This section and elsewhere in this document contain certain information, statistics and data which are derived from various official government publications and other publicly available publications, and a report commissioned by us and prepared by our industry consultant, CIC. The information from official government sources has not been independently verified by us, the Joint Sponsors,* [REDACTED]*, any of their respective directors, officers, employees, agents, advisers or representatives, or any other person or party involved in the* [REDACTED]*, and no representation is given as to its accuracy, reliability or completeness.

SOURCES OF INFORMATION

We engaged CIC, an independent market research and consulting company that provides industry consulting services, commercial due diligence, and strategic consulting, to conduct detailed research on and analysis of the integrated supply chain logistics solutions market in China. We have agreed to pay a fee of RMB620,000 to CIC in connection with the preparation of the CIC Report. We have incorporated certain information from the CIC Report into this section, as well as into "Summary", "Business", "Financial Information", and elsewhere in this document to provide potential investors with a comprehensive presentation of the industries where we operate.

CIC conducted both primary and secondary research using a variety of resources. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analysing data from various publicly available data sources, such as the National Bureau of Statistics of China, China Federation of Logistics & Purchasing, etc.

The CIC Report was compiled based on the following key assumptions: (i) the overall social, economic, and political environment in China is expected to remain stable during the forecast period; (ii) relevant key industry drivers are likely to drive the integrated supply chain logistics solutions market in China during the forecast period; and (iii) there is no extreme force majeure or unforeseen set of industry regulations in which the market may be affected in either a dramatic or fundamental way.

ANALYSIS OF CHINA'S LOGISTICS INDUSTRY

Overview of the China's logistics industry

The efficient operation of the logistics industry relies on the development of robust infrastructure and the acceleration of digital transformation. In recent years, China has made steady progress in enhancing the infrastructure of its four major transportation modes–road, rail, waterway, and air–providing a solid foundation for improving efficiency and reducing costs. Amid economic recovery and stronger internal driving force of the industry, the logistics sector is undergoing a transition toward a high-value, high-quality, and high-efficiency development model.

Manufacturing, as one of the key drivers of global economic growth, generates substantial logistics demand that propels the development of the logistics industry. In 2025, the global GDP reached USD117.2 trillion, with USD17.7 trillion contributed by the manufacturing sector, accounting for approximately 15% of the global GDP. Among this, China's manufacturing value added (referring to the value generated by all manufacturing activities within China's borders, excluding the manufacturing output of Chinese enterprises overseas) grew from USD3.9 trillion in 2020 to USD4.9 trillion in 2025, with a CAGR of 5.0%. In 2025, China's manufacturing value added accounted for approximately 30% of the global total, firmly ranking first in the world, and was 1.66 times the size of that of the United

States, which ranked second. The vast scale and continuous growth of China's manufacturing industry not only provided a stable base demand for China's logistics industry but also continuously released incremental demand through industrial upgrading and supply chain optimization, further driving the logistics industry towards refinement and intelligent development. Moreover, as China's manufacturing sector continues to advance in scale and technology, its manufacturing capabilities have become deeply integrated into the global industrial chain. By establishing industrial parks and overseas factories in Southeast Asia, South Asia, Latin America and other regions, China has achieved a significant shift from "product export" to "capacity export" across numerous fields. This widespread global expansion of Chinese manufacturing has introduced new and diverse demands for the logistics industry. It requires not only the development of a broader, more efficient, and reliable global logistics network but also the enhancement of logistics service providers' expertise in cross-border supply chain compliance and global resource allocation. Ultimately, this fosters efficient linkage between the parallel global growth of manufacturing and logistics sectors.

Market size of China's logistics industry

A key metric for assessing the industry's operating costs is total social logistics costs, which encompass expenditures across all sectors of the national economy associated with logistics activities. In 2025, China's total social logistics costs reached RMB19.5 trillion, accounting for 13.9% of the GDP for that year. In 2024, the General Office of the State Council issued the Action Plan for Effectively Reducing the Overall Logistics Costs of the Society, which clearly set the goal of striving to reduce the ratio of total social logistics costs to GDP to around 13.5% by 2027, and coordinated efforts to promote a substantive reduction in logistics costs. With ongoing initiatives to reduce costs and enhance efficiency, optimize logistics resource allocation nationwide, and strengthen coordination across logistics segments, the ratio of total social logistics costs to GDP is projected to decline steadily in the coming years.

China's logistics industry can be categorized into self-built logistics and third-party logistics, based on operation model. During the operation of enterprises, the flow of goods typically occurs in procurement, production, and sales.

- ***Self-built logistics:*** This operation model refers to enterprises independently investing in and constructing logistics infrastructure, including in-house logistics centers, proprietary warehouses, transportation fleets, loading and unloading equipment, and dedicated logistics management systems. These systems are operated and managed by the company's internal logistics team.

- ***Third-party logistics:*** This operation model involves outsourcing logistics operations to professional logistics service providers. These providers offer large-scale infrastructure, established logistics networks, standardized operating systems, and specialized service capabilities to support logistics activities across the supply chain.

