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**Logory Logistics Technology Co., Ltd.**  
**合肥維天運通信息科技股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 2482)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2023 together with the comparative figures for the year ended December 31, 2022 as set out below.

These annual results have been prepared in accordance with the applicable requirements of the Listing Rules and the IFRSs and have been reviewed by the Audit Committee. This announcement complies with the relevant requirements of the Listing Rules in relation to information to accompany preliminary announcements of annual results.

	Year ended December 31,		Changes %
	2023 RMB'000	2022 RMB'000	
Revenue	<b>5,616,216</b>	6,204,473	<b>-9.48</b>
Cost of revenue	<b>(5,302,952)</b>	(5,862,706)	<b>-9.55</b>
Gross profit	<b>313,264</b>	341,767	<b>-8.34</b>
(Loss)/Profit for the year	<b>(29,623)</b>	1,393	<b>-2,226.56</b>
(Loss)/Profit for the year attributable to owners of the parent	<b>(29,564)</b>	1,393	<b>-2,222.33</b>
<b>Non-IFRS measures</b>			
Adjusted net profit <sup>(1)</sup>	<b>453</b>	45,109	<b>-99.00</b>

<sup>(1)</sup> Adjusted net profit is defined as profit for the year adjusted by adding back share-based payments and the listing expenses.

## CEO'S STATEMENT

Dear Shareholders,

2023 was a year of fine-tuning and hedging and sowing seeds for the future.

At the beginning of the year, we emerged from the shadows of the three-year pandemic and completed the Listing on the Stock Exchange. However, we soon encountered unexpectedly cold business conditions: both the real economy and the financial environment cooled down, and the market recovery was slower than expected.

The Listing elevated the Company to a higher industrial status, demanding more meticulous operations to pursue optimal business results and more far-reaching strategic planning for the Company's future.

Since the second quarter of 2023, we began to streamline our innovative projects under exploration and focused our efforts on key strategic areas from top to bottom. At the same time, we further implemented the policy and goal of all-staff operation accounting to enhance the innovation capability and work efficiency of all staff members. We improved collaboration efficiency by optimizing the organizational structure and reducing decision-making layers with the support of digital technology. The series of operational improvement measures aimed to optimize the Company's operating costs.

Meanwhile, we also laid out key initiatives that hold significant value for the future. We initiated standard-setting work, and led the drafting of the first community standard "Requirements for Digitalization of Transportation Service Delivery" (《運輸服務交付數字化要求》), which has been officially released. We have deeply engaged in the standardization construction work of the "10+1" industrial digitalization of Anhui Province. We launched the digital upgrade of digital freight transportation operations with AI applications at its core and worked on optimizing platform services based on the new regulation of "recording of data assets in financial statements". We strengthened innovation practices in the form of virtual "task forces", enabling the Company to quickly respond to market changes and customer demands and manage with precision and innovation. We collaborated closely with government organizations, higher education institutions, and research institutions to support industry digital regulation and actively contribute advice for industrial development.

Looking back on the whole year of 2023, we weathered the risky phase of industrial difficulties and dramatic cost increases, optimized the Company's organizational structure and personnel configuration, and gained significant new development momentum.

Looking ahead, China is entering into the era of the digital economy in all aspects, where "new productive forces" will become a powerful driving force for national economic growth, industrial upgrading, and enterprise development. We will continue to be cautious to seek verification, and achieve the best business returns at a steady pace while operating prudently.

**Du Bing**

*Executive Director and Chief Executive Officer*

March 27, 2024

## MANAGEMENT DISCUSSION AND ANALYSIS

### Market Overview

China has the world's largest road freight transportation market, with a market size of up to RMB7 trillion. The road freight transportation market can be further divided into three major segments according to freight weight — namely, express delivery, LTL, and FTL — where FTL comprises the largest segment in the road freight transportation market.

Despite the size of the FTL market, it remains highly fragmented overall. The traditional FTL market in China has encountered challenges including: (i) a lengthy and opaque transaction process, resulting in both low efficiency and waste of social resources; (ii) unmet needs in both stable supply, and stable demands in transportation resources; (iii) lack of control over the transportation resources provided by external truckers; (iv) lack of protection for truckers' rights; and (v) the loose market structure of the FTL market which increases the difficulty of government regulation.

The emergence of digital freight platform brings new changes to China's FTL market. Facing the difficulties, pain points and focuses of the FTL market, a digital freight platform has the ability to digitize real-time scenarios, the ability to use digital technology to help logistics companies to improve their transportation capacity and supply chain capabilities, as well as the ability to break cross-end data and strengthen the data linkage and information sharing between the logistics companies and cargo owners. Digital freight platform reshapes the structure of the road freight transportation market through digital freight, and creates a new digital freight ecosystem. For government departments, the digital freight platform can help monitoring the business of transportation more effectively. For the FTL market, the digital freight platform can reduce intermediate links, build a transparent, efficient and stable trucks and drivers supply chain, and realize high-quality delivery under the premise of occupying minimum amount of transportation resources. For logistics companies, the digital freight platform can help them get rid of the vicious "low-price competition" and turn to an orderly "value competition".

Driven by both market demand and policy support, the digital freight transportation industry is developing rapidly. According to the data from the National Bureau of Statistics, the volume of road freight transport increased by 8.68% year-on-year compared to 2022, while the total volume of orders completed through digital freight platforms grew by 40.9% compared to the same period in 2022, reflecting a further increase in the digital penetration rate in the road freight transport industry. However, at the same time, the competition in the industry was increasingly fierce. According to the statistics on digital freight transportation information interaction system published by the Ministry of Transportation, as of December 31, 2023, there were 3,069 enterprises operating digital freight transportation platforms in the PRC, representing an increase of approximately 20.97% compared to the same period in 2022. As a vertical market segment in the industrial internet, the digital freight industry is still at a relatively early stage of development, and the influx of a large number of digital freight platforms and the relative lag in policy and regulation have also brought about problems such as the varying levels of development and standardization of enterprises in the industry.

We also saw that the digital freight transportation industry has been evolving from a rapid growth stage to a regulated development stage, and customers are paying more attention to the substantive value of digitalization. Digital freight is deeply integrated with the modern logistics industry through digital technology, integrated into the real economy supply chain service links, and supports high-quality economic development with high-performance logistics services. The transparent, clear and standardized data indicators of the digital freight transportation platform will also become an important starting point for government departments to regulate the industry.

We believe that leading companies will benefit in the long run from the macroeconomic recovery, the rapid increase in the penetration of digitalization in the road freight industry, and the advancement of the entire digital freight transportation industry towards a more mature stage of development.

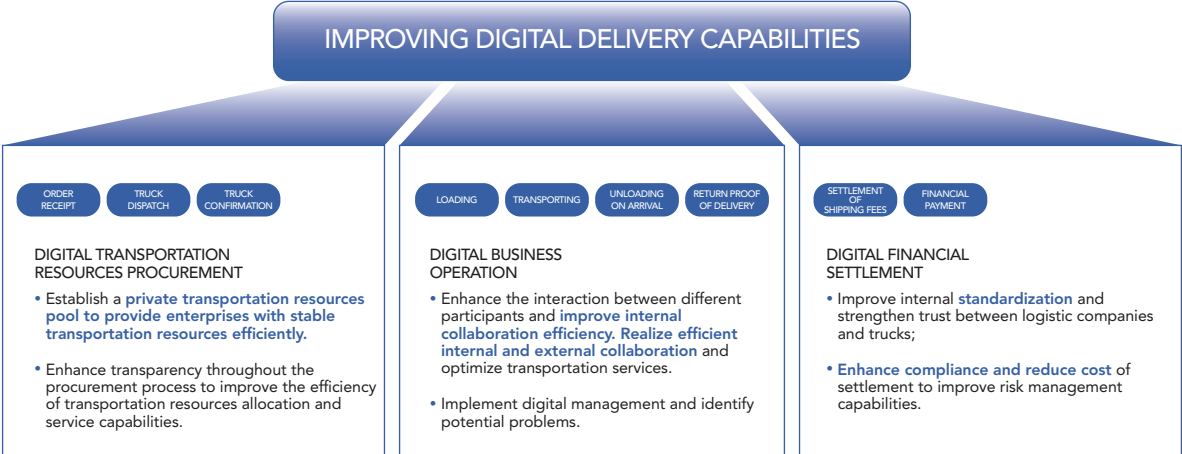
### **Group Overview**

Based on more than 20 years of practical experience in digital innovation, we provide business scenarios to support the iterative upgrading and rooting of digital freight transportation with our digital freight service, and explore innovative business models for digital transformation of the logistics industry. We have built a digitalized ecosystem for road freight transportation in China. According to the China Federation of Logistics and Purchasing, in terms of Online GTV, freight volume and other indicators, we operate the largest digital freight platforms in China. Our platform provides digital freight services and solutions to shippers, such as logistics companies and cargo owners, as well as truckers in both inter-city and intra-city road freight transportation. Our Company's digital layout is divided into three major links: digital transportation resources procurement, digital business operation, and digital financial settlement. From the establishment of a private transportation resources pool to realize efficient direct procurement of transportation resources to breaking down departmental barriers and logistics companies boundaries, to realize efficient internal and external collaboration, to the linkage of business and finance and standardized settlement, we help logistics companies implement the strategic goals of "full transparency of business process", "reduce costs and increase efficiency throughout the business process", and "provide all-round good service", and innovate the management and operation mode of logistics companies on this basis, realizing a leap forward from traditional to digitalization. We had served over 14,400 shippers and 3.2 million truckers who had completed an aggregate of over 46.5 million shipping orders on our platform from the inception of our digital freight business to December 31, 2023. The aggregate amount

of shipping fees (including VAT) settled on our platform from transactions fulfilled through us as a statutory carrier under PRC law, which we refer to as our Online GTV, amounted to RMB34.4 billion during the year ended December 31, 2023. Our platform has consistently maintained a high level of annual retention rate, with annual retention rates of 91.2% for our major shipper customers in 2023.

