OUR VISION

To become a globally most trustworthy partner in cross-border e-commerce logistics.

OUR MISSION

To continuously enhance cross-border logistics efficiency through technology and to deliver globally connected services across diverse e-commerce scenarios, enabling global manufacturing to reach consumers worldwide.

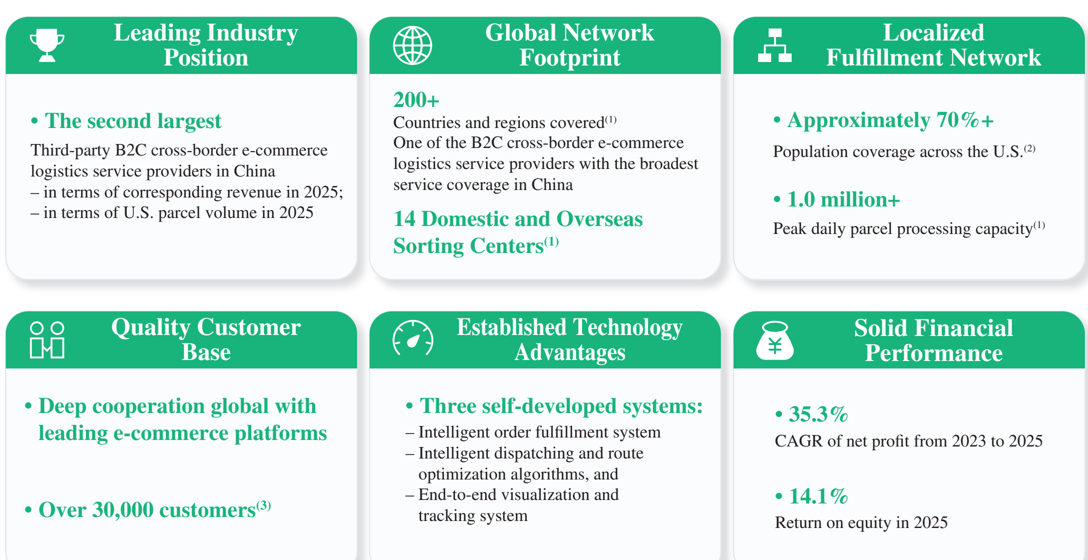
OVERVIEW

Who We Are

We are a leading third-party B2C cross-border e-commerce logistics services provider in China. According to Frost & Sullivan, we ranked second among third-party B2C cross-border e-commerce logistics service providers in China in terms of revenue from cross-border e-commerce express services in 2025, with a market share of 1.8%. We also ranked second among third-party B2C cross-border e-commerce logistics service providers in China in terms of parcel volume shipped to the U.S. in 2025, with a market share of 1.4%.

During the Track Record Period, we provided cross-border e-commerce express services and local last-mile delivery services. With over two decades of operational experience, we have built an integrated logistics service system that spans first-mile pickup, sorting, cross-border transportation, customs clearance and last-mile delivery. Underpinned by our consistently reliable services, self-operated logistics network and continuous digitalization, we deliver efficient, transparent and trustworthy end-to-end logistics solutions to our customers and their global end consumers.

The diagram below highlights our operational and financial achievements:



Notes:

(1) As of the Latest Practicable Date

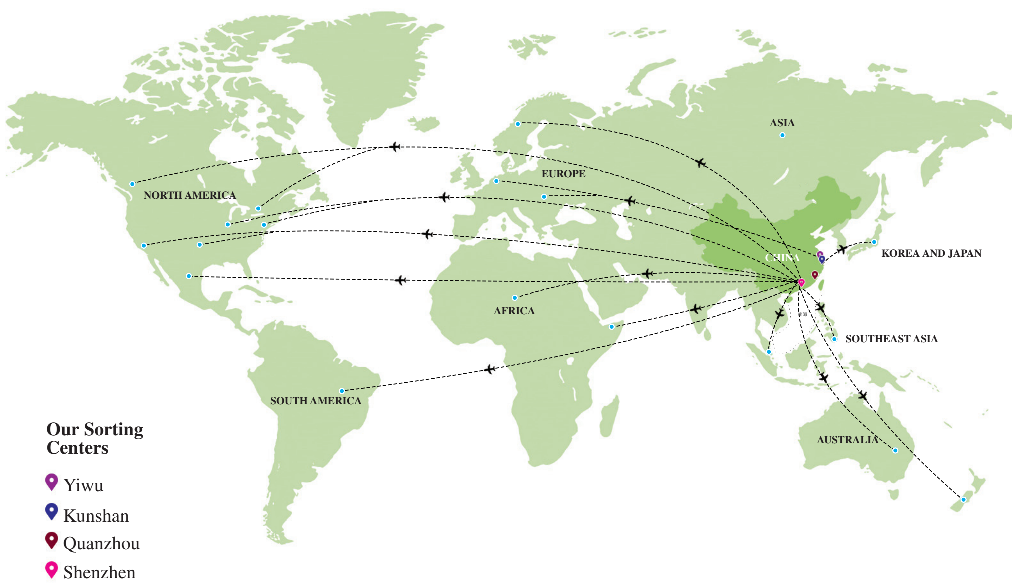
(2) As of December 31, 2025

(3) For each year of the Track Record Period

- ***Our Extensive Self-operated Global Network***

Our cross-border e-commerce express services embrace a service coverage across over 200 countries and regions worldwide. This places us among the few China-based logistics companies with broad global service coverage. In addition, we have established a nationwide domestic pickup network in China. The high degree of control afforded by our self-operated network enhances coordination across key logistics nodes, improves service stability and cost efficiency. As a result, we are well positioned to meet cross-border merchants' core requirements for delivery timeliness, operational reliability and regulatory compliance.

Set forth below is the geographic coverage of our cross-border e-commerce express services as of December 31, 2025:

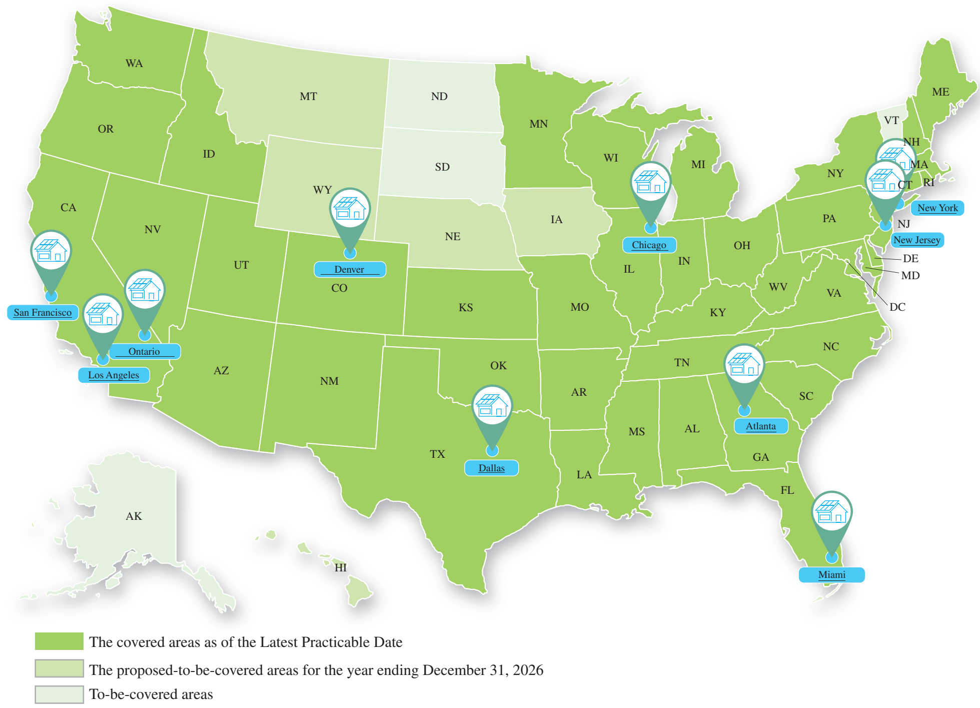


- ***Our Fast-growing Local Last-mile Delivery Services in the United States***

The U.S. is one of the world's top e-commerce markets but struggles with structural challenges in local delivery. High operating costs of commercial courier services, limited third-party access to proprietary networks operated by major e-commerce platforms and fragmented regional capacity have collectively boosted sustained demand for cost-efficient local delivery solutions with broad geographic coverage. In response to these market dynamics, we strategically launched local last-mile delivery services in the U.S. in March 2024, marking a key milestone in our globalization journey. By integrating our self-operated distribution infrastructure with flexible crowdsourced capacity, we have established a delivery model that balances cost efficiency, service quality and scalability, enabling us to address both cross-border and domestic U.S. e-commerce logistics needs.

Over the course of two years, we rapidly built a scalable local delivery network across major U.S. metropolitan areas. As of the Latest Practicable Date, we established 10 regional sorting centers in Los Angeles, Ontario, San Francisco, Dallas, Chicago, Atlanta, New York, New Jersey, Miami and Denver, with a broad service coverage across 41 states, reaching approximately 70.0% of the U.S. population. With rising network density, our parcel delivery volume in the U.S. continued to grow. Our U.S. services have expanded from handling our own cross-border parcels to supporting local U.S. small and medium-sized e-commerce merchants and overseas warehouses, providing a broad customer base for our business growth. In the fourth quarter of 2025, our peak daily parcel delivery volume exceeded 377.4 thousand parcels, including cross-border parcels under our cross-border e-commerce express services, as well as domestic parcels from U.S. e-commerce merchants and overseas warehouses.

Set forth below is our service coverage in the U.S. as of the Latest Practicable Date:



- ***Our Self-developed, Full-chain Logistics Information Management Platform***

  Our technology-driven operating model differentiates us from other logistics services providers. As an early mover in China, we developed a proprietary, full-chain logistics information management platform tailored to the operational characteristics of cross-border e-commerce logistics. Anchored by a long-standing focus on technology-driven efficiency, our digital infrastructure supports key functions including order fulfillment, end-to-end visibility, cost optimization and compliance management.

  As of the Latest Practicable Date, we had accumulated six registered patents and 28 registered copyrights that were material to our business operations. Our proprietary technologies are deeply embedded across key operational nodes, enhancing coordination along the logistics chain, improving service stability and supporting a consistent customer experience.

- ***Our Broad Customer Base***

  Supported by our transportation network coverage, consistent service performance and operational capabilities, we have established a diversified customer base, including third-party e-commerce platforms, cross-border merchants and Chinese brands expanding overseas. We served over 30,000 customers in each year during the Track Record Period. We have also established long-term partnerships with major global e-commerce platforms, enhancing deeper collaboration in areas such as system integration, process optimization and fulfillment management.

- ***Our Long-term Relationships with Freight Carriers***

  On the supply chain side, we have established long-standing and stable partnerships with key service providers, including airlines, freight forwarders, customs brokers and overseas delivery providers. Leveraging a diversified capacity procurement framework that combines chartered capacity, block-space agreements and rate-locking arrangements, we are able to enhance the predictability of air freight costs and mitigate the impact of market volatility. In parallel, our region-specific supplier selection and management approach enables us to align logistics resources with local market conditions, thereby strengthening the resilience, flexibility and reliability of our overseas logistics network. During the Track Record Period, we had established cooperation relationships with over 1,000 suppliers across different regions and business lines.

- ***Our Financial Highlights***

  Supported by our customer base, global logistics network, ongoing technological enhancement, and established commercialization model, we maintained profitability throughout the Track Record Period. Despite the decrease in revenue from RMB9,482.9 million in 2023 to RMB5,827.0 million in 2024 , primarily due to changes in the logistics procurement model adopted by certain large-scale e-commerce platforms, we maintained positive profitability through continued optimization of our customer mix and improvement in gross profit margin. Our net profit remained relatively stable at RMB58.1 million and RMB49.7 million in 2023 and 2024, respectively. Our business rebounded in 2025, with revenue increasing to RMB6,687.1 million and net profit increasing significantly to RMB106.3 million.

Our Development Path and Strategic Progression

We began with international air freight services in the early development stage, gradually building connectivity to the global logistics network and establishing a nationwide core operational system in China, which laid the foundation for our subsequent business growth. As China's B2C cross-border e-commerce sector expanded, we evolved from traditional international express services into cross-border e-commerce express solutions, establishing our core positioning as a global delivery partner serving China's cross-border e-commerce merchants. With the enhancement of our cross-border logistics network management capabilities and continuous strengthening of our in-house digital systems, we further extended our service capabilities from cross-border transportation to localized overseas delivery networks. In the U.S., we were among the early China-based logistics services providers to establish an integrated cross-border transportation and local last-mile delivery service model. Building on this experience, we plan to further replicate this model in other mature e-commerce markets, such as Europe, to further expand our business footprint.

Our Market Opportunities

The continued growth of global cross-border e-commerce presents substantial and sustainable opportunities for the cross-border logistics industry. According to Frost & Sullivan, China's B2C cross-border e-commerce industry experienced rapid growth from 2021 to 2025 and is expected to continue expanding steadily through 2030. The market size of China's B2C cross-border e-commerce logistics services industry in terms of revenue increased from RMB405.1 billion in 2021 to RMB634.4 billion in 2025, representing a CAGR of 11.9% from 2021 to 2025, and is expected to reach RMB1,086.1 billion in 2030, with a CAGR of 11.4% from 2025 to 2030. See "Industry Overview — China's B2C Cross-border E-commerce Industry" and "Industry Overview — China's B2C Cross-border E-commerce Logistics Services Industry." Direct-shipment models, which support small-batch and high-frequency orders and meet rising consumer expectations for delivery speed, are expected to maintain a relatively high growth rate.

From a regional perspective, the U.S. is expected to remain a resilient and structurally robust demand source for China's cross-border e-commerce logistics services. According to Frost & Sullivan, the market size of China's B2C cross-border e-commerce logistics services industry in terms of revenue generated from parcels delivered to the U.S. increased from RMB173.0 billion in 2021 to RMB281.0 billion in 2025, representing a CAGR of 12.9% from 2021 to 2025. The market is projected to reach RMB453.3 billion by 2030, with a CAGR of 11.0% from 2025 to 2030. Demand in the U.S. is supported by its large consumer base, high penetration of online shopping and relatively stable logistics infrastructure. At the same time, long-standing structural constraints in the U.S. local delivery market, including relatively high delivery costs, fragmented regional capacity and closed platform ecosystems, continue to create market opportunities for third-party logistics service providers with localized operational capabilities.

Since entering the U.S. local delivery market in 2024, we have gradually established an integrated cross-border transportation and local last-mile delivery service model supported by our self-operated sorting network, crowdsourced delivery capacity and proprietary routing algorithms. These capabilities enable us to serve both cross-border e-commerce parcels and local U.S. e-commerce delivery demand, supporting the expansion of our local last-mile delivery business. Europe, Japan and Canada continue to demonstrate stable demand, while emerging markets such as Southeast Asia and Latin America are also experiencing continued growth driven by increasing e-commerce penetration and evolving consumption patterns. With a global service network, we are well-positioned to capture stable demand in mature markets and incremental growth in emerging markets.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths can empower us to achieve sustainable growth.

A leading third-party B2C cross-border e-commerce logistics services provider in China

We are one of the leading third-party B2C cross-border e-commerce logistics services providers in China. According to Frost & Sullivan, we ranked second among third-party B2C cross-border e-commerce logistics services providers in China in terms of revenue from cross-border e-commerce express services in 2025, with a market share of 1.8%. We ranked second among B2C cross-border e-commerce logistics services providers in China in terms of parcel volume shipped to the U.S. in 2025, with a market share of 1.4%. Our industry leadership is sustained by strong order fulfillment and service capabilities and a well-established presence in cross-border e-commerce logistics corridors.

Our leading position is rooted in long-term, deep cultivation and sustained investment in China's B2C cross-border e-commerce logistics services industry. Established in 1998, we have consistently captured structural opportunities across different stages of market development. During the early stage of China's B2C cross-border e-commerce industry, we transitioned from providing traditional international express services to cross-border e-commerce express services. Building upon the understanding of cross-border supply chains and operational expertise accumulated during our years of operations, we have progressively established end-to-end service capabilities. Throughout the industry's rapid expansion, we have consistently scaled our operations, diversified our service portfolio, and strengthened our network footprint, culminating in our comprehensive competitive strengths.

Over years of operation, we have built strong brand recognition, a solid service reputation, resilient network coverage capabilities and long-term and stable customer relationships. These strengths underpin our ability to compete effectively in a rapidly-changing market and reinforce our essential role in China's B2C cross-border e-commerce logistics services industry. During the Track Record Period, we maintained profitability, as demonstrated by our net profit of RMB58.1 million, RMB49.7 million and RMB106.3 million in 2023, 2024 and 2025, respectively. This financial performance demonstrates the scalability and resilience of our business model and provides a solid foundation for sustained market leadership.

Strategic deployment of the localized U.S. service network to support a clear growth engine

Our strategic expansion into the U.S. e-commerce logistics services market has established a differentiated competitive position and has become an important engine supporting our business scale expansion and global operating capability. As one of the world's top e-commerce logistics markets, the U.S. has long faced structural challenges in local delivery, including constrained capacity supply, high operating costs and uneven service standards. These market characteristics have created opportunities for logistics services providers with strong resource coordination capabilities and digitalized operating systems. Against this backdrop and based on our forward-looking assessment of industry trends and structural gaps, we launched local last-mile delivery services in the U.S. in March 2024. We became among the early China-based logistics services providers to integrate cross-border logistics operations with a self-operated local delivery network in the U.S.

