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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, 2024**

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2024 together with the comparative figures for the year ended December 31, 2023 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
	2024	2023	
	<i>RMB'000</i>	<i>RMB'000</i>	%
Revenue	7,541,926	5,616,216	34.29
Cost of revenue	(7,143,977)	(5,302,952)	34.72
Gross profit	397,949	313,264	27.03
Profit/(Loss) for the year	44,490	(29,623)	N/A
Profit/(Loss) for the year attributable to owners of the parent	50,034	(29,564)	N/A
Non-IFRS measures			
Adjusted net profit ⁽¹⁾	53,681	453	11,750.11
Adjusted net profit attributable to owners of the parent ⁽¹⁾	59,225	512	11,467.38
⁽¹⁾ Adjusted net profit and adjusted net profit attributable to owners of the parent are defined as profit for the year or profit for the year attributable to owners of the parent, as applicable, adjusted by adding back share-based payments and the listing expenses.			

CEO'S STATEMENT

Dear Shareholders,

2024 was a year of consolidating the foundation and building up the momentum for breakthroughs. We have achieved breakthrough performance, with the self-restoration ability of our core business continuing to strengthen. By advancing digital product applications and innovating service models, our online GTV reached approximately RMB38.4 billion, marking an 11.7% year-over-year growth. Concurrently, we have integrated AI technology with business scenarios to establish an intelligent operational system, driving efficiency improvements. All these efforts enabled effective cost and expense control while sustaining revenue growth.

We have always firmly believed that the core of the sustainable development of the digital freight industry lies in the real-time collection and in-depth application of data of transportation operations. We have always regarded immediate on-site data as the core element in reconstructing the trucks and drivers supply chain on the digital freight platform, driving transformative changes in the organization of transportation resources, while improving the efficiency of transportation resources allocation and the quality of logistics delivery, continuously releasing the innovation-driven effect of new quality productive forces across the entire industry chain.

We have continued to increase R&D investment in AI and digital technology to promote the operational digitalization upgrades of digital freight business. Through our digital products and applications, and the improvement loop of key operational indicators, we help logistics companies achieve cost reduction, efficiency increase, and quality enhancement.

Looking back on 2024, while steadily improvements in performance, we have driven the transformation and upgrading of the entire industry chain in the logistics sector, injecting sustainable momentum for the Company's long-term development. As a pioneer in the digital freight industry and a builder of the sustainable logistics ecosystem, we have been deeply involved in the research of industry policies and the construction of the standard system, and have offered suggestions on the issues including the optimization of the tax system for new economic formats, the standardized governance of the digital freight industry, and the protection of the rights and interests of truckers, as well as provided practical references for the high-quality development of the industry.

Looking ahead, Logory will anchor on the main line of the new quality productive forces strategy and deepen the integration of the digital economy with logistics industry. We will build a digital governance system based on data elements, and lead the standardization upgrades of the industry; deepen the full-scenario penetration of AI technology to drive the intelligent transformation of organizations and industrial efficiency innovation; and collaborate on the construction of the trucks and drivers supply chain ecosystem to strengthen the foundation for protecting truckers' rights and interests. In the wave of transformation, we aim to define a new economic formats paradigm and lead the future of digital freight with efficient, transparent, and sustainable practices.

Du Bing

Executive Director and Chief Executive Officer

March 28, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

Market Overview

China has the world's largest road freight transportation industry, where FTL comprising the largest segment with a 57% market share. However, the market has long faced high fragmentation and inefficiency issues. The lengthy and opaque transaction process often require shippers and truckers to connect through multiple layers of intermediaries, resulting in a waste of resources. The instability in the transportation resources, the lack of protection for the rights and interests of the truckers, and the loose market structure also increase the difficulty of regulation of the industry and constrain its overall development progress.

Digital freight platforms reconfigure the trucks and drivers supply chain through data elements, effectively cracking the industry's pain points. It integrates cargo owners, logistics companies and truckers through Internet platforms, breaks through the information barrier within the traditional trucks and drivers supply chain, and realizes the digital control of the whole process of transportation business. Relying on big data, IoT and AI technology, the platforms build a comprehensive digital chain from transportation resources management, transportation process management to settlement services, dynamically optimize resource allocation and transportation resources scheduling, and build a flexible and efficient trucks and drivers supply chain. At the same time, by integrating social transportation resources and forming a standardized transportation resources pool, it not only guarantees the stability of transportation resources, but also provides rights and interests protection support in financial settlement and other aspects for truckers. This model not only optimizes the allocation of social resources, but also provides data-driven tools for government regulation and promotes the industry from "small, scattered and chaotic" to intensive and standardized upgrading.

In the 2024 State Council Government Work Report (《2024年國務院政府工作報告》), the necessity of in-depth promotion of the innovative development of the digital economy is clearly stated. The report also proposed to formulate policies to support the high-quality development of the digital economy, to actively develop the digital industry, transform traditional industries with digital technologies, and fully integrate digital technology into the real economy.

Digital freight platforms are an exemplar practice of the digital economy and new quality productive forces in the road freight transportation industry and its core value is reflected in dual breakthroughs in technology-driven innovation and ecological synergy. The platforms not only elevate the quality and efficiency of logistics services through digital transformation but also foster deep integration between logistics and manufacturing sectors, thereby enhancing supply chain resilience and advancing the integration of digital economy and real economy. This paradigm of production mode innovation with platform as the hub and data as the link is reshaping the value creation process of the logistics industry and providing the underlying support for economic transformation and upgrading.

Driven by both market demand and policy support, the digital freight industry continued its growth trend in 2024, yet exhibited emerging shifts in trends.

According to the survey statistics of the Ministry of Transportation, as of the end of June 2024, there were 3,286 enterprises operating digital freight platforms in the PRC, and the number of digital freight platforms has been increasing consistently from 2020 to 2024. The growth rate of the number of digital freight platforms nationwide is also worth paying attention to. The growth rate once reached 140% in 2021, but declined to approximately 20% in 2023, with the growth rate exhibiting a trend of year-on-year deceleration. The significant decline in the growth rate of digital freight platforms indicates, to some extent, that the industry is transitioning from its early rapid expansion phase to a more mature stage of high-quality development, with gradually rising entry barriers. Competition within the industry has become more orderly and healthy, and enterprises with core competitive capabilities will benefit more from the industry's growth dividends for a long time to come.