We seek to benefit and empower the participants in the ecosystem of road freight transportation industry, including shippers such as logistics companies and cargo owners, truckers, freight brokers, and other related service providers. We promote the collaboration between such ecosystem participants, enhance transparency and synergy in such collaboration through our digitalized services, and help such participants establish more balanced and reciprocal relationships through repeated transactions. On the one hand, our digital freight transportation solutions on the whole transportation process can, through digital transportation resources procurement, digital operation and digital financial settlement, enable logistics companies to establish online and offline interaction network in order to deliver transparent, efficient and stable logistics services. On the other hand, our digital freight transportation solutions on whole transportation process can also help logistics companies improve their capabilities in digitally-deliverable to cargo owners, by presenting the status during the entire order lifecycle and enabling cargo owners to access to the real-time order progress, which would demonstrate the ability of logistics companies to continuously provide cost-effective transportation services.

The following diagram illustrates Logory’s digital freight transportation solutions on whole transportation process.



In 2023, we have created diverse digital products around the digital freight business needs of each participants in the upstream and downstream of the trucks and drivers supply chain. With the digitization of the trucks and drivers supply chain, the first worksite data generated by each business scenario can be recorded and transmitted at real-time. For our logistics company customers, when delivering transportation tasks to

upstream cargo owners, all aspects of cargo transportation are visible to the upstream, realizing the simultaneous delivery of “cargo + data” and improving digital delivery capabilities. Through the linkage of digital systems and transportation resources, a stable transportation resource pool is formed which is mainly made up of mature capacity and supplemented by ordinary capacity. For the internal management of logistics companies, the entire business process digitization of the freight business breaks down the barriers between various departments within the logistics companies, helps logistics companies establish digital links with various participants in the freight business, achieves a high degree of collaboration among various participants as well as enables precise management of logistics projects.

In addition to our digital freight platform, we also operate Trucker Community, an “online + offline” community for truckers. It is the largest community for truckers in China and the largest community in the logistics industry in China, in terms of the number of registered users. As of December 31, 2023, the number of registered users of Trucker Community amounted to more than 3.4 million. We have accumulated a large and loyal user base of truckers over the past decade, which enabled us to establish in-depth collaboration with a variety of partners in order to resolve the problems truckers encountered in “business, production and life” and improve truckers’ social status, work environment and living conditions.

## **Business Overview**

### ***Our Business Model and Service Offerings***

We have cultivated a vibrant digital ecosystem for road freight transportation in China, and we are committed to providing a series of solutions to connect and serve ecosystem participants. Our business primarily consists of three components: digital freight business, Trucker Community (卡友地帶) and Trucker’s Membership Services.

### ***Digital Freight Business***

We satisfy the freight needs of shippers through our digital freight business. We provide two types of services through our digital freight business, namely freight transportation services and freight platform services. In the process of deepening the digitization of the road freight transportation industry, we uphold long-termism and based on the first work site data to ensure the “endogenous compliance” of the data from the source. The comprehensive digitization of grassroots transportation resources also promotes the digitization of the entire freight transportation business process. Our digital freight transportation business has built digital delivery capabilities from three links including digital transportation resources procurement, digital operation and digital financial settlement. Our digital freight transportation business has visually presented the entire business process, realized efficient collaboration within logistics companies, and improved the agility and trucks and drivers supply chain.



### *Freight Transportation Services*

We provide digital freight transportation services as a carrier, as we address the shipping demand from the shippers with appropriate road freight transportation resources, based on our analysis of the shippers' business. Our freight transportation services are usually provided to customers in the industries with a high degree of standardization in logistics transportation such as bulk cargo. In 2023, in the face of the market changes with declining demand for freight transportation and increasing internal driving forces of cargo owners to reduce costs and increase efficiency, bulk cargo shippers rely on our digital products and solutions to form a differentiated competitive advantage and gradually improve their qualities of delivery of bulk cargo transportation. The real-time recording of the first work site data by the digitalization of entire freight business process helps bulk cargo shippers to refine the management of logistics projects and maintain or increase profits. We have an in-depth integration between our digital solutions for different business scenarios and the internal operation flow of the logistics companies. For the year ended December 31, 2023, Online GTV of our freight transportation services amounted to approximately RMB5.8 billion.

### *Freight Platform Services*

When we provide freight platform services, our focus is on connecting and facilitating the coordination between shippers and truckers. Our freight platform services mainly target shippers for consumer commodities who generally have customized requirements as the shipping process for consumer commodities is relatively complicated. Logistics companies engaged in freight platform services often need to cooperate with multiple participants in the trucks and drivers supply chain to complete each transportation demand during logistics project operations. With digital transportation resources procurement, digital business operation and digital financial settlement, we break down the barrier between working systems of various departments, achieving efficient collaboration and organizational management within logistics companies. At the same time, the digitization of the entire business process of the freight transportation business enables real-time recording of the data generated by each business process, and systematic data presentation and analysis. The digital products and solutions for the whole transportation process are designed to improve logistics companies' digitalization capabilities to and to deliver transparent, efficient, stable and modernized "trucks and drivers supply chain". For the year ended December 31, 2023, Online GTV of our freight platform services amounted to approximately RMB28.6 billion.



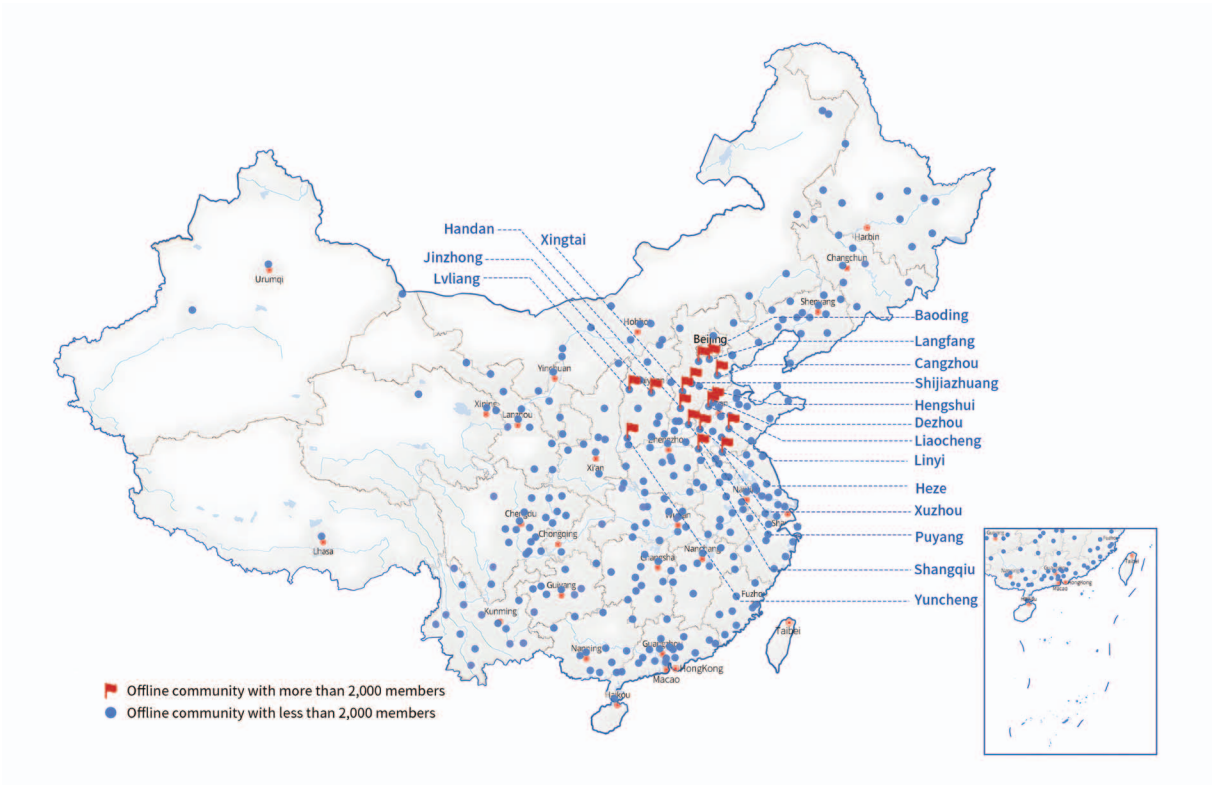
**Trucker Community and Trucker’s Membership Services**

We operate Trucker Community, a community in the logistics industry in China and the largest community for truckers in China. We are committed to creating a community for communication and mutual support among truckers in the road freight transportation industry to facilitate their communication, discovery of business opportunities and enjoying social life. Truckers can gain access to Trucker Community through a wide variety of portals, including the mobile application we developed for Trucker Community, our official accounts on social media platforms such as Douyin , Kuaishou, WeCom, and the offline activities organized by offline communities of Trucker Community.