Compared to self-built logistics, third-party logistics providers leverage their existing assets, management expertise, and efficient logistics systems to offer professional, transparent, and cost-effective logistics services. This approach also allows the demand side to avoid the substantial upfront investments associated with building their own logistics systems. By outsourcing logistics functions to third-party providers, enterprises can significantly reduce supply chain costs and enhance operational efficiency, thus, third-party logistics is becoming an increasingly preferred solution among enterprises. Amid rising supply and demand, China's third-party logistics market has seen substantial expansion, from RMB6.5 trillion in 2020 to RMB9.2 trillion in 2025 in terms of logistics cost,

representing an increase in market share from 43.9% to 47.0% of the total social logistics costs. By 2030, its market size is projected to reach RMB12.6 trillion, accounting for 51.3% of the total market, surpassing self-built logistics in market scale.

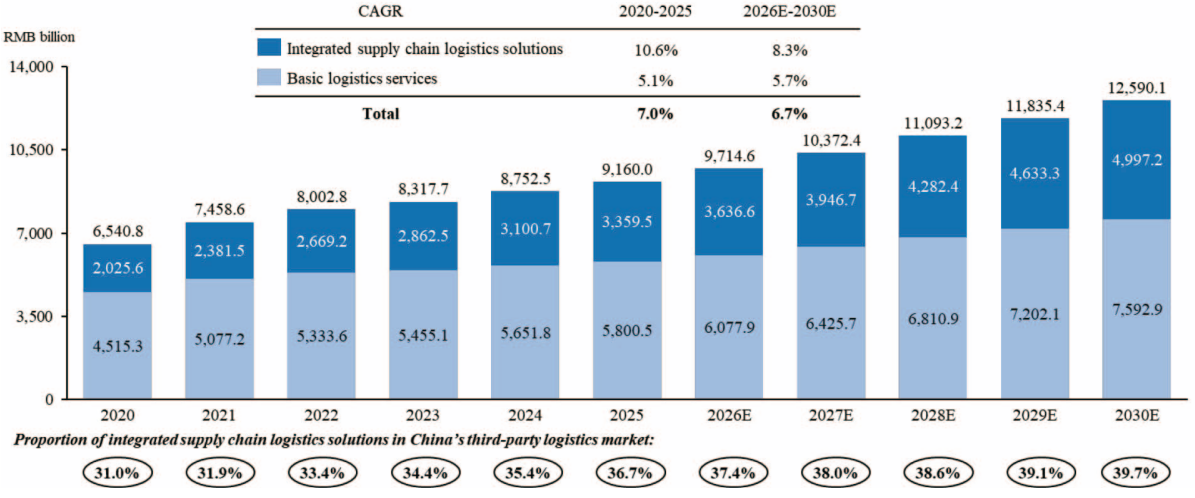
ANALYSIS OF CHINA'S INTEGRATED SUPPLY CHAIN LOGISTICS SOLUTIONS INDUSTRY

Market size of China's integrated supply chain logistics solutions industry

In China's third-party logistics market, logistics services can be categorized into integrated supply chain logistics solutions and basic logistics services based on the scope of business coverage. Integrated supply chain logistics solutions involve logistics providers delivering supply chain solutions that span two or more logistics processes for a single client. These services are designed to consolidate fragmented logistics service segments and drive cost reduction and efficiency improvements across the entire supply chain of enterprises, penetrating into every business segment of the industry and enabling enterprises to build intelligent supply chains. In contrast, basic logistics services include single-function logistics and temporary logistics services. Under this model, logistics providers typically offer standardized and modular logistics services with limited integration and customization, making it difficult for providers to embed within a client's supply chain management framework.

Due to the core advantages of integrated supply chain logistics solutions, such as full-chain collaboration for cost efficiency, support for flexible manufacturing, the ability to respond to fragmented orders, enhanced information visibility, and intelligent technology-driven operations, this type of service is capable of meeting the demand for supply chain optimization and upgrading from the manufacturing industry and other major sectors, and has gained favor with both chain leaders across various industries and an increasing number of small and medium-sized manufacturing companies in recent years. This has driven the rapid growth of the integrated supply chain logistics solutions market in China, which increased from RMB2,025.6 billion in 2020 to RMB3,359.5 billion in 2025, with a CAGR of 10.6%, surpassing the average growth rate of the third-party logistics industry. The penetration rate of integrated supply chain logistics solutions in the third-party logistics sector will continue to rise, with their market size accounting for an estimated 39.7% of China's third-party logistics market by 2030.

Market size of China's third-party logistics industry, by service type, 2020-2030E



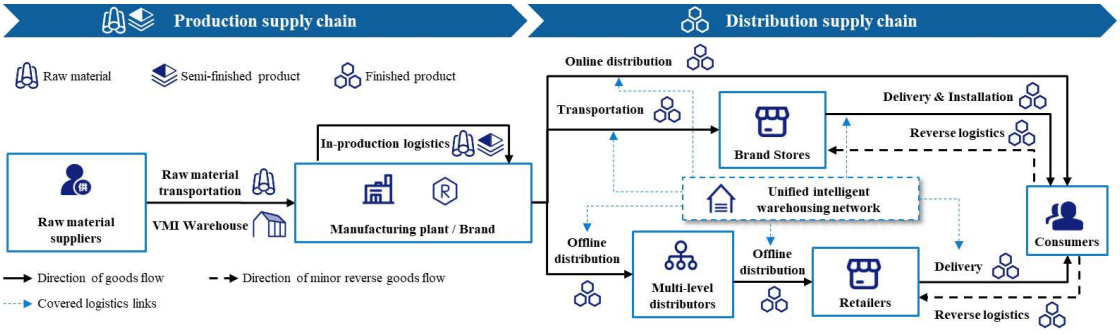
Source: NBS, CFLP, The CIC Report

China's integrated supply chain logistics solutions market can be segmented by service node into production logistics solutions and distribution logistics solutions. In integrated supply chain logistics solutions, logistics activities occurring during the stages of raw materials, semi-finished products, and finished products are classified as production logistics solutions, while logistics activities occurring during the delivery phase of finished products are classified as distribution logistics solutions.