According to the survey statistics of China Federation of Logistics and Purchasing, the total freight costs in China's digital freight transportation market was approximately RMB850 billion in 2024, marking a 21.4% year-on-year growth compared to 2023, and the digital penetration rate of the market has further increased. The total freight cost contributed by the top ten digital freight companies was approximately RMB270 billion, accounting for approximately 32% of the total freight cost of the digital freight market, making a 2% increase from 2023. The market concentration is gradually improving, which is conducive to the industry's head digital freight companies to become bigger and stronger, and to promote the high-quality development of the industry.

Group Overview

As a pioneer in the digitalization of the road freight transportation industry, we remain committed to our core value of "Pursuit of Truth, Fairness, Altruism". Through application of innovative technology applications and service models, we strive to create a healthy and sustainable freight ecosystem and foster a long-term growth and prosperity of the digital freight industry. We serve and empower all participants in the entire road freight transportation industry ecosystem, including logistics companies, cargo owners, truckers, freight brokers, and other related service providers. We improve data transparency and resource synergy by leveraging digital platforms, help to establish long-term, stable, and mutually beneficial partnerships, driving the industry ecosystem toward higher-quality and sustainable development.

Based on more than 20 years of practical experience in digital innovation, we leverage our digital capabilities and internet platform advantages to drive the iterative evolution and implementation of digital freight platforms. We are committed to exploring innovative business models and sustainable development paths for the digital transformation of the FTL industry. According to data from the China Federation of Logistics and Purchasing, in terms of Online GTV, freight volume and other indicators, we operate the largest digital freight platform in China, which providing 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.

The year 2024 marks a year of accelerated development for new quality productive forces in the road freight transportation industry. We remain focused on optimizing the industrial structure and promoting high-quality development in the FTL industry. By integrating AI technology into our digital freight platform, we drive the industry's digital transformation, cost reduction, efficiency gains, and service quality.

We promote the digital upgrade of digital freight transportation operations with AI-driven applications as its core. Our AI technology is primarily applied in business scenarios such as intelligent risk prevention and control, business process diagnostics and optimization, and smart operations to enhance customers' operational efficiency. By leveraging AI, we achieve precise matching between logistics scenarios and digital solutions. Our intelligent recognition algorithms automate the verification of key transportation-related data, simultaneously reducing operational costs and business risks. Currently, our AI application matrix covers critical aspects such as intelligent order creation, intelligent identification and business alerts, and intelligent customer service, which significantly improves the coordination efficiency of the trucks and drivers supply chain and enhances the service quality of our digital freight platform.

We leverage the data index optimization (the “**DIO**”) cycle to enhance logistics companies' logistics project management and delivery capabilities, identifying key operational indicators from immediate on-site data generated at various stages of logistics projects and analyzing the scenario-specific bottlenecks impacting metric achievement, and continuously generates, accumulates, and applies immediate on-site data from frontline workflows during solution delivery and operations. This closed-loop process drives iterative optimization of clients' key operational indicators.

Based on the community standard “Requirements for Digitalization of Transportation Service Delivery” (《運輸服務交付數字化要求》), we continued to propose specific implementation details for the digital delivery standards of transportation services, which have been applied in specific transportation operations. We assist logistics companies in completing transportation services while providing data services such as project management, business management diagnosis, and improvement suggestions based on further analysis of immediate on-site data of the transportation operations. Cargo owners could obtain visualized data and related data analysis results into the whole transportation process, empowering them to enhance the integration of production, supply, and marketing, inventory management, and product delivery.

We also leverage digital capabilities to drive the innovation of our own R&D and operational systems. We have established a digitalized flat organizational structure and integrated our teams of customer operation, product design, and R&D through the Digitalization Driven Customer Success (the “DDCS”) platform, the digital collaboration of which breaks down the departmental barriers, significantly reducing the processing cycle for customer requests.

We also operate Trucker Community, an “online + offline” community for truckers. As of December 31, 2024, the number of registered users of Trucker Community amounted to approximately 3.5 million. It is the largest community for truckers and the largest community in the logistics industry in China, in terms of the number of registered users.

Trucker Community plays a crucial role in fulfilling corporate social responsibility, building business credibility, and strengthening brand value for our Company. Meanwhile, it serves as a critical supplementary source of transportation resource for our digital freight business. We integrate the social benefits of Trucker Community with our commercial operations, and have successfully established a positive interaction mechanism between the truckers and the social governance system, which supports the development of trucker unions and advances party-building efforts. Benefiting from a large and loyal user base of truckers we have accumulated over the past decade, we are able 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.

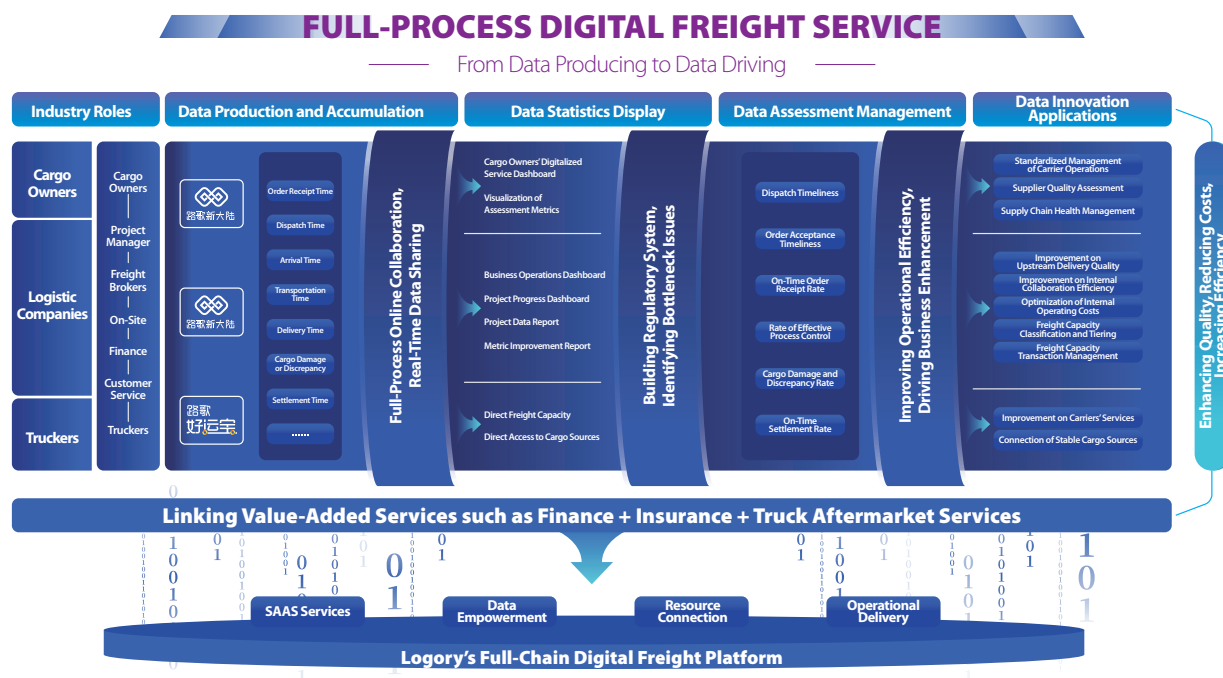
Business Overview

We have cultivated a vibrant digital ecosystem for road freight transportation in China, and we are committed to providing a series of digital products and 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.