Through years of operation, our Trucker Community has become as a reliable self-organized community. As of December 31, 2023, the number of registered users of Trucker Community amounted to more than 3.4 million and the number of followers of our social media accounts amounted to approximately 3.7 million.

We have established and assisted to manage offline communities of Trucker Community in 298 cities in the PRC, which are self-organized by local truckers.

The distribution of our offline communities is set out below.



We set up help centers in our online community to provide free legal aid to the truckers and help them resolve problems encountered in their business, work and life. We also collaborated with external partners to provide truckers with access to insurance coverage such as accidental hospitalization medical coverage and accidental injury and death medical coverage. We also advocate for transportation safety of truckers through our mobile application of Trucker Community and social media platforms to enhance the driver safety consciousness of truckers and hence lower the occupational risks of truckers.

Our Trucker Community and Trucker’s Membership Services provide strategic value complement to our digital freight business, and such three business lines generate strong synergies. The large and loyal user base of Trucker Community provides stable and efficient supplemental road freight transportation resources for our digital freight platform. At the same time, our digital freight platform attracts more truckers to access, and become loyal members of, Trucker Community. In addition, the demands for truck sales and aftermarket services by truckers on our platform also underpin the significant market potentials for our Trucker’s Membership Services. The synergy among our business lines reinforces each other, allowing us to enhance our brand image and better serve our customers.

Set forth below are certain operating metrics of our Trucker Community during the Reporting Period:

	<b>Twelve months ended December 31, 2023</b>
Number of Converted Truckers <sup>(1)</sup> ( <i>thousand</i> )	243.9
Online GTV fulfilled by Converted Truckers ( <i>RMB billion</i> )	7.1
Shipping orders fulfilled by Converted Truckers ( <i>thousand</i> )	1,446.9
Breakdown by:	
Freight transportation services ( <i>thousand</i> )	82.8
% of total freight transportation service shipping orders (%)	5
Freight platform services ( <i>thousand</i> )	1,364.1
% of total freight platform service shipping orders (%)	19.5
Percentage of truckers converted from Trucker Community to our digital freight platform <sup>(2)</sup> (%)	21.3

*Notes:*

- (1) “Converted Truckers” refer to trucker users who fulfilled shipping orders on our digital freight platform after they registered on Trucker Community.
- (2) Defined as the ratio of the Converted Truckers as of the end of a given period to the total trucker users registered on Trucker Community as of the end of such period.

Truckers on our Trucker Community platform serve as supplemental resources in fulfilling shipping orders on our platform, while the majority of shipping orders are fulfilled by other truckers on our digital freight platform who have not joined Trucker Community. The number of Converted Truckers in 2023 remained at a steady level as compared with 2022 and recorded approximately 243.9 thousand (2022: 253.1 thousand). The percentage of truckers converted from Trucker Community to our digital freight platform increased from 20.4% in 2022 to 21.3% in 2023 and remained at a reasonable level. In general, the performance of Trucker Community in terms of its conversion capabilities was within the expectation of the Company’s management during the Reporting Period.

**Our Ecosystem**

We have cultivated an ecosystem through our platform, which connects truckers, shippers, freight brokers, truck sellers, truck aftermarket service providers and other participants in the ecosystem. We have cultivated an ecosystem that values the interests of all participants. We encourage and promote a solid cooperative relationship of mutual trust and benefits among all ecosystem participants through enhanced digitalization and transparency throughout the process. We enhanced the division of responsibilities among ecosystem participants and improved their synergies.

The following diagram illustrates the interaction among different participants within our ecosystem.



We integrate our technological applications and service model innovations into all aspects of the road freight transportation industry, providing a full range of digital application solutions. To be specific, our digital freight industry ecosystem is centered on truckers at the bottom of the transportation supply chain, and continues to strengthen the links between truckers, shippers (logistics companies and cargo owners), freight brokers and our digital freight platform. Through “digital collaboration” within logistics companies, we promote cost reduction and efficiency increase in the whole process of transportation. We provide shippers with the “transportation business operation + business data delivery” services to break the “supply chain black box” and allow shippers to grasp the transportation status in a timely manner. We utilize digital applications and solutions to enhance the delivery capability of logistics companies and help them establish closer links with their customers (cargo owners). Through “digital links” with surrounding industrial resources, we provide comprehensive and high-quality services for all aspects of the road freight transportation business.

Set forth below are the key participants that benefit from our ecosystem, and the value propositions our ecosystem offers them:

- **Shippers:** Shippers constitute the direct customers of our digital freight business. Our shipper customers primarily include logistics companies of all sizes and background. To a lesser extent, we also serve cargo owners with needs for freight transportation services. In 2023, shippers that had completed shipping orders on our digital freight platform amounted to 6,619; and as of December 31, 2023, the cumulative number of shippers that had completed shipping orders on our platform reached 14,415, representing an increase of 2,418 from the end of 2022. In 2023, the number of shipping orders completed on our platform amounted to approximately 8.7 million, and the Online GTV on our platform amounted to approximately RMB34.4 billion.
- **Truckers:** Truckers constitute the suppliers of road freight transportation resources for our digital freight business. We strive to empower truckers with better business opportunities, social communities and work capacities through our digital freight business, Trucker Community and Trucker’s Membership Services, respectively. As at December 31, 2023, the number of truckers who had completed shipping orders on our platform amounted to 3.2 million, and the number of truckers who had newly registered on our Trucker Community platform amounted to 3.4 million, representing an increase of 0.2 million from the end of 2022. We consider truckers who complete at least four orders on our digital freight platform in a given year or a given period to be active truckers, who completed more than 80% of the total amount of sales orders on our platform in 2023. In 2023, the number of active truckers on our platform amounted to 392.3 thousand.

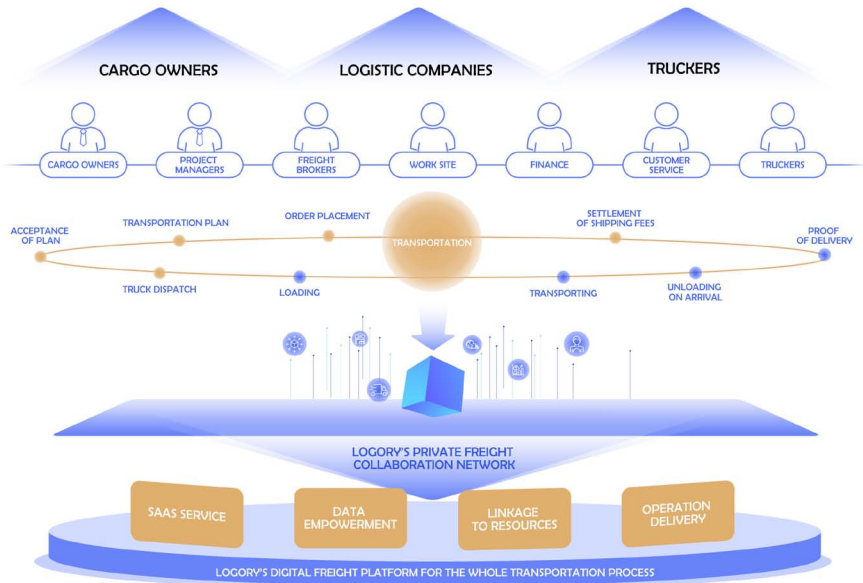
- ***Freight brokers:*** Traditionally freight brokers serve as an intermediary between shippers and truckers, who select truckers for shippers and coordinate with both sides. In our case, the major function of freight brokers is to introduce truckers to our digital freight platform. In some cases, freight brokers also assist with the vetting of, and coordination with, such truckers. We believe that freight brokers play an important role in our ecosystem by bringing additional truckers to our platform and facilitating the coordination and communication with truckers.
- ***Other ecosystem participants:*** Other ecosystem participants, such as truck aftermarket service providers, truck sellers, insurance companies and other financial institutions are connected to truckers on our platform through the truck aftermarket services available on our platform.

### ***Our Technology and Digitalized Products***

We newly released DDCS (Digitalization-Driven Customer Success) workspace. DDCS is a digital collaboration platform that achieves direct communication between customers, our internal operations, and product design and research and development teams. DDCS has largely reduced the time to address customers' needs and enhanced customers' satisfaction.

We have completed the product upgrade of Logory Newland (路歌新大陸), which integrates software, data accumulation, resource integration and continuous operation capability, and will help logistics companies build their own capacity collaboration network. We break down the whole process of freight transportation business at first site from receiving the shipping orders of cargo owner to settling the shipping fees for the driver, into multiple work tasks and project them in the software of Logory Newland, so that various participants can carry out online operation around the work tasks, record and share business data in real time, and realize the real-time monitoring and analysis of the freight business and each work task by logistics companies. Through Logory Newland, the online “digital space” and the “physical space” of the first work site circulate and empower each other. The “digital space” continuously generates data and forms standards to constrain the transportation delivery in the “physical space” to improve the business operation efficiency of logistics companies. For the long-term operation and management of logistics companies, they can refer to the business data deposited in Logory Newland to monitor the quality of freight transportation and gradually form a set of digitalized cooperation rules between logistics companies and various participants in the trucks and drivers supply chain. Logory Newland helps logistics companies realize the transformation of their business models, breaks the previous chain working mode and information gaps of logistics companies, and allows logistics companies to build a free, private transportation resources collaboration network around logistics projects.