Traditional basic logistics services face major pain points on both the production and distribution sides. In manufacturing supply chains, production-side challenges mainly lie in weak industrial chain collaboration. The lack of supply chain-wide data sharing creates information blind spots, delays coordination between upstream and downstream enterprises, and can trigger the bullwhip effect, leading to inaccurate demand forecasting and resource waste. In addition, insufficient digitalization in factory operations and the lack of in-plant logistics capabilities, such as automated material handling and visual monitoring, reduce material turnover efficiency and hinder coordination between raw material delivery and production. On the distribution side, the main pain points are low distribution efficiency and poor inventory management. Finished product distribution often involves complex multi-level supplier and dealer networks, but under basic logistics services, information systems across different links are usually fragmented, causing delays in information transmission. Without real-time data support, route planning is difficult to optimize, which increases distribution costs and lengthens delivery cycles. At the same time, weak end-to-end inventory visibility often leads to inventory buildup and capital occupation across the supply chain.

Compared with basic logistics providers, integrated supply chain logistics solutions providers can better address these pain points through end-to-end coordination and digital capabilities. On the production side, they can deploy vendor managed inventory (VMI) warehouses to synchronize raw material supply with production schedules. On the distribution side, they can build intelligent warehousing and distribution networks to enable omni-channel inventory sharing and dynamic allocation, thereby lowering inventory levels and improving order fulfillment rates.

Schematic diagram of integrated supply chain logistics solutions in China



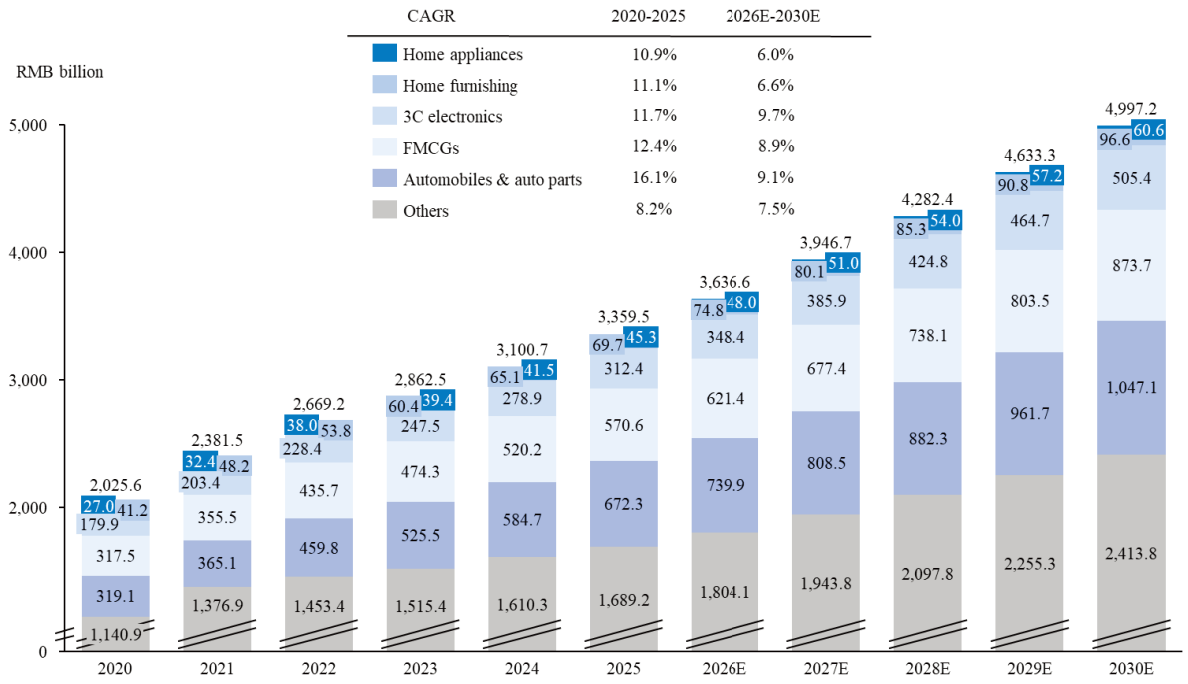
Source: CFLP, The CIC Report

At present, the penetration of integrated supply chain logistics solutions on the distribution side has reached a relatively mature level, as the inherently multi-node and cross-regional nature of distribution activities creates strong demand for professional warehousing networks and delivery systems to support omni-channel sales. In 2025, the market size of distribution integrated supply chain logistics solutions reached RMB3,148.1 billion, accounting for 93.7% of the overall integrated supply chain logistics solutions market. On the production side, raw material transportation was traditionally handled by upstream suppliers, while in-production logistics was typically managed internally by manufacturers. However, as enterprises pursue deeper cost reduction and efficiency improvement,