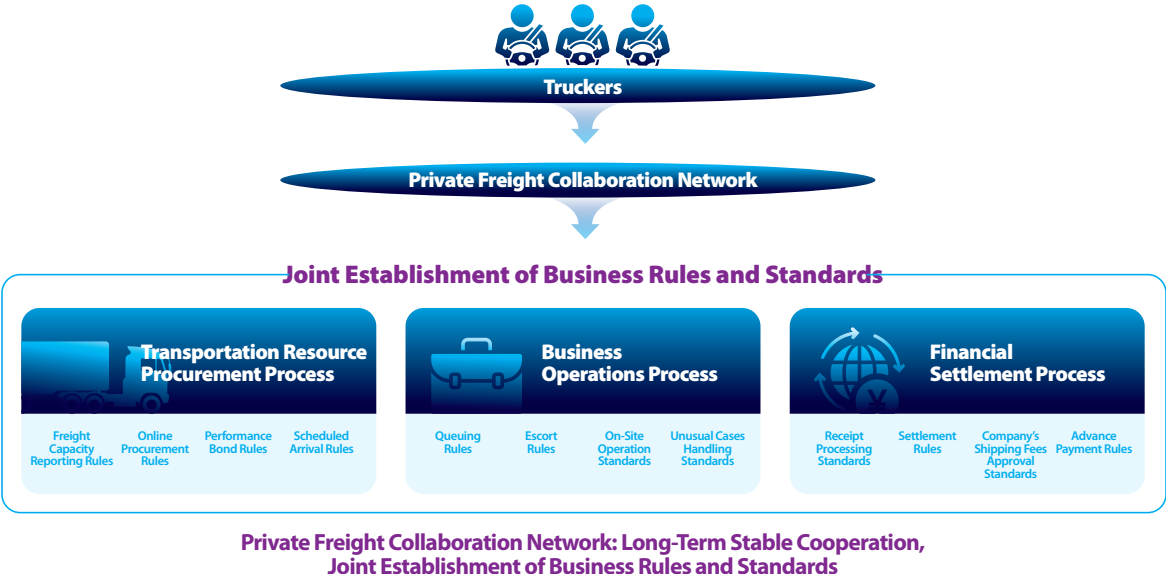
Digital Freight Business

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 immediate on-site data to help logistics companies achieve efficient internal and external collaboration while transforming their management models, and elevating digital delivery capabilities, ultimately enabling a leap from traditional operations to digitalization.

We have developed a full-process digital freight platform powered by SaaS services, which serves as the foundation for logistics companies to digitize all business scenarios, enable end-to-end online business operations while generating on-site data. Our digital layout based on business scenarios is divided into digital transportation resources management, digital transportation process management, and digital financial settlement management. The immediate on-site data generated and accumulated in real-time are shared among all participants in logistics projects to enhance the coordination efficiency of operation of logistics projects, which not only achieves efficient internal-external collaboration for logistics companies but also establishes synergistic mechanisms between their business units and financial departments. By analyzing and processing immediate on-site data, we transform logistics companies' operational experience into valuable data assets, facilitating business resource integration and expanding commercial relationships.



Our digital freight platform helps logistics companies to establish regulated private transportation resources pools, break down departmental barriers and expand their management scope through direct transportation resources procurement. We encourage long-term collaboration between truckers and logistics companies under predefined rules, motivating truckers to actively participate in regulated transportation resources pools. The consolidation and application of digitalized transportation resources enable “short-chain” supply of transportation resources realization.



Since the inception of our digital freight business up to December 31, 2024, we have served over 16,700 shippers and 3.61 million truckers who had completed an aggregate of over 56 million shipping orders on our platform. 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 approximately RMB38.4 billion during the year ended December 31, 2024. Our platform has consistently maintained a high level of annual retention rate, with annual retention rate of approximately 92.6% for our major shipper customers for the year ended December 31, 2024.

Freight Transportation Services

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. Facing the market changes with 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 fully digitized freight business process, with real-time recording of immediate on-site data, helps bulk cargo shippers to continuously optimize key operational indicators, and enhance the refined management level of projects and improve operational performance. For the year ended December 31, 2024, Online GTV of our freight transportation services amounted to approximately RMB7.8 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 with relatively complex and often customized logistics processes, such as the transportation of consumer commodities. Logistics companies utilized freight platform often need to cooperate with multiple participants in the trucks and drivers supply chain to complete each transportation demand during logistics project operations. Through digital transportation resources management, digital transportation process management and digital financial settlement management, 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 platform 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 of our freight platform services 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, 2024, Online GTV of our freight platform services amounted to approximately RMB30.6 billion.

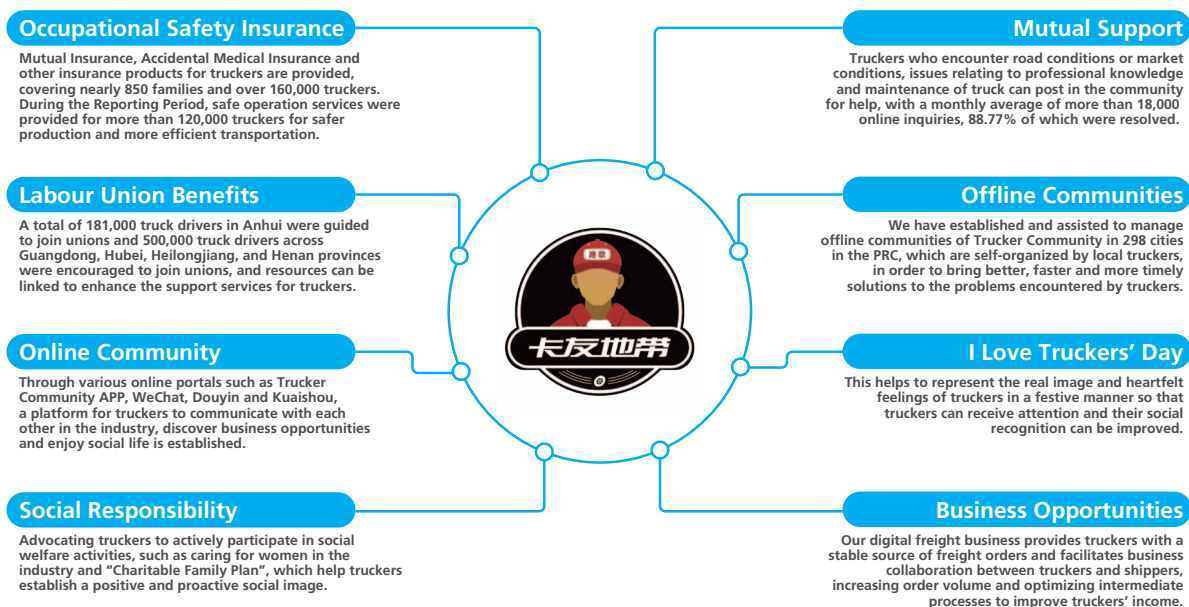
Trucker Community and Trucker's Membership Services