The following diagram illustrates the private transportation resources collaboration network around logistics projects that Logory Newland (路歌新大陸) helps logistics enterprises build.





### *Our Corporate Social Responsibility*

We are committed to promoting drivers' membership through diversified and convenient service methods and taking advantage of digital technology. In August 2023, we officially launched the "Trucker Work Benefit Service Platform" (卡友工惠服務平台), which opened a new online "one-click membership" channel for truckers, simplifying the membership process, optimizing the approval efficiency, and realizing smooth operation of the entire online membership process. At the same time, based on the actual needs of truckers, we have strengthened position construction, linked online services such as driver homes, legal aid, and trade union benefits, organized offline discussions and exchange meetings, and launched projects such as truck care, safe driving reminders, and mutual aid guarantees to Service Promotion Association. As of the end of 2023, we have guided a total of 330,000 drivers to join the membership.

Relying on the online community of Trucker Community, we developed and launched the "Party Building Cloud Platform". Through the cloud organization construction of the platform, we launched "Cloud Registration", "Cloud Classroom", "Cloud Activities", "Cloud Mutual Assistance", "Cloud Feedback", "Cloud Style" and other sections to build an online communication and learning platform for mobile party members and drivers. By issuing a "red collection order" on the platform, we guide party members to reveal their identities and participate in organizational life. As of the end of the Reporting Period, we had recruited nearly 15,000 truckers who are party members, and established 26 mobile party groups of truckers and 52 party member driver volunteer service teams.

We always adhere to the core corporate values of altruism. We care about the community and do our best to deliver more goodwill, help more individuals in need, and seek more for our community neighbors' well-being. In the summer of 2023, we organized a condolence activity of "Send Coolness in Summer — Logory Charity Freezer" in the community where our office is located. By setting up Charity Freezers to help social workers such as takeaways, express delivery personnel and sanitation workers, the charity delivered iced drinks, covering a total of 3,240 people.



## *Our Milestones in 2023*

Set out below are the important milestones of the Group's businesses for the year ended December 31, 2023:

### *(1) The Group won honors and awards in 2023*

In 2023, the Group ranked 359 of top 500 private enterprises in China by the All-China Federation of Industry and Commerce, which has been the fourth consecutive year to be selected on the list; ranked 86 of top 100 private enterprises in China's service industry by the All-China Federation of Industry and Commerce; ranked 199 of top 500 service enterprises in China by the China Enterprise Confederation and the China Entrepreneurs Association and ranked 1 of top 100 private service enterprises in Anhui by the Anhui Federation of Industry and Commerce. In addition, the Group has been listed on and ranked 1 of the TOP10 list of digital freight platforms selected by the China Federation of Logistics and Purchasing for four consecutive years.

### *(2) The Company completed the initial public offering of the Company's H Shares on the Stock Exchange*

On March 9, 2023, the Company's H Shares were listed on the Main Board of the Stock Exchange, being "the first digital freight stock" in Hong Kong.

### *(3) The Group successfully held the 9th I Love Trucker's Day*

On May 2, 2023, the Company successfully held the 9th "I Love Truckers' Day (52 卡友節)", which covered 28 provinces and cities, with more than 50 offline venues and more than 10,000 truckers attending on-site. At the meeting, the Company released the "Initiative on the Protection of Truckers' Employment", and joined hands with a number of head enterprises in the logistics industry to issue an initiative to all walks of life, exploring an effective path to protect the rights and interests of workers in the new employment pattern, and improving the environment for truckers' employment.

### *(4) The group took the lead in drafting the community standard "Requirements for Digitalization of Transportation Service Delivery" (《運輸服務交付數字化要求》), which was officially released*

On September 21, 2023, at the special press conference on industrial internet of the 2023 World Manufacturing Convention, the community standard "Requirements for digitalization of transportation service delivery" (《運輸服務交付數字化要求》) which our Company took the lead in drafting, and completed together with 9 institutions including the University of Science and Technology of China and Anhui Industrial Internet Association, was officially released. The community standard applies to the proposed requirements for digital deliverables in transportation service bidding, as well as the delivery of digital deliverables in the process of transportation services of trunk logistics companies.

## Outlook

2024 is the second year after the successful listing of our H Shares on the Stock Exchange. Looking forward, we intend to seize the market opportunities in the digital freight industry in China and expand our businesses in the following directions.

- Given that digital freight is an integral part of digital China, and the new logistics industry formed under the “integration of digital economy and real economy (數實融合)” has taken the lead in the regulated development stage, we intend to be deeply involved in formulation and implementation of the relevant industry standards, association standards, business management norms so as to drive the regulated development of the industry as well as to accelerate the expansion of our digital freight platforms.
- We will continue to carry out organizational innovation, process innovation and scenario innovation from the inside out to improve the “digital delivery capability” of logistics companies. We will make the cargo owners truly feel the digital empowerment and experience better logistics services.
- Under the Interim Provisions on Accounting Treatment Relating to Enterprises’ Data Resources issued by the Ministry of Finance in August 2023, digital assets are recognized as an asset in the balance sheet of an enterprise, helping the digital freight industry to improve quality and efficiency. We will continue to explore how business data generated from the first work site of freight transportation business, as a digital asset, can be reflected in the financial statements, and its asset value and business contribution.
- We will integrate industrial resources and social resources from the entire society to strengthen our community and commercial services for truckers and to build a digital service system for truckers.

We are committed to seizing the opportunities and leveraging advantages brought by our listing status to achieve the leapfrog in our business development.

## FINANCIAL REVIEW

The Group generated revenue predominantly from our digital freight business, by providing freight transportation services and freight platform services. During the Reporting Period, the Group's total revenue was approximately RMB5,616.2 million, representing a decrease of approximately RMB588.3 million, or approximately 9.5%, from approximately RMB6,204.5 million for the year ended December 31, 2022. The decrease in revenue was mainly due to (i) the lower-than-expected growth in logistics market demand in 2023; and (ii) a decrease in our Online GTV due to the more intensive competition in the logistics market in 2023 as compared to the years before.

The table below sets forth the revenue by types of goods or services, shown in actual amounts and as percentage to total revenue for the years indicated:

	Year ended December 31,				year-on-year % change
	2023 RMB'000	%	2022 RMB'000	%	
Revenue from freight transportation services	5,318,544	94.7	5,880,150	94.8	-9.6
Revenue from freight platform services	278,925	4.9	303,584	4.9	-8.1
Sale of goods	3,120	0.1	8,444	0.1	-63.1
Others <sup>(1)</sup>	15,627	0.3	12,295	0.2	27.1
Total	<u>5,616,216</u>	<u>100.0</u>	<u>6,204,473</u>	<u>100.0</u>	<u>-9.5</u>

Note:

- (1) Others primarily include referral services for the sale of second-hand trucks, advertisement services, rental income and other value-added services.

### Cost of revenue

During the Reporting Period, the Group's cost of revenue was approximately RMB5,303.0 million, representing a decrease of approximately RMB559.7 million, or approximately 9.5%, from approximately RMB5,862.7 million for the year ended December 31, 2022. This was mainly due to the decline in the Online GTV of the Company in 2023 which resulted in a corresponding decrease in shipping cost paid by the Company to truckers.

## **Gross profit and gross profit margin**

As a result of the above, gross profit decreased by approximately RMB28.5 million or approximately 8.3% from approximately RMB341.8 million for the year ended December 31, 2022 to approximately RMB313.3 million for the year ended December 31, 2023. Gross profit margin increased from approximately 5.5% for the year ended December 31, 2022 to approximately 5.6% for the year ended December 31, 2023. The gross profit margin remained relatively stable.

## **Other income and gains**

Other income and gains of the Group increased by approximately RMB0.9 million or approximately 2.9% from approximately RMB30.8 million for the year ended December 31, 2022 to approximately RMB31.7 million for the year ended December 31, 2023, which is comprised of: (i) bank interest income of approximately RMB8.1 million; (ii) the government grants (other than those related to digital freight businesses) of approximately RMB17.6 million; and (iii) others of RMB6.0 million. Such increase was primarily attributable to increase in interest income as the Company's fixed deposit increased.

## **Selling and marketing expenses**

During the Reporting Period, the Group's selling and marketing expenses amounted to approximately RMB125.4 million, representing a decrease of approximately RMB10.8 million, or approximately 7.9%, from approximately RMB136.2 million for the year ended December 31, 2022, mainly due to the decrease in the number of employees which resulted in decrease in staff costs and travel expenses.

## **Administrative expenses**

Our administrative expenses primarily consist of staff costs, share-based payments, depreciation and amortization and office expenses, among others. During the Reporting Period, the Group's administrative expenses amounted to approximately RMB95.0 million, representing a decrease of approximately RMB7.1 million, or approximately 7.0%, from approximately RMB102.1 million for the year ended December 31, 2022, mainly due to the decrease in listing expenses.