manufacturers are placing greater emphasis on intelligent production planning, raw material coordination and end-to-end supply chain collaboration, driving rapid growth in demand for efficient and precise production logistics solutions. The market size of production logistics solutions has grown rapidly in recent years, increasing from RMB81.4 billion in 2020 to RMB211.4 billion in 2025, representing a CAGR of 21.0%. By 2030, the production logistics solutions market is projected to expand further to RMB430.7 billion, with its share of the overall integrated supply chain logistics solutions market rising from 6.3% in 2025 to approximately 8.6% by 2030. The continued penetration of production logistics solutions is expected to deepen the integration between the logistics and manufacturing industries and support the transformation of supply chains toward greater flexibility, sustainability and intelligence.

China's integrated supply chain logistics solutions market can be segmented by downstream industry into home appliances, home furnishings, 3C electronics, fast-moving consumer goods (FMCG), automobiles and auto parts, and other sectors. In recent years, the automobiles and auto parts segment has experienced rapid growth, driven by the increasing demand for delivery and installation services for new energy vehicle charging stations, with a market size of RMB672.3 billion in 2025, it has become the largest segmented industries in the integrated supply chain logistics solutions market. As the automotives and auto parts supply chain continues to evolve and demand rises for flexible production and after-sales services, the market size of integrated supply chain logistics solutions in the automotives and auto parts sector is projected to grow further at a CAGR of 9.1% from 2026 to 2030, reaching RMB1,047.1 billion by 2030. The FMCG segment, characterized by a wide variety of products, rapid iteration, diversified sales channels, fragmented order structures, and high requirements for last-mile delivery speed, is highly sensitive to logistics costs due to the relatively low unit value of goods. These features have created strong demand for integrated supply chain logistics solutions that streamline supply chain structures and reduce redundant distribution layers. As a result, the market size of integrated supply chain logistics solutions in the FMCG sector grew from RMB317.5 billion in 2020 to RMB570.6 billion in 2025. It is projected that the penetration of integrated supply chain logistics solutions in the FMCG sector will continue to deepen, with the market size expected to reach RMB873.7 billion by 2030, representing a CAGR of 8.9% from 2026 to 2030. The home appliance sector, known for its complex product categories and large number of raw materials, faces high warehousing costs and challenges in raw material management on the production side. At the same time, significant demand exists for delivery, installation, and after-sales services on the end-user side, placing high requirements on downstream service capabilities. As a result, the home appliance industry has a strong demand for integrated supply chain logistics solutions capable of providing efficient support across production logistics, distribution and sales, and terminal services. The market size of integrated supply chain logistics solutions in the home appliance sector has increased from RMB27.0 billion in 2020 to RMB45.3 billion in 2025 and is expected to reach RMB60.6 billion by 2030. As incremental demand has become relatively saturated and the growth of replacement demand in the existing stock is constrained by the relatively long replacement cycles of home appliances, the future CAGR of integrated supply chain logistics solutions in the home appliance sector is expected to be relatively lower than that of other segments from 2026 to 2030.

Market Size of China's integrated supply chain logistics solutions industry, by downstream industry, 2020-2030E



Source: NBS, CFLP, The CIC Report

Market drivers and future trends of China's integrated supply chain logistics solutions industry

- ***Integrated supply chain logistics solutions' advantages in cost optimization, fulfillment efficiency, and flexibility meeting the demand for cost reduction and efficiency enhancement:*** Currently, intensifying competition across industries compels enterprises to continuously seek new ways to reduce costs and enhance efficiency. Market homogenization forces enterprises to optimize operating costs, and rising consumer expectations for delivery speed and service quality drive companies to build more efficient and competitive fulfillment systems. In this context, integrated supply chain logistics solutions break down functional information silos, enable end-to-end visibility and intelligent scheduling, accelerate order response times, and significantly optimize operational costs. Digital platforms support automatic order allocation, intelligent inventory alerts, and real-time delivery tracking, markedly enhancing fulfillment efficiency and service quality. These systemic advantages allow enterprises to simultaneously optimize cost-effectiveness and service quality, driving broader adoption of integrated supply chain logistics solutions and supporting sustained market expansion. In this context, leading integrated supply chain logistics solutions providers, relying on extensive logistics networks, advanced IT systems, and efficient management systems, provide efficient, cost-effective solutions to industry participants such as chain leaders. With multiple advantages including resources, technology, economies of scale, and brand power, these leading providers are expected to continue expanding their market share, driving the industry toward more efficient and centralized development.

- ***Integration of modern supply chain logistics systems into manufacturing industry, guided by policies:*** Guided by policies such as the "14th Five-Year Plan for Modern Logistics Development" and the "Implementation Plan for Promoting Extensive Integration and Innovative Development of the Logistics Industry and the Manufacturing Industry", the integration between manufacturing and supply chain logistics is accelerating. Policies encourage manufacturers and logistics providers to build full-chain collaboration systems through strategic cooperation and resource sharing. Modern integrated supply chain logistics systems quickly connect manufacturing and logistics data via industrial internet platforms, embedding key activities like material allocation and production scheduling, which enhances supply chain stability, supports production plan adjustments, and improves responsiveness and efficiency. This drives manufacturing transformation and helps high-quality economic development.