Our U.S. operating model, anchored by a self-operated warehouse network and supported by technology-enabled delivery capabilities, provides a sustainable foundation for service quality enhancement and cost structure optimization. As of December 31, 2025, we established 10 regional sorting centers in Los Angeles, Ontario, San Francisco, Dallas, Chicago, Atlanta, New York, New Jersey, Miami and Denver, covering major metropolitan and high-density population areas across the U.S. We have gradually introduced automation equipment and standardized operating procedures, improving processing efficiency while mitigating the impact of labor cost fluctuations. In last-mile delivery, we have built a technology-centric operational framework that deeply integrates three key components: transportation capacity resources, a proprietary delivery application, and an intelligent route-planning algorithm. Leveraging data analysis and real-time dynamic traffic conditions, this framework not only enhances the precision and efficiency of transportation capacity dispatch but also provides data-driven decision support for the continuous iterative optimization of the delivery network.

With the progressive expansion of network coverage and service capability, the average daily parcel volume of our U.S. service network, including cross-border parcels under our cross-border e-commerce express services, as well as domestic parcels from U.S. e-commerce merchants and overseas warehouses, increased from approximately 28.0 thousand in 2024 to 105.4 thousand in 2025. In particular, such average daily parcel volume increased from approximately 72.1 thousand in December 2024 to 219.3 thousand in December 2025.

Advanced digitalized and intelligent capabilities enhancing our operational and technology strengths

Since our establishment, we have consistently positioned technological innovation as a core enabler of our business development. Through sustained investment in research and development, we have built a digital operating infrastructure and developed digital and intelligent capabilities that support the stability of our business operations. Drawing on the integration of technological architecture, business processes, and data assets, we have established a digital operation system constituting differentiated competitive strength.

Our self-developed full-chain digital platform is designed to facilitate efficiency collaboration across the cross-border logistics ecosystem. The platform connects over 100,000 customers and suppliers and provides a unified operational interface that integrates order placement, rate enquiry, financial settlement and shipment tracking. By consolidating multiple functions into a single system, the platform reduces information fragmentation and improves operational efficiency. In response to diverse business needs, we offer modular solutions across pickup, sorting, trunk line and fulfillment, allowing customers to flexibly configure workflows aligned with their specific operational requirements.

Over years of operations, we have accumulated extensive structured logistics data, spanning key business scenarios, including order flows, transportation routes, customs clearance processes, warehouse network scheduling and last-mile delivery execution. These data assets support continuous refinement of internal operations and service performance, while also continuously creating value for customers, suppliers and ecosystem partners. Years of data accumulation and technological iteration have enabled our systems to generate increasing compounding effect as business scales, thereby continuously expanding our leading edge in the industry.

Our digital and intelligent capabilities improve internal efficiency and cost management, while ensuring stable and transparent service experiences for customers. These capabilities constitute a technology advantage and provide an important foundation for the coordinated development of our cross-border e-commerce express services and local last-mile delivery services.

Diversified customer base and global supplier network supporting resilient growth

Through long-term accumulation in the cross-border e-commerce sector, we have built a diversified customer base. Our customers include cross-border e-commerce third-party platforms, cross-border merchants and Chinese brands expanding overseas, spanning different business sizes, product categories and operating models. We served over 30,000 customers in each year during the Track Record Period.

As our business continued to evolve, we further expanded our cooperation with cross-border merchants and Chinese brands expanding overseas, enabling us to cultivate a broader and more diversified customer base while supporting the improvement of our overall profitability profile. Our customer structure combines the scale advantages contributed by platform customers with the relatively stable and diversified demand from merchants and brand owners, allowing us to support business growth while mitigating volatility arising from industrial seasonality.

We continue to enhance our service offerings and operational processes to address the differentiated needs of customers at various stages of development. Through long-term cooperation and continuous service optimization, we have established stable customer relationships and fostered a business ecosystem characterized by mutual reinforcement and shared growth.

On the supplier side, we have established long-term, stable, and close cooperative relationships with global third-party logistics partners, forming a cross-border logistics service network that covers major e-commerce destination countries and regions. Our partners encompass providers of trunk line air transport, customs brokers, and overseas delivery services providers, among others, spanning all key nodes of the cross-border logistics chain.

Supported by a mature supplier management system and strong resource integration capabilities, we are able to coordinate capacity efficiently across regions and service stages. Our extensive industry experience allows us to navigate differences in regulatory requirements, customs procedures and service standards across transit hubs and destination markets. Leveraging our tailored supplier resources, we achieve the optimal balance among service reliability, cost efficiency, and delivery performance by precisely matching compliance standards of the destination countries and regions, delivery time requirements, and parcel characteristics.

Systematic operating capabilities driving efficiency and supporting scalable growth

We have developed a systematic and end-to-end operating model that enables deep integration across the principal segments of the cross-border logistics value chain. Through coordinated full-chain execution, refined operational management and self-operated critical nodes, we continuously enhance operational efficiency, cost effectiveness and service reliability, providing a resilient foundation for the scalable development of our business. Our operating system spans first-mile pickup, sorting, cross-border transportation, customs clearance and last-mile delivery, forming a highly connected and well-coordinated execution network.

Self-operation at selected critical nodes of cross-border e-commerce logistics services represents our key initiative to build standardized and scalable operational capabilities. By establishing self-operated domestic pickup networks, automated sorting centers and our U.S. warehouse network, we have achieved end-to-end control over critical nodes that directly impact overall service timeliness and quality, including pickup response, warehouse sorting, and last-mile delivery. In parallel, we also adopt selective external partnerships to maintain operational flexibility and control capital expenditure. This has ultimately led to the formation of an asset-light operational model of "self-operation + partnership," achieving an optimal balance between service quality and cost efficiency.

OUR BUSINESS STRATEGIES

We intend to leverage our existing strengths and carry out the following strategies to capture growing market opportunities, further solidify our market position and achieve our mission:

Deepening dual-business synergy to support long-term growth

Rooted in our fundamental positioning of serving cross-border e-commerce merchants in both China and abroad, we are not only solidifying our strength in cross-border e-commerce express services but also developing local last-mile delivery services as a new growth engine. This creates a dual-business structure of cross-border operations and localized overseas operations, establishing a solid structural foundation for our long-term competitiveness.

For our cross-border e-commerce express services, we are executing a dual focus on refining domestic operations while expanding our global network. On the domestic front, we plan to further enhance the coverage density and operational efficiency of our pickup network, with particular focus on penetrating into key cross-border e-commerce clusters in South, East and North China. These initiatives are intended to improve pickup responsiveness and service density at the front end of the logistics chain. Internationally, we will continue to refine our global service network by expanding partnerships with high-quality logistics providers, optimizing international trunk routes and improving customs clearance processes, thereby enhancing service efficiency. In parallel, we will continue to explore growth opportunities in emerging regions where cross-border e-commerce penetration is increasing, through the gradual development of localized service capabilities and supporting infrastructure.

For our local last-mile delivery services, we will continue to refine an operating model that emphasizes self-operation at core sorting centers while leveraging crowdsourced capacity for last-mile delivery. This approach is intended to balance operational control with cost efficiency as we scale our U.S. business. For last-mile delivery, we aggregate delivery capacity through platform-based models and manage order allocation, route tracking and delivery status confirmation through our proprietary mobile application. Intelligent routing algorithms support dynamic route planning, contributing to improvements in delivery efficiency and service consistency. At the core sorting stage, we will continue to prioritize self-operated facilities, supported by automated sorting equipment and standardized operating procedures, to provide a solid operational guarantee for the scaling growth of our business.

Enhancing efficiency and competitiveness driven by digitalization and automation

Building upon digitalization and automation, we enhance end-to-end operating efficiency, strengthen refined cost control and support coordinated global operations. We intend to progressively expand the application of automation in core operating scenarios. We also plan to utilize suitable automation applications in domestic pickup and overseas last-mile delivery, such as automated sorting equipment and embodied AI robots, with the objective of gradually establishing an automation-enabled operating foundation. These initiatives are expected to enhance processing volume, reduce dependence on manual labor and lower operational error rates.

At the same time, we will continue to strengthen the digitalization of our global operations to enhance chain-wide efficiency, cost discipline and network resilience. We plan to further iterate our dynamic routing algorithms by integrating real-time traffic conditions, weather data and warehouse capacity information, enabling more effective route optimization, dynamic capacity allocation across trunk transportation and last-mile fulfillment. In China, these efforts are expected to enhance coordination between self-operated short-haul capacity and outsourced long-haul resources. In overseas markets, we plan to leverage crowdsourcing platforms and intelligent matching systems to better manage order fluctuations and network expansion. In parallel, we intend to deepen digital connectivity with global airlines and freight forwarders to support real-time rate visibility and capacity locking, thereby mitigating the impact of market volatility.

Globally, we plan to utilize advanced systems to facilitate multi-language communication, multi-currency settlement and compliance with different tax regimes, thereby integrating of overseas warehouses, customs brokers and local delivery resources under more unified operating standards. In last-mile delivery, we plan to further enhance our proprietary mobile application with intelligent routing and dispatch functions. These efforts are expected to support continued improvements in delivery efficiency, service quality and cost management.

Deepening customer value development and expanding integrated cross-border logistics service capabilities

Guided by a customer-centric philosophy, we seek to deepen engagement with our customers by broadening cooperation scope and extending service depth.

For our core customer base, including third-party e-commerce platforms, cross-border merchants and Chinese brands expanding overseas, we plan to further differentiate our service offerings through modular and customizable solutions. These include tailored full-chain visibility tools and scenario-based fulfillment solutions designed to align with customers' operational characteristics and growth stages. By enabling customers to flexibly configure service components from first-mile pickup to last-mile delivery, we aim to better address their diverse operational needs and evolving business requirements. Leveraging the continued expansion of our self-operated network in the U.S., we also plan to extend integrated distribution and local delivery services to U.S. domestic merchants and overseas warehouse operators, thereby broadening our customer reach and supporting the scalability of our dual-business structure.

Executing a phased global expansion with a focus on high-potential destination markets

Global expansion is a central pillar of our long-term development strategy. Guided by a location-selection framework that prioritizes e-commerce consumer density, and an expansion approach that emphasizes markets with strong demand fundamentals and manageable risk profiles, we plan to leverage our accumulated operational experience in the U.S. market to expand our international footprint through a phased and disciplined rollout. This structured approach is intended to support the gradual establishment of a cross-border logistics and local fulfillment network across major global e-commerce consumption markets, thereby laying a solid foundation for sustainable growth.

The U.S. is expected to remain the primary focus of our near-term overseas expansion. We plan to continue strengthening our local delivery network by expanding coverage and enhancing service quality. As our U.S. operating model matures and demonstrates scalability, we intend to progressively replicate this approach in selected developed markets, such as Europe.

Building on this, we will also selectively assess expansion opportunities in emerging markets such as Latin America, where e-commerce penetration and consumer demand are showing sustained growth momentum. Through a measured and orderly deployment of resources, we aim to broaden our global service coverage while maintaining high-quality operational efficiency. This phased expansion strategy is expected to enhance our international presence and support the long-term development of our cross-border logistics business.

Enhancing cost competitiveness and profitability management to support scaled and sustainable earnings growth

Disciplined cost management and structured profitability oversight are integral to sustaining healthy growth and strengthening long-term earnings quality. Through continuous optimization across the logistics value chain, adaptive product strategies and a more systematic approach to supplier management, we seek to enhance profitability while supporting the orderly expansion of our business.

We plan to further refine our product mix and pricing framework by aligning service offerings with customer profiles and shipment characteristics. By maintaining a balance between standardized products that serve broad-based demand and customized solutions designed for high-value services, we aim to support stable profitability and improve overall revenue quality.

From an operational perspective, we intend to improve pickup efficiency through intelligent routing and scheduling, maintain a structured capacity procurement strategy combining chartered flights, block-space agreements and rate-locking arrangements to mitigate trunk transportation cost volatility, and apply dynamic partner selection in overseas last-mile delivery to balance cost efficiency with service reliability.

OUR BUSINESS MODEL

We provide end-to-end B2C cross-border e-commerce logistics services to our customers. Supported by our extensive operational network and established supplier ecosystem, our integrated service offering covers the full cycle of cross-border fulfillment.

Our business model is built around two principal business lines, combining cross-border logistics and overseas local fulfillment. These core offerings are complemented by other cross-border services that enhance service flexibility and broaden customer reach. Our principal business lines comprise:

- ***Cross-border E-commerce Express Services***: This business line provides customers with full-process cross-border logistics solutions, covering first-mile pickup, sorting, cross-border transportation, customs clearance and last-mile delivery. We charge customers on a per-parcel basis, with pricing determined by factors such as parcel weight, destination, transportation route and required delivery timeliness. As our core service offering and primary revenue contributor during the Track Record Period, this business line supports customers in fulfilling cross-border e-commerce orders in a stable and efficient manner; and

- ***Local Last-mile Delivery Services***: We offer an integrated solution that combines overseas sorting and local delivery in the U.S. to support last-mile fulfillment. Revenue is generated on a per-parcel delivery basis, taking into account delivery zone, parcel characteristics and fulfillment complexity. This business line enhances our end-to-end fulfillment capability in key destination market, deepens our service engagement with customers and supports the scalability of our cross-border logistics services.

In addition, we also provide other cross-border services on a supplementary basis, which primarily consist of last-mile delivery services carried out by other suppliers, customs clearance services, first-leg logistics services for designated cross-border e-commerce platform merchants and international air freight forwarding services. These offerings enable us to address more diversified shipping needs, provide customized logistics arrangements and further enhance customer acquisition and revenue stability.

During the Track Record Period, we derived revenue from the provision of (i) cross-border e-commerce express services; (ii) local last-mile delivery services; and (iii) other cross-border services. The table below sets forth our revenue by business line during the years indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*% of revenue*	*RMB'000*	*% of revenue*	*RMB'000*	*% of revenue*
Cross-border e-commerce express services	7,663,633	80.8	4,675,188	80.2	5,737,135	85.8
Local last-mile delivery services	–	–	91,201	1.6	385,322	5.8
Other cross-border services[1]	1,819,309	19.2	1,060,565	18.2	564,593	8.4
Total	**9,482,942**	**100.0**	**5,826,954**	**100.0**	**6,687,050**	**100.0**

Note:

(1) Other cross-border services primarily consist of last-mile delivery services carried out by other suppliers, customs clearance services, first-leg logistics services for designated cross-border e-commerce platform merchants and international air freight forwarding services.

OUR B2C CROSS-BORDER E-COMMERCE LOGISTICS SERVICES

Our B2C cross-border e-commerce logistics services primarily comprise cross-border e-commerce express services and local last-mile delivery services, which are purpose-built to support the global expansion of Chinese cross-border e-commerce merchants. We primarily serve three major customer groups including cross-border e-commerce third-party platforms, cross-border merchants and Chinese brands expanding overseas.

By integrating each key stage spanning first-mile pickup to last-mile delivery into a unified fulfillment chain, we provide customers with full-cycle logistics solutions that enable direct delivery from origin to overseas consumers. This integrated service model enhances delivery efficiency, transparency and compliance across multiple product categories and destination markets, supports scalable order fulfillment and improves the overall logistics experience for merchants and end consumers.

Leveraging cross-border e-commerce express services with a global coverage, together with a growing overseas local operational footprint in key consumption markets such as the U.S., we play an important role in connecting China's export-oriented merchant base with global end consumers, strengthening our position within the B2C cross-border e-commerce logistics services industry in China. According to Frost & Sullivan, we ranked second among third-party B2C cross-border e-commerce logistics services providers in China in terms of revenue from cross-border e-commerce express services in 2025, with a market share of 1.8%, and ranked second among cross-border e-commerce export logistics services providers in China in terms of parcel volume shipped to the U.S. in 2025, with a market share of 1.4%.

Cross-border E-commerce Express Services

Our cross-border e-commerce express services operate as a standardized, visible and controlled cross-border direct-shipping system. The services cover all key stages of the fulfillment chain, including first-mile pickup, sorting, cross-border transportation, customs clearance and last-mile delivery. This business line demonstrates our ability to execute cross-border logistics in a consistent and coordinated manner across multiple regions and operational nodes, and forms the core foundation of our B2C cross-border e-commerce logistics capabilities.

Our global service network covers major cross-border e-commerce destination markets such as the United States, Canada, the United Kingdom, France, Germany, Italy and Spain, as well as Australia, Japan and selected markets in Latin America. This broad geographic coverage enables us to support cross-border e-commerce third-party platforms, cross-border merchants and Chinese brands expanding overseas in establishing and scaling their international fulfillment operations. During the Track Record Period, through our cross-border e-commerce express services, we fulfilled a total of approximately 364.2 million international parcels, reflecting both our service scale and operational reliability.

Tiered Product Offerings

To address varying requirements for delivery speed, destination specifics, product attributes and cost sensitivity, we structure our cross-border e-commerce express services into a tiered product framework primarily featuring dedicated parcel services, supplemented by economy parcel services. These offerings are differentiated primarily by timeliness, pricing, geographic coverage and service features, allowing customers to select services that align with their operational needs across various markets and product profiles.

- *Dedicated Parcel Services*

  Dedicated parcel services represent our core and competitive offering within the cross-border e-commerce express service portfolio. These services are designed to deliver higher service stability, stronger control and enhanced visibility throughout the fulfillment process in key cross-border markets, including North America, Europe and Asia-Pacific.

