licenses, road transport business permits and other relevant qualifications to us and ensure that all the information provided is complete and accurate. In addition, all carriers shall undertake to use the same vehicles for freight services as the ones they register with our platform. Where the carriers are fined, we will not provide any reimbursement to such carriers to compensate for their losses.

Before the carriers begin their businesses on our platform, they will also be required to attend comprehensive training programs focused on driving safety education and study our driver code of conduct.

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Other Operational and Technological Measures

Apart from inspection of the carriers’ qualification and regulating the driver’s conduct, we have also adopted a series of measures to ensure the safety and security of both the merchants and the property. For instance, we developed and adopted an intelligent transportation IoT system, Anxinla in March 2021. Anxinla is an integrated smart operation system that encompasses various functions, including audio and video recording within and outside vehicles, real-time vehicle positioning and route tracking, alarm systems, voice prompts and built-in algorithms. Such technical functions of Anxinla play a vital role in assisting us in providing a safe environment for both carriers and merchants by monitoring the vehicle conditions and tracking the vehicles’ routes and movements in real time. We believe that Anxinla helps us to fulfill our obligations under Article 38 of the PRC E-commerce Law — the policy goal of such law is to ensure the safety of the merchants and the vehicles. For example, Anxinla as in-vehicle surveillance cameras and systems can monitor the carriers’ behavior to ensure that they are not engaging in dangerous driving practices such as texting while driving and speeding. In the event of an accident, Anxinla can provide crucial evidence to help determine the cause of the accident and who was at fault. Anxinla can also improve overall safety by providing a deterrent against potential illegal or inappropriate activities and helping to identify and address safety concerns. As of the Latest Practicable Date, our adoption rate of Anxinla was approximately 14.2%, up from zero in March 2021 when the Company began to introduce Anxinla to its users. The Anxinla adoption rate as of the given date is calculated by dividing the number of Anxinla-equipped vehicles as of that date by the number of vehicles taking intra-city freight orders as of the same date. See “— Our Technology” in this section for information about Anxinla.

Although the installation of Anxinla is not mandatory, we have been proactively encouraging and motivating all carriers to install Anxinla in their vehicles by providing appropriate incentives. For instance, we will prioritize and direct orders to vehicles installed with Anxinla first, especially for those orders where the merchants may take the ride with the carriers, such as the house-moving orders. Since the launch of Anxinla in March 2021, more than 149,600 vehicles registered on our platform have already been installed with Anxinla in Mainland China, as of the Latest Practicable Date, and we will continue to accelerate our progress to install Anxinla to substantially more vehicles through the end of this year.

In addition, with the assistance of our PRC Legal Advisor, we have formulated a series of rectification measures. We believe that by implementing the following measures, we will be able to continue reducing the number of passenger vehicles used by carriers for freight services, or “non-compliant” vehicles, going forward. Our approach includes gradually replacing non-compliant vehicles with compliant ones through a series of measures, such as:

- We will continue to form strategic partnerships with third-party suppliers of qualified new-energy vehicles. By offering more favorable discount program fee policies, we will encourage carriers to purchase and lease qualified vehicles on our platform, increasing the proportion of compliant vehicles used on the platform.
- We evaluate commercial vehicle regulations and policies in Mainland China, as well as the percentage of non-compliant vehicles in each city where we operate in Mainland China. Based on this assessment, we will classify cities into different types and implement tailored plans to phase out non-compliant vehicles in these cities. As part of our ongoing efforts, we plan to formulate specific classification plans for these Mainland China cities. Our proposed classification will consider multiple factors, including the percentage of “non-compliant” vehicles operating in the local market, the availability of compliant vehicles and carriers’ receptiveness to compliant commercial electric vehicles (EV) in the area, and whether the local regulatory authorities have implemented measures to phase out these “non-compliant” vehicles, among other relevant considerations. We plan to establish dedicated teams of internal personnel responsible for maintaining close communication with local transportation regulatory authorities in the cities across Mainland China where we operate, which enables us to stay well-informed and promptly respond to the latest regulatory developments concerning commercial vehicles. Between January 1, 2025 and December 31, 2025, approximately 176,000 non-compliant vehicles were phased out from or ceased to operate on our platform. We are dedicated to promoting our vehicle replacement initiative to carriers, and we emphasize the importance of operating compliant vehicles to our carriers. We plan to first introduce our vehicle replacement initiative in 20 cities, enabling carriers to sell their non-compliant vehicles back to us and either purchase or lease new compliant vehicles. In 2025, we implemented a nationwide rollout of the program, and phased out approximately 13,000 vehicles. The program will continue expanding to more cities in 2026, with the aim of phasing out 70,000 vehicles, respectively. We currently target to phase out at least 150,000 non-compliant vehicles between March 31, 2023 and the end of 2026 but will also continue to monitor the progress of our vehicle replacement initiative and assess whether to modify our annual targets accordingly.