- ***Flexible production at the production side driving the transformation and upgrade toward integrated supply chains:*** Flexible production refers to a production model to quickly switch product types and adjust production pace on the production line through intelligent equipment, modular design, and digital management. As consumer demand becomes more personalized and diverse, traditional production models are unable to keep pace with market dynamics. Integrated supply chain logistics solutions incorporate flexible production into the production side, allowing rapid adaptation to market demand changes. This reduces production costs, enhances efficiency, and improves supply chain responsiveness and adaptability, while promoting deep integration between production and other supply chain segments, enabling chain leaders to meet personalized, small-batch, and multi-batch order requirements.

- ***Order fragmentation on the distribution side:*** With diversified sales channels and fragmented consumer orders, traditional supply chain models struggle to meet complex market requirements efficiently. To manage omni-channel sales, brand chain leaders need to integrate sales channels, enhance fulfillment capabilities, and ensure efficient order flow. Integrated supply chain logistics solutions optimize information flow, logistics, and inventory management, enhancing coordination and flexibility across the supply chain, accelerating the shift from traditional logistics services to integrated supply chain logistics solutions.

- ***Rising demand for logistics visibility and information sharing:*** Increasing supply chain complexity has raised enterprises' requirements for accuracy and timeliness in logistics. Real-time tracking of goods and upstream-downstream information sharing optimize logistics plans, reduce delays and inventory overstock, and enable efficient integration of production and distribution, enhancing overall operational efficiency and market responsiveness. Integrated supply chain logistics solutions achieve these collaborative advantages by consolidating information flows across multiple segments, making them highly valued by enterprises.

- ***Intelligent technologies driving cost reduction, efficiency improvement, and digital transformation:*** On the software side, big data and AI algorithms optimize route planning, vehicle dispatching, and other operational aspects, reducing costs and improving efficiency. On the hardware side, intelligent warehousing equipment, such as automated robotic arms and robots, enhances automation levels, reduces labor costs, and improves warehouse operation efficiency. Additionally, supply chain networks and integrated solutions based on IoT and AI technologies improve operational efficiency through information visualization and real-time data management. Integrated supply chain service providers are optimizing the

efficiency of logistics functions through the deep integration of AI, big data, IoT, and 5G technologies. They are also building intelligent supply chain collaboration platforms, promoting cross-enterprise resource integration, enhancing supply chain resilience and responsiveness, and driving the strategic shift from basic logistics services to intelligent supply chain innovation.

Analysis of opportunities for China's integrated supply chain logistics solutions exports

In recent years, China's foreign trade scale has steadily expanded. The total value of China's goods imports and exports increased from RMB32.2 trillion in 2020 to RMB45.5 trillion in 2025, representing a CAGR of 7.2%. China has been the world's largest trading nation in terms of imports and exports for several consecutive years. This sustained growth in foreign trade has laid a solid foundation for Chinese manufacturing enterprises to expand into overseas markets. With the advancement of the "Going Global" strategy, Chinese manufacturers are continuously expanding their global footprint, from exporting products to exporting production capacity. The number of overseas R&D centers, production plants, warehousing hubs, and sales outlets established by Chinese enterprises has grown significantly. These companies are gradually realizing localized operations overseas to better align with target markets and enhance product competitiveness.

In the process of Chinese manufacturing enterprises expanding overseas, the complexity of supply chain management and the demand for transnational operations have also increased. Given that overseas unit logistics costs are typically higher than domestic ones, enterprises have a more pressing need for cost-effective supply chain services. Integrated supply chain logistics solutions providers, with their full-chain coordination capabilities, can help clients optimize the structure of overseas logistics costs and ensure efficient operations from raw material procurement to production and global distribution, thereby effectively enhancing the efficiency of corporate asset allocation. Moreover, leading manufacturing customers have already validated the efficiency benefits of integrated supply chain logistics solutions in the domestic market and thus prefer to continue using similar services overseas to maintain high levels of logistics efficiency and consistency in brand delivery. This demand provides abundant market opportunities for the international expansion of Chinese integrated supply chain logistics solutions providers. By optimizing service resource allocation and improving supply chain management efficiency, Chinese integrated supply chain logistics solutions providers are expected to become an important supporting force for Chinese manufacturing enterprises going global. Against this backdrop, some integrated supply chain logistics solutions providers that already serve large manufacturing customers are expected to expand overseas in tandem with the overseas business expansion of their core customers, reaching the global supply chain logistics market.

Market drivers and future trends of China's integrated supply chain logistics solutions exports

- ***Overseas expansion of manufacturing enterprises:*** As Chinese manufacturers accelerate their global expansion, overseas production, sales, warehousing, and localized operating networks continue to expand, driving growing demand for one-stop supply chain services covering cross-border logistics, international procurement, overseas warehousing, customs compliance, and localized fulfillment. Against the backdrop of intensifying global competition and rising external uncertainties, enterprises are placing greater emphasis on supply chain efficiency, resilience, and flexibility, creating broad opportunities for integrated supply chain logistics service providers.

- ***Deep cooperation between leading manufacturing enterprises and supply chain logistics solutions providers:*** Enterprises leading the international expansion are typically industry leaders or those with large-scale and mature operational capabilities in the domestic market.