  Within this category, we integrate service features traditionally associated with registered delivery, including full-chain tracking, milestone visibility and enhanced delivery assurance. We also offer scenario-based services tailored to different shipment characteristics, such as general cargo routes, special cargo routes, oversized parcel lines and apparel-focused routes. These services are designed for customers with clearer requirements for delivery certainty, timeliness and operational predictability.

  The table below summarizes the key features of our dedicated parcel services under cross-border e-commerce express service:

	Dedicated Parcel Services
Primary Destination Coverage	Global coverage with strategic focus on North America, Europe, Asia-Pacific, and Latin America markets
Delivery Timeliness	North America: around eight to 12 days; Europe: around seven to 12 days; Asia-Pacific: around five to eight days; Latin America and Africa: around 15 to 20 days
Service Features	Full-chain visualization tracking, enhanced delivery assurance and commercial-grade customs clearance; designed for higher service stability and chain control
Business Scenarios	Focusing on cross-border direct logistics scenarios with the core requirements of high certainty, high visibility, and high timeliness

	Dedicated Parcel Services
Targeted Customer Type	Merchants with higher requirements for delivery timeliness, service reliability and customer experience
Typical Parcel Profile	Parcels weighing up to 30kg

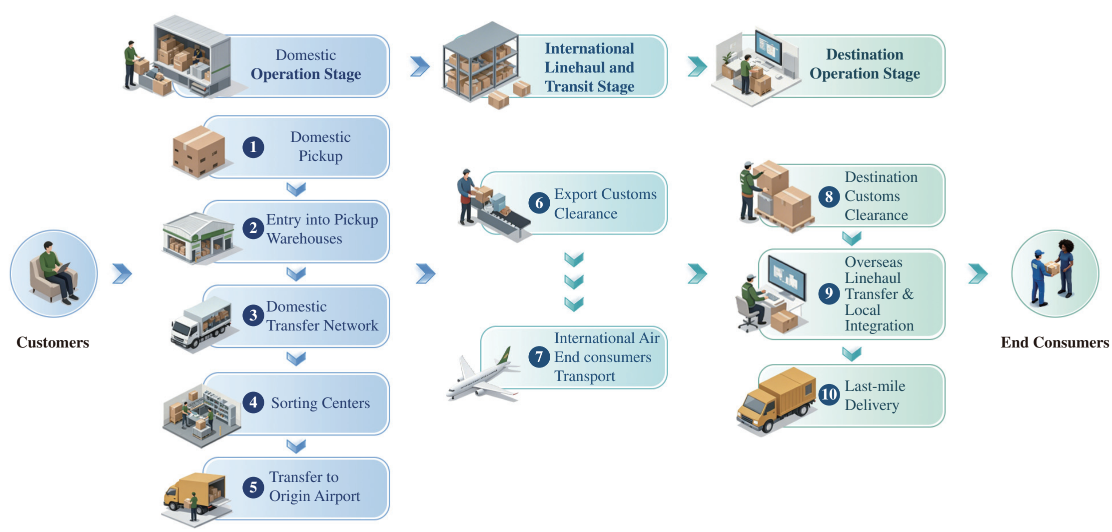
- *Economy Parcel Services*

  Economy parcel services are designed for cost-sensitive customers by offering broad destination coverage at competitive rates. These services are typically used for lightweight parcels (generally up to 2 kg) where delivery speed is less critical, such as low-value or long-tail SKUs. Economy parcel services currently represent only a minimal portion of our cross-border e-commerce express services.

Our cross-border e-commerce express services are priced according to industry-standard pricing principles. Charges are calculated on a per-parcel basis, comprising a handling fee and a transportation fee determined by the greater of actual weight and volumetric weight. This pricing framework applies consistently across dedicated parcel services and economy parcel services. See "— Pricing."

Service Process

We have established an integrated and closely coordinated operating system in which each stage of the fulfillment chain is clearly defined and seamlessly connected. This structure supports stable, orderly and efficient cross-border deliveries at scale. The following diagram illustrates the service process of our cross-border e-commerce express services:



- *Domestic Operation Stage*

  The fulfillment process is initiated through our self-operated domestic pickup network, which covers major cross-border e-commerce industrial clusters across China. Our professional pickup teams provide timely and compliant door-to-door collection and ensure that parcels are smoothly onboarded into our standardized operating system. As of the Latest Practicable Date, we offered pickup services in 105 cities and surrounding areas, utilizing our self-operated pickup network supplemented by third-party transportation partners in regions not yet covered by our own network. After pickup, parcels are processed through standardized pre-shipment procedures, including security screening, labeling, weighing, measurement and initial sorting. These steps improve data accuracy, operational consistency before parcels enter subsequent transfer stages. Parcels are then consolidated through our self-operated domestic transfer network and routed to sorting centers, where they undergo secondary cartonization, secondary screening and dispatch preparation. Our sorting centers operate under standardized workflows with increasing levels of automation, enabling high processing efficiency and controlled error rates, even during periods of significant order volatility, thereby ensuring stable and controllable fulfillment quality.

- *International Linehaul and Transit Stage*

  Following domestic processing, parcels are allocated to international routes based on destination, service type and transit requirements. We coordinate airfreight capacity through structured route planning and capacity management arrangements. Parcels are delivered to airport cargo terminals, where export customs declaration, security inspection and other regulatory procedures are completed prior to departure. These processes are managed under established operating standards to ensure compliance and schedule reliability.

- *Destination Operations Stage*

  Upon arrival in the destination country, parcels are transferred into local clearance and delivery networks. Apart from our self-operated logistics capacity, we work closely with third-party customs brokers and last-mile delivery partners to facilitate timely import customs clearance, efficient handover and stable final delivery. This coordinated destination-stage execution ensures continuity of service quality through to end consumers.

Service Performance

We closely monitor key service-quality metrics, including delivery performance, on-time arrival rates and parcel damage and loss rates. During the Track Record Period, our delivered-in-full rate remained at approximately 99.8%, demonstrating our unwavering commitment to reliability and customer satisfaction. Even during peak shopping seasons, promotional surges or periods of regulatory adjustment in destination markets, we have been able to maintain stable fulfillment performance through real-time chain-wide monitoring, controlled processing nodes and efficient exception-handling mechanisms.

The number of customers of our cross-border e-commerce express services amounted to 32.3 thousand, 32.7 thousand and 35.9 thousand in 2023, 2024 and 2025, respectively. Despite the shift of logistics procurement model of certain large-scale e-commerce platforms in 2024, the number of customers of our cross-border e-commerce express services increased steadily throughout the Track Record Period, reflecting the continued resilience of our core business and customer base, as well as our reduced reliance on any single customer or platform and the increasingly diversified and stable development of our business.

Local Last-mile Delivery Services

In March 2024, we strategically launched our local last-mile delivery operations in the U.S. This marked an important milestone in the expansion of our global logistics network and aligned with the increasing internationalization of China's cross-border e-commerce sector and the overseas expansion of Chinese brands. While the U.S. is one of the world's top mature e-commerce markets, its last-mile delivery sector continues to face structural challenges, including high operating costs, fragmented capacity and uneven service quality. Traditional logistics models often struggle to meet e-commerce merchants' requirements for timeliness, flexibility and operational transparency.

Building on our experience in cross-border logistics, we have applied our capabilities in network planning, digital dispatching, standardized operations and scenario-based solutions to the U.S. local delivery market. These capabilities enable us to handle high parcel volumes, complex address environments and multi-source parcel aggregation more effectively. As a result, we have established a differentiated operating position in U.S. local last-mile delivery services.

Our U.S. local last-mile delivery services serve both as an extension of our cross-border e-commerce express services in a key destination market and as a standalone last-mile delivery solution. We support cross-border merchants shipping into the U.S. as well as local delivery needs of U.S. small and medium-sized e-commerce merchants. Through our integrated model covering domestic pickup, cross-border transportation and U.S. local delivery, we improve terminal delivery efficiency, reduce operational uncertainty and provide stronger logistics support for merchants entering the U.S. market. At the same time, we introduce operational and digitalized management capabilities developed in China into the U.S. logistics market, contributing additional service capacity and differentiated operating models.

Service Network and Performance

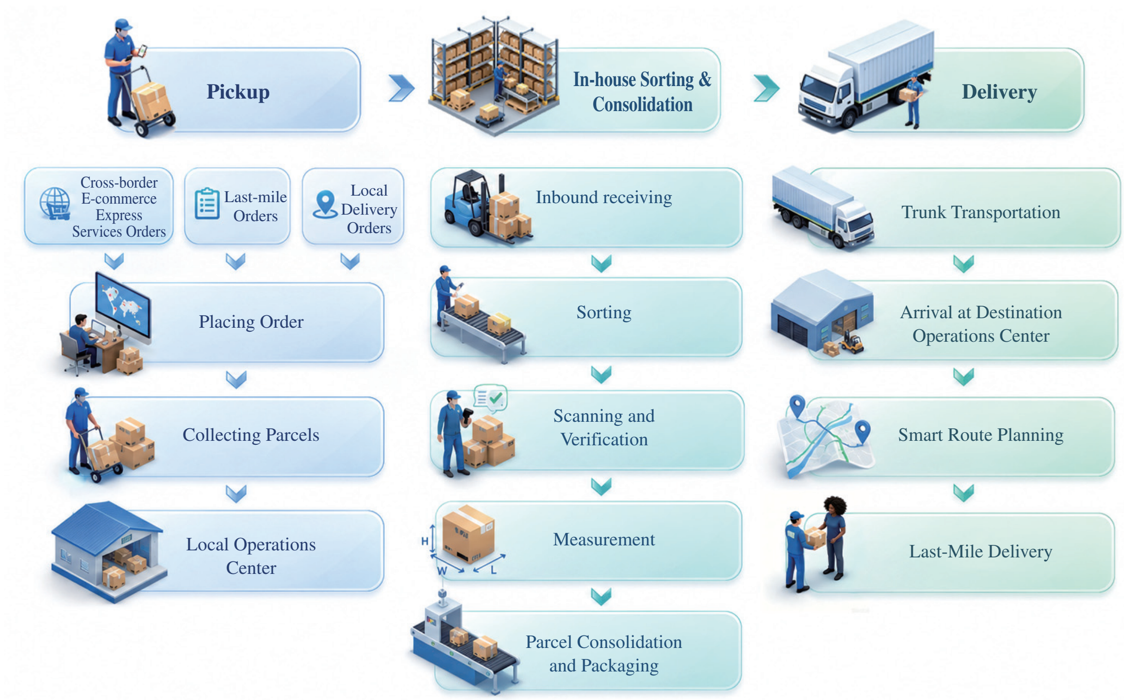
Since its launch, we have steadily expanded our business presence in the U.S. In the initial phase, we focused on major consumption regions along the East Coast, West Coast and Central U.S., establishing core operating nodes and gradually extending service coverage to surrounding states. Through continuous network optimization and refinement of sorting and warehouse layouts, we have strengthened our end-to-end local delivery capability. Within two years of operations, we have achieved prominent progress. As of December 31, 2025, we established 10 regional sorting centers in Los Angeles, Ontario, San Francisco, Dallas, Chicago, Atlanta, New York, New Jersey, Miami and Denver, spanning across major metropolitan and high-density population areas in the U.S.

Our U.S. service network handles both (i) cross-border parcels involved in our cross-border e-commerce express services, and (ii) domestic parcels from U.S. small and medium-sized e-commerce merchants, as well as parcels delivered to overseas warehouses under last-mile orders from cross-border e-commerce merchants. Since its launch in March 2024 until December 31, 2025, through our U.S. service network, we processed an aggregate of approximately 46.8 million parcels. The average daily parcel volume of our U.S. service network, including cross-border parcels under our cross-border e-commerce express services, as well as domestic parcels from U.S. e-commerce merchants and overseas warehouses, increased from approximately 28.0 thousand in 2024 to 105.4 thousand in 2025. This growth reflects the progressive expansion of our operational capacity and execution capabilities in the U.S. local last-mile delivery market.

Supported by local operational infrastructure, digitalized systems and experienced operating teams, we have maintained stable service performance in the U.S. market. During the Track Record Period, our delivered-in-full rate remained at approximately 99.5%.

Service Process

We operate a fully integrated localized delivery workflow supported by standardized operating procedures and intelligent dispatching technologies. This enables high coordination across operational nodes and provides full-chain visibility throughout the delivery process. The following diagram illustrates our service process of local last-mile delivery services:



- *Pickup*. We arrange personnel to collect parcels based on customer instructions and transfer them to our local operations centers. Parcel inflows are diversified and include parcels transferred from our cross-border e-commerce express services, last-mile orders from cross-border e-commerce merchants, and domestic delivery orders from U.S. small and medium-sized e-commerce merchants. This multi-source intake model supports efficient aggregation and flexible downstream processing.

- *In-house Sorting & Consolidation*. Upon arrival at our regional sorting centers, parcels undergo standardized procedures, including sorting, scanning and verification, measurement, and consolidation. These processes ensure data accuracy, operational consistency and compliance with trunk transportation requirements, while preparing parcels for efficient onward movement.

- *Delivery*. For trunk transportation, we flexibly deploy road or air transport based on delivery timelines and cost considerations, transferring consolidated parcels to the destination operations center closest to the recipient. Upon arrival, parcels are unpacked, re-sorted and prepared for last-mile delivery. Our intelligent dispatching system generates optimized delivery routes based on address-level data. Delivery personnel retrieve parcels and complete item-by-item scanning through our proprietary delivery system, ensuring end-to-end traceability. Parcels are delivered in accordance with system-generated routes to maintain consistent efficiency and service quality.

Expansion Plan

Looking ahead, we have formulated a phased expansion strategy for the U.S. market, focused on strengthening network foundations and deepening market penetration to support scalable growth. By the end of 2026, we expect our network to reach over 13,000 postal code areas in the U.S. This expanded footprint is intended to enhance our fulfillment capability in the U.S., improve delivery efficiency and support a broader customer base.

In parallel, we plan to continue upgrading our operational infrastructure and automation capabilities at key regional sorting centers. By the end of 2028, we target to achieve a daily sorting capacity of approximately 2.0 million parcels. This capacity build-out is designed to provide sufficient headroom for future volume growth while improving service quality and cost efficiency.

Synergies Between Our Cross-border E-commerce Express and Local Last-mile Delivery Businesses

Built on our self-operated cross-border logistics network, we have continued to strengthen our local last-mile delivery capabilities, forming a synergistic business model. Our cross-border e-commerce express services and local last-mile delivery services are complementary in network resources, operational capabilities and service coverage. Together, they form an integrated fulfillment chain that connects cross-border transportation with destination-country delivery and enhances our overall service competitiveness.

On the cross-border leg, our cross-border e-commerce express services provide reliable intercontinental transportation supported by standardized processes and stable trunk capacity. This ensures predictable delivery timelines into destination markets. On the destination leg, our local last-mile delivery services extend the value chain through localized sorting and last-mile delivery capabilities, improving terminal delivery performance and customer experience. Operating in tandem, the two service lines form an integrated cross-border transportation and local delivery model that supports scalable growth across both businesses.

Synergies are evident in trunk transportation connectivity and full-chain lead time optimization. Parcels arriving in the U.S. through our cross-border e-commerce express services can be seamlessly routed into our self-operated local delivery network, reducing reliance on third-party carriers, streamlining handover procedures and improving overall efficiency. At the same time, we dynamically adjust routing and capacity allocation based on destination distribution, order density and delivery urgency, enabling effective coordination between cross-border and local operations.

This integrated service model creates meaningful value for cross-border merchants, particularly those operating across multiple platforms and managing diverse inventory strategies. By linking cross-border transportation with destination-country delivery under a unified operating framework, we provide an end-to-end solution from first-mile pickup to final delivery. This approach optimizes timeliness, cost control and compliance, enhances merchants' fulfillment efficiency in the North American market and supports long-term customer engagement and business expansion.

Other Cross-border Services

In addition to our two principal business lines, we provide other cross-border services on a segmented and on-demand basis to address specific customer needs under certain operating scenarios. These services are essentially derived from the unbundling of individual stages within our cross-border e-commerce express services and are offered as standalone services in accordance with customers' actual needs. As such, they do not form part of our core business operations and are provided primarily upon customer request.

Other cross-border services primarily consist of last-mile delivery services carried out by other suppliers, customs clearance services, first-leg logistics services for designated cross-border e-commerce platform merchants and international air freight forwarding services. Revenue generated from other cross-border logistics services accounted for 19.2%, 18.2% and 8.4% of our total revenue in 2023, 2024 and 2025, respectively. Given their non-core nature and customer-requested basis, revenue from these services has shown a declining trend over the Track Record Period.

First-leg Logistics Services

We provide first-leg logistics services to cross-border e-commerce platforms and merchants to satisfy their integrated logistics needs under scenarios such as overseas warehouse replenishment, semi-managed business models and forward inventory deployment. Our services involve transporting goods from China or other origins to customers' designated overseas warehouses, platform warehouses or other designated destinations.

Depending on customer requirements, shipments may be transported via international express, air freight, sea freight, railway or truck transportation. Our first-leg logistics services primarily include export customs declaration, international linehaul transportation, import customs clearance and warehouse inbound supporting services.

We also provide various value-added services related to warehouse inbound requirements to help customers satisfy the inbound standards of different overseas warehouses and e-commerce platforms, thereby improving warehouse inbound certainty and inventory replenishment efficiency.