We operate Trucker Community, the largest 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, 2024, the number of registered users of Trucker Community amounted to approximately 3.50 million and the number of followers of our social media accounts amounted to approximately 3.33 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 and managed with the assistance of Trucker Community.

We integrate the social value of Trucker Community with commercial operation, promote the establishment of social identity recognition and rights protection system for truckers through institutional development of trucker unions, and improve the operational efficiency of the community while significantly upgrading the level of services for truckers.

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 a number of protection services. We also advocate for transportation safety of truckers through our mobile application of Trucker Community and social media platforms to enhance the safe driving consciousness of truckers and hence lower the occupational risks of truckers. In particular, for our digital freight transportation business, we analyze immediate on-site data to identify risk scenarios during transportation. We help logistics companies and truckers to reduce transportation risks through a digital safety operation approach and by adapting our safety operation services to the characteristics of logistics projects.



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 and continuously empowering our overall business system. The large and loyal user base of Trucker Community provides stable and efficient supplemental source of 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:

	Twelve months ended December 31, 2024
Number of Converted Truckers ⁽¹⁾ (<i>thousand</i>)	260.0
Online GTV fulfilled by Converted Truckers (<i>RMB billion</i>)	7.9
Shipping orders fulfilled by Converted Truckers (<i>thousand</i>)	1,601.1
Breakdown by:	
Freight transportation services (<i>thousand</i>)	45.1
% of total freight transportation service shipping orders (%)	2.0
Freight platform services (<i>thousand</i>)	1,556.0
% of total freight platform service shipping orders (%)	21.0
Percentage of truckers converted from Trucker Community to our digital freight platform ⁽²⁾ (%)	22.0

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 in our Trucker Community serve as supplemental transportation 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 the year 2024 has slightly increased as compared with the corresponding period in 2023 and has recorded approximately 260,000 (2023: 243,900). The percentage of truckers converted from Trucker Community to our digital freight platform increased from 21.3% in 2023 to 22.0% in 2024, the increase of which 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 Sustainable Logistics Ecosystem

We have cultivated a sustainable logistics ecosystem through digitalization, which connects truckers, shippers, freight brokers, truck sellers, truck aftermarket service providers and other participants in the ecosystem, and 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 sustainable logistics 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 trucks and drivers 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 real time. 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 2024, shippers that had completed shipping orders on our digital freight platform amounted to 7,138; and as of December 31, 2024, the cumulative number of shippers that had completed shipping orders on our platform reached 16,789, representing an increase of 2,374 from 2023. In 2024, the number of shipping orders completed on our platform amounted to approximately 9.7 million, and the Online GTV on our platform amounted to approximately RMB38.4 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 opportunities through our digital freight business, Trucker Community and Trucker’s Membership Services, respectively. As of December 31, 2024, the number of truckers who had completed shipping orders on our platform amounted to 3.6 million, and the number of truckers who had newly registered on our Trucker Community platform amounted to approximately 3.5 million. 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 freight orders on our platform in 2024. In 2024, the number of active truckers on our platform amounted to 474,000.
- **Freight brokers:** In the logistics industry, 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 financial institutions are connected to truckers on our platform through the truck aftermarket services available on our platform.

Our Technology and Digitalized Products

We continuously explore the application of AI technology in the logistics industry, and have successfully implemented AI-driven solutions in business scenarios such as intelligent risk prevention, business process diagnostics and optimization, and intelligent customer operations in 2024.

We independently developed and launched the AI assistant “Sister Ting” (婷姐) on our digital freight platform, which provides transportation rule guidance and risk alerts, helping truckers efficiently manage transportation demands and unexpected issues, ensuring a smoother transportation process. Currently, Sister Ting covers multiple key aspects of transportation process, offering precise solutions to various on-site challenges, with high user satisfaction among truckers.

Internally, we developed another AI assistant, “Brother Lu” (路小哥), designed to streamline our internal workflow coordination and cross-departmental collaboration. Brother Lu has significantly enhanced operational efficiency and team synergy within our organization.

Additionally, leveraging the data assets formed through the analysis of operational data accumulated by the business operation of logistics companies on our digital freight platform, we further launched a digitalized product, “Evaluation of Digital Delivery Capability of Logistics Companies” (物流企業數字化交付能力評價). This product, based on a standardized index system, provides accurate evaluations of logistics companies’ digital delivery capabilities and measures their freight service efficiency, and has been officially listed on the Beijing International Data Exchange.

Our Corporate Social Responsibility

On May 2, 2024, the first meeting of the first session of the Staff Congress (Expanded) Meeting of Logory digital freight platform (Industry-wide) directed by the All-China Federation of Trade Unions was successfully held in Hefei, Anhui Province, with 70 trucker representatives from all over the country attending the meeting. The meeting considered and passed the Implementation Measures for the Staff Congress (Expanded) Meeting of the Industry-wide of Logory digital freight platform (《路歌平台(全網)職工代表大會(擴大)會議實施辦法》) and the Collective Contract for the Protection of the Rights and Interests of Truckers of the Industry-wide of Logory (and truckers registered on other digital freight platforms) (《路歌平台(全網)貨車司機權益保障集體合同》), making a clear response to the protection of rights and interests of the truckers group, such as shipping fee, transportation assurance, transportation safety, and negotiation and coordination mechanism, which are of the greatest concern to the truckers group. The scope of the contract covers 3.8 million truckers on the Logory digital freight platform, including new employment forms of truckers who are registered on the Logory digital freight platform, accepting transportation orders from actual shippers through the Logory digital freight platform as individual operators, and completing the tasks of transportation orders from actual shippers, which provides a clearer and more powerful protection of the legitimate rights and interests of the truckers.