These enterprises maintain long-term, deep cooperation with integrated supply chain logistics solutions providers, establishing highly compatible business processes and collaborative mechanisms. As these core customers enter international markets, suppliers often synchronize their global expansion by setting up service nodes in key overseas regions and providing localized, customized integrated solutions. This "follow-the-client" model not only extends the value of existing customer relationships but also provides a practical path and strategic option for supply chain service providers to expand globally.

- ***Development of the cross-border B2B model:*** As more Chinese enterprises conduct international business through cross-border B2B channels, the market is imposing higher requirements on the timeliness, stability, and compliance of supply chain services, particularly in key areas such as cross-border transportation, overseas warehouse inventory turnover, customs clearance, order fulfillment, and payment settlement. This is driving faster adoption of efficient, reliable, and compliant integrated supply chain logistics solutions.

- ***Growing global demand for green supply chains:*** As global environmental regulations tighten and sustainability requirements rise, enterprises are placing greater emphasis on low-carbon transportation, green warehousing, resource efficiency, and end-to-end green management. Integrated supply chain logistics service providers with capabilities in green operations, intelligent scheduling, and end-to-end optimization can not only help customers meet environmental compliance requirements in overseas markets, but are also well positioned to capture broader opportunities in international markets.

Market drivers of China's home appliance integrated supply chain logistics solutions industry

Against the backdrop of slowing end-user demand growth and mounting pressure on product pricing and channel margins in the home appliance industry, home appliance enterprises are placing greater emphasis on reducing logistics costs and improving operating efficiency. On the production side, home appliance manufacturing involves multiple product categories and frequent inbound batches of raw materials, with high requirements for inbound timeliness and line-side replenishment, while maintaining an in-house production logistics system may also lead to under-utilisation of resources amid demand fluctuations. As a result, an increasing number of enterprises are outsourcing production logistics to integrated supply chain service providers in order to reduce overall logistics costs and enhance operational flexibility. On the distribution side, as home appliance sales channels become increasingly diversified and orders become more fragmented in terms of batch size, frequency and geographic coverage, demand continues to rise for integrated supply chain logistics solutions capable of coordinating trunk transportation, regional warehousing, urban distribution and end-to-end services. In addition, home appliance products typically require in-home delivery, on-site installation and removal of old units. As consumers place greater emphasis on appointment flexibility, on-time delivery and first-time installation success, home appliance enterprises are increasingly favouring integrated supply chain logistics solutions that can provide integrated delivery and installation services, unified service standards and a consistent customer experience. Driven by these multiple sources of demand, the market for integrated supply chain logistics solutions in the home appliance sector continues to expand.

Market challenges and threats of China's home appliance integrated supply chain logistics solutions industry

The home appliance industry is currently predominantly driven by replacement demand in the existing stock, with limited incremental growth from new installations, while major home appliance categories generally have long product lifecycles and replacement cycles. As a result, the pace of end-user demand has become more susceptible to fluctuations in household spending power, consumer

preferences, housing transaction volumes and the broader macroeconomic environment. For certain product categories, in the context of high ownership levels and a more cautious consumption sentiment, both new demand and replacement demand are being released at a relatively moderate pace, and the overall growth of consumer demand for home appliances has been slowing. These factors may, from the perspective of end-user demand, constrain the expansion pace of the home appliance integrated supply chain logistics solutions market and pose challenges to the industry's medium- to long-term growth outlook.

Competitive Landscape of China's Integrated Supply Chain Logistics Solutions Industry

Comprehensive integrated supply chain logistics solutions providers refer to enterprises that offer integrated supply chain logistics solutions to clients across multiple industry sectors. In 2025, the market size of China's integrated supply chain industry reached RMB3,359.5 billion. The Company generated integrated supply chain logistics solutions revenue of RMB18.5 billion in 2025, with a market share of 0.6%, ranking third among China's comprehensive integrated supply chain logistics solutions providers. Additionally, during 2022 to 2025, the Company's integrated supply chain logistics solutions revenue grew at an approximate CAGR of 15%, ranking first among top 5 comprehensive integrated supply chain logistics solutions providers.

Ranking and market share of China's comprehensive integrated supply chain logistics solutions providers, in terms of revenue generated from integrated supply chain logistics solutions, 2025

Rank	Company	Integrated supply chain logistics solutions revenue in China	Market share	Chain Leader Type	CAGR (2022–2025)
		(RMB billion)	*(%)*		
1	Company A	98.8	2.9%	E-commerce chain leader	~8%
2	Company B	27.1	0.8%	Bulk commodity chain leader	~-6%
3	**The Company**	**18.5**	**0.6%**	**Manufacturing chain leader**	**~15%**
4	Company C	15.9	0.5%	Manufacturing chain leader	~8%
5	Company D	13.4	0.4%	Manufacturing chain leader	~10%

Source: Annual Reports of Listed Companies, The CIC Report

Notes:

1. Company A was established in 2007 and is listed on the Hong Kong Stock Exchange. It is a leading technology-driven supply chain solutions and logistics service provider in China, primarily offering integrated supply chain solutions including warehousing and distribution, express delivery, heavy goods logistics, cold chain, and cross-border logistics.
2. Company B was established in 2002 and is listed on both the Hong Kong Stock Exchange and the Shanghai Stock Exchange. It is a leading comprehensive logistics service provider in China, with business covering sea freight, air freight, rail transportation, road transportation, and contract logistics.
3. Company C was established in 2000 and is a private company. It is an IoT supply chain ecosystem brand, focusing on supply chain management for large goods such as home appliances and home furnishings.
4. Company D was established in 2010 and is a private company. It is a global manufacturing supply chain management service provider, specializing in full-chain supply chain solutions for the electronics manufacturing and high-tech industries.