OUR OPERATIONAL ACHIEVEMENTS

The following table sets forth selected performance metrics of our services:

	Year ended/As of December 31,		
	2023	**2024**	**2025**
Number of customers[1]	33,048	33,647	36,813
Total parcel processing volume			
– Cross-border e-commerce express services	137,448,436	106,503,565	120,260,772
– Local last-mile delivery services	–	5,246,027	25,231,646
Total	137,448,436	111,749,592	145,492,418
PRC fulfillment network			
– Number of warehouses	39	36	35
• Number of sorting centers	6	4	4
U.S. fulfillment network			
– Number of warehouses	–	4	21
• Number of sorting centers	–	2	10
– U.S. population coverage (%)	–	approximately 13.4	approximately 70.0

Note:

(1) Number of customers refers to customers that contributed revenue to us during the relevant year.

In 2024, the parcel processing volume of our cross-border e-commerce express services decreased as compared to 2023. This decline was primarily attributable to a reduction in shipment volumes from certain large cross-border e-commerce third-party platforms beginning in early 2024. These platforms adjusted their logistics procurement strategies by shifting from a centralized, single-supplier model to a more segmented transportation approach, engaging multiple service providers for different stages of the logistics chain. Such adjustments were driven by enhanced focus on logistics cost control, operational flexibility and risk diversification. As a result, a portion of parcel volumes that had previously been consolidated with us was redistributed among multiple logistics providers, leading to a temporary moderation in our cross-border e-commerce express volumes.

OUR LOGISTICS NETWORK

Our Warehouses

As of December 31, 2025, we managed a total of 56 warehouses, including 35 warehouses in the PRC with an aggregate GFA of 51,680.81 sq.m. and 21 overseas warehouses.

Our domestic warehouses are categorized into (i) pickup warehouses; and (ii) sorting centers based on their primary functions. Pickup warehouses are located in cities with high concentrations of e-commerce merchants, industrial clusters and commercial zones, serving as the operational base for door-to-door pickup and first-mile consolidation. Sorting centers are strategically located in major gateway cities including Shenzhen, Yiwu and Kunshan, handling large-scale consolidation and trunk transportation across regions.

Our overseas warehouses consist of (i) sorting centers; and (ii) delivery depots, with our U.S. sorting centers primarily located near major international airports and seaports. Leveraging these sorting centers as anchor nodes, we extend our network by establishing delivery depots in surrounding metropolitan areas, enabling couriers to access parcels efficiently and complete last-mile delivery with speed and reliability.

Our warehouse planning adheres to the principles of proximity to customers, proximity to cargo sources and proximity to key transportation nodes, balancing service coverage, operational efficiency and cost considerations. Domestically, pickup warehouses are mainly located in areas with dense e-commerce activity, strong industrial clusters and convenient transportation access, shortening pickup radius and accelerating parcel onboarding. Sorting centers are prioritized in cities adjacent to major ports, airports or expressway hubs, ensuring trunk transportation efficiency while accommodating future parcel volume growth, labor availability, rental levels and infrastructure quality. Overseas, particularly in the U.S., we design our network around major international airports and ports for sorting centers, complemented by delivery depots in key consumption zones and regions with high concentrations of third-party overseas warehouses. This enables efficient interstate trunk movement and city-level last-mile delivery, supporting stable coverage and end-to-end fulfillment quality.

To enhance processing efficiency, stability and fulfillment capacity, we continue to deploy automation and digitalization technologies across our domestic and overseas warehouses. Key initiatives include:

- *Automated Sorting Equipment*: We have deployed various types of automated equipment, including automated sorting equipment, conveyor systems, automated weighing and volumetric measurement devices. These facilities enable automatic parcel identification, measurement, weighing and route sorting, significantly improving processing efficiency and operational accuracy.

- *Intelligent Warehouse Management Systems*: We utilize self-developed transport management systems (TMS) and warehouse management systems (WMS) to achieve digitalized, visualized and finely tuned warehouse operations. These systems support precise inventory volume calculations, real-time parcel monitoring and seamless integration with domestic and overseas transportation links, improving overall operational efficiency.

These automated systems and digital capabilities form a critical backbone of our cross-border logistics operations, enabling us to maintain high, stable warehouse performance even during peak cycles, large-scale promotional events or multi-scenario processing conditions.

Our Global Service Coverage

Leveraging our global routing capabilities and diversified partner network, our services cover major e-commerce consumption markets across North America, Europe, Asia-Pacific, Latin America and other emerging destinations. The table below sets forth our revenue from cross-border e-commerce express services by destination market during the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
North America	5,070,904	66.2	2,583,728	55.3	3,396,996	59.2
Europe	1,860,806	24.3	1,505,635	32.2	1,754,846	30.6
Other countries and regions(1)	731,923	9.5	585,825	12.5	585,293	10.2
Total	**7,663,633**	**100.0**	**4,675,188**	**100.0**	**5,737,135**	**100.0**

Note:

(1) Primarily representing Asia-Pacific, Latin America and other emerging destinations.

Supported by our in-house capacity and collaborated third-party capacity, we have built an integrated and multi-layered transportation network comprising the domestic pickup network, airfreight capacity network and overseas delivery network, providing end-to-end operational connectivity and supporting the stable execution of our cross-border logistics services.

Domestic Pickup Network

We have built a nationwide trunk transportation network centered around three major gateway hubs, including Shanghai, Shenzhen and Yiwu. This network operates under a mixed model of self-operated capacity as the foundation, core outsourced transportation as the mainstay, and flexible supplemental capacity to ensure an optimal balance among stability, scalability and cost efficiency.

As of December 31, 2025, leveraging our self-operated capacity and outsourced third-party transportation capacity, our domestic pickup network covers approximately 106 transportation routes, including 22 core strategic routes each with an average monthly volume exceeding 50 tons. These routes connect key domestic hubs across full-truckload, less-than-truckload and airfreight channels, supporting diverse cross-regional transfer requirements under different volume and timeliness needs.

Our self-operated capacity accounts for approximately 24% of the total domestic trunk capacity and is deployed on high-frequency trunk routes among East China, South China and other major hubs. This includes self-owned vehicles, which strengthen the stability of critical lanes and provide essential fulfillment reliability during peak seasons, holidays and large-scale promotional campaigns.

To extend our coverage across broader geographic regions, we maintain a network of third-party transportation suppliers, supporting cross-province movement, remote-area pickup and regions beyond our self-operated footprint. We maintain long-term partnerships with core outsourced transportation providers and adjust supplemental capacity in response to seasonal fluctuations to ensure resilience and peak-period delivery performance.

Airfreight Capacity Network

We have maintained strong relationships with multiple international airlines and third-party freight forwarders to build a stable and cost-competitive airfreight capacity network. This network serves as the backbone of the international leg of our cross-border e-commerce express services.

Through cooperation with major international airlines, we operate charter and block-space routes between China and key cross-border destinations, providing sufficient air freight capacity, stable flight schedules and reliable transit times. To safeguard service quality, we maintain a partner evaluation framework that assesses operational history, flight reliability, capacity allocation capability and service performance.

As of December 31, 2025, our global airfreight network was supported by more than 420 airfreight routes serving key cross-border markets. This network provides a solid infrastructure foundation for the cross-border transportation stage of our cross-border e-commerce express services.

Overseas Delivery Network

We have established a local delivery network in major destination markets, particularly in the U.S., covering core metropolitan areas and major consumption zones. Given the geographic scale of the U.S. and its dispersed population and order distribution, we adopt a hybrid model combining self-operated resources and crowdsourced drivers, forming a flexible, cost-efficient and time-reliable last-mile delivery capability that supports continued network expansion.

For long-haul interstate transfers, we primarily engage experienced third-party carriers to undertake cross-state and intercity transportation, ensuring sufficient elasticity to accommodate seasonal and cyclical volume fluctuations. For short-haul, intra-city and high-frequency delivery scenarios, we rely on registered crowdsourced drivers on our platform.

Supported by our U.S. sorting centers and delivery depots located near major airports and key consumption areas, together with digital dispatch systems and real-time route optimization tools, we can achieve granular operational control and consistent service performance. By analyzing order-density heatmaps, optimizing routing algorithms and closely monitoring courier productivity and delivery performance, we maintain stable timeliness, high delivery-in-full rates and low exception rates in the U.S. market. This capability forms a critical component of our overseas fulfillment infrastructure and provides vital support for cross-border sellers expanding into the U.S.

OUR KEY TECHNOLOGIES

We have developed a full-service-chain logistic information management platform that spans order management, dispatch execution and end-to-end visibility, forming the backbone that supports the stability, timeliness and scalability of our cross-border fulfillment operations. The platform comprises our intelligent order fulfillment system, intelligent dispatching and route optimization algorithms, and end-to-end visualization and tracking system, collectively creating a high-performance digital foundation capable of supporting high-concurrency, multi-node and multi-region logistics operations.

Intelligent Order Fulfillment System

Our intelligent order fulfillment system serves as the front-end entry point of the cross-border fulfillment chain. Built on a modular architecture, it enables coordinated management of key functions including order processing, pickup, transportation and delivery, supporting stable operations during peak shopping seasons such as Double 11 and Black Friday. The system consolidates order information from customers' ERP systems, third-party e-commerce platforms and our internal systems, and supports full-lifecycle order management covering order creation, validation, route planning, label printing and status updates. The system enables efficient order intake, data standardization and risk screening, and supports daily peak processing volumes of over one million orders during high-demand periods.

Drawing on shipper information, product details and consignee data, the system automatically triggers pickup tasks, generates parcel routing data and applies such data to the monitoring of parcels across all logistics nodes throughout the fulfillment process. It acts as the primary data interface between us and our customers and is the core infrastructure that connects operational data across all stages of the cross-border logistics chain.

Intelligent Dispatching and Route Optimization Algorithms

For pickup and local delivery scenarios, our intelligent dispatching and route optimization algorithms enable smart task allocation, dynamic route planning and real-time visibility through a coordinated model that connects customers, dispatchers and drivers.

The algorithms first analyze service areas using digital maps and historical order data. Based on factors such as postal codes, order concentration and road network characteristics, it dynamically divides delivery regions into service zones. Orders are then grouped intelligently by taking into account parcel characteristics, delivery time requirements, customer priority and vehicle capacity, allowing the algorithms to determine suitable loading and delivery combinations and improve resource utilization efficiency.

For route planning, we combine internationally recognized third-party mapping and navigation engines with our route evaluation logic. The algorithms assess multiple route options using real-time traffic conditions, estimated driving time, distance, fuel cost and vehicle workload, and dynamically calculate optimized delivery paths to balance delivery efficiency and operating cost. During execution, our intelligent dispatching algorithms match delivery tasks with available drivers and vehicles, adjust schedules dynamically in response to changing conditions such as traffic congestion or order fluctuations, and support timely identification and handling of operational exceptions through real-time operational dashboards.

In addition, our address correction module enhances first-attempt delivery success through intelligent address parsing and validation capabilities. Driver applications further support standardized task execution, including scanning, delivery confirmation and exception reporting, while maintaining operational flexibility.

Key capabilities of our intelligent dispatching and route optimization algorithms include: (i) smart service area planning, which dynamically defines delivery zones based on geography, order density and road conditions, improving route stability and coverage efficiency; (ii) intelligent order grouping and vehicle loading, which considers delivery urgency, parcel attributes and vehicle capacity to improve loading efficiency and reduce unnecessary trips; (iii) optimized route selection, which evaluates multiple route options using real-time traffic data, distance and time estimates to enhance delivery efficiency and control operating costs; (iv) dynamic dispatching and driver matching, which allocates tasks based on driver location, workload and availability, and adjusts assignments in response to real-time conditions; and (v) end-to-end execution support through driver applications, enabling standardized task execution, scanning, delivery confirmation and exception reporting, while maintaining operational flexibility.

These capabilities further enhance delivery efficiency, improve resource utilization and support consistent service quality across both pickup and local delivery operations.

End-to-end Visualization and Tracking System

Our end-to-end visualization and tracking system aggregates logistics node data from multiple carriers, languages and formats, and standardizes such data through automated parsing, logical validation and key-event extraction. We have established over 200 data collection points across the entire fulfillment logistics process. The system dynamically adjusts data-fetching frequency based on the stage of transportation to maintain completeness and continuity of tracking information. Key capabilities include: (i) multi-source tracking acquisition: the system automatically retrieves tracking data from hundreds of global logistics carriers in collaboration with us and adjusts acquisition frequency based on shipment status, while fail-over mechanisms ensure uninterrupted data retrieval; (ii) data parsing and standardization: multi-language tracking descriptions are normalized into a unified event library, with erroneous or illogical entries automatically filtered, and key information extracted for internal alerts and customer support; and (iii) visualization and multi-channel notifications: tailored views are available for different user types, including a simplified consumer view and a detailed operational timeline for sellers. Automated notifications may be delivered via SMS, email or enterprise communication tools, and API access is available for enterprise customers to integrate standardized tracking data into their internal systems. Customers can access tracking information through multiple channels, including API interfaces, web platforms, mini-programs and email notifications, enhancing both operational transparency and customer experience.

PRICING

We have developed a flexible pricing mechanism that can accommodate diverse fulfillment scenarios and service requirements. Our pricing is primarily determined based on destination countries or regions, and varies depending on factors such as parcel weight, parcel volume, parcel attributes and required delivery timeliness. Our pricing is also dynamically adjusted in response to variables including fluctuations in upstream transportation costs and changes in the competitive landscape.

In particular, the core factors affecting our pricing primarily include parcel weight and volume, delivery timeliness and parcel attributes, each of which affects pricing in the following ways:

- ***Parcel weight and volume***: Differences in parcel weight and volume significantly affect sorting center processing efficiency, international air transportation costs and destination-country last-mile delivery costs. These differences determine the underlying cost structure of transportation routes and constitute a core component of pricing assessment.

- ***Delivery timeliness***: Delivery speed is positively correlated with resource input. Faster service levels generally require higher-cost resources, including priority sorting center processing, priority transportation capacity allocation and closer end-to-end operational coordination and monitoring, thereby forming a clear relationship between delivery timeliness and pricing.

- ***Parcel attributes***: Different parcel categories require differentiated transportation handling methods, compliance procedures and operational workflows. For example, ordinary goods and battery-powered products each have distinct cost structures arising from upstream supplier charges, as well as our differentiated investments in protective handling and compliance review, which in turn result in different pricing structures.

We generally determine freight charges based on chargeable weight, being the higher of actual weight and volumetric weight, under a core pricing model consisting of the applicable chargeable weight multiplied by the corresponding per-kilogram rate, together with a fixed handling fee based on different weight brackets.

SALES AND MARKETING

As of December 31, 2025, we employed 297 sales and marketing professionals responsible for customer acquisition, account management, branding and market outreach.

Brand Positioning and Strategy

Our brand positioning is built on our deep understanding of the needs of cross-border e-commerce third-party platforms, cross-border merchants and Chinese brands expanding overseas. Within a regulatory-compliant framework, we are committed to providing secure, efficient and cost-competitive integrated cross-border logistics services through reliable fulfillment capabilities, continuously optimized service experience, diversified product offerings and digitalized operational capabilities.

Our core competitiveness lies not only in our network coverage and transportation capabilities, but also in our stable delivery performance, risk management capabilities, customer responsiveness and collaboration with participants across the e-commerce ecosystem. We continuously strengthen our brand recognition by enhancing service quality, fulfillment timeliness, product adaptability and customer experience, thereby improving customer retention and conversion and driving business growth through full-lifecycle customer management.

Customer Acquisition and Retention

We have established a diversified customer acquisition and relationship management system supported by our brand recognition, product competitiveness, customer service capabilities and industry resources. Our customer acquisition channels include inbound inquiries driven by brand recognition, referrals from cooperative platforms and existing customers, online and offline marketing and new media promotion, cooperation with cross-border e-commerce associations and industry exhibitions, as well as business development efforts by our in-house sales team.

We adopt a tiered customer management approach based on customer scale, business type, growth potential and strategic value. For large platform customers and key accounts, we deepen cooperation through regular business communications, operational reviews, dedicated service solutions and cross-department coordination. For growth-stage customers, we establish early-stage cooperation through flexible product offerings, route optimization and operational support, and expand the scope of cooperation as their businesses grow.

We place strong emphasis on customer experience and service quality. By continuously monitoring customer feedback, fulfillment performance, exception handling efficiency and system user experience, we continuously optimize our products, operations and customer service processes. Our evolving service mechanisms help enhance customer stickiness, reduce customer churn and promote cross-selling and incremental business opportunities, thereby supporting the long-term growth of our business.

OUR CUSTOMERS

We serve cross-border e-commerce third-party platforms, cross-border merchants and Chinese brands expanding overseas. Our customers span a wide spectrum of business scales and product categories, ranging from platform-based sellers and independent-site merchants to emerging Chinese consumer brands targeting global markets. In 2023, 2024 and 2025, the number of our customers with revenue contribution to us amounted to 33.0 thousand, 33.6 thousand and 36.8 thousand, respectively. The table below sets forth our revenue by customer type for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*% of revenue*	*RMB'000*	*% of revenue*	*RMB'000*	*% of revenue*
Cross-border merchants and Chinese brands expanding overseas	3,484,543	36.7	4,141,699	71.1	5,824,172	87.1
Cross-border e-commerce third-party platforms	5,998,399	63.3	1,685,255	28.9	862,878	12.9
Total	**9,482,942**	**100.0**	**5,826,954**	**100.0**	**6,687,050**	**100.0**

In 2023, 2024 and 2025, our revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB6,068.7 million, RMB1,842.9 million and RMB1,201.6 million, respectively, accounting for 64.0%, 31.6% and 18.0% of our total revenue in the same years, respectively. In 2023, 2024 and 2025, revenue contributed from our largest customer in each year during the Track Record Period amounted to RMB4,923.8 million, RMB1,269.2 million and RMB558.2 million, respectively, accounting for 51.9%, 21.8% and 8.4% of our total revenue in the same years, respectively. The payment method adopted by our five largest customers in each year during the Track Record Period was wire transfer.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our five largest customers in each year during the Track Record Period were Independent Third Parties. To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of our Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest customers in each year as of the Latest Practicable Date.