This is the first innovative attempt covering truckers nationwide in the road freight transportation industry with the digital freight transportation platform and truckers collectively negotiating the trading rules of the platform. Through the collective negotiation mechanism protecting the rights and interests of Internet labors, truckers are able to intervene in the design of the platform’s rules. It helps to promote the progress of the whole industry in the protection of the rights and interests of truckers, and provides impetus for the high-quality development of the industry.

In addition, the Initiative on Commitment to Protect the Rights and Interests of Platform Trucker Users (《平台貨車司機用戶權益保護承諾倡議書》) was also released in this meeting. The initiative points out that the digital freight platform is a bridge linking a large number of truckers and shippers, and truckers are important users of the digital freight platform. In order to safeguard the legitimate rights and interests of truckers and maintain a fair, just and orderly market environment, the five commitments related to the protection of truckers’ rights and interests are proposed to be practiced across the whole digital freight industry.

Our Milestones in 2024

Set out below are the important milestones of the Group’s businesses for the year ended December 31, 2024:

(1) The group won various honors and awards in 2024.

In 2024, the Group ranked 420th of top 500 private enterprises in China by the All China Federation of Industry and Commerce, marking the fifth consecutive year for the Group to be selected on the list. The Group also ranked 89th of top 100 private enterprises in China’s service industry by the All-China Federation of Industry and Commerce, ranked 218th of top 500 service enterprises in China by the China Enterprise Confederation and the China Entrepreneurs Association and ranked 2nd of top 100 private service enterprises in Anhui Province by the Anhui Federation of Industry and Commerce. In addition, the Group has been listed on and ranked 1st of the Top 10 list of digital freight platforms selected by the China Federation of Logistics and Purchasing for five consecutive years.

In January 2024, as a leading full-process digital freight service provider in the industry, our Group was honored with the title of “New Quality Productive Forces Enterprise” at the “First New Quality Productive Forces Conference” (首屆新質生產力大會) hosted by the China Academy of Productivity Science, which is supervised by the National Bureau of Statistics.

- (2) *The Group's data product was officially made available through tender on the Beijing International Data Exchange*

The Group's digitalized product, Evaluation of Digital Delivery Capability of Logistics Companies, (《物流企業數字化交付能力評價》) has been officially made available through tender on the Beijing International Data Exchange in April 2024.

- (3) *The Group signed the first collective contract for truckers in China and successfully held the 10th "I Love Truckers' Day (52卡友節)"*

The Group successfully organized the 10th "I Love Truckers' Day (52卡友節)", in which more than 43,000 truck drivers participated, and the cumulative publicity exposure exceeded 8.6 million. In this festival, we successfully held the first session of the Staff Congress (Expanded) Meeting of Logory digital freight Platform (Industry-wide) and signed the "Collective Contract for the Protection of truckers' Rights and Interests on the Logory digital freight Platform (Industry-wide)" (《路歌平台(全網)貨車司機權益保障集體合同》) with the representatives of truckers across the country. The meeting marks a key step in the employee council system and collective negotiating mechanism in the domestic freight industry, while a pioneering legal document was signed by us as an Internet platform enterprise with individual operators to protect their rights and interests.

- (4) *The Group signed a cooperation agreement with Industrial and Commercial Bank of China on digital financial services*

In March 2024, our Group signed a digital financial services cooperation agreement with the Industrial and Commercial Bank of China (the "ICBC"), as its "digital financial partner". Leveraging our technological expertise, we will collaborate with ICBC to further explore the possibility of application of digital finance in the freight industry, polishing the platform capabilities and upgrading the service with digitalization. This partnership injects strong momentum into the sustainable and efficient development of the freight ecosystem.

Outlook

In 2024, we have welcomed the improvement in performance and achieved a turnaround from net loss to net profit. Looking ahead, we plan to accurately seize the opportunities of the scaled development of China's digital freight industry, focusing on the following strategic directions to deepen the business layout and drive high-quality development:

- The Third Plenary Session of the 20th Central Committee pointed out that “it is necessary to improve the institutional mechanism for the development of new productive forces leveraging to local conditions, to improve the system for promoting the deep integration of the real economy and the digital economy, to improve the institutional mechanism for the development of the service industry, to improve the institutional mechanism for the construction of modernized infrastructure, and to improve the system for upgrading the resilience and security of the industrial chain and supply chain.” and the “Resolution of the Central Committee of the Communist Party of China on Deepening Reform Comprehensively to Advance Chinese Modernization” (《中共中央關於進一步全面深化改革、推進中國式現代化的決定》) adopted at the meeting proposes to deepen the reform of the fiscal and taxation system, and to study the tax system that is compatible with the new business forms. We will continue to focus on data production, data operation and industrial integration to provide digital regulatory tools for industry governance and promote the orderly development of the logistics industry. We will accelerate the expansion of service coverage at the cargo owners end of the upstream supply chain, digitally empower the logistics management of the manufacturing industry, and promote the digitalization and upgrading of the entire process of cargo owner enterprises.
- The application of AI technology in the digital freight platform, Trucker Community and Trucker's Membership Services is an important development direction for us as a service operation company. We will carry out in-depth exploration of AI technology in the following three major aspects: (i) Business AI Transformation: we will continue to explore more AI technology application scenarios and gradually enhance the capability of our existing AI intelligent assistant “Sister Ting” to achieve more efficient business operations; (ii) Organizational AI Transformation: we will enhance the efficiency of the organizational operation through AI technology within the company to achieve smarter management and decision-making; and (iii) AI Talent Development: we will cultivate more AI technical talents and establish a strong AI technical team to provide talent and technical guarantee for our Company to continuously deepen our AI technology layout.

- Based on our core advantages in the field of logistics digitization, we will join hands with high-quality logistics companies to build an industrial synergy ecosystem, focusing on building a digital logistics delivery service system extending to cargo owners. By integrating industrial resources and socialized service capacity, we will innovate and develop digital products and solutions and provide cargo owners and logistics companies with full-process digital logistics solutions. At the same time, we will integrate related industry and social resources to continuously enhance support and commercial services for truckers, building a digital service system for truckers. Eventually, a two-wheel drive pattern of “technology empowerment + ecological synergy” will be formed to comprehensively promote the digital transformation process of the logistics industry.

The year 2025 will mark a year of in-depth expansion for the full-process digitalization of the logistics industry, and also the year of opportunities for the digital freight industry in a new stage of development. We will continue to uphold the value of “Pursuit of Truth, Fairness, Altruism”, seize the strategic opportunities of this development era. By continuously applying cutting-edge technologies to optimize business scenarios, we aim to elevate our products and services, deliver greater value to clients, and generate enhanced returns for shareholders. Swimming against the current, Logory always leads the way as the fastest mover.