In 2025, the market size of China's production logistics solutions reached RMB211.4 billion, accounting for approximately 6.3% of the total integrated supply chain logistics solutions market. The Company's revenue from production logistics solutions in 2025 amounted to RMB2.8 billion, ranking first among China's comprehensive integrated supply chain logistics solutions providers.

Ranking and market share of China's comprehensive integrated supply chain logistics solutions providers, in terms of revenue generated from production logistics solutions, 2025

Rank	Company	Production logistics solutions revenue in China	Market share
		(RMB billion)	*(%)*
1	**The Company**	**2.8**	**1.3%**
2	Company D	2.2	1.1%
3	Company A	2.1	1.0%
4	Company C	1.8	0.9%
5	Company B	1.1	0.5%

Source: Annual Reports of Listed Companies, The CIC Report

In 2025, the market size of China's home appliance integrated supply chain logistics solutions sector reached RMB45.3 billion. In terms of revenue, the top five home appliance integrated supply chain logistics solutions providers accounted for 79.0% of the total market, indicating a relatively high level of industry concentration. The Company ranked first with a revenue of RMB12.2 billion in 2025 in home appliance integrated supply chain logistics solutions, representing a 26.9% market share.

Ranking and market share of China's home appliance integrated supply chain logistics solutions providers, in terms of revenue, 2025

Rank	Company	Home appliance integrated supply chain logistics solutions revenue in China	Coverage of the production side of the home appliance industry	Market share
		(RMB billion)		*(%)*
1	**The Company**	**12.2**	**Yes**	**26.9%**
2	Company C	10.0	Yes	22.2%
3	Company A	9.9	No	21.9%
4	Company E	1.8	No	4.0%
5	Company F	1.8	No	4.0%

Source: Annual Reports of Listed Companies, The CIC Report

Notes:

1. Company E was established in 1990 and is a private company. It is a leading smart retail supply chain service provider in China, which specializes in full-chain logistics solutions for retail enterprises, including warehouse management, line-haul transportation, urban distribution, and after-sales logistics services.
2. Company F was established in 2013 and is a private company. It is a digital and intelligent global logistics industry internet company, which specializes in building a smart logistics backbone network and providing digital supply chain services for e-commerce platforms and brand owners.

In 2025, the market size of China's FMCG integrated supply chain logistics solutions sector reached RMB570.6 billion. The FMCG sector encompasses food, beverages, alcoholic drinks, and beauty and personal care products. The Company generated RMB4.8 billion in revenue from FMCG integrated supply chain logistics solutions, representing a 0.8% market share, ranking third in the industry in 2025.

Ranking and market share of China's FMCG integrated supply chain logistics solutions providers, in terms of revenue, 2025

Rank	Company	FMCG integrated supply chain logistics solutions revenue in China	Market share
		(RMB billion)	*(%)*
1	Company A	27.9	4.9%
2	Company B	11.7	2.1%
3	**The Company**	**4.8**	**0.8%**
4	Company F	4.7	0.8%
5	Company G	3.8	0.7%

Source: Annual Reports of Listed Companies, The CIC Report

Notes:

1. Company G was established in 1993 and is listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange. It is a leading comprehensive logistics service provider in China, offering a wide range of logistics services including time-sensitive express delivery, economy express delivery, freight, cold chain and pharmaceutical logistics, intra-city express, and international express logistics.

Key success factors in China's integrated supply chain logistics solutions industry

- ***Strong resource synergy capabilities:*** Integrated supply chain logistics solutions providers must establish efficient resource integration and coordination mechanisms to flexibly allocate warehousing networks, transportation capacity and last-mile services, enabling optimized cross-regional and cross-process resource utilization. This requires nationwide infrastructure coverage supported by intelligent systems to achieve real-time coordination across warehousing, transportation and delivery. A stable partner ecosystem is also essential. By maintaining control over core resources while leveraging external collaboration, providers can expand service capacity, meet peak-season or scenario-based demand fluctuations, and ensure consistent service quality.

- ***In-depth understanding of industry needs and pain points:*** A thorough understanding of clients' industry-specific requirements and challenges enables providers to deliver targeted and customized solutions across verticals. By anticipating supply chain risks, analyzing industry trends and market dynamics, and aligning solutions with clients' operational needs, providers can support business innovation, strengthen long-term partnerships and enhance sustainable development and brand reputation.

- ***End-to-end industry ecosystem integration:*** Leading providers go beyond traditional logistics services by deeply embedding into the industry ecosystem and connecting manufacturers, brand owners, distributors and retailers to form an end-to-end value network. On the production side, integration with manufacturing planning systems ensures alignment between procurement, component delivery and production schedules. On the distribution side, system connectivity across channel partners enables omni-channel inventory sharing. Through industry-level data interconnection and collaboration platforms, providers facilitate real-time information exchange, shorten response cycles, reduce operating costs and enhance overall supply chain efficiency, thereby creating value beyond basic logistics services.