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- We have been dedicated to providing carriers with electric vehicle options, and we believe the proportion of new energy vehicles on our platform will continue to increase. See “— Environmental, Social and Governance — Environmental Sustainability.” We will continue to promote the sales and leasing of new energy commercial vehicles. Additionally, we aim to encourage carriers to switch to compliant EV when they join our platform or trade-in their existing vehicles by offering more favorable leasing and sales options. By doing so, we hope to increase the proportion of compliant vehicles used on the platform and promote sustainable transportation practices. We intend to offer favorable terms and privileges to incentivize carriers to adopt EVs. These may include discounts on lease prices, reduced deposits, and insurance coverage for carriers who opt in early. From January 1, 2025 to December 31, 2025, approximately 41,000 EVs were sold to carriers, and approximately 36,100 EVs were leased. We do not provide direct cash incentives to carriers for EV adoption. Instead, the focus is on facilitating access to reliable and high-quality EV suppliers that offer carriers affordable and competitive terms. Therefore, we do not anticipate our EV initiatives to have a material financial impact on our results of operations and financial conditions. We achieved our target to add approximately 50,000 compliant EVs for sales and leasing to the platform per year in 2024, and we will continue this target in recent years.
- We will cooperate with law enforcement agencies to identify carriers who engage in illegal activities, including the use of passenger vehicles for freight services. To the extent required by law or the law enforcement agencies, we will also share information about illegal carrier activities with them to support investigations and legal actions. We will work closely with local police departments to conduct periodic background checks and due diligence on carriers.
- We will further increase monitoring and reporting of illegal activities by encouraging users to report any illegal or suspicious activities. We will use Anxinla and other technologies to detect patterns of illegal or inappropriate activities and take appropriate action, such as suspending carriers from the platform.

In addition, we have been providing various incentives to carriers to purchase or lease the qualified freight vehicles for freight services on the platform. Once the carriers purchase or lease such qualified freight vehicles from us, we would provide them with the commission discount program package that offers the carriers additional privileges free of charge — e.g., there is no limitation on the maximum number of freight service transactions carriers can complete per day and all such transactions would not be charged commission by the platform for a specified period of time. Through these effective measures, the total number of qualified vehicles supplied through our vehicle sales and leasing services increased significantly to approximately 68,000 in 2023 and approximately 77,635 in 2025, respectively.

Transactions completed by carriers using passenger vehicles contributed 20.5%, 15.5%, and 14.3% respectively, of our GTV, and 25.7%, 19.8% and 16.0%, respectively, of our fulfilled orders in 2023, 2024 and 2025. Over these years, the percentages have generally exhibited a downward trend. We consider this trend as evidence of the effectiveness of our measures in tackling the issue. We will continue to implement remedial measures as discussed above with a view to increasing our overall compliance rate over time. We expect that the use of passenger vehicles for freight transportation on our platform will diminish over time as we continue to implement the measures outlined above, with a general cessation of such activities within the next three to five years.

Having considered (i) the Company’s business model and the scale of the Group’s operations; (ii) the discussions with the PRC Legal Advisor, the Joint Sponsors’ PRC legal advisor and the Company’s management to understand, among others, the regulatory background of the non-compliance matters and the scope of the rectification actions taken to address the non-compliance matters; (iii) the discussions with the Industry Consultant, to understand the shortage in qualified freight vehicles, and the practical difficulty involved in rectifying the non-compliance issue instantly and in a clean-cut fashion for the Company and other industry players; (iv) the discussions with the internal control consultant regarding the proposed scope of the rectification measures; (v) having obtained and reviewed supporting operating data in relation to the decrease in percentage of total GTV contributed by the transactions completed by passenger vehicles and (vi) the Directors’ view on the proposed rectification measures and internal control system, nothing has come to the attention of the Joint Sponsors that would cause them to cast doubt on the reasonableness of the Directors’ views that the proposed rectification measures are adequate and effective to prevent the recurrence of similar non-compliant use of passenger vehicles or modified vehicles by carriers in freight services.