## **Research and development expenses**

During the Reporting Period, the Group's research and development expenses amounted to approximately RMB79.9 million, representing an increase of approximately RMB3.7 million or approximately 4.9% from approximately RMB76.2 million for the year ended December 31, 2022, mainly due to the increase in the staff cost for research and development personnel.

### **Impairment of financial and contract assets, net**

During the Reporting Period, the Group's impairment of financial and contract assets was approximately RMB12.3 million, mainly consisting of loss on account receivables and receivables from shippers for shipping fees resulting from the credit impairments of our customers, representing an increase of approximately RMB3.8 million or approximately 44.7% from approximately RMB8.5 million for the year ended December 31, 2022, mainly due to the longer aging of certain other receivables which led to larger impairment charges.

### **Other expenses**

During the Reporting Period, the Group's other expenses mainly consist of taxes and surcharges, net of government grants related to digital freight business, the amount of which was approximately RMB60.9 million, representing an increase of approximately RMB16.7 million, or approximately 37.8%, from approximately RMB44.2 million for the year ended December 31, 2022, mainly due to increase in taxes and surcharges.

### **Finance costs**

Our finance costs mainly consist of interest on bank loans and other borrowings. During the Reporting Period, the Group's finance costs amounted to approximately RMB2.5 million, representing a decrease of RMB1.4 million, or 35.9%, from approximately RMB3.9 million for the year ended December 31, 2022. The decrease was mainly due to the decrease in other borrowings of the Company in 2023.

### **Income tax credit**

During the Reporting Period, the Group recorded income tax credit of approximately RMB2.7 million, while the income tax credit for the year ended December 31, 2022 was approximately RMB1.4 million. This was mainly due to an increase in deferred tax assets recognized by the Company in respect of deductible tax losses.

### **(Loss)/Profit for the year**

As a result of the above, during the Reporting Period, loss attributable to owners of the Company was approximately RMB29.6 million (2022: profit of approximately RMB1.4 million).

## Other Financial Information (Non-IFRS measures): Adjusted net profit

To supplement the Group's consolidated results which are prepared and presented in accordance with IFRSs, we also use adjusted profit or loss (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with the IFRSs. We believe that adjusted profit or loss (non-IFRS measure) provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted profit or loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of adjusted profit or loss (non-IFRS measure) is presented herein as an analytical tool for illustrative purposes only, and should not be considered in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under the IFRSs.

The following tables set forth reconciliations of the Group's non-IFRS measures for the years ended December 31, 2023 and 2022 to the nearest measures prepared in accordance with IFRSs.

	Year ended December 31,		Year ended December 31,		year-on-year % change
	2023 RMB'000	% of total revenue %	2022 RMB'000	% of total revenue %	
<b>(Loss)/Profit for the year</b>	<b>(29,623)</b>	<b>-0.53</b>	1,393	0.02	<b>-2,226.56</b>
Adding back or excluding					
Share-based payments <sup>(1)</sup>	<b>26,972</b>	<b>0.48</b>	17,665	0.28	<b>52.69</b>
Listing expenses related to the Global Offering	<b>3,104</b>	<b>0.06</b>	26,051	0.42	<b>-88.08</b>
<b>Non-IFRS measures</b>					
<b>Adjusted net profit</b>	<b>453</b>	<b>0.01</b>	45,109	0.72	<b>-99.00</b>

*Note:*

- (1) We operate share award schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. Such share-based payments are non-cash in nature.

Our adjusted profit (non-IFRS measure) during the Reporting Period amounted to approximately RMB0.5 million, representing a decrease of RMB44.6 million, or 99.0%, from approximately RMB45.1 million in 2022, which was mainly attributable to (i) the lower-than-expected growth in logistics market demand in 2023; (ii) a decrease in our Online GTV due to the more intensive competition in the logistics market in 2023 as compared to the years before; and (iii) an increase in our research and development expenses as we continued to assist logistics companies to undergo digital upgrade of the whole transportation process with an aim to improve our service capability and operation efficiency.

## **Liquidity and financial resources and capital structure**

As at December 31, 2023, the Group had current assets of RMB2,322.5 million (December 31, 2022: RMB2,069.7 million), representing an increase of approximately RMB252.8 million or 12.2%, mainly due to the increase in prepayments, other receivables and other assets, trade and notes receivables, partially offset by the decrease in financial assets at fair value through profit or loss. The Group had current liabilities of RMB1,776.6 million (December 31, 2022: RMB1,617.9 million), representing an increase of approximately RMB158.7 million or 9.8%, mainly due to increases in trade payables, interest-bearing bank and other borrowings. The current ratio was 1.31 as at December 31, 2023 as compared with 1.28 as at December 31, 2022, equals to total current assets divided by total current liabilities as of the end of the year.

As at December 31, 2023, the Group's cash and cash equivalents amounted to approximately RMB517.9 million which was mainly from bank borrowings and funds raised from the listing of the H Shares. As at December 31, 2023, the Group had bank borrowings of RMB120 million (December 31, 2022: Nil). The Group monitors and maintains cash and cash equivalents to a level that management believes to be sufficient to meet the Group's operating needs.

The H Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of the Company since the Listing Date and up to December 31, 2023. The capital of the Company comprises ordinary shares including domestic Shares and H Shares.

## **Exposure to Fluctuations in Foreign Exchange Rates**

The Group's business operations are mainly conducted in the PRC with most of the transactions settled in RMB, being the Group's functional currency. The Board considers that the Group's business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group that are denominated in the currencies other than the respective functional currencies of the Group's entities.

During the Reporting Period, the Group neither took part in any derivatives activities nor entered into any hedging activities in respect of foreign exchange risk.

## **Pledge of Assets**

As of December 31, 2023, the Group did not pledge any assets as collateral for bank borrowings or any other financing activities (December 31, 2022: nil).



## **Significant Investment and Material Event During the Reporting Period**

### ***Amendments to the Articles of Association***

In view of the expansion of business scope of the Company, amendments have been made to the Company's Articles of Association and were duly passed at the 2022 annual general meeting held on June 20, 2023. The full text of the amended Articles of Association can be downloaded on the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.logory.com](http://www.logory.com)).

### ***Resignation of Non-Executive Director and Proposed Appointment of Non-Executive Director***

Mr. LIU Junjie (劉俊傑) has resigned from his position as a non-executive Director of the Company in order to devote more time to his other work and personal commitments with effect from December 29, 2023. As considered and approved by the Board at the Board meeting held on the same day, Mr. FU Da (傅達) (“**Mr. Fu**”) was nominated as a candidate for non-executive Director, and a proposal in relation to the proposed appointment of Mr. Fu as a non-executive Director will be submitted at the 2023 AGM for consideration by the Shareholders. For details, please refer to the Company's announcement dated December 29, 2023 in relation to the resignation of non-executive Director and proposed appointment of non-executive Director.

Save as disclosed in this announcement, the Group is not aware of any significant investment and events which could have a material impact on our operating and financial performance for the year ended December 31, 2023.

### **Employees and Remuneration Policies**

As of December 31, 2023, we had 912 full-time employees, all of whom were based in China. The number of employees employed by the Group may change from time to time as required and employee emoluments are determined with reference to market conditions and the performance, qualifications and experience of individual employees.

As part of our human resources strategies, we are committed to establishing a competitive and fair remuneration and benefits system. Compensation for our employees typically consists of basic salary and performance-based bonus. We provide our employees with benefits such as pension scheme, medical insurance, workplace injury insurance, unemployment insurance and housing providence funds in accordance with relevant PRC laws and regulations. We offer employees additional benefits such as additional commercial insurance, among other things. In order to effectively motivate our staff, we continually refine our remuneration and incentive policies through market research.

We provide training sessions tailored to the needs of our employees in different functions. Topics covered by such training sessions include our corporate culture, internal rules and policies and professional knowledge, know-hows and skills. We also provide training to management and administrative personnel at all levels, in order to enhance their leadership capabilities. Such training sessions are conducted in both online and offline forms.