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 RMB7,541.9 million, representing an increase of approximately RMB1,925.7 million, or approximately 34.3%, from approximately RMB5,616.2 million for the year ended December 31, 2023. The increase in revenue was mainly due to the Group's realization of synchronous growth in online GTV and revenue by deepening the application of digitalized products, innovating customer service model and expanding the business layout of digital freight operation in the logistic industry.

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,				
	2024		2023		year-on-year
	RMB'000	%	RMB'000	%	% change
Revenue from freight transportation services	7,174,460	95.13	5,318,544	94.70	34.90
Revenue from freight platform services	344,716	4.57	278,925	4.97	23.59
Sale of goods	635	0.01	3,120	0.05	(79.65)
Others ⁽¹⁾	22,115	0.29	15,627	0.28	41.52
Total	<u>7,541,926</u>	<u>100.00</u>	<u>5,616,216</u>	<u>100.00</u>	<u>34.29</u>

Note:

(1) Others primarily include advertisement services, rental income and other value-added services.

Cost of revenue

During the Reporting Period, the Group's cost of revenue was approximately RMB7,144.0 million, representing an increase of approximately RMB1,841.0 million, or approximately 34.7%, from approximately RMB5,303.0 million for the year ended December 31, 2023. This was mainly because the increase in the Company's online GTV in 2024 was in line with the increase in the Company's freight costs paid for drivers.

Gross profit and gross profit margin

As a result of the above, gross profit increased by approximately RMB84.6 million or approximately 27.0% from approximately RMB313.3 million for the year ended December 31, 2023 to approximately RMB397.9 million for the year ended December 31, 2024. Gross profit margin decreased from approximately 5.6% for the year ended December 31, 2023 to approximately 5.3% for the year ended December 31, 2024. The decrease in gross profit margin was mainly due to the increase in the proportion of freight service business volume.

Other income and gains

Other income and gains of the Group increased by approximately RMB11.1 million or approximately 35.0% from approximately RMB31.7 million for the year ended December 31, 2023 to approximately RMB42.8 million for the year ended December 31, 2024, which is comprised of: (i) bank interest income of approximately RMB7.5 million; (ii) the government grants (other than those related to digital freight businesses) of approximately RMB26.5 million; and (iii) others of approximately RMB8.8 million. Such increase was primarily attributable to the increase in government grants (other than those related to digital freight businesses).

Selling and marketing expenses

During the Reporting Period, the Group's selling and marketing expenses amounted to approximately RMB88.3 million, representing a decrease of approximately RMB37.1 million, or approximately 29.6%, from approximately RMB125.4 million for the year ended December 31, 2023, mainly due to the improvement in operational efficiency through deep integration of AI technologies with business scenarios and the building of smart operational system, resulting in the decrease in the number of employees and the decrease in staff costs and travel costs, and the decrease in the share-based payment.

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 RMB104.5 million, representing an increase of approximately RMB9.5 million, or approximately 10.0%, from approximately RMB95.0 million for the year ended December 31, 2023, mainly due to the increase in staff costs as a result of the increase in the number of employees.

Research and development expenses

During the Reporting Period, the Group's research and development expenses amounted to approximately RMB85.6 million, representing an increase of approximately RMB5.7 million or approximately 7.1% from approximately RMB79.9 million for the year ended December 31, 2023, mainly due to our need to recruit more research and development staff as we expanded the application of AI technologies on digital freight platform, Truckers' Community and Trucker's Membership Services, resulting in the increase in staff costs.

Impairment of financial and contract assets, net

During the Reporting Period, the Group's impairment of financial and contract assets was approximately RMB22.7 million, mainly consist of loss on account receivables and other receivables resulting from the credit impairments of our customers, representing an increase of approximately RMB10.4 million or approximately 84.6% from approximately RMB12.3 million for the year ended December 31, 2023, mainly due to increase in impairment charges as a result of longer ageing of other receivables.

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 RMB59.5 million, while it was approximately RMB60.9 million for the year ended December 31, 2023. The fluctuation in other expenses was relatively small.

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 RMB12.3 million, representing an increase of RMB9.8 million, from approximately RMB2.5 million for the year ended December 31, 2023. The increase was mainly due to the increase in the Company's bank borrowings in 2024.

Income tax expense/credit

During the Reporting Period, the Group recorded income tax expense of approximately RMB22.8 million, while the income tax credit for the year ended December 31, 2023 were approximately RMB2.7 million. This was mainly due to the increase in taxable profit of the Company during the Reporting Period.

Profit/Loss for the year

As a result of the above, profit for the year ended December 31, 2024 was approximately RMB44.5 million (2023: loss of approximately RMB29.6 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 IFRS. 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, 2024 and 2023 to the nearest measures prepared in accordance with IFRS.

	Year ended December 31,				
	% of total		% of total		year-on-year
	2024	revenue	2023	revenue	% change
	RMB'000	%	RMB'000	%	%
Profit/(loss) for the year	44,490	0.59	(29,623)	(0.53)	N/A
Adding back or excluding					
Share-based payments ⁽¹⁾	9,191	0.12	26,972	0.48	(65.92)
Listing expenses related to the Global Offering	–	–	3,104	0.06	(100.00)
Non-IFRS measures					
Adjusted net profit	53,681	0.71	453	0.01	11,750.11

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 RMB53.7 million, representing an increase of RMB53.2 million, or 10,640.0%, from approximately RMB0.5 million in 2023, which was mainly attributable to (i) the Group's realization of synchronous growth in online GTV, revenue and gross profit by deepening the application of digital products, innovating customer service model and expanding the business layout of digital freight operation in the logistic industry; (ii) the Group's significant improvement in its operational efficiency and effective cost and expense control by deeply integrating AI technologies with business scenario and building intelligent operation system.

Liquidity and financial resources and capital structure

As at December 31, 2024, the Group had current assets of approximately RMB2,610.1 million (December 31, 2023: approximately RMB2,322.5 million), representing an increase of approximately RMB287.6 million or 12.4%, mainly due to the increase in financial assets at fair value through profit or loss. The Group had current liabilities of approximately RMB2,006.5 million (December 31, 2023: approximately RMB1,776.6 million), representing an increase of approximately RMB229.9 million or 12.9%, mainly due to the increase in bank borrowings and other payables and accruals. The current ratio was 1.30 at December 31, 2024 as compared with 1.31 at December 31, 2023, equals to total current assets divided by total current liabilities as of the end of the year.