During the Track Record Period, we did not have any material disputes with, nor did we receive any material complaints from our customers.

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

Year ended December 31, 2023

Customer	Service nature	Revenue	Percentage of total revenue	Year of commencement of business relationship
		(RMB'000)	*(%)*	
Customer A[(1)]	Cross-border e-commerce express services; other cross-border services	4,923,750	51.9	2022
Customer B[(2)]	Cross-border e-commerce express services; other cross-border services	856,467	9.0	2016

Customer	Service nature	Revenue	Percentage of total revenue	Year of commencement of business relationship
		(RMB'000)	*(%)*	
Customer C[3] . .	Cross-border e-commerce express services; other cross-border services	120,892	1.3	2018
Customer D[4] . .	Cross-border e-commerce express services	85,658	0.9	2020
Customer E[5] . .	Cross-border e-commerce express services; other cross-border services	81,892	0.9	2021
Total		**6,068,659**	**64.0**	

Year ended December 31, 2024

Customer	Service nature	Revenue	Percentage of total revenue	Year of commencement of business relationship
		(RMB'000)	*(%)*	
Customer A[1] . .	Cross-border e-commerce express services; local last-mile delivery services; other cross-border services	1,269,221	21.8	2022
Customer B[2]. . .	Cross-border e-commerce express services; other cross-border services	242,314	4.1	2016
Customer F[6] . .	Cross-border e-commerce express services	133,230	2.3	2019
Customer G[7] . .	Cross-border e-commerce express services	113,007	1.9	2018
Customer E[5] . .	Cross-border e-commerce express services; other cross-border services	85,132	1.5	2021
Total		**1,842,904**	**31.6**	

Year ended December 31, 2025

Customer	Service nature	Revenue	Percentage of total revenue	Year of commencement of business relationship
		(RMB'000)	*(%)*	
Customer A[1]. . .	Cross-border e-commerce express services; local last-mile delivery services; other cross-border services	558,221	8.4	2022
Customer B[2] . .	Cross-border e-commerce express services	226,046	3.4	2016

Customer	Service nature	Revenue	Percentage of total revenue	Year of commencement of business relationship
		(RMB'000)	*(%)*	
Customer G[7]	Cross-border e-commerce express services; other cross-border services	173,245	2.6	2018
Customer F[6]	Cross-border e-commerce express services	128,501	1.9	2019
Customer H[8]	Cross-border e-commerce express services	115,624	1.7	2025
Total		**1,201,637**	**18.0**	

Notes:

(1) Customer A is a company incorporated in 2015 in Shanghai primarily engaged in e-commerce and cross-border trade, with a registered capital of RMB10.0 million. We granted a credit term of 15 days in 2023 and 2024, and 15 business days in 2025 to Customer A.

(2) Customer B is a company incorporated in 2016 in Hangzhou, Zhejiang province, primarily engaged in software development, courier services and supply chain management, with a registered capital of RMB50.0 million. We granted a credit term of 10 business days to Customer B.

(3) Customer C is a company incorporated in 2017 in Shenzhen, Guangdong province, primarily engaged in e-commerce logistics platform development, supply chain management, and international freight forwarding, with a registered capital of USD4.0 million. We granted a credit term of 10 business days to Customer C.

(4) Customer D is a company incorporated in 2014 in Shenzhen, Guangdong province, primarily engaged in B2C cross-border e-commerce operations, global retail of consumer electronics, apparel, and household goods, with a registered capital of RMB500 thousand. We granted a credit term of 7 days to Customer D.

(5) Customer E is a company incorporated in 2012 in Beijing, primarily engaged in technology development, television and radio program production, e-commerce platform operation, and cross-border e-commerce, with a registered capital of RMB0.2 billion. We granted a credit term of 15 business days to Customer E.

(6) Customer F includes two Hong Kong-based companies, primarily engaged in comprehensive overseas marketing services for Chinese enterprises. We granted a credit term of 15 days to Customer F.

(7) Customer G is a company incorporated in 2015 in Zhengzhou, Henan province, primarily engaged in enterprise management consulting, technical services, exhibition organization, and professional business support services, with a registered capital of RMB500 thousand. We granted a credit term of 7 days to Customer G.

(8) Customer H is a company incorporated in 2025 in Wuxi, Jiangsu province, primarily engaged in supply chain management, online sales, and warehousing and logistics services, with a registered capital of RMB3.0 million. We granted a credit term of 7 days to Customer H.

Key Terms of Agreements with Our Customers

We typically enter into service agreements with our customers. The salient terms of a typical service agreement with our customers are set out below:

Terms . . . . Typically one year or are perpetually valid

Service Scope . . . . Cross-border E-commerce Express Services: standard express delivery services covering first-mile pickup, sorting, cross-border transportation, customs clearance and last-mile delivery of parcels;

	Local Last-mile Delivery Services: standard express delivery services covering pickup, sorting, transportation, and delivery of parcels
Pricing	With reference to standardized pricing for the relevant services or fee rates otherwise agreed between the parties, subject to mutually agreed upon fee changes
Payment Term	Settlement typically within 30 days
Termination	May be terminated by one or either party upon prior notice upon certain events

Customer Support

We place strong emphasis on service quality and customer experience, viewing both as essential drivers of customer loyalty, brand reputation and sustainable business expansion. To better address the diversified requirements of customers at different business stages, we have established a differentiated customer service model:

- *Dedicated Key Account Customer Service*. For large-scale brands and merchants with sophisticated operational requirements, we assign dedicated key account managers who conduct regular business review meetings to understand evolving customer needs, assess fulfillment performance and collect service feedback. Key account managers also identify potential cross-selling or upselling opportunities across our service suite to enhance customer engagement and strengthen long-term cooperation.

- *Self-service Support for SMEs*. For small- and mid-sized cross-border merchants, we provide a convenient self-service interface through our digital platforms, enabling customers to submit orders, raise last-mile service requests, track parcels and access frequently asked questions. Service tickets are automatically generated and routed within our system, enabling customer service representatives to follow up promptly and ensure timely and effective issue resolution. In addition, similar to our services for large-scale brands and merchants with sophisticated operational requirements, we serve SMEs in dedicated WeCom groups, offering timely online support through both manual and automated replies.

In addition, we maintain a structured and transparent customer complaint management mechanism. Customer complaints may be submitted through various channels including our customer service center, online customer service, 400 hotline, enterprise WeChat work groups and our sales team. Internally, we follow standardized escalation procedures to ensure all issues are properly resolved. During the Track Record Period, we did not experience any material customer complaints.

Quality Management and Service Monitoring

We have established a service quality monitoring system to ensure fulfillment performance remains stable and predictable. Key quality indicators, including successful delivery rate, on-time performance, node completeness and timeliness, and complaint rate per ten thousand parcels, are continuously monitored across each stage of the cross-border logistics chain.

To embed quality control into day-to-day operations, we have set up a dedicated quality control department and implemented cross-departmental mechanisms such as operational quality meetings, product operations meetings and sales-operations alignment meetings. Meanwhile, our customer service team consolidates and analyzes customer feedback from multiple channels, such as our customer service center, online customer service, 400 hotline, offline service representatives and sales teams, to identify root causes, evaluate recurrence risks and drive continuous optimization.

OUR SUPPLIERS

We have a broad network of third-party transportation service providers, cross-border linehaul operators, customs brokerage firms, and last-mile delivery service providers to support seamless fulfillment from origin to final delivery destination.

Supplier Selection and Management

We consistently engage reputable and experienced suppliers to safeguard service quality and operational reliability. Supplier selection is conducted through a rigorous, multi-factor evaluation process that assesses, among others, transportation capacity and network coverage, qualifications, historical delivery performance and cost competitiveness. We evaluate prospective suppliers through on-site inspections, documentation reviews and performance assessments based on prior cooperation experience or initial trial periods. Suppliers that meet our standards are included in the qualified supplier list maintained by our supply chain and quality management teams.

Qualified suppliers are subject to ongoing performance monitoring and periodic assessments to ensure continued compliance with our service, safety and operational requirements. Any material non-compliance or significant service quality issue triggers an immediate reassessment, which may result in warnings, procurement restrictions or removal from our qualified supplier list.

Our Major Suppliers

In 2023, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB2,560.0 million, RMB1,378.1 million and RMB1,706.5 million, respectively, accounting for 28.4%, 25.8% and 28.0% of our total purchases in the same years, respectively. In 2023, 2024 and 2025, purchases from our largest supplier in each year during the Track Record Period amounted to RMB761.9 million, RMB420.5 million and RMB518.1 million, respectively, accounting for 8.5%, 7.9% and 8.5% of our total purchases in the same years, respectively.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our five largest suppliers in each year during the Track Record Period were Independent Third Parties. To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of our Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest suppliers in each year as of the Latest Practicable Date.

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

Year ended December 31, 2023

Supplier	Type of product/services procured	Payment method	Purchase amount	Percentage of total purchase	Year of commencement of business relationship
			(RMB'000)	*(%)*	
Supplier A[(1)]	International transportation	Wire transfer	761,894	8.5	2020
Supplier B[(2)]	Last-mile delivery	Wire transfer	698,125	7.8	2022
Supplier C[(3)]	Last-mile delivery	Wire transfer	378,217	4.2	2020
PAL E-COMMERCE LOGISTICS LIMITED[(4)]	International transportation; export customs declaration	Wire transfer	366,366	4.0	2020
Winit (HK) Trading Limited[(5)]	Last-mile delivery	Wire transfer	355,371	3.9	2018
Total			**2,559,973**	**28.4**	

Year ended December 31, 2024

Supplier	Type of product/services procured	Payment method	Purchase amount	Percentage of total purchase	Year of commencement of business relationship
			(RMB'000)	*(%)*	
Supplier D[(6)]	Customs clearance	Wire transfer	420,537	7.9	2021
Supplier E[(7)]	Import customs clearance, last-mile delivery	Wire transfer	286,394	5.4	2018
Supplier A[(1)]	International transportation	Wire transfer	256,824	4.8	2020
ACI Logistix, LLC[(8)]	Last-mile delivery	Wire transfer	245,047	4.6	2023
Supplier F[(9)]	Last-mile delivery	Wire transfer	169,270	3.1	2023
Total			**1,378,072**	**25.8**	

Year ended December 31, 2025

Supplier	Type of product/services procured	Payment method	Purchase amount	Percentage of total purchase	Year of commencement of business relationship
			(RMB'000)	*(%)*	
Supplier E[(7)]	Import customs clearance, last-mile delivery	Wire transfer	518,082	8.5	2018
Supplier D[(6)]	Import customs clearance	Wire transfer	445,874	7.3	2021
Supplier F[(9)]	Last-mile delivery	Wire transfer	279,754	4.6	2023
AWESUNG Logistics Group[(10)]	Last-mile delivery	Wire transfer	231,800	3.8	2024
Supplier A[(1)]	International transportation	Wire transfer	230,968	3.8	2020
Total			**1,706,478**	**28.0**	

Notes:

(1) Supplier A is a company incorporated in Hong Kong in 1993, primarily engaged in international freight forwarding, global express logistics, and comprehensive shipping agency services.

(2) Supplier B is a company incorporated in the United States in 1986, primarily engaged in last-mile e-commerce parcel delivery, same-day and next-day shipping services.

(3) Supplier C is a government entity established as an independent establishment of the executive branch of the United States in 1971, primarily engaged in providing universal postal and logistics services, including mail and package delivery across the U.S. and its territories.

(4) PAL E-COMMERCE LOGISTICS LIMITED is a company incorporated in Hong Kong in 2010, primarily engaged in technology-enabled supply chain management, warehousing, distribution, and cross-border e-commerce fulfillment services across Greater China.

(5) Winit (HK) Trading Limited is a company incorporated in Hong Kong in 2013, primarily engaged in cross-border e-commerce supply chain services, international trade, and global warehouse management solutions.

(6) Supplier D is a company incorporated in the United States in 2009, primarily engaged in customs clearance.

(7) Supplier E is a company incorporated in 2016 in Hangzhou, Zhejiang province, primarily engaged in software development, courier services and supply chain management, with a registered capital of RMB50.0 million.

(8) ACI Logistix, LLC is a company incorporated in the United States in 2014, primarily engaged in small parcel distribution, e-commerce logistics, and "last mile" delivery solutions.

(9) Supplier F is a company incorporated in France in 1991, primarily engaged in postal services, parcel logistics, banking, insurance, and mobile telecommunications.

(10) AWESUNG Logistics Group is a company incorporated in the United States in 2008, primarily engaged in global cross-border e-commerce logistics, warehousing, and supply chain technology solutions.

Salient Terms of Agreements with Our Suppliers

We typically enter into service agreements with our suppliers stipulating the service scope, pricing, payment terms, service period, among others. The following table sets forth the key terms of our typical agreements with suppliers.

Scope of Services	The services our suppliers provide us with include, as the case may be, overseas and domestic transportation, customs clearance and cross-border transportation.
Pricing	Service fees are subject to fee quotes otherwise agreed between our suppliers and us, based on various factors including parcel weight, destination countries/regions and parcel volume.
Payment	We are generally required to pay our suppliers within 30 days upon issuance or receipt of relevant bill/invoice. Payments shall be through wire transfer.
Indemnification	Our suppliers are obligated to indemnify us for parcel losses or damages during the parcel transportation undertaken by them. We are obligated to ensure the items are in compliance with relevant requirements of governmental authorities and are not prohibited by governmental authorities to be transported, otherwise we shall assume all legal obligations and indemnify all associated damages to our suppliers.

Duration and Renewal . . . . . The agreements typically have a fixed term ranging from one year to three years and can be renewed subject to mutual consent. Both parties are entitled to terminate the agreements upon prior notice issued to the other party.

OVERLAPPING CUSTOMERS AND SUPPLIERS

Due to the nature of the logistics services industry and the functional division along the logistics value chain, certain counterparties may act as both service providers and service recipients in different business scenarios. During the Track Record Period, we provided logistics services to certain customers who also acted as our suppliers. In certain transaction stages, we procured transportation capacity, customs clearance services or other specialized logistics resources from such counterparties based on factors such as route coverage, regional access, capacity availability and service specialization.

According to Frost & Sullivan, such overlap primarily reflects the operational characteristics of the logistics industry, in which market participants may assume dual roles depending on the specific transaction context. By leveraging the unique strengths of different cross-border logistics services providers, collaborative partnerships help utilize logistics resources more efficiently and cost-effectively, thereby enhancing overall service quality. As a result, it is common for logistics enterprises to engage in transactions with each other as both suppliers and customers. These arrangements are conducted on normal commercial terms and are consistent with industry practice, and do not represent any atypical business practice.

The following table sets forth the breakdown of our revenue generated from and purchase amount paid to our overlapping customers and suppliers, which was among either our five largest customers or suppliers during the Track Record Period.

	Transaction nature		Year ended December 31,											
			2023				2024				2025			
Entity	As customer	As supplier	Revenue	% of total revenue	Purchase	% of total purchase	Revenue	% of total revenue	Purchase	% of total purchase	Revenue	% of total revenue	Purchase	% of total purchase
			(RMB'000, except for percentage)											
Customer B/ Supplier E	Cross-border e-commerce express services; other cross-border services	Import customs clearance, last-mile delivery	856,467	9.0	166,303	1.8	242,314	4.1	286,394	5.4	226,046	3.4	518,082	8.5
AWESUNG Logistics Group	Local last-mile delivery services	Last-mile delivery	–	–	23,720	0.3	–	–	6,812	0.1	82	0.0	231,800	3.8
Supplier A	Other cross-border services	International transportation	3,273	0.0	761,894	8.5	1,118	0.0	256,824	4.8	–	–	230,968	3.8
ACI Logistix, LLC	Local last-mile delivery services	Last-mile delivery	–	–	63,068	0.7	–	–	245,047	4.6	28,097	0.4	153,075	2.5
Winit (HK) Trading Limited	Cross-border e-commerce express services; other cross-border services	Last-mile delivery	2,091	0.0	355,371	3.9	–	–	110,639	2.1	4,169	0.1	4,421	0.1
Customer C	Cross-border e-commerce express services; other cross-border services	International transportation	120,829	1.3	–	–	25,541	0.4	–	–	5,076	0.1	136.7	0.0

In 2023, 2024 and 2025, revenue generated from such overlapping customers and suppliers, which was among either our five largest customers or suppliers during each year of the Track Record Period, was RMB982.7 million, RMB269.0 million and RMB263.5 million, respectively, accounting for 10.3%, 4.6% and 4.0% of our total revenue for the same years. Our purchase amount from such overlapping customers and suppliers was RMB1,370.4 million, RMB905.7 million and RMB1,138.5 million, respectively, accounting for 15.4%, 17.0%, and 18.7% of our total purchase amount for the same years.

Negotiations of the terms of our sales to and purchases from these overlapping customers and suppliers were conducted on an individual basis and the sales and purchases were neither inter-connected nor inter-conditional with each other. Our Directors confirm that all of our sales to and purchases from these overlapping customers and suppliers were conducted in the ordinary course of business under normal commercial terms and on arm's length basis.