- ***Advanced technology and automation systems:*** Advanced technologies underpin sustainable growth in integrated supply chain logistics. Automation systems enhance operational efficiency, reduce labor costs and error rates, and improve customer satisfaction. Through data collection, integration and analytics across supply chain nodes, providers can generate

value-added services such as forecasting and operational insights. The deployment of advanced equipment, including industrial robotics, further improves warehouse productivity. Providers with strong digital integration, analytics and automation capabilities are better positioned to lead industry development.

- ***Reliable delivery capabilities and strong brand image:*** Brand reputation is a key factor influencing downstream customer selection. Flexible supply chain management and reliable, efficient delivery are critical to building market credibility and positive word-of-mouth. Consistent service performance strengthens customer trust and loyalty, increases repeat business and referrals, and supports market expansion. The ability to respond promptly to evolving customer demands while maintaining supply chain flexibility is essential to sustaining competitive advantage.

Entry barriers of China's home appliance integrated supply chain logistics solutions industry

- ***Deep understanding of production-side operations in the home appliance industry:*** Production-side operations in the home appliance industry are highly complex in terms of the variety of raw materials, inbound delivery cadence, line-side replenishment and finished goods dispatch, and are increasingly coordinated through digital supply chain systems. New entrants generally find it difficult in the short term to accumulate the experience required to serve home appliance manufacturers or to develop an in-depth understanding of production organisation and process cadence.

- ***Nationwide warehousing, distribution and delivery & installation networks:*** To meet nationwide requirements on service timeliness, coverage and service standards, service providers need to establish multi-tier warehousing networks across major production and sales regions, together with transportation systems and terminal outlets capable of in-home delivery & installation and after-sales services. New entrants generally find it difficult to complete such network deployment and build stable operating capabilities within a short period of time.

- ***Advanced supply chain systems and data integration capabilities:*** Home appliance integrated supply chain services require end-to-end management of orders, inventory, transportation, delivery & installation and settlement within a unified system, as well as stable data interfaces with customers and major sales channels. New entrants generally find it difficult in the short term to complete the development, iteration and governance of such systems, or to achieve comparable levels of system stability and data integration.

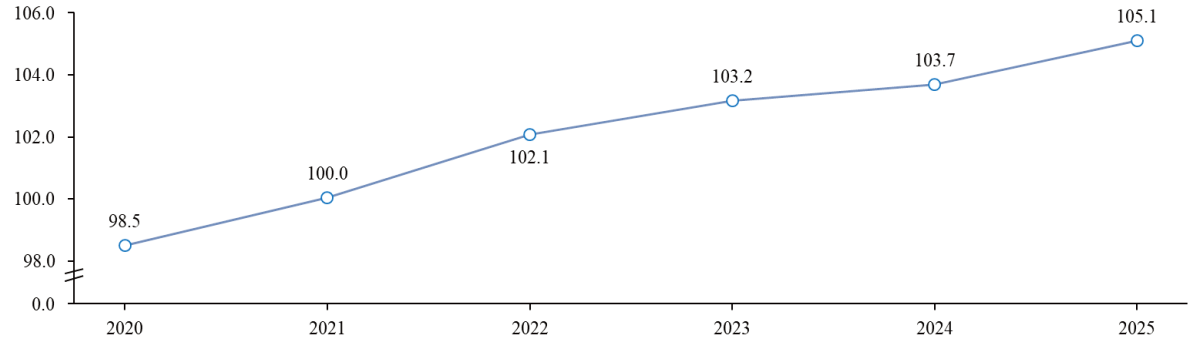
- ***Long-term accumulation of integrated operating and management teams:*** Home appliance integrated supply chain logistics solutions span multiple functions and place high demands on organisational coordination and personnel capabilities. New entrants, even if they rapidly expand headcount, are unlikely in the short term to complete the building of integrated teams, systematic training and multi-regional organisational coordination, and are also less likely to continuously ensure comparable service quality and operating efficiency across regions and scenarios.

Cost analysis of China's integrated supply chain logistics solutions industry

The major costs of the integrated supply chain logistics solutions providers mainly comprise logistics capacity procurement costs and warehousing resource procurement costs. Logistics capacity procurement costs generally include service fees for trunk transportation, regional distribution and last-mile delivery, and are primarily affected by transportation distance, fluctuations in fuel prices and

the overall supply and demand conditions for logistics capacity. The China Road Logistics Freight Price Index is a composite indicator reflecting the magnitude and trend of changes in road logistics transportation prices within the economic territory of the PRC. The Index is compiled based on transaction price data from major logistics regions, cities, logistics node platforms, and a wide range of road transportation routes and freight vehicles nationwide. It is one of the key indicators for tracking road transportation capacity price trends in China. From 2020 to 2025, this index recorded a modest upward trend, increasing from approximately 98.5 to approximately 105.1, indicating a moderate increase in overall logistics capacity prices. Going forward, such prices are expected to fluctuate within a relatively narrow range with a mild upward trend.

China Road Logistics Freight Price Index, 2020-2025



Source: CFLP, The CIC Report