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Social insurance and housing fund contributions

In accordance with the PRC Social Insurance Law (《中華人民共和國社會保險法》) and the Regulations on the Administration of Housing Fund (《住房公積金管理條例》) and other relevant laws and regulations, China established a social insurance system and other employee benefits including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance, and housing fund. During the Track Record Period, we had not made social insurance and housing fund contributions for some of our employees in full in accordance with the relevant PRC laws and regulations, and a number of our PRC entities engaged third-party human resources agencies to pay social insurance premium and housing funds for their employees. This is because such employees worked outside of the cities where the PRC entities are registered and third-party human resources agencies were engaged to pay social insurance premium and housing funds for such employees in cities where they worked.

For 2023, 2024 and 2025, we had shortfalls of RMB31.9 million, RMB28.8 million and RMB16.0 million, respectively, in our social insurance contributions and shortfalls of RMB4.9 million, RMB3.4 million and RMB1.9 million, respectively, in our housing fund contributions. As advised by our PRC Legal Advisor, an employer that has not made social insurance contributions at such rate and based on such amount as prescribed by the law, or at all, may be ordered to rectify the non-compliance and pay the required contributions within a stipulated timeframe and be subject to a late fee of up to 0.05% per day. Failure to fulfil the outstanding contributions within the stipulated timeframe may result in fines ranging from one to three times of the amount in arrears. We estimate that the potential maximum aggregate fines that may be imposed due to our shortfalls in social insurance contributions for the Track Record Period is RMB230.4 million. Additionally, pursuant to relevant PRC laws and regulations, if there is a failure to pay the full amount of housing fund as required, the housing fund management center has the authority to demand payment of the outstanding amount within a prescribed timeframe. If the payment is not made within the timeframe, an application may be made to PRC courts to initiate compulsory enforcement. In the event that the competent social insurance or housing fund authorities in the PRC request us to pay the outstanding amounts in our social insurance and housing fund contributions, including any overdue charges (if applicable), we commit to fully and promptly comply with all such requirements. Our PRC Legal Advisor has advised us that once we pay the outstanding amounts of social insurance and housing funds and the overdue charges (if any) in full in timely manner after receiving notices from the relevant regulatory authorities, we will not be subject to administrative fines.

We did not make any provisions for our shortfalls in social insurance and housing fund contributions for the years of 2023, 2024 and 2025, taking into consideration the following factors: (i) during the Track Record Period and up to the Latest Practicable Date, no administrative action, fine or penalty had been imposed by the relevant regulatory authorities with respect to our contributions to social insurance and housing funds; (ii) we have not received any notification from the relevant PRC authorities demanding payment of the shortfalls or any overdue charges with respect to social insurance and housing funds; and (iii) in February 2023, we consulted with and obtained confirmations from the competent governmental authorities and have been advised by our PRC Legal Advisor that, in general, the likelihood that we are required to pay such shortfalls and overdue charges in connection with contributions social insurance and housing funds is remote.

Our failure to make full social insurance and housing fund contributions for employees can be attributed to several factors. Firstly, many employees exhibit high turnover and prefer not to contribute to social insurance and housing funds. Secondly, certain employees are unwilling to participate in these schemes due to their obligations to make their own share of contributions, which would reduce their net income. Due to the practical difficulties outlined above, we have not been able to fulfill the outstanding contributions to social insurance and housing funds during the Track Record Period and as of the Latest Practicable Date.

We have been taking the following internal control measures to rectify our practices and minimize future occurrences of such non-compliance: (i) We have actively communicated with our employees to seek their understanding and cooperation in complying with the applicable regulatory requirements, as social insurance and housing funds require personal contribution from employees. We will try our best to be fully compliant with the applicable laws and regulations by gradually making statutory contributions to the social insurance and housing fund based on the actual salary level of our employees going forward; (ii) We have established a compliance management team to continuously monitor the matters of social insurance and housing funds, and the compliance management team will properly prepare, maintain and review the written records with respect to the payment status for the social insurance and housing fund on a regular basis; (iii) The employment documents state that the company will follow the requirements of the respective local authorities and pay social insurance and housing fund for employees accordingly; (iv) We have incorporated detailed information about social insurance and housing funds into the onboarding process for new employees, emphasizing our commitment to employee welfare; (v) We create easily understandable informational materials and brochures that explain the contribution process; (vi) We arrange individual communications between human resource personnel and employees to address any