INTRA-GROUP TRANSACTIONS

Our Company, our controlled affiliated entities and our subsidiaries conduct intra-group provisions of services and other related party transactions following the fundamental principle that intra-group transactions must be conducted at an arm's length basis.

During the Track Record Period and up to the Latest Practicable Date, we had the following major intra-Group transactions:

- ***Freight forwarding services (the "Transaction I")***. Yanwen Hong Kong provides freight forwarding services to our Company and Qianhai Yanwen to coordinate the import and export transportation and related services, charging service fees in return. In 2024 and 2025, Yanwen Hong Kong entered into contracts with third-party customers, subcontracted agency services within China to our Company, and paid service fees to our Company for such arrangements.

- ***Transportation services (the "Transaction II")***. Our Company enters into service contracts with our customers and then subcontracts local last-mile delivery services in the U.S. to Yanwen Express America since its establishment in January 2024. Under this arrangement, Yanwen Express America provides logistics services, such as local transportation and delivery, based on our Company's requirements and charges service fees in return.

- ***Agency services (the "Transaction III")***. Yanwen Logistics America assists our Company in attracting and securing customers for logistics services in the U.S. Additionally, Yanwen Logistics America supports our Company in identifying qualified suppliers in the U.S. market. Yanwen Logistics America facilitates the direct execution of contracts between such customers/suppliers and itself, and in return charges our Company agency commission.

The Organization for Economic Co-operation and Development (the "**OECD**"), an international organization of international cooperation, promulgated the transfer pricing guidelines for multinational enterprises and tax administrations (the "**OECD Transfer Pricing Guidelines**"), which is generally followed by the relevant tax jurisdictions involved in the intra-Group transactions worldwide. According to the OECD Transfer Pricing Guidelines, the intra-Group transactions should be on an arm's length basis to avoid distorted taxable income in different jurisdictions.

We have engaged a professional accounting firm as our independent transfer pricing consultant (the "**Transfer Pricing Advisor**") to conduct benchmarking studies on the intra-Group transactions during the Track Record Period in accordance with the OECD Transfer Pricing Guidelines. Our Transfer Pricing Advisor determined that (i) the transactional net margin method was the most appropriate transfer pricing method to assess whether the transfer pricing arrangements related to Transaction I and Transaction II were consistent with the arm's length principle; and (ii) comparable uncontrolled price method was the most reliable transfer pricing method to assess whether the transfer pricing arrangements related to Transaction III consistent with the arm's length principle. Transactional net margin method and comparable uncontrolled price method are commonly accepted in the OECD Transfer Pricing Guidelines and are stipulated in relevant transfer pricing regulations. Based on the transfer pricing review, it is indicated that the fee rate and the profit level indicators of the abovementioned transactions are within the profit range that was considered an appropriate range for the arm's length transactions during the Track Record Period.

During the Track Record Period and up to the Latest Practicable Date, we were not subject to any penalty, investigations, inquiries or transfer pricing audits carried out by local tax authorities in relation to these intra-Group transactions.

Based on the above, and after consulting our Transfer Pricing Advisor, our Directors are of the view that the above-mentioned intra-Group transactions were in line with the arm's length principle and we were in compliance with the relevant transfer pricing laws and regulations during the Track Record Period and up to the Latest Practicable Date.

To ensure our ongoing compliance with the applicable transfer pricing laws and regulations, we plan to take the following measures:

- engage professional accounting firms as independent tax consultants to conduct annual transfer pricing review on our cross-border intra-Group transactions;

- provide training to our employees responsible for intra-Group transactions, maintaining their awareness of global transfer pricing regulations; and

- continue to monitor the profitability of our subsidiaries and controlled affiliated entities and adjust pricing arrangements as appropriate.

THIRD-PARTY PAYMENT ARRANGEMENT

Background and Implications Relating to the Third-party Payment Arrangements

During the Track Record Period, certain of our customers (individually or collectively, the "**Relevant Customer(s)**") engaged third-party payors (individually or collectively, the "**Third-party Payor(s)**") to settle their payments with us (the "**Third-party Payment Arrangements**"). In 2023, 2024 and 2025, the number of Relevant Customers with payment recorded during the relevant year amounted to 9,131, 9,666 and 7,993, representing 24.4%, 25.2% and 19.0% of the total number of customers with payment recorded in the same year, respectively. The aggregate amount they settled under the Third-party Payment Arrangements (the "**Relevant Settlement**") was RMB1,227.8 million, RMB1,414.9 million and RMB547.9 million, respectively, which accounted for 14.0%, 22.7% and 7.5% of the total payments we received from all customers during the same years, respectively.

To the best of our knowledge, the Third-party Payors during the Track Record Period primarily consisted of (i) persons or entities affiliated with the Relevant Customers, such as legal representatives, controlling shareholders, actual controllers or entities controlled by them, their family members and employees of the Relevant Customers; and (ii) to a much lesser extent, business partners of the Relevant Customers' actual controllers or legal representatives.

The Relevant Customers settled their payments through bank transfer. Substantially all of the Relevant Settlement took place in China and substantially all of the Relevant Customers and Third-party Payors are located in China.

Reasons for the Third-party Payment Arrangements

According to Frost & Sullivan, it is a common commercial practice for our customers, especially those small- and medium-sized cross-border e-commerce merchants in China, to settle payments with logistics services providers through third-party payors. Based on the representation of Relevant Customers and to the best of our Directors' knowledge, Relevant Customers chose to settle payments through Third-party Payment Arrangements, mainly driven by their considerations including payment convenience, operational flexibility or short-term cashflow utilization demands. Therefore, Relevant Customers chose to request Third-party Payors to settle payments with logistics services providers on their behalf. According to Frost & Sullivan, such reasons for utilizing Third-party Payment Arrangements by Relevant Customers are common in China's B2C cross-border e-commerce logistics services industry.

Based on the representations of Relevant Customers and to the best knowledge of our Directors, Relevant Customers mainly utilized Third-party Payment Arrangements because:

(i) it is commercially convenient for or in line with the internal financial management practice of some Relevant Customers to use the accounts of their affiliated persons, such as their legal representatives or actual controllers (and/or their relatives), to settle payments with suppliers;

(ii) some Relevant Customers utilize the designated entities within the same group to settle payments with suppliers on behalf of such Relevant Customers, thereby allowing for more operational convenience and efficiency within the same group. According to Frost & Sullivan, such practice is in line with industry norms;

(iii) some Relevant Customers in the form of sole proprietorships would like to avoid the complexity of setting up the corporate accounts or the inconvenience of using such corporate accounts to allow for more operational flexibility; and

(iv) it is the established internal financial management or operational practice for some Relevant Customers to settle payments with suppliers through the accounts' of their affiliated persons or entities, such as their legal representatives or actual controllers (and/or their family members), in order to improve transaction efficiency.

During the Track Record Period, we implemented internal control measures to monitor and manage the Third-party Payment Arrangements. We generally required the Relevant Customers to provide written payment authorization, including the identity details of the relevant Third-party Payors, their account information and the corresponding authorization. Under our Sales Management Policy (《銷售管理制度》), we also had know-your-customer procedures in place for onboarding our customers. Furthermore, we also met with our customers when necessary to understand the nature of their businesses, business models and ownerships. In addition, we required major Relevant Customers to issue confirmation letters to us, which specified that: (i) the Third-party Payment Arrangements constitute part of the normal and genuine commercial transactions between the Relevant Customers and us, and are commercially reasonable. Such arrangements were not initiated by us; (ii) the designated Third-party Payor is authorized by the Relevant Customer and thus is allowed to settle payments with us on behalf of the Relevant Customer; (iii) payment from the designated payor shall be deemed as payments from the Relevant Customer under our service agreements with such Relevant Customer; and (iv) the Relevant Customer undertake that Third-party Payor has no right, and has never sought recourse against or asserted any other claims upon our Group or our affiliates. Neither the Relevant Customer nor the Third-party Payor (or its creditors) shall require us to refund any amounts already paid on their behalf, irrespective of any disputes that may exist between the Relevant Customer and the Third-party Payor.

Based on the above, our Directors believe that the Third-party Payment Arrangements during the Track Record Period, to the best of our knowledge, have been recorded completely and accurately in our accounting books and records in all material respects.

During the Track Record Period and up to the Latest Practicable Date, we did not provide any discount, commission, rebate or other benefits to any of the Relevant Customers or the designated Third-party Payor to facilitate or incentivize the Third-party Payment Arrangements. During the Track Record Period, we did not initiate any Third-party Payment Arrangements, and the Third-party Payment Arrangements were arranged based on the Relevant Customers' requests. To the best of our knowledge, during the Track Record Period, all the Third-party Payment Arrangements were based on *bona fide* underlying transactions and valid contractual relationships. The pricing and payment terms we provided to Relevant Customers were in line with our other customers that were not involved in the Third-party Payment Arrangements. To the best of our knowledge, we were not the subject of any investigations, enquiries, penalties, or surcharges as a result of our involvement in the Third-party Payment Arrangements during the Track Record Period and up to the Latest Practicable Date. In addition, during the Track Record Period and up to the Latest Practicable Date, we had not encountered any refund requests, actual or pending disputes or disagreements due to Third-party Payment Arrangements or any material claims against us in relation to the Third-party Payment Arrangements.

As advised by our PRC Legal Advisors, in light of the above, (i) our Third-party Payment Arrangements during the Track Record Period and up to the Latest Practicable Date were not in breach or contravention of mandatory requirements of the applicable PRC laws or regulations; and (ii) as to Relevant Customers and their designated Third-party Payors who issued confirmation letters to us as mentioned above, the risks were remote for our Group to be found obligated to return funds to Relevant Customers or their designated Third-party Payors under the Third-party Payment Arrangements.

Based on the foregoing, our Directors confirm that, to the best of their knowledge and based on the internal control measures implemented, (i) during the Track Record Period, the Third-party Payment Arrangements were based on *bona fide* underlying transactions and valid contractual relationships, and (ii) there were no instances of commercial bribery, money laundering, tax evasion, or existing or potential disputes with our Group related to the Third-party Payment Arrangements.

Analyses of Third-party Payment Arrangements

Pursuant to the PRC laws and regulations, there is no explicit restriction on the adoption of Third-party Payment Arrangements. A Third-party Payment Arrangement is valid so long as it does not fall within those grounds of invalidation specified under the *PRC Civil Code* (《中華人民共和國民法典》), including, among others, where the arrangement is in violation of public order or harms one's legal rights through malicious collusion. During the Track Record Period and up to the Latest Practicable Date, we had not been requested to return any third-party payments received by us. To the best knowledge of our Directors, (i) we are not involved in any actual or threatened disputes or disagreements arising from or as a result of any Third-party Payment Arrangements, (ii) we are not subject to any investigations, enquiries, penalties, or surcharges as a result of our involvement in the Third-party Payment Arrangements.

As advised by our PRC Legal Advisors, according to Article 191 of the *Criminal Law of the PRC* (《中華人民共和國刑法》), the crime of money laundering is committed only if we (i) clearly know that the funds for the third-party payments are proceeds and/or gains derived from drug-related crimes, crimes committed by criminal organizations, crimes of terrorism, smuggling, bribery and corruption, crimes undermining the financial order of society and financial fraud; and (ii) commit certain acts as referred to under Article 191 of the Criminal Law of the PRC for the purpose of covering up or concealing the source and nature of the aforementioned proceeds and/or gains. With our know-your-customer procedures in place and as confirmed by the confirmation letters issued to us, we have no grounds to believe that (i) the Relevant Customers are involved in the aforementioned crimes, or (ii) the third-party payments received by us involve proceeds and/or gains derived from such crimes. Furthermore, we have never committed any acts for the purpose of covering up or concealing any source and nature of any proceeds and/or gains derived from such crimes. Based on the above, and having considered that (i) our Group had not been subject to any penalties, sanctions, or investigations related to money laundering due to the Third-party Payment Arrangements during the Track Record Period and up to the Latest Practicable Date; and (ii) financial institutions that processed settlements under the Third-party Payment Arrangements are required to conduct anti-money laundering checks on all their customers according to the *Anti-Money Laundering Law of the PRC* (《中華人民共和國反洗錢法》), significantly reducing the associated risks, our PRC Legal Advisors are of the view that the risk of the Third-party Payment Arrangements being deemed as constituting the crime of money laundering under Article 191 of the *Criminal Law of the PRC* (《中華人民共和國刑法》) for the purpose of covering up or concealing the source and nature of proceeds or gains is remote.

During the Track Record Period, to the best knowledge of our Directors and based on publicly available information, all Relevant Customers and the designated Third-party Payors who settled payments under the Third-party Payment Arrangements were Independent Third Parties.

Enhanced Internal Control Measures of Third-party Payment Arrangements

To safeguard our interest against risks associated with Third-party Payment Arrangements, we have significantly enhanced and implemented various internal control measures in order to rectify Third-party Payment Arrangements. Our efforts to rectify the Third-party Payment Arrangements include, among other things:

- in January 2026, we issued a notice through our customer portal management system, through which customers receive announcements and notifications, to inform them that, with effect from February 2026 (the “**Notice**”), we would cease accepting third-party payments. For existing third-party payment arrangements, we either terminated the relevant cooperation arrangements or incorporated the relevant third-party payors into our customer management framework through supplemental agreements;

- we initiated the implementation of Third-party Payment Arrangements rectification measures and informed our employees regarding the enhanced internal control measures. We also provide regular training sessions to relevant personnel on fraud prevention, anti-money laundering regulations and payment compliance practices, and conduct periodic internal reviews of payment records and related risks;

- we have strengthened our customer management and internal control procedures by adopting updated customer management policies and standardized customer agreements. These measures regulate customer onboarding, customer identification and verification, contract execution procedures and internal supervision requirements. Under the revised contractual arrangements, all relevant contracting parties are required to execute the agreements jointly and assume corresponding rights and obligations; and

- to prevent fraud and money laundering while ensuring the accuracy and completeness of our accounting records, we have enhanced our know-your-customer procedures. These measures include obtaining a comprehensive understanding of our customers, verifying payment details against contractual arrangements and promptly investigating and rectifying any identified abnormalities through customer liaison and internal review procedures.

Following the issuance of the Notice and the implementation of our enhanced rectification measures, the amount of Third Party Payment Arrangements decreased significantly. By the end of the first quarter of 2026, the amount of Third Party Payment Arrangements as a percentage of the total payment we received had decreased to below 1.0%. We expect the amount of such third-party payments to continue to decrease.

We require all of our customers to settle payment directly from the accounts of such customers who are parties to the relevant service agreements with us. Our Directors are of the view that the cessation of Third Party Payment Arrangements did not, and will not, have any material adverse effect on our business, liquidity, operations or financial performance, taking into account that: (i) the amount settled through Third Party Payment Arrangements accounted for only a limited portion of our total revenue and receipts during each year of the Track Record Period, and such amounts have decreased significantly since the issuance of the Notice; (ii) since the Notice and up to the Latest Practicable Date, our customer base remained relatively stable and our business operations and financial performance continued to remain stable; (iii) substantially all customers previously involved in Third Party Payment Arrangements had either ceased using Third Party Payment Arrangements or entered into new agreements or supplemental tripartite agreements with their designated payors and us, under which such payors assume the corresponding rights and obligations of customers under our logistics service agreements; (iv) we have implemented enhanced internal control measures in relation to Third Party Payment Arrangements; and (v) the Third Party Payment Arrangements primarily arose from commercial settlement convenience arrangements among customers and their designated payors, and we had not identified any fraudulent transactions or material disputes arising from such arrangements during the Track Record Period and up to the Latest Practicable Date.

We regularly check the effectiveness of our internal control measures in relation to the Third-party Payment Arrangements and promptly address any abnormalities. Based on the review of the implementation of the abovementioned measures, our Directors are of the view that such measures are effective and adequate in identifying the sources of funds from the Relevant Customers, ensuring the accuracy and completeness of our accounting books and records and preventing risks associated with Third-party Payment Arrangements, including money laundering risks, tax evasion risks or other risks relating to violation of applicable laws and regulations. Our Directors will oversee the effectiveness of these measures in the future. The internal control consultant has reviewed the aforementioned enhanced internal control measures in respect of Third-party Payment Arrangements with no material deficiencies identified.

RESEARCH AND DEVELOPMENT

R&D are fundamental to sustaining our market-leading position and driving long-term growth, enabling us to respond swiftly to the evolving requirements of our services. We focus on in-house R&D of core technologies, complemented by the selective introduction of mature licensed software to enhance our technical capabilities.

As of December 31, 2025, we had a robust R&D team of 111 experienced technical professionals, representing 7.1% of our total headcount. Many of our R&D personnel are professional IT engineers with deep expertise in technology innovation. Our sustained investments in research and development have resulted in substantial technological achievements. As of December 31, 2025, we had developed 29 proprietary logistics management systems covering the core operational processes of our business.

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we had six registered patents, 28 registered copyrights, one registered trademark and four domain names in the PRC, which were material to our business. We also had one trademark in application in Hong Kong and two trademarks in application in the U.S. that were material to our business as of the same date. See "Appendix IV — Statutory and General Information — B. Further Information about Our Business — 2. Intellectual Property Rights of Our Group."