## **USE OF PROCEEDS**

### **Use of Proceeds from the Global Offering**

The net proceeds from the Global Offering (after deducting the underwriting fees and related cost and expenses) amounted to approximately HK\$63.1 million. There is no change to the intended use of net proceeds and the expected implementation timetable as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As of December 31, 2023, the Company had utilized approximately HK\$10.6 million of net proceeds from the Global Offering, representing approximately 16.8% of the total net proceeds from the Global Offering, in accordance with the intended use set out in the Prospectus. The following table sets out breakdown of the use of proceeds from the Global Offering. As of December 31, 2023, the unutilized net proceeds have been placed in licensed banks and/or authorized financial institution as defined under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and laws in the relevant jurisdictions (where applicable). For details of the use of net proceeds from the Global Offering, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

Use of net proceeds	Percentage of net proceeds	Estimated net proceeds allocated as disclosed in the Prospectus (HK\$ million)	Allocated net proceeds from the Global Offering <sup>(Note)</sup> (HK\$ million)	Net proceeds utilized since the Listing and up to December 31, 2023 (HK\$ million)	Expected timeline of full utilization of net proceeds	Unutilized net proceeds as of December 31, 2023 (HK\$ million)
<b>To further upgrade and enhance our digital freight business, with a goal to address more in-depth demands from our customers under more diversified business scenarios and to relentlessly improve the user experience for our digital freight business</b>	<b>45.0%</b>	<b>34.2</b>	<b>28.4</b>	<b>2.21</b>	<b>2031</b>	<b>26.19</b>
(i) To acquire additional customers for our freight transportation services and freight platform services	15.0%	11.4	9.5	0.73	2031	8.77
(ii) To improve our penetration into our existing customer base	15.0%	11.4	9.5	1.2	2027	8.3
(iii) To promote our involvement of other participants in our ecosystem and exploring additional opportunities for synergistic development within our ecosystem	15.0%	11.4	9.4	0.28	2031	9.12
<b>To further expand our Trucker Community and Truck Plus solutions</b>	<b>15.0%</b>	<b>11.4</b>	<b>9.5</b>	<b>0.7</b>	<b>2031</b>	<b>8.8</b>
(i) To explore and improve the commercialization of Trucker Community, including attracting registered members and enhancing commercialization opportunities through Truck Plus	7.5%	5.7	4.7	0.13	2027	4.57
(ii) To foster and maintain the nationwide service network of authorized stores for Truck Plus solutions	5.0%	3.8	3.2	0.22	2031	2.98
(iii) To strengthen the supply chain system that supports our Truck Plus solutions	2.5%	1.9	1.6	0.35	2027	1.25
<b>To enhance our research and development efforts and to strengthen our technological capabilities</b>	<b>20.0%</b>	<b>15.2</b>	<b>12.6</b>	<b>5.23</b>	<b>2025</b>	<b>7.37</b>
(i) To reinforce our technological strengths in big data.	15.0%	11.4	9.4	3.17	2025	6.23
(ii) To improve our existing research and development capacities in the high-tech fields	5.0%	3.8	3.2	2.06	2024	1.14
<b>To recruit additional sales, marketing and operational personnel</b>	<b>10.0%</b>	<b>7.6</b>	<b>6.3</b>	<b>1.23</b>	<b>2026</b>	<b>5.07</b>
<b>Working capital and other general corporate purposes</b>	<b>10.0%</b>	<b>7.6</b>	<b>6.3</b>	<b>1.23</b>	<b>2027</b>	<b>5.07</b>

*Note:* The net proceeds finally received from the Global Offering was lower than the estimated net proceeds as disclosed in the Prospectus. A difference of approximately HK\$12.8 million has been adjusted in the same manner and in the same proportion to the use of proceeds as disclosed in the Prospectus.

The Company does not have any intention to change the purposes of the proceeds from the Global Offering as set out in the Prospectus, and will gradually utilize the net proceeds from the Global Offering with the intended purposes.

### **EVENT SUBSEQUENT TO THE REPORTING PERIOD**

The Group is not aware of any significant events which could have a material impact on our operating and financial performance after the year ended December 31, 2023 and up to the date of this announcement.

### **DIVIDENDS**

The Company did not recommend any payment of dividends for the year ended December 31, 2023 (2022: Nil).

### **ANNUAL GENERAL MEETING**

The 2023 AGM will be held on Wednesday, May 29, 2024. A notice convening the 2023 AGM will be published and despatched to the Shareholders who wish to receive a printed copy of the corporate communication in due course in the manner prescribed by the Listing Rules.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Thursday, May 23, 2024 to Wednesday, May 29, 2024 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify to attend the 2023 AGM and to vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Wednesday, May 22, 2024.

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*Year ended December 31, 2023*

	<i>Notes</i>	<b>2023</b> <b>RMB'000</b>	2022 <b>RMB'000</b>
<b>REVENUE</b>	4	<b>5,616,216</b>	6,204,473
Cost of revenue	5	<u><b>(5,302,952)</b></u>	<u>(5,862,706)</u>
<b>GROSS PROFIT</b>		<b>313,264</b>	341,767
Other income and gains	4	<b>31,729</b>	30,783
Selling and marketing expenses	5	<b>(125,388)</b>	(136,154)
Administrative expenses	5	<b>(94,956)</b>	(102,054)
Research and development expenses	5	<b>(79,909)</b>	(76,226)
Impairment of financial and contract assets, net	5	<b>(12,283)</b>	(8,498)
Other expenses	5	<b>(60,929)</b>	(44,231)
Finance costs	6	<b>(2,451)</b>	(3,913)
Share of losses of associates		<u><b>(1,382)</b></u>	<u>(1,462)</u>
<b>(LOSS)/PROFIT BEFORE TAX</b>	5	<b>(32,305)</b>	12
Income tax credit	7	<u><b>(2,682)</b></u>	<u>(1,381)</u>
<b>(LOSS)/PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>(29,623)</b></u>	<u>1,393</u>
Attributable to:			
owners of the parent		<b>(29,564)</b>	1,393
Non-controlling interests		<u><b>(59)</b></u>	<u>–</u>
<b>(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted ( <i>RMB</i> )	9	<u><b>(0.02)</b></u>	<u>–</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at December 31, 2023*

	<i>Notes</i>	<b>2023</b>	2022
		<b>RMB'000</b>	<b>RMB'000</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>58,963</b>	65,808
Right-of-use assets		<b>32,302</b>	6,859
Intangible assets		<b>1,783</b>	1,720
Investments in associates		<b>4,395</b>	9,396
Prepayments, other receivables and other assets		<b>3,275</b>	2,211
Deferred tax assets		<b>27,587</b>	17,306
		<hr/>	<hr/>
Total non-current assets		<b>128,305</b>	103,300
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Inventories		<b>3,839</b>	2,413
Trade and notes receivables	<i>10</i>	<b>142,803</b>	123,945
Contract assets		<b>6,583</b>	6,362
Prepayments, other receivables and other assets		<b>1,629,731</b>	1,362,188
Financial assets at fair value through profit or loss ("FVTPL")		<b>20,000</b>	50,000
Restricted bank deposits		<b>1,640</b>	4,063
Cash and cash equivalents		<b>517,861</b>	520,714
		<hr/>	<hr/>
Total current assets		<b>2,322,457</b>	2,069,685
		<hr/>	<hr/>
<b>CURRENT LIABILITIES</b>			
Trade payables	<i>11</i>	<b>155,267</b>	108,695
Other payables and accruals		<b>1,464,746</b>	1,487,197
Contract liabilities		<b>12,814</b>	12,375
Interest-bearing bank and other borrowings		<b>120,000</b>	500
Lease liabilities		<b>5,619</b>	816
Tax payable		<b>18,115</b>	8,283
		<hr/>	<hr/>
Total current liabilities		<b>1,776,561</b>	1,617,866
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		<b>545,896</b>	451,819
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>674,201</b>	555,119
		<hr/>	<hr/>

	<b>2023</b>	2022
<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	<b>21,572</b>	626
Deferred tax liabilities	<b>23</b>	–
	<hr/>	<hr/>
Total non-current liabilities	<b>21,595</b>	626
	<hr/>	<hr/>
<b>NET ASSETS</b>	<b>652,606</b>	554,493
	<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>		
Equity attributable to owners of the parent		
Share capital	<b>87,117</b>	84,417
Reserves	<b>565,548</b>	470,076
	<hr/>	<hr/>
	<b>652,665</b>	554,493
	<hr/>	<hr/>
Non-controlling interests	<b>(59)</b>	–
	<hr/>	<hr/>
<b>TOTAL EQUITY</b>	<b>652,606</b>	554,493
	<hr/> <hr/>	<hr/> <hr/>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

The Company is a joint stock company with limited liability established in the People's Republic of China ("PRC"). On 9 March 2023, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "HKEX") (stock code: 2482. HK). The registered office of the Company is located at No. 2700 ChuangXin Avenue, High-tech District, Hefei, Anhui Province, China.

During the year, the Company and its subsidiaries were principally engaged in digital freight businesses including freight transportation services and freight platform services.

### 2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which comprise all standards and interpretations approved by the International Accounting Standards Board (the "IASB"), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee and the disclosure requirements of the Hong Kong Companies Ordinance.

The financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

#### **Basis of consolidation**

The consolidated financial statements include the financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2023. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS 17	<i>Insurance Contracts</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform — Pillar Two Model Rules</i>

The adoption of the new and revised IFRSs does not have a significant impact on the Group's consolidated financial statements.

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these revised IFRSs, if applicable, when they become effective.

Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current<sup>1</sup></i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants<sup>1</sup></i>
Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback<sup>1</sup></i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements<sup>1</sup></i>
Amendments to IAS 21	<i>Lack of Exchangeability<sup>2</sup></i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>3</sup> No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these revised IFRSs upon initial application. So far, the Group has expected that these standards will not have significant effect on the Group's financial performance and financial position.

### 3. OPERATING SEGMENT INFORMATION

No operating segment information is presented as the Group's revenue and reported results during each of reporting period, and the Group's total assets as at the end of reporting period were derived from one single operating segment, i.e., provision of digital freight businesses and related services.

#### Geographical information

No further geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

#### Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for each of reporting period.