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concerns, clarify doubts, and provide personalized guidance regarding social insurance and housing funds; (vii) We have developed user-friendly digital platforms that enable employees to easily locate resources and seek clarification regarding participation in social insurance and housing funds; (viii) We use multiple communication channels, including internal portals, to ensure that information regarding social insurance and housing funds reaches all employees; (ix) We have been, and will continue to, actively follow the latest PRC regulatory developments in respect of social insurance and housing funds through regular consultation with our PRC legal advisor; and (x) We have been, and will continue to, actively communicate with relevant social insurance and housing fund local authorities to ensure we acquire the most updated information about the relevant laws and regulations concerning social insurance and housing fund. If relevant authorities order us to pay the outstanding social insurance and/or housing fund in accordance with applicable laws and regulations, we undertake to make such payments promptly within the specified period.

See “Risk Factors — Risks Related to Our Business and Industry — Failure to fully comply with labor-related laws and regulations may subject us to penalties.”

Defective leased property

We lease office spaces from third parties for our operations in the PRC and the overseas markets where we operate. Any deficiencies in the leased properties, or lessors’ title to such properties, may impact our use of the offices, or in extreme cases, result in relocation, which may in turn affect our business operations. In addition, as of the Latest Practicable Date, none of our 623 lease agreements for properties leased in the PRC has been registered with the relevant PRC government authorities, and although failure to do so does not in itself invalidate the leases, we may be exposed to potential fines if we fail to rectify within the prescribed time period after receiving notices from the relevant PRC government authorities. Pursuant to relevant PRC laws and regulations, failure to complete such registration may subject us to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. The maximum penalties that may be imposed due to the non-registration of these lease agreements is RMB6.07 million. Our PRC Legal Advisor is of the view that the non-registration of lease agreements will not affect the validity of the lease agreements, and we are entitled to use such properties in accordance with the lease agreements insofar as these lease agreements are legal, valid and enforceable. Furthermore, our leased properties mainly serve as office spaces, which gives us the flexibility to relocate them with relative ease and minimal impact on our business continuity. As a result, we do not believe that the non-registration of these lease agreements will, individually or in the aggregate, have a material adverse effect on our business operations.

Furthermore, certain lessors of our leased properties in the PRC have not provided us with valid property ownership certificates or any other documentation proving their right to lease those properties to us. As of the Latest Practicable Date, we are not aware of any actions or claims raised by any third parties challenging our use of these properties we currently lease, nor have we received any notices from the PRC government authorities. If our lessors are not the owners of these properties or they have not obtained consents from the owners or their lessors or permits from the relevant government authorities, our leases could be invalidated. If leases are invalid, we may face the risk of moving out of the leased property. In addition, in the event that our use of properties is challenged or our lease agreements are terminated unilaterally by the lessors, we may be forced to relocate and our business and results of operations may be materially and adversely affected. For related risks, see “Risk Factors — Risks Related to Our Business and Industry — We face certain legal and regulatory risks relating to the real estate properties that we lease.”

Administrative Guidance Meetings

During the Track Record Period and up to the Latest Practicable Date, we and other major digital freight platforms in China were invited to attend “administrative guidance meetings” with the regulatory authorities, including the local branches of the SAMR and the road transportation administrations at different levels. As advised by the PRC Legal Advisor, these meetings did not constitute administrative penalties or finding of legal liabilities under the applicable PRC laws and regulations. The main topics discussed and guidance provided by the regulatory authorities during these meetings mainly included the sustainable and healthy development of commercial freight transportation (using internet technologies), prevention of illegal activities on digital freight platforms, and the continued improvement of carrier welfare and safety standards. More specifically, these meetings were aimed at addressing: (i) Protection of the carriers’ legitimate rights and interests and their workplace safety through the terms of use (including our pricing policy) with carriers, the platform’s roles in ensuring a safe workplace and welfare to the carriers, and the contributions of the platform to the overall sustainable development of the road freight industry in China; (ii) Measures to reduce the risks of illegal use of passenger vehicles for freight transportation on these platforms; (iii) Measures to enhance the platforms’ verification processes to ensure that carriers are properly licensed to transport commercial freight; (iv) Enhancing collaboration with the relevant regulators to share information and coordinate efforts to enforce regulations related to commercial freight transportation; and (v) Fostering fair competition among all platforms to promote the healthy development of the industry.