We rely primarily on a combination of patents, trademarks, trade secrets, and unfair competition laws and contractual rights, such as confidentiality agreement, to protect our intellectual properties. We have implemented robust measures to protect our intellectual property. Our legal department diligently oversees our intellectual properties to ensure timely applications, renewals, and filings, as well as to navigate any relevant third-party intellectual properties.

During the Track Record Period and up to the Latest Practicable Date, we were not involved in any lawsuits or arbitrations, or received any notifications from third parties alleging infringement of their intellectual property or the sale of counterfeit products that could have a material adverse impact on our business. Furthermore, we had not encountered any adverse findings from government authorities regarding investigations or audits concerning infringement of third-party intellectual property or the sale of counterfeit products that could have a substantial adverse effect on our business.

Even though we have paid attention to protecting our intellectual property, we may still face certain risks relating to our intellectual property. See "Risk Factors — Risks relating to Our Business and Industry — We may not be able to prevent others from unauthorized use of our intellectual properties, which could harm our business and competitive position."

COMPETITION

China's B2C cross-border e-commerce logistics services industry is sizeable highly competitive, with a fragmented industry structure in which no single service provider holds a dominant position. According to Frost & Sullivan, the total revenue of China's top five third-party cross-border export e-commerce logistics services providers amounted to approximately RMB26.5 billion in 2025, representing only a limited share of the overall market. This reflects the presence of numerous market participants with differentiated service offerings, geographic coverage and customer focus. Competition in this industry is primarily driven by network coverage, last-mile capabilities, service stability, cost efficiency, digitalization capabilities and execution reliability.

We ranked second among third-party B2C cross-border e-commerce logistics services providers in China in terms of revenue from cross-border e-commerce express services in 2025, and second in terms of parcel volume shipped to the U.S. in 2025. We compete by leveraging our self-operated cross-border network, extensive service coverage, technology-enabled operating model and expanding overseas local delivery capabilities, which allow us to provide integrated end-to-end logistics solutions with a higher degree of visibility and operational control than service providers that rely primarily on fragmented third-party arrangements. This positioning enables us to serve both large cross-border e-commerce third-party platforms and a diversified base of merchants with varying logistics needs, while supporting scalable and resilient operations in a competitive market environment.

SEASONALITY

Our services and results of operations exhibit certain seasonality, primarily driven by global e-commerce shopping cycles, air freight capacity dynamics and broader macro-environmental factors. Typically, the period from October to January of the following year represents the global peak season for cross-border e-commerce, encompassing major shopping festivals such as "Black Friday" and "Cyber Monday" in the United States, the Christmas shopping season in Europe and pre-Chinese New Year stock replenishment by Chinese merchants. During these peak months, cross-border transaction volume increases substantially, resulting in heightened demand for air freight capacity. The resulting supply-demand imbalance often drives up air freight rates and leads to a temporary rise in our fulfillment costs.

Beyond demand-driven seasonality, extreme weather conditions and geopolitical events may also cause short-term disruptions to cross-border transportation. Severe weather such as snowstorms, heavy rain or dense fog may lead to flight delays or cancellations, resulting in cargo backlogs, capacity tightening and increased freight costs. In parallel, geopolitical developments, including changes in international trade policies, tariff adjustments and regional conflicts, can add further uncertainty to cross-border operations. Measures such as new trade barriers or the suspension of certain flight routes may negatively affect available air freight capacity and increase transportation costs.

We proactively manage these seasonal and external impacts by securing transportation capacity in advance, flexibly reallocating network resources and optimizing operational scheduling to ensure service stability during peak periods and to mitigate potential disruptions.

DATA PRIVACY AND PROTECTION

In the course of our operations, we collect, store and process business and transaction data, as well as certain personal data. The confidentiality, integrity and availability of this data are critical to our business. To mitigate security risks, we adopted a comprehensive protection framework incorporating advanced encryption, secure storage protocols and stringent transmission controls to safeguard sensitive information. Access to confidential data is strictly controlled on a need-to-know basis, with permission granted according to employees' roles and duties. Clear protocols govern the use, storage and sharing of corporate information, ensuring only authorized personnel can handle it for legitimate business purposes.

We also maintain a robust backup and disaster recovery system. Data is stored in multiple secure locations, both locally and remotely, with regular restoration tests to ensure reliability. Our remote disaster recovery protocol ensures that, in the event of technical failures, natural disasters or other emergencies, data can be restored quickly and business continuity maintained.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material data breach or loss, nor were we subject to any material fines or administrative penalties imposed by PRC regulatory authorities for violations of data protection laws.

See "Risk Factors — Risks Relating to Our Business and Industry — Complying with evolving laws and regulations regarding cybersecurity, information security, privacy and data protection and other related laws and requirements may be expensive and may force us to make adverse changes to our business."

AWARDS AND RECOGNITION

Our leading market position and brand recognition are reflected in awards we have received. The following table sets forth a selection of the notable awards and recognition we received in recent years:

Year of Award	Awards and Recognition	Issuing Authority/Institution
2025	Top 100 Private Enterprises in Beijing	Beijing Federation of Industry and Commerce
2023	Leading Enterprise for the High-quality Development of Cross-border E-commerce (2022-2023)	Guangdong Cross-border E-commerce Association
2021	National AAAA Logistics Enterprise	China Federation of Logistics & Purchasing
2020	Excellent Logistics Service Provider of 2020	Cross-Border E-commerce Branch of China E-commerce Association Alliance
2018	Outstanding Cross-border E-commerce Logistics Enterprise of the 1st "Golden E-commerce Award" (2014-2017)	Shanghai Cross-border E-commerce Industry Association

EMPLOYEES

As of December 31, 2025, we had a total of 1,565 employees. Among them, 1,500 of our employees were based in the PRC and 65 of them were based in U.S. The following table sets forth a breakdown of our employees by function as of December 31, 2025.

Function	Number of employees	Percentage of Total Number
		(%)
Operation and production	980	62.6
Sales and marketing	297	19.0
General and administrative	177	11.3
R&D	111	7.1
Total	**1,565**	**100.0**

Our subsidiary in Shenzhen has established a labor union to safeguard employees' rights. We believe we have maintained good relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any strikes or labor disputes with our employees which have had or are likely to have a material effect on our business.

Labor Service Arrangement

Apart from hiring employees through entering into employment contracts with them, we also engage third-party human resources companies which provide outsourcing staff to work for us based on our requirements (the "**Labor Service Arrangement**"). We do not enter into any employment contract with the relevant outsourcing staff. As of December 31, 2025, we engaged human resources companies to provide outsourcing staff in our warehousing operations, primarily to support auxiliary and routine operational activities. In particular, outsourced personnel were mainly assigned to basic, labor-intensive and process-driven tasks, such as outbound handling, shipment dispatch, parcel grouping, data entry and sorting within our warehouses. These roles primarily involve standardized physical operations and do not include core management, system control or decision-making functions.

Pursuant to the Labor Service Arrangement, inter alia, we are generally required to (i) pay service fees to the human resources companies, and (ii) where applicable, provide protective equipment to outsourcing staff. Human resources companies are generally required to (i) provide outsourcing staff to work for us based on our requirements, (ii) ensure the outsourcing staff perform their duties properly, and (iii) pay the designated outsourcing staff for the salaries, social insurance and housing provident fund contributions and other welfare benefits based on their labor contracts with the staff in accordance with the relevant PRC laws and regulations. In 2023, 2024 and 2025, the amount of service fees paid by our Group in relation to the Labor Service Arrangement was RMB164.2 million, RMB25.9 million and RMB22.0 million, respectively.

As advised by our PRC Legal Advisors, we did not identify any material non-compliance with applicable laws and regulations in relation to the Labor Service Arrangement during the Track Record Period.

Recruitment, Training and Retention

Our success relies on our ability to attract, retain, and motivate qualified personnel. We utilize online recruitment channels to meet our diverse talent needs. Our employees typically sign standard labor contracts with us. Certain key employees have also signed confidentiality agreements and are bound by non-compete agreements during their employment and for a period of up to one year afterward.

To maintain and enhance the knowledge and skill levels of our workforce, we provide our employees with internal trainings, including orientation programs for new employees and on-the-job training, improvement training and management training for existing employees. We also arrange post-training assessments to ensure the effectiveness of our internal training sessions. Remuneration packages for our employees mainly comprise base salary and performance-based bonus. We conduct periodic performance reviews based on position-specific targets to determine salary, bonuses, and promotions.

Social Insurance and Housing Provident Funds

During the Track Record Period, we failed to make full social insurance and housing provident fund contributions for certain of our employees as required by the applicable PRC laws and regulations. We estimate that the shortfall of our contributions to our employees' social insurance and housing provident fund to be RMB17.7 million, RMB11.8 million and RMB10.1 million in 2023, 2024 and 2025, respectively.

In respect of the legal consequences and the potential penalties for the failure to make full contributions to social insurance and housing provident fund, under PRC laws and regulations, the relevant competent authorities may (i) order us to pay the outstanding social insurance contributions within a certain period of time and impose an overdue fee amounting to 0.05% of the outstanding amount per day, failing to comply with which the relevant competent authorities may further impose a fine amounting to no less than one time but less than three times the outstanding amount; and (ii) order us to pay the outstanding housing provident fund contributions within a certain period of time. Failure to comply with which the relevant competent authorities may apply for people's court for enforcement. In addition, according to the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) (the "New Judicial Interpretation"), which took effect on September 1, 2025, if an employer and an employee agree or the employee undertakes that no social insurance contributions are to be paid, the people's court shall determine that such agreement or undertaking is invalid. If an employer fails to pay social insurance contributions in accordance with the applicable laws, and the employee requests to terminate the labor contract and demands economic compensation from the employer in accordance with the Labor Contract Law of the PRC, the people's court shall support such request.

During the Track Record Period and up to the Latest Practicable Date, we had not been imposed any administrative penalties for non-compliance concerning social insurance and housing provident fund contributions in accordance with the relevant PRC laws and regulations. Based on (i) the applicable PRC laws and regulations as mentioned above; (ii) the New Judicial Interpretation does not expand the scope of penalties, nor does it repeal the relevant provisions of the current laws and regulations; and (iii) as of the Latest Practicable Date, we did not have any relevant undertakings with our employees regarding the non-payment of social insurance contributions, our PRC Legal Advisors are of the view that the likelihood of being subject to centralized collection of historical outstanding contributions or any material administrative penalties by the relevant government authorities for our non-compliance concerning social insurance and housing provident fund contributions is remote. See "Risk Factors — Risks Relating to Our Business and Industry — Failure to comply with relevant regulatory requirements relating to the social insurance and housing provident fund contributions for and on behalf of our employees may subject us to penalties and have an adverse impact on our financial conditions and results of operations."

LICENSES, PERMITS AND APPROVALS

We are required to maintain various licenses, approvals and permits in order to operate our business. We continually monitor our compliance with these requirements in order to ensure that we have all such approvals, licenses and permits as are necessary to operate our business.

As of the Latest Practicable Date, as advised by our PRC Legal Advisor and the legal advisors as to our operations in the relevant overseas jurisdictions, we had obtained all material licenses, approvals and permits necessary for our business operations in the PRC and relevant jurisdictions, and such business licenses had remained in full effect. All of our U.S. subsidiaries are in good standing. We had not experienced any material difficulties in renewing material licenses, permits or approvals during the Track Record Period and do not expect there to be any material difficulties in renewing them upon their expiry. The table below sets forth a summary of the material license, permits and approvals that we have obtained for our business operations as of the Latest Practicable Date:

Licenses/Permits/ Approvals	Holding Entity	Issuing Authority	Issue Date	Expiration Date
Express Delivery Business License (快遞業務經營許可證)	Our Company	State Post Bureau of the People's Republic of China (中華人民共和國國家郵政局)	June 21, 2025	June 20, 2030
Customs Declaration and Qualification of Consignees and Consignors for Import and Export Goods (海關報關及海關進出口貨物收發貨人資質)	Our Company and various Chinese subsidiaries	The local PRC customs	Various dates between January 5, 2015 and March 5, 2024	Various dates between December 31, 2070, and December 31, 2099, with another one effective in long term
International Freight Forwarding Enterprise Filing (國際貨運代理企業備案)	Our Company and various Chinese subsidiaries	Ministry of Commerce International Freight Forwarding Enterprises Registration Authority (商務部國際貨物運輸代理企業備案機關) and the local registration authorities for international freight forwarding enterprises under the Ministry of Commerce	Various dates between May 21, 2021 and April 1, 2024	N/A(1)
Road Transport Business License (道路運輸經營許可證)	Our Company	Beijing Municipal Commission of Transport Chaoyang Transport Administration Bureau (北京市交通委員會朝陽運輸管理分局)	September 3, 2024	September 2, 2028

Note:

(1) "N/A" represents licenses that do not have an expiration date and will remain valid unless revoked.

INSURANCE

We maintain insurance policies that we consider to be in line with market practice and adequate for our business. We maintain various insurance policies to safeguard against risks and unexpected events, such as insurance over the equipment in our sorting centers as well as accident insurance. We have purchased compulsory motor vehicle liability insurance and commercial insurance such as automobile third-party liability insurance, vehicle loss insurance and driver/passenger liability insurance. During the Track Record Period, we did not submit any material insurance claims, nor did we experience any material difficulties in renewing our insurance policies.

Our Directors consider that our existing insurance coverage is in line with industry norm and is sufficient for our present operations. However, the risks related to our business and operations may not be fully covered by insurance. See "Risk Factors — Risks Relating to Our Business and Industry — We have limited insurance coverage, which may expose us to significant losses and operational disruptions."

PROPERTIES

Leased Properties

As of the Latest Practicable Date, we did not own any property. As of the Latest Practicable Date, we had 42 leased properties in China that were material to our business, which have an aggregate GFA of approximately 58,861.39 sq.m. As of the same date, we also leased 21 properties in the U.S. Such leased properties are primarily used as our offices and warehousing facilities, which are non-property activities as defined under Rule 5.01(2) of the Listing Rules.

As of the Latest Practicable Date, for four of our leased properties with an aggregate GFA of approximately 4,525.81 sq.m. (accounting for approximately 7.7% of the aggregate GFA of the abovementioned 42 leased properties in China), we had not been provided by the lessors with the relevant title certificates or relevant authorization documents evidencing the lessors' rights to lease such properties to us, primarily due to (i) certain lessors failed to obtain the relevant title certificates; and (ii) failure of the relevant sub-lessors to obtain consent from the property owners or the holders of the right to use for the certain leased properties, which we subleased from the sub-lessors. As advised by our PRC Legal Advisors, without title certificate or proof of authorization from the property owners, our use of the defective leased properties may be affected by third parties' claims or challenges against the leases. In addition, if the lessors do not have the requisite rights to lease the properties, the relevant lease agreements may be deemed invalid, and as a result we may be required to vacate the defective leased properties and relocate. Our Directors believe that our use of such properties will not have a material adverse impact on our business, financial condition or results of operations. Even if we are required to vacate the properties, we believe we will be able to timely find comparable properties to relocate and the costs and expenses we may incur for relocation will be immaterial to us. In addition, these properties are located in different cities and leased from multiple lessors, with a relatively low likelihood of being simultaneously required to relocate. As of the Latest Practicable Date, we were not aware of any ownership controversy or dispute or third-party claims, nor had we been imposed any penalties by the PRC government authorities.

As of the Latest Practicable Date, for four of our leased properties on collectively-owned land, we had not been provided by the lessors with consent from not less than two-thirds of the members of villager assembly or the representatives of the villagers. Such leased properties have an aggregate GFA of approximately 1,739.7 sq.m., accounting for approximately 3.0% of the aggregate GFA of the abovementioned 42 leased properties in China. Our PRC Legal Advisors are of the view that the relevant PRC government authorities have the rights to order the lessors to make corrections within specified time limit and confiscate the illegal gains of and impose a fine on such lessors. Therefore, we may be required to vacate these defective leased properties and relocate. Even if our use of such leased properties is challenged and we are required to vacate these properties and identify alternative properties, we believe we will be able to timely find comparable properties to relocate and such relocations will not materially affect our operations.

As of the Latest Practicable Date, we had one leased property used as office premise with a GFA of approximately 143.1 sq.m. (accounting for approximately 0.2% of the aggregate GFA of the abovementioned 42 leased properties in China) constructed on allocated land. As advised by our PRC Legal Advisors, the relevant lessor is legally responsible for obtaining approvals from the relevant local government authorities and paying the outstanding land use right transfer fee or offset it with the rental income generated from the property as prescribed in applicable PRC laws and regulations. If the relevant lessor leases the allocated land use rights and the relevant building without obtaining proper approval, the related lease agreement may be deemed invalid, and as a result we may be required to vacate the defective leased property and relocate. Our Directors believe that our use of such property will not have a material adverse impact on our business, financial condition or results of operations. Even if we are required to vacate the property, we believe we will be able to timely find the comparable property to relocate and the costs and expenses we may incur for relocation will be immaterial to us. As of the Latest Practicable Date, this lease has not been challenged, or caused any dispute or controversy, and we have not been subject to administrative penalties by the competent government authorities due to the lease, nor have we received any notice of penalty or investigation from the relevant government authorities.