### 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2023 RMB'000	2022 RMB'000
Revenue from contracts with customers	5,616,192	6,204,308
Revenue from other sources		
Rental income	24	165
Total	<u>5,616,216</u>	<u>6,204,473</u>

#### Revenue from contracts with customers

##### (i) Disaggregated revenue information

	2023 RMB'000	2022 RMB'000
Types of goods or services		
Freight transportation services	5,318,544	5,880,150
Freight platform services*	278,925	303,584
Sale of goods	3,120	8,444
Other value-added services	15,603	12,130
Total revenue from contracts with customers	<u>5,616,192</u>	<u>6,204,308</u>

### *Geographical markets*

All of the Group's revenues were generated from customers located in Mainland China during each of reporting period.

- \* The revenue from freight platform services mainly represents the difference between the contract amount to be received from the shipper and the net freight cost, which is the contract amount to be paid to the trucker, net of the government grants related to digital freight businesses. Such government grants are presented in line with revenue of an amount of RMB1,052,754,242 (2022: RMB1,133,606,912) for the year ended 31 December 2023.

	<b>2023</b>	2022
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<i>Timing of revenue recognition</i>		
Services transferred over time	<b>5,318,544</b>	5,880,210
Services and goods transferred at a point in time	<b>297,648</b>	324,098
	<hr/>	<hr/>
Total revenue from contracts with customers	<b><u>5,616,192</u></b>	<u>6,204,308</u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period.

	<b>2023</b>	2022
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<i>Revenue recognised that was included in contract liabilities at the beginning of the year:</i>		
Freight platform services	<b>10,478</b>	9,897
Freight transportation services	<b>1,897</b>	362
	<hr/>	<hr/>
Total	<b><u>12,375</u></b>	<u>10,259</u>

### **(ii) Performance obligations**

Information about the Group's performance obligations is summarised below:

#### *Freight transportation services*

The performance obligation is satisfied over time as services are rendered and payment is generally due upon delivery of the shipments and issuance of the invoice to the customers.

#### *Freight platform services*

The main performance obligation is satisfied at the point in time as services are rendered and payment is generally due upon fulfilment of the shipping order by a trucker and issuance of the invoice to the customers.

### *Sale of goods*

The performance obligation is satisfied upon delivery of the goods and payment is generally due upon delivery of goods.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
<i>Amounts expected to be recognised as revenue:</i>		
Within one year	<u>12,814</u>	<u>12,375</u>
Total	<u><u>12,814</u></u>	<u><u>12,375</u></u>

All the amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

An analysis of other income and gains is as follows:

	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
<b>Other income and gains</b>		
Bank interest income	<b>8,138</b>	6,239
Other government grants*—related to income	<b>17,643</b>	18,654
Others	<u>5,948</u>	<u>5,890</u>
Total other income and gains	<u><u>31,729</u></u>	<u><u>30,783</u></u>

\* The government grants other than those related to digital freight businesses are recognised in other income and gains. There are no unfulfilled conditions or contingencies relating to these government grants.

## 5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<i>Notes</i>	<b>2023</b> <b>RMB'000</b>	2022 <i>RMB'000</i>
Cost of freight transportation services	<i>(i)</i>	<b>5,261,701</b>	5,813,947
Cost of assistance from logistics cooperation partners	<i>(ii)</i>	<b>6,293</b>	15,576
Other costs of digital freight businesses	<i>(iii)</i>	<b>31,768</b>	25,493
Cost of inventories sold		<b>3,190</b>	7,690
		<hr/> <b>5,302,952</b>	<hr/> 5,862,706
Cost of revenue			
Taxes and surcharges	<i>(iv)</i>	<b>55,871</b>	41,510
Depreciation of property, plant and equipment		<b>9,057</b>	11,602
Depreciation of right-of-use assets		<b>2,930</b>	2,938
Amortisation of intangible assets		<b>440</b>	418
(Reversal of impairment)/Impairment of trade and notes receivables		<b>(146)</b>	1,059
Reversal of impairment of contract assets		<b>(13)</b>	(25)
Impairment of financial assets included in prepayments, other receivables and other assets		<b>12,442</b>	7,464
Impairment of associates		<b>3,619</b>	–
Impairment of inventories		–	859
Employee benefit expense (excluding directors', supervisors' and chief executive's remuneration: Salaries, bonuses, allowances and benefits in kind		<b>149,771</b>	151,746
Pension scheme contributions and social welfare	<i>(v)</i>	<b>33,752</b>	32,027
Equity-settled share-based payments expenses		<b>22,001</b>	13,307
Lease payments not included in the measurement of lease liabilities		<b>985</b>	1,130
Loss on disposal of items of property, plant and equipment		<b>261</b>	178
Auditor's remuneration		<b>1,887</b>	1,714

- (i) Cost of freight transportation services provided mainly represents costs incurred with contracted truckers for freight transportation, net of the government grants related to digital freight businesses, the amount of which is RMB216,257,376 (2022: RMB240,450,226) for the year ended 31 December 2023.
- (ii) The portion of the Group's day-to-day contact with its shippers is through its network of independent logistics cooperation partners. The logistics cooperation partners could arrange temporary truckers on short notice, multiple pick-up and delivery points and drop-and-hook operations. Costs to logistics cooperation partners are directly related to the freight transportation and freight platform services, and then are recognised as costs of the Group.
- (iii) Other costs of digital freight businesses mainly represent staff cost and cost incurred with third party suppliers for the digital freight businesses, such as location service cost, short message service cost, and payment channels service cost.

- (iv) It mainly represents taxes and surcharges, net of the government grants related to digital freight businesses, the amount of which is RMB273,930,050 (2022: RMB337,242,867) for the year ended 31 December 2023.
- (v) As at 31 December 2023, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years.

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
Interest on bank loans and other borrowings	<b>2,382</b>	3,780
Interest on lease liabilities	<b>69</b>	133
	<hr/>	<hr/>
Total	<b>2,451</b>	3,913
	<hr/> <hr/>	<hr/> <hr/>

## 7. INCOME TAX EXPENSE

The Company and its subsidiaries are all incorporated in Mainland China and all are subject to income tax at a rate of 25% on the taxable income pursuant to the Enterprise Income Tax Law of the PRC and the respective regulations, except for:

- (i) The Company as it is recognised as a high-tech enterprise and accordingly is entitled to a preferential enterprise tax rate of 15% during the year.
- (ii) Certain of the subsidiaries as they are qualified as small and micro enterprises and are entitled to a preferential enterprise income tax rate of 20% during the year.

The income tax expense of the Group during the years is as follows:

	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
Current	<b>7,576</b>	3,076
Deferred tax	<b>(10,258)</b>	(4,457)
	<hr/>	<hr/>
Total tax credit for the year	<b>(2,682)</b>	(1,381)
	<hr/> <hr/>	<hr/> <hr/>

A reconciliation of the tax expense applicable to profit before tax at the statutory rate of 25% in Mainland China to the tax expense at the effective tax rate is as follows:

	<b>2023</b>	2022
	<b>RMB'000</b>	RMB'000
Loss before tax	<b>(32,305)</b>	12
Tax at the statutory tax rate of 25% in Mainland China	<b>(8,076)</b>	3
Effect of tax rate differences in the Company and certain subsidiaries	<b>6,199</b>	1,497
Adjustments in respect of current and deferred tax of previous periods	<b>806</b>	–
Losses attributable to associates	<b>345</b>	366
Expenses not deductible for tax*	<b>7,883</b>	4,924
Additional deductible allowance for qualified research and development expenses	<b>(15,795)</b>	(8,683)
Utilisation of previously unrecognised tax losses and temporary differences	–	(32)
Unrecognised tax losses and temporary differences	<b>5,956</b>	544
	<hr/>	<hr/>
Tax credit at the Group's effective tax rate	<b>(2,682)</b>	(1,381)
	<hr/> <hr/>	<hr/> <hr/>

\* The items of expenses not deductible for tax mainly comprise the share-based payments expenses, business development expenses in excess of the deductible thresholds and other expenses which cannot be deducted on the tax basis.

## 8. DIVIDENDS

No dividend has been paid or declared by the Company during the year.



## 9. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic (loss)/earnings per share amount is based on the (loss)/profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year. The newly issued shares are calculated in accordance with the conditions stated in the issuance agreement, starting from the consideration receivable date (usually the issuance date).

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
(Loss)/Earnings		
(Loss)/profit attributable to ordinary equity holders of the Company	<b>(29,564)</b>	1,393
Shares		
Weighted average number of ordinary shares in issue during the year (in thousand) (i)	<b>1,385,944</b>	1,350,665
(Loss)/earning per share attributable to ordinary equity holders of the Company ( <i>RMB yuan per share</i> )		
—Basic and Diluted (ii)	<u><u><b>(0.02)</b></u></u>	<u><u>—</u></u>

(i) The weighted average numbers of ordinary shares during the years ended were adjusted retrospectively to reflect the subdivision of shares on a one-for-sixteen basis in March 2023.

(ii) The Group had no potentially dilutive ordinary shares in issue during the year.