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The following sets forth details of the principal administrative guidance meetings that we attended during the Track Record Period up to the Latest Practicable Date:

- On April 7, 2023, we attended a meeting organized by the Inter-ministerial Joint Committee for the Coordination and Supervision of New Forms of Transportation, together with a number of other online freight platforms. The authorities emphasized the importance of implementing measures to safeguard the rights and interests of stakeholders, avoiding excessively high fee rates, and ensuring compliance with all relevant laws and regulations. Additionally, the authorities highlighted the need for improvement of the mechanism for handling carriers’ complaints and feedback. The authorities did not request us to take any specific follow-up measures following the meeting.
- On May 30, 2023, we attended a meeting organized by the Inter-ministerial Joint Committee for the Coordination and Supervision of New Forms of Transportation, together with a number of other online freight platforms. We reported to the authorities as to the progress and measures we have implemented to rectify business practices that may infringe upon the legitimate rights and interests of carriers. We have conducted self-inspection on the improvement measures and prepared and submitted to the regulatory authorities a formal report. We did not receive any objection to the report from the regulatory authorities and were not subject to any administrative penalties upon the submission of such report.
- On November 3, 2023, we attended a meeting organized by the Inter-ministerial Joint Committee for the Coordination and Supervision of New Forms of Transportation, together with a number of other online freight platforms. The authorities reiterated their previous guidance on ensuring fair competition and carriers’ rights and interests, and requested us to continue to implement the measures to rectify business practices that may infringe upon the legitimate rights and interests of carriers. Additionally, the authorities highlighted the need for improvement of the mechanism for handling carriers’ complaints and feedback to safeguard their legitimate rights and interests. We have conducted self-inspection on the issues addressed at the meeting and prepared and submitted to the regulatory authorities a formal report. We did not receive any objection to the report from the regulatory authorities and were not subject to any administrative penalties upon the submission of such report.
- On December 5, 2023, we attended a meeting organized by the Inter-ministerial Joint Committee for the Coordination and Supervision of New Forms of Transportation, together with a number of other online freight platforms. The authorities reiterated their previous guidance on ensuring fair competition and carriers’ and interests, and requested us to continue to implement the measures to rectify business practices that may infringe upon the legitimate rights and interests of carriers. Additionally, the authorities highlighted the need for improvement of the evaluation mechanism for operational strategies with a goal of ensuring the legitimate rights and interests of carriers. We have conducted self-inspection on the issues addressed at the meeting and prepared and submitted to the regulatory authorities a formal report. We did not receive any objection to the report from the regulatory authorities and were not subject to any administrative penalties upon the submission of such report.
- On March 5, 2024, we attended a meeting organized by the All-China Federation of Trade Unions. During the meeting, the authorities highlighted their support to promote the high-quality development of our business and strengthen the impacts of our trade union. Additionally, the authorities provided guidance and requests on safeguarding the legitimate rights and interests of carriers and maintain the stability of carriers. The authorities did not request us to take any specific follow-up measures following the meeting.
- On December 31, 2024, we attended a meeting organized by the State Administration for Market Regulation. The authority requested that we ensure the mechanisms for determining fee rates are reasonable. The authority did not request us to take any specific follow-up measures following the meeting.
- On August 15, 2025, we attended a meeting organized by Task Force Office for Addressing Stability Risks Related to Truck Drivers (應對處置貨車司機涉穩風險工作專班辦公室). The authorities provided guidance and requests on enhancing the three rates of the 12328 hot-line for truck drivers’ demands and safeguarding the legitimate rights and interests of carriers. The authority did not request us to take any specific follow-up measures following the meeting.
- On September 23, 2025, we attended a meeting organized by the State Administration for Market Regulation. The authority reiterated and reminded us to comply with the Anti-Monopoly Law of the People’s Republic of China and other relevant laws and regulations, fulfill our antitrust compliance responsibilities, standardize our business operations, ensure fair competition and safeguard legitimate rights and interests of carriers and consumers.

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- On February 3, 2026, we attended a meeting jointly organized by the Ministry of Human Resources and Social Security and other relevant authorities, together with a number of other online freight platforms. During the meeting, the authorities notified issues relating to subsidy practices of food delivery platforms, fixed-price and preferential order pricing mechanisms, as well as unreasonable pricing in freight and express delivery services. The authorities required relevant enterprises to fully fulfill their responsibilities as employers, continuously improve labor management practices, and effectively safeguard the legitimate rights and interests of workers in new forms of employment. The authorities did not request us to take any specific follow-up measures following the meeting.