As of December 31, 2024, the Group's cash and cash equivalents amounted to approximately RMB547.2 million which was mainly funded from operating activities. As at December 31, 2024, the Group had bank borrowings of approximately RMB284.8 million (December 31, 2023: RMB120 million), and the Group's other borrowings amounted to approximately RMB5.9 million (December 31, 2023: 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 Group has adopted a prudent financial management approach towards its treasury policies to ensure the liquidity requirements from daily operation as well as capital expenditures are met. The Board closely monitors the Group's liquidity positions, while surplus cash will be invested appropriately with the consideration of the credit risks, liquidity risks and market risks of the financial instruments.

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize Shareholders' value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to Shareholders, return capital to Shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Reporting Period.

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 during the Reporting Period. The capital of the Company comprises ordinary shares including Unlisted Shares and H Shares.

Capital Expenditures

During the Reporting Period, the Group's capital expenditures amounted to approximately RMB2.3 million, which primarily consist of purchase of properties, plants and equipment and purchase of intangible assets. We funded our capital expenditure requirements during the Reporting Period mainly from cash generated from operating activities.

Pledge of Assets

As of December 31, 2024, the Group did not pledge any assets as collateral for bank borrowings or any other financing activities (December 31, 2023: nil).

Contingent Liabilities

As of December 31, 2024, the Group did not have any material contingent liabilities.

Borrowing and Gearing Ratio

As of December 31, 2024, the Group had bank borrowings and other borrowings of approximately RMB290.7 million (December 31, 2023: RMB120 million).

As of December 31, 2024, our gearing ratio, calculated as net debts (including borrowings, lease liabilities) divided by the total equity as at the end of the year, was approximately 44.6% (December 31, 2023: 22.6%).

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

For the year ended December 31, 2024, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Significant Investments Held

CIB Wealth Management Wentianli Riying Daily Open-End Fixed Income Wealth Management Product (興銀理財穩添利日盈日開固收類理財產品) (“Wentianli”)

Wentianli is a daily open-ended fixed-income wealth management product managed by CIB Wealth Management Co., Ltd. (興銀理財有限責任公司) (“**CIB Wealth Management**”), a wholly-owned subsidiary of Industrial Bank Co., Ltd. (興業銀行股份有限公司), a joint-stock commercial bank in the PRC and listed on the Shanghai Stock Exchange (stock code: 601166). Wentianli is classified under risk rating R1 (CIB Wealth Management’s internal rating), with 100% of its investment portfolio invested in debt asset.

As of December 31, 2024, the Group held approximately 2.86% of the units in Wentianli, with an investment cost of approximately RMB149.1 million. As of December 31, 2024, the Group recorded a fair value of approximately RMB149.1 million in respect of the Group's investment in Wentianli, representing approximately 5.47% of the Group's total assets. During the year ended December 31, 2024, the Group had an unrealized gain of approximately RMB0.1 million from the investment in Wentianli.

Save as the above, the Group did not hold any other significant investments with a value of 5% or more of the issuer’s total assets as at December 31, 2024.

The investment objective of the Group is to achieve value creation through optimized financial management, ultimately realizing a sustained increase in returns to our Shareholders. As of December 31, 2024, all investment products held by the Group are wealth management products issued by banks with risk rating of R1. When selecting and purchasing the products, the Company not only evaluates the historical performance of the products (such as return stability and dividend records), but also places greater emphasis on the alignment of their risk-return characteristics with capital preservation capabilities. In the investment decision-making process, the Group comprehensively considers the defensive nature of product strategies, the diversification of underlying assets, the impact of interest rates and market sentiment fluctuations on net value, and adjusts the portfolio structure after taking into consideration the macroeconomic cycles. Based on this prudent investment style, the Company adheres to a diversified allocation of low-volatility products, dynamically monitoring portfolio drawdowns and Sharpe

ratios to pursue stable dividend income and capital appreciation on the premise of controlling downside risks, thereby providing Shareholders with foreseeable risk-adjusted returns. Looking ahead, the Company will focus primarily on wealth management products issued by banks and will pursue diversified investments, including but not limited to unlisted funds, equity securities, and debt securities.

During the Reporting Period, the Group continued to devote its effort to risk diversification and achieved preservation and appreciation of assets. We allocated our own funds to various wealth management products offered by multiple banks, with the primary investment scope of these products covering bank deposits, bonds, central bank bills, interbank certificates of deposit, asset-backed securities issued in the interbank and stock exchange markets, and other highly liquid monetary market instruments recognized by regulatory authorities. As of December 31, 2024, the carrying amount of the wealth management products invested by the Group amounted to approximately RMB289.1 million.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this announcement, as of December 31, 2024, we did not have plans for other material investments and capital assets.

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 borrowings of the Group are held in RMB and USD, and the cash and cash equivalents of the Group are held in RMB and Hong Kong dollars.

At December 31, 2024, the Group has currency exposures from its cash balances and interest-bearing bank borrowings. The Group has used a foreign currency swap contract to reduce the exposure to USD arising from the borrowings. The Group has limited foreign currency risk as the Group's net USD currency exposure is small.

Material Event During the Reporting Period

Appointment of Non-executive Director

Mr. Fu Da (傅達) (“**Mr. Fu**”) was appointed as a non-executive Director of the fifth session of the Board with effect from May 29, 2024. For the biographical details of the Mr. Fu and other information to be disclosed as required by Rule 13.51(2) of the Listing Rules, please refer to the Company’s circular dated April 26, 2024.

Re-designation of Director and Retirement of Chief Financial Officer

Ms. Wang Yao (王瑤) has been redesignated from her position as an executive Director to a non-executive Director and retired from her position as the chief financial officer of the Company (the “**Chief Financial Officer**”) as she reaches the age of retirement and desires to devote more time on personal affairs with effect from August 30, 2024. For details, please refer to the Company’s announcement dated August 30, 2024 in relation to, among other things, re-designation of Director and retirement of Chief Financial Officer.

Proposed Amendments to the Articles of Association

As considered and approved at the meeting of the Board held on August 30, 2024, the Board proposed to, among other things, make certain amendments (the “**Proposed Amendments**”) to the existing Articles of Association in accordance with relevant changes in the laws, rules and regulations in the PRC and the Listing Rules, as well as taking into account the actual conditions of the Company. The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at a shareholders’ general meeting of the Company to be held in due course. A full version of the Proposed Amendments will be set out in the circular to be despatched to the Shareholders (if requested). For details, please refer to the Company’s announcement dated August 30, 2024 in relation to, among other things, the Proposed Amendments to the Articles of Association.