As of the Latest Practicable Date, the lease agreements for our lease of 31 properties had not been registered with the relevant PRC government authority, primarily because the relevant lessors failed to cooperate to complete the lease registration or failed to provide the relevant title certificates evidencing their rights to lease the relevant properties. According to Frost & Sullivan, it is not uncommon for PRC logistics service providers in the B2C cross-border e-commerce logistics services industry to have their lease agreements for leased properties unregistered with the relevant authorities. As advised by our PRC Legal Advisors, we may be subject to a fine of no less than RMB1,000 and not exceeding RMB10,000 for each of the unregistered lease agreements if the relevant PRC government authorities require us to rectify and we fail to do so within the prescribed time period. The estimated maximum penalty for such unregistered lease agreement will be RMB310,000, which we believe is immaterial. Therefore, we believe that the failure to register such lease agreement will not have any material adverse effect on our financial condition or results of operations. We will actively liaise with the lessor to complete the registration of such lease agreement, if possible. See "Risk Factors — Risks Relating to Our Business and Industry — Failure to comply with property-related laws and regulations in respect of certain of our leased properties may adversely affect our business, financial condition and results of operations."

During the Track Record Period and up to the Latest Practicable Date, we did not encounter any material difficulties in renewing lease agreements or locating new premises for our facilities. We do not foresee any major challenges or impediments in renewing the relevant leases upon their expiration.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We systematically integrate the concept of sustainable development into our corporate strategy and the entire daily operational process, continuously creating sustainable outcomes that deliver both economic and social value.

ESG Governance Structure

We are committed to establishing a sound ESG governance system and plan to form a three-tier, top-down management structure comprising the Board of Directors, the strategy committee, and the ESG working group. As the highest decision-making body, the Board of Directors oversees ESG development strategy and resource allocation. The strategy committee is responsible for guiding the research of key issues, formulating action plans, and supervising implementation progress. The ESG working group is tasked with advancing the execution of plans, promoting cross-departmental collaboration, and continuously assessing risks and opportunities to optimize management mechanisms.

Based on our sustainable development strategy, we integrate ESG principles into daily management and operations and plan to establish a comprehensive ESG governance framework that clearly defines the roles and responsibilities of each department in ESG-related work, while fully safeguarding the legitimate rights and interests of shareholders. Looking ahead, we will continue to enhance our ESG governance standards and, through a stable governance structure, ensure the long-term and effective implementation of ESG governance strategies, thereby promoting the sustainable development of the industry.

Environmental Metrics and Management

We place great importance on sustainable development under the guidance of international standards. With a sound management system and rigorous implementation standards, we have successfully obtained ISO 9001 Quality Management System and ISO 14001 Environmental Management System certifications.

Waste Emissions

Our business operations rely on various types of trucks for logistics and transportation; therefore, air emission sources are relatively concentrated and mainly consist of exhaust emissions generated during vehicle operation. In terms of waste management, the waste we generate is primarily domestic waste from employees' daily activities, and we currently do not generate hazardous or harmful waste. Wastewater generation is also highly centralized, mainly arising from warehouse operations and from domestic wastewater produced during employees' daily office and living activities. The following table sets forth details of our air emission for the years indicated:

	Unit	Year ended December 31,		
		2023	2024	2025
Nox	kg	14,220.0	15,361.8	15,512.4
PM	kg	1,024.2	1,115.1	1,115.5

Regarding exhaust gas management, we actively promote the green transition of self-owned vehicles. Through a phased and orderly replacement process, we are gradually substituting traditional fuel-powered vehicles with new energy electric vehicles, continuously increasing the proportion of electric vehicles in our fleet. By reducing exhaust emissions from fuel consumption, we further implement our green operation philosophy and contribute to the development of sustainable logistics in the industry.

Resource Consumption

Our primary resource consumption is concentrated in areas such as warehouse lighting, air conditioning and ventilation systems, as well as daily electricity and water usage by employees. We regard energy and water conservation as our essential environmental responsibility, actively promoting the concept of resource efficiency and raising employees' awareness of environmental protection. Employees are required to turn off electrical equipment and lights after work to prevent energy waste. Additionally, we advocate for paperless operations to integrate environmental principles into daily work practices. The following table sets forth details of our resource consumption for the years indicated:

	Unit	Year ended December 31,		
		2023	2024	2025
Electricity	MWh	11,283.2	5,047.1	4,172.3
Water Resources	MT	27,050.3	21,480.0	22,617.3

During the Track Record Period, we discontinued our domestic first-mile business as part of a strategic adjustment, using this as an opportunity to optimize and integrate our logistics and warehousing system. Through a comprehensive review and streamlining of the domestic warehousing network, the number and total area of related sorting centers and warehousing facilities were significantly reduced. As a result, our electricity consumption decreased substantially, and energy efficiency in the logistics segment improved effectively, providing strong support for our low-carbon operations and reducing our environmental footprint.

Carbon Emissions

We place great emphasis on carbon emission management and plan to continuously strengthen data governance and information disclosure. Our goal is to establish a comprehensive carbon emission monitoring, collection, and management system covering the entire process, using digital tools to promote data accuracy, real-time tracking, and traceability. The following table sets forth details of our carbon emissions for the years indicated:

	Unit	Year ended December 31,		
		2023	2024	2025
Scope 1	tCO_2e	4,682.4	3,758.5	2,909.6
Scope 2	tCO_2e	6,053.5	2,707.9	2,238.0
Scope 3	tCO_2e	19,366.3	5,041.6	6,227.0

Social and Governance

We actively fulfill our social responsibilities by collaborating with employees, customers, partners, and other shareholders to create shared value. By paying attention to the health and safety of employees, supporting career development and skill-building, promoting sustainable supply chain management, safeguarding consumer rights, and adhering to business ethics, we continuously enhance our social impact, lead the industry's awareness of social responsibility, and empower its sustainable development.

Employee Employment

We strictly comply with applicable laws and regulations and comprehensively safeguard employees' legal rights. We actively advocate for equal employment opportunities and explicitly prohibit any discrimination based on gender, physical abilities, sexual orientation, age, ethnicity, race, religious beliefs, or any other legal or reasonable categories during the recruitment process.

We have formulated internal policies, such as the *Equal Opportunity and Diversity Management Policy* (《平等機會與多元化管理政策》) and the *Work Hours and Rest Leave Management Regulations* (《工作時間與休息休假管理辦法》). For frontline positions in cross-border logistics, we use a comprehensive working hour system. We protect employees' rights to paid-annual leave, statutory holidays, and other rest and leave rights. We actively promote a culture of diversity and inclusion, encouraging employees from diverse backgrounds. We provide reasonable accommodations for employees with disabilities and effectively protect the specific rights of female employees. At the same time, we have developed a diverse compensation and benefits system, continuously enhancing employees' sense of belonging, cohesion, and well-being.

We uphold the principle of equal pay for equal work, incorporating fairness, motivation, and performance orientation into our compensation management system. We have established an employee performance assessment management system, which implements a full-process management approach of "goal setting — process guidance — periodic evaluation — result application." We regularly distribute holiday benefits to create a warm and caring corporate atmosphere. We pay close attention to employees' physical and mental health, organizing annual health check-ups that cover basic health examinations and occupational health assessments. We have a regular communication mechanism to understand employees' mental health, especially for those in high-pressure positions, implementing job rotation and time-off systems, and introducing benefits such as massage and therapy to effectively relieve work pressure and develop a caring employee support system. We have established a smooth, fair, and diverse communication and feedback mechanism for employees, providing various channels for communication and complaints, including direct supervisors, internal control and inspection departments, internal complaint emails, anonymous reporting platforms, and management reception days. We explicitly prohibit any form of retaliation against employees who submit complaints. Additionally, we conduct periodic internal compliance reviews covering key processes such as recruitment, salary distribution, promotion decisions, and complaint handling to promote fairness and compliance in personnel management. During the Track Record Period, we did not employ any minors who do not meet the statutory minimum employment age requirements, and there have been no instances of forced labor. We strictly adhere to relevant laws and regulations regarding child labor and forced labor, as well as industry standards.

Occupational Safety

We adopted *Operational Safety Norms* (《作業安全規範》) to form a systematic occupational safety management system. At the same time, we have successfully passed the ISO 45001 Occupational Health and Safety Management System, continuously strengthening our alignment with international standards and significantly enhancing safeguards for employee safety and health. We focus on the core business processes of warehousing, transportation, and sorting to establish comprehensive occupational health and safety controls throughout the entire workflow, creating a complete closed-loop management model to comprehensively prevent operational risks.

Risk Prevention

In response to the risk characteristics of core scenarios in cross-border logistics such as warehousing, transportation, and sorting, we implement multi-dimensional prevention measures covering hardware configuration, responsibility control, and daily monitoring to build a safety protection system across all scenarios:

- *Hardware Safety Assurance:* Warehousing areas are fully equipped with ventilation, fire protection, explosion-proof, anti-slip, and other safety facilities, all of which undergo regular maintenance. Frontline employees are supplied with work uniforms, protective gloves, and other personal protective equipment to physically mitigate operational risks.

- *Hierarchical Responsibility Control:* We established a three-tier safety responsibility system, "warehouse manager, warehouse supervisor and employees," clearly defining safety duties at each level and position.

- *Employee Safety Participation Mechanism:* We appoint employee safety representatives in warehouses, enabling employees to actively participate in formulating safety policies, hazard identification, accident investigations, and other critical tasks.

- *Regular Daily Monitoring:* We have established a high-frequency, wide-coverage safety inspection mechanism that conducts comprehensive daily workplace inspections and weekly random verifications, enhancing traceability and controllability of high-risk positions and high-frequency work scenarios.

Considering the characteristics of cross-border logistics, we systematically identify key risks in core operational segments, including sharp object injuries, mechanical injuries, and fire risks in warehousing; traffic accidents and road safety risks during transportation; and repetitive motion injuries in sorting. Meanwhile, we have established a multi-channel hazard reporting mechanism, allowing employees to immediately report hazards through on-site alarms, internal communication groups, or direct supervisors. Upon receipt of a report, the responsible personnel organize evacuees and initiate emergency response immediately, while simultaneously reporting to higher-level departments.

For work-related accidents, including minor injuries, serious injuries, and property damage, we established a standardized investigation and corrective action process. Within 24 hours of an accident, a joint investigation team is formed to clarify the cause of the accident, identify potential hazards, and complete a risk assessment through onsite inspections, interviews with involved parties, and review surveillance footage. The investigation team is required to submit a report within 7 working days, outlining the allocation of responsibilities, corrective measures, and preventive solutions. The HR department will then follow up on the implementation of corrective actions, and the accident case will be incorporated into safety training to achieve the "accident investigation — corrective action closure — experience reuse" full-chain management.

Health and Safety Training

We systematically promote employee safety training and health initiatives. Safety training covers work safety regulations, emergency response processes, fire safety knowledge, proper use of protective gear, among others. Additionally, we organize annual occupational health checkups for employees. During the Track Record Period, there have been no fatalities caused by work-related accidents. The following table sets forth our employee safety training for the years indicated:

	Year ended December 31,		
	2023	2024	2025
Number of Safety Training Participants	10,152	15,844	15,985

We attach great importance to employees' career development and the continuous enhancement of their professional capabilities. We established a systematic, multi-level training system and career development mechanism. The following table sets forth our career development and vocational skills training for the years indicated:

	Year ended December 31,		
	2023	2024	2025
Number of Training Participants	9,285	2,194	2,375
Number of Online and Offline Training Sessions	384	139	47

We are committed to providing employees with a clear career development path and a comprehensive support system. We have built a "Management + Professional" dual-track development model, achieving promotion through capability training, performance appraisals, and professional qualifications. We offer an individual development plan for each employee, aligning their career goals with our strategic needs, specifying training directions and promotion paths, and regularly tracking progress. For employees transferred to new positions, we provide targeted training, covering the required business knowledge, operational processes, and skill requirements for the new role. In addition, we have established a core talent pool. Through performance evaluations, capability assessments, and potential evaluations, we identify and cultivate key employees and high-potential staff, incorporating them into the core talent pool.

To enhance employees' knowledge, skills, and professional qualities in support of our strategic goals, we have developed the *Employee Training Management Policy* (《員工培訓管理制度》) and established a four-tier training system. This includes new employee onboarding training, on-the-job skills enhancement training, management capability development training, and specialized training for core talents. At the same time, we have set up an internal instructor team composed of key business personnel and management. Additionally, for mid-level managers, we actively conduct management capability development training in areas such as leadership, team management, and communication, aiming to enhance their comprehensive management skills. Through these systematic training measures, we have not only improved employees' professional abilities and overall quality but also laid a solid talent foundation for our long-term development.

Sustainable Supply Chain

We consistently integrate the concept of sustainable development into the entire supply chain management process, aiming to build a sustainable supply chain management system that is responsible, green, low-carbon, transparent, and compliant. Through a clear institutional framework, scientific control mechanisms, and dynamic cooperation and supervision, we establish requirements in areas such as environmental protection, labor rights, business ethics, and compliance. We promote suppliers to fulfill their social responsibilities and work hand-in-hand with upstream and downstream partners to create a sustainable and responsible value chain for the future.

Supplier Management

We place great importance on compliance and responsibility fulfillment within our supply chain, incorporating ESG principles throughout the entire supplier lifecycle management. We implement strict service quality monitoring for suppliers related to core business activities, such as last-mile delivery, customs clearance services, etc.. In terms of contract performance management, if a supplier fails to meet the agreed-upon service levels, such as delays in packages, low customs clearance efficiency, or non-compliant operations, we seek compensation as agreed. This encourages suppliers to continuously improve and helps build an efficient, reliable, and responsible supply chain ecosystem together.

Anti-Corruption

We strictly comply with national anti-corruption laws and regulations, uphold business ethics and principles of integrity in operations, and continuously improve our internal compliance governance system. We have established systems such as the *Internal Control and Supervision Management Policy* (《內控監察管理制度》), *Anti-Commercial Bribery Agreement* (《反商業賄賂協議書》), and *Code of Conduct Prohibiting Conflicts of Interest* (《禁止利益衝突關系行為準則》), which explicitly prohibit violations including commercial bribery and misappropriation of financial assets.

We have set up a dedicated anti-corruption reporting mechanism. Employees may report concerns via telephone, email, or directly to our Internal Control and Supervision Department (內控監察部). All reports and whistleblower information are kept strictly confidential. In addition, integrity requirements are incorporated into the Employee Handbook, labor contracts, and confidentiality agreements, and all employees are required to sign the *Employee Integrity and Self-Discipline Commitment Letter* (《員工廉潔自律承諾書》). Through policy communication, targeted training programs, and internal control briefings, we continuously strengthen employees' understanding of and commitment to anti-corruption policies and enhance awareness of ethical conducts. Looking ahead, we will continue to improve our anti-corruption management framework by implementing normalized oversight, refined controls, and organization-wide education, thereby strengthening the safeguards for ethical operations and pursue healthy and sustainable development.

LEGAL PROCEEDINGS AND COMPLIANCE

Compliance

During the Track Record Period and up to the Latest Practicable Date, we were not imposed any material administrative penalties by PRC government authorities, nor were we involved in any non-compliance incidents that are systemic or have a material adverse effect on our business, financial condition or results of operations.

Legal Proceedings

We may, from time to time, be subject to legal proceedings, disputes and claims that arise in the ordinary course of business. As of the Latest Practicable Date, we were not a defendant to any ongoing material litigation, arbitration or administrative proceedings, and we were not aware of any claims or proceedings contemplated by government authorities or third parties which would materially and adversely affect our business. As of the same date, our Directors were not involved in any actual or threatened material claims or litigation.

INTERNAL CONTROL AND RISK MANAGEMENT

Overview

We are exposed to various risks in our operations, including those related to our business, industry, and market. For detailed information, see "Risk Factors." We have implemented internal guidelines, policies, and procedures to monitor and mitigate the impact of risks that are relevant to our business.

Our Board and senior management are responsible for identifying and analyzing risks associated with our operations. To assist the Board in providing an independent assessment of our financial reporting process, internal control, and risk management system, we have established an audit committee. For the professional qualifications and experiences of the members of our audit committee, see "Directors and Senior Management — Board Committees — Audit Committee."

During the Track Record Period and up to the Latest Practicable Date, we did not engage in any significant hedging activity.

Financial Reporting Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management, such as financial reporting management policies, budget management policies, treasury management policies, and financial statements preparation policies. We have various procedures and IT systems in place to implement our accounting policies, and our finance department reviews our management accounts based on such procedures. We also provide regular training to our finance department employees to ensure that they understand our financial management and accounting policies and implement them in our daily operations.

Information System Risk Management

The maintenance, storage, and protection of our data and related information are crucial to our success. To ensure the security and integrity of our data, we have implemented internal procedures designed to prevent any unauthorized access, leakage, or loss. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material information leakage or loss of our data. See "— Data Privacy and Protection" in this section for more information about our information security procedures and policies.

Internal Control Risk Management

We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations. Our legal, finance and other departments work closely together to: (i) perform risk assessments and give advice on risk management strategies, (ii) improve business process efficiency and monitor internal control effectiveness; and (iii) promote risk awareness throughout our Group.

Corporate Governance Measures

Our Board [has established] our internal control and risk management department to from time to time review the implementation of our internal control and risk management measures. We have established an Audit Committee with written terms of reference in compliance with the requirements under the Listing Rules. The Audit Committee consists of three members, being Mr. Gu Quan, Mr. Wang Dong and Mr. Xue Long, and is chaired by Mr. Gu Quan, who is our independent non-executive Director with the appropriate accounting and related financial management expertise. The Audit Committee has also adopted its terms of reference to set forth its duties. See "Directors and Senior Management — Board Committees — Audit Committee."

Ongoing Measures to Monitor the Implementation of Risk Management Policies

Our audit committee, internal control and risk management department and senior management together monitor the implementation of our risk management policies on an ongoing basis to ensure our policies and implementation are effective and sufficient.