## 10. TRADE AND NOTES RECEIVABLES

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Trade receivables	<b>143,376</b>	123,069
Notes receivable	<u>—</u>	<u>2,282</u>
Subtotal	<u><b>143,376</b></u>	<u>125,351</u>
Less: expected credit losses (“ECLs”)	<u><b>(573)</b></u>	<u>(1,406)</u>
Total	<u><u><b>142,803</b></u></u>	<u><u>123,945</u></u>

The Group’s trading terms are normally due upon delivery and issuance of the invoice, except for a small number of customers with credit terms, which are generally 7 to 90 days, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group’s trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As of the end of the year, included in the Group's notes receivables is an amount of nil (2022: RMB1,782,096), which is classified as debt investments at fair value through other comprehensive income, because it is managed in the business model of both collecting contractual cash flows and selling the financial assets.

At the end of the year, the Group has no pledged trade receivables (2022: nil) to secure loans from other financial institution.

An ageing analysis of the trade and notes receivables as at the end of the reporting period, based on the transaction date and net of ECLs, is as follows:

	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
Within 90 days	<b>126,547</b>	115,665
90 days to 1 year	<b>16,253</b>	8,253
1 to 2 years	<b>3</b>	27
	<u>          </u>	<u>          </u>
Total	<b><u>142,803</u></b>	<u>123,945</u>

As of the end of the reporting period, ECLs for trade and notes receivables based on the individual or collective assessment are as follows:

	<b>2023</b> <i>RMB'000</i>	2022 <i>RMB'000</i>
Individually determined to be impaired	–	807
Less: ECLs	–	(807)
	<u>          </u>	<u>          </u>
Subtotal	<u>          </u>	<u>          </u>
Collectively determined to be impaired	<b>143,376</b>	124,544
Less: ECLs	<b>(573)</b>	(599)
	<u>          </u>	<u>          </u>
Subtotal	<b><u>142,803</u></b>	<u>123,945</u>
Total	<b><u>142,803</u></b>	<u>123,945</u>

The movements in the expected credit losses for trade and notes receivables are as follows:

	<b>2023</b>	2022
	<b>RMB'000</b>	RMB'000
At the beginning of the year	<b>1,406</b>	1,258
ECLs	<b>(146)</b>	1,059
Amounts written off as uncollectible	<b>(687)</b>	(911)
	<hr/>	<hr/>
At the end of the year	<b>573</b>	1,406
	<hr/> <hr/>	<hr/> <hr/>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing for the customers. The calculation reflects the best estimated outcome based on the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables based on the collective assessment using a provision matrix:

#### As at 31 December 2023

	<b>Ageing</b>			<b>Total</b>
	<b>Within 1 year</b>	<b>1 to 2 years</b>	<b>Over 2 years</b>	
Gross carrying amount (RMB'000)	<b>143,373</b>	<b>3</b>	–	<b>143,376</b>
Expected credit loss (RMB'000)	<b>573</b>	–	–	<b>573</b>
Expected credit loss rate	<b>0.40%</b>	–	–	<b>0.40%</b>

#### As at 31 December 2022

	<b>Ageing</b>			<b>Total</b>
	<b>Within 1 year</b>	<b>1 to 2 years</b>	<b>Over 2 years</b>	
Gross carrying amount (RMB'000)	122,226	36	–	122,262
Expected credit loss (RMB'000)	590	9	–	599
Expected credit loss rate	0.48%	25.00%	–	0.49%

For notes receivable, based on historical data and management's analysis, loss on collection is not material and hence no provision is considered.

## 11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>2023</b>	2022
	<b>RMB'000</b>	RMB'000
Within 1 year	<b>155,267</b>	108,695
	<hr/> <hr/>	<hr/> <hr/>

Trade payables are unsecured and interest-free and are normally settled within 1 year.

## **CORPORATE GOVERNANCE**

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions of the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the period from the Listing Date to December 31, 2023, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company. Further information of the corporate governance practice of the Company will be set out in the corporate governance report in the annual report of the Company for the year ended December 31, 2023, which will be published by the Company in due course.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and Supervisors since the Listing Date. Having made specific enquiry with the Directors and Supervisors, each of the Directors and Supervisors confirmed that he/she has complied with the required standards as set out in the Model Code during the period from the Listing Date to December 31, 2023. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES**

During the period from the Listing Date to December 31, 2023, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

## **MATERIAL LITIGATION**

During the period from the Listing Date to December 31, 2023, no member of the Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on information publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's total issued Shares, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, was held by the public since the Listing Date and up to the date of this announcement.

## **AUDIT COMMITTEE**

The Board has established the Audit Committee (the “**Audit Committee**”), which comprises three independent non-executive Directors, namely, Mr. LI Dong (chairman of the Audit Committee), Mr. LIU Xiaofeng and Mr. DAI Dingyi.

The Audit Committee has, together with the management of the Company and the Auditor, reviewed the applicable accounting principles, standards and practices adopted by the Group as well as the consolidated financial statements of the Group for the year ended December 31, 2023 and the disclosure in this announcement.

## **SCOPE OF WORK OF AUDITOR**

The figures in respect of the Group's consolidated statement of financial position as at December 31, 2023, consolidated statement of profit or loss and comprehensive income and the related notes thereto for the year ended December 31, 2023 as set out in the preliminary announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Company's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

## **PUBLICATION OF ANNUAL RESULTS AND 2023 ANNUAL REPORT**

This annual results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.logory.com](http://www.logory.com). The annual report of the Company for the Reporting Period containing all the information required by the Listing Rules will be despatched to the Shareholders who wish to receive a printed copy of the corporate communication (if requested) and published on the respective websites of the Stock Exchange and the Company in accordance with the requirements under the Listing Rules.

## APPRECIATION

The Board would like to take this opportunity to thank the management members and staff of the Group for their hard work in the past year. The Board would also like to give our sincere gratitude to our Shareholders, partners and stakeholders for their continued support, and hope to receive their continuous support in the future.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“2023 AGM”	the forthcoming annual general meeting of the Company to be held on Wednesday, May 29, 2024
“Articles” or “Articles of Association”	the articles of association of our Company adopted on October 28, 2021 with effect on the Listing Date, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Auditor”	Ernst & Young
“Board” or “Board of Directors”	board of directors of the Company
“CG Code”	the Corporate Governance Code as set out in Part 2 of Appendix C1 (previously known as Appendix 14) to the Listing Rules
“Chairman”	chairman of the Board
“China” or “the PRC”	the People’s Republic of China, unless otherwise stated, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of China herein

“Company” or “our Company” or “the Company”	Logory Logistics Technology Co., Ltd. (合肥維天運通信息科技股份有限公司), a joint stock company with limited liability incorporated in the PRC on June 23, 2010 and listed on the Stock Exchange on March 9, 2023 (Stock code: 2482)
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and in the context of this Announcement, refers to the controlling shareholders of our Company, namely Mr. Feng Lei, Mr. Du Bing and Shanghai Chuyan
“Director(s)”	director(s) of the Company
“FTL”	full truckload shipping, a transportation service in which the delivery involves a dedicated shipment of a full truckload, typically shipped directly from the point of departure to the point of destination through linehaul with the freight weight over 3 tons
“Global Offering”	an offering of 43,211,000 H Shares, comprising a final Hong Kong public offering of 12,964,000 H Shares and a final international public offering of 30,247,000 H Shares
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
“H Share(s)”	overseas listed shares in the share capital of our Company with a nominal value of RMB0.0625 each, to be subscribed for and traded in Hong Kong dollars and to be listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK dollars” or “HK\$” or “HK cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“IFRSs”	International Financial Reporting Standards



“Listing”	listing of the H Shares on the Main Board of the Stock Exchange on March 9, 2023
“Listing Date”	March 9, 2023, the date on which the Shares of the Company were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“LTL”	less than truckload shipping, a transportation service in which the shipment is less or lighter than a full truckload, and typically placed together with other shipments into a full truckload with the freight weight between 30 kg to 3 tons
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 (previously known as Appendix 10) to the Listing Rules
“Online GTV”	online gross transaction volume, the aggregate amount of shipping fees (including VAT) settled on a digital freight platform for shipping transactions fulfilled through such platform as a statutory carrier under PRC law
“Prospectus”	the prospectus of the Company dated February 27, 2023
“Reporting Period”	for the year ended December 31, 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Chuyan”	Shanghai Chuyan Enterprise Management Partnership (Limited Partnership) (上海褚岩企業管理合夥企業(有限合夥)), a limited partnership formed under the laws of the PRC on December 16, 2020 and is a Controlling Shareholder. As of the date of this announcement, Shanghai Chuyan was owned as to 52% by Mr. Feng Lei and 48% by Mr. Du Bing

“Share(s)”	ordinary share(s) of the Company with nominal value of RMB0.0625 each
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	member(s) of the board of Supervisors of the Company
“VAT”	value-added tax
“%”	per cent

By Order of the Board  
**Logory Logistics Technology Co., Ltd.**  
**FENG Lei**  
*Chairman and Executive Director*

Hefei, the PRC, March 27, 2024

*As at the date of this announcement, the Board comprises Mr. FENG Lei, Mr. DU Bing, Mr. YE Sheng and Ms. WANG Yao as executive Directors; Mr. CHEN Zhijie as non-executive Director, and Mr. DAI Dingyi, Mr. LI Dong and Mr. LIU Xiaofeng as independent non-executive Directors.*