Save as disclosed in this announcement, the Group is not aware of any material events of the Group which could have a material impact on our operating and financial performance for the year ended December 31, 2024.

Employees and Remuneration Policies

As of December 31, 2024, we had 868 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. The Group also has in place share incentive schemes for its employees.

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, 2024, the Company had utilized approximately HK\$23.4 million of net proceeds from the Global Offering, representing approximately 37.1% 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, 2024, 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 ^(Note) (HK\$ million)	Net proceeds utilized since the Listing and up to December 31, 2024 (HK\$ million)	Expected timeline of full utilization of net proceeds	Unutilized net proceeds as of December 31, 2024 (HK\$ million)
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	45.0%	34.2	28.4	5.8	2031	22.6
(i) To acquire additional customers for our freight transportation services and freight platform services	15.0%	11.4	9.5	1.6	2031	7.9
(ii) To improve our penetration into our existing customer base	15.0%	11.4	9.5	3.1	2027	6.4
(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	1.1	2031	8.3
To further expand our Trucker Community and Truck Plus solutions	15.0%	11.4	9.5	2.3	2031	7.2
(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	0.9	2027	3.8
(ii) To foster and maintain the nationwide service network of authorized stores for Truck Plus solutions	5.0%	3.8	3.2	0.7	2031	2.5
(iii) To strengthen the supply chain system that supports our Truck Plus solutions	2.5%	1.9	1.6	0.7	2027	0.9
To enhance our research and development efforts and to strengthen our technological capabilities	20.0%	15.2	12.6	9.8	2025	2.8
(i) To reinforce our technological strengths in big data	15.0%	11.4	9.4	6.6	2025	2.8
(ii) To improve our existing research and development capacities in the high-tech fields	5.0%	3.8	3.2	3.2	2024	0.0
To recruit additional sales, marketing and operational personnel	10.0%	7.6	6.3	3.0	2026	3.3
Working capital and other general corporate purposes	10.0%	7.6	6.3	2.5	2027	3.8

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

Resignation of Non-executive Director, Proposed Appointment of Executive Director and Change in Composition of Nomination Committee

Mr. Fu has resigned from his position as a non-executive Director in order to devote more time to his other work and personal commitments and his resignation took effect on March 28, 2025. As considered and approved by the Board at the Board meeting held on the same day, Mr. Long was nominated as a candidate for executive Director, and a proposal in relation to the proposed appointment of Mr. Long as an executive Director will be submitted at the 2024 AGM for consideration by the Shareholders. Furthermore, in order to broaden perspectives on the nomination committee of the Company (the “**Nomination Committee**”) and promote greater diversity in the Company’s recruitment, the Board has appointed Ms. Wang Yao (王瑤) and Mr. Li Dong (李東) as members of the Nomination Committee with effect from March 28, 2025. For details, please refer to the Company’s announcement dated March 28, 2025 in relation to the resignation of non-executive Director, proposed appointment of executive Director and change in composition of the Nomination Committee.

Save as disclosed in this announcement, 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, 2024 and up to the date of this announcement.

DIVIDENDS

The Company did not recommend any payment of dividends for the year ended December 31, 2024 (2023: Nil).

ANNUAL GENERAL MEETING

The 2024 AGM will be held on Tuesday, June 10, 2025. A notice convening the 2024 AGM will be published and despatched to the Shareholders 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 Wednesday, June 4, 2025 to Tuesday, June 10, 2025 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify to attend the 2024 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 Tuesday, June 3, 2025.

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

Year ended December 31, 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
REVENUE	4	7,541,926	5,616,216
Cost of revenue	5	<u>(7,143,977)</u>	<u>(5,302,952)</u>
GROSS PROFIT		397,949	313,264
Other income and gains	4	42,783	31,729
Selling and marketing expenses	5	(88,337)	(125,388)
Administrative expenses	5	(104,471)	(94,956)
Research and development expenses	5	(85,617)	(79,909)
Impairment of financial and contract assets, net	5	(22,702)	(12,283)
Other expenses	5	(59,512)	(60,929)
Finance costs	6	(12,279)	(2,451)
Share of losses of associates		<u>(553)</u>	<u>(1,382)</u>
PROFIT/(LOSS) BEFORE TAX	5	67,261	(32,305)
Income tax (expense)/credit	7	<u>(22,771)</u>	<u>2,682</u>
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>44,490</u>	<u>(29,623)</u>
Attributable to:			
owners of the parent		50,034	(29,564)
non-controlling interests		<u>(5,544)</u>	<u>(59)</u>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (<i>RMB</i>)	9	<u>0.04</u>	<u>(0.02)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		54,863	58,963
Right-of-use assets		25,551	32,302
Intangible assets		1,782	1,783
Investments in associates		11,842	4,395
Prepayments, other receivables and other assets		9,234	3,275
Deferred tax assets		14,417	27,587
		<hr/>	<hr/>
Total non-current assets		117,689	128,305
CURRENT ASSETS			
Inventories		365	3,839
Trade and notes receivables	<i>10</i>	177,495	142,803
Contract assets		9,928	6,583
Prepayments, other receivables and other assets		1,578,855	1,629,731
Financial assets at fair value through profit or loss (“FVTPL”)		289,115	20,000
Derivative financial instruments		3,775	–
Restricted bank deposits		3,307	1,640
Cash and cash equivalents		547,241	517,861
		<hr/>	<hr/>
Total current assets		2,610,081	2,322,457
CURRENT LIABILITIES			
Trade payables	<i>11</i>	172,087	155,267
Other payables and accruals		1,511,707	1,464,746
Contract liabilities		8,760	12,814
Interest-bearing bank and other borrowings		290,651	120,000
Lease liabilities		9,521	5,619
Tax payable		13,794	18,115
		<hr/>	<hr/>
Total current liabilities		2,006,520	1,776,561
		<hr/>	<hr/>
NET CURRENT ASSETS		603,561	545,896
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		721,250	674,201
		<hr/>	<hr/>

	2024	2023
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT LIABILITIES		
Lease liabilities	14,927	21,572
Deferred tax liabilities	36	23
	<hr/>	<hr/>
Total non-current liabilities	14,963	21,595
	<hr/>	<hr/>
NET ASSETS	706,287	652,606
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the parent		
Share capital	87,117	87,117
Reserves	624,773	565,548
	<hr/>	<hr/>
	711,890	652,665
	<hr/>	<hr/>
Non-controlling interests	(5,603)	(59)
	<hr/>	<hr/>
TOTAL EQUITY	706,287	652,606
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO FINANCIAL INFORMATION