We have been proactively taking measures to address regulatory guidance on carrier welfare and protection. For details, see “— Legal Proceedings and Other Incidents”, “— Compliance with Laws and Regulations — Carriers’ use of passenger vehicles in freight services — Remedial Measures” and “— Environmental, Social and Governance — Carrier Welfare”. Additionally, we remain dedicated to fostering fair competition within the industry. To achieve this goal, we have proactively taken steps to ensure we provide transparent pricing information to carriers and merchants and avoid exclusive dealing arrangements. We intend to start to implement compliance programs to detect and address any potential anti-trust violations in the next six months, and continue to incorporate fair competition and anti-trust considerations into the formulation of our business strategies. Specifically, we have established a dedicated department focused on anti-monopoly and cybersecurity compliance. This department is responsible for formulating comprehensive group-wide compliance policies and programs. Additionally, we will implement a systematic review mechanism to ensure that our commercial practices adhere to the applicable antitrust and cybersecurity laws. We will also establish protocols to facilitate effective communication with regulatory authorities. These initiatives are part of our ongoing efforts to strengthen our compliance framework and ensure that we operate in compliance with all applicable regulations.

AWARDS AND RECOGNITIONS

We received numerous awards and recognitions in the past, such as Recommended Brand of Logistics Technology and Equipment in 2023 and Award of Business Support Contribution in 2022.

RISK MANAGEMENT AND INTERNAL CONTROL

Human Resource Risk Management

We have established internal control policies covering various aspects of human resource management such as recruiting, training, work ethic and legal compliance. The demand in our industry for skilled employees is intense and we may be adversely affected by the departure of any key employees. Each of our executive officers and key employees has entered into an employment agreement with confidentiality, intellectual property and non-competition provisions with us. We also require our staff to conform to high ethical standards. We distribute copies of our employee handbook to all of our employees which contains, among other things, a code of conduct that each employee must comply with. We provide regular trainings to our staff on work ethic, working procedures, internal policies, management, technical skills and other aspects that are relevant to their day-to-day work. Through these trainings, we ensure their skillset is up-to-date and meets our requirements.

Information Technology Risk Management

See “— Cybersecurity and Data Privacy” in this section for information about our information security procedures and policies.

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, treasury management policies, expenses management policies, employee reimbursement policies, budget management procedure and financial statement preparation procedure. We have various procedures and IT systems 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. Our finance team is headed by our chief financial officer, Mr. Chen Guo Ji, who has extensive experience in finance and financial reporting. All other senior members of our finance department are experienced in finance and accounting.

Legal and Compliance Risk Management

Our business is subject to regulation and supervision by national, provincial and local government authorities with regard to our business operations, which may be subject to change. For further details on

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the applicable laws and regulations in relation to our business operations, see “Regulations”. If we fail to comply with these laws and regulations, we may be required to rectify and may incur penalties and losses. In addition, we have strengthened our legal and compliance risk management by: (i) reviewing our management accounts on a monthly basis by our finance department to monitor the key financial indicators of our operations; (ii) establishing risk-monitoring thresholds in our system to monitor and identify their irregularities and non-compliance incidents in our operations; (iii) monitoring legal updates, including updates on the interpretation of applicable laws and regulations by relevant regulatory authorities; and (iv) reiterating the importance of adherence to our operational protocols and procedures to our employees and, in particular, new employees, to ensure effective implementation of our operational protocols and procedures.

Internal Control Risk Management

To ensure strict compliance of our business operations with applicable rules and regulations, we have designed and adopted a set of comprehensive internal control policies. To reinforce the control environment and ensure the effectiveness of internal control across our organization, our risk management committee works closely with our business units and functional departments (such as legal and compliance, finance, procurement and security) to monitor and improve the implementation of internal control processes in our daily business operations. Under our firm-wide whistle-blowing policy, we make our internal reporting channel open and available to our employees on an anonymous basis.

In preparation for the [REDACTED] and the [REDACTED], we engaged an independent internal control consultant to perform an internal control review of its internal control system in accordance with AATB1 within the agreed scope which covered company-level process and business processes. Such review of the Group’s internal control system covered the periods from August 1, 2020 to July 31, 2021, January 1, 2022 to December 31, 2022 and July 1, 2024 to December 31, 2025 (the “IC Review”). During the reviews of our independent internal control consultant, certain deficiencies were identified and we have adopted corresponding internal control measures to improve on these deficiencies. We had adopted substantially all of the recommendations and had improved our internal control system to comply with the Listing Rules. Having considered the internal control measures adopted by us, our Directors are of the view that our enhanced internal control measures are adequate and effective having regard to the obligations of our Company and our Directors under the Listing Rules and other relevant legal and regulatory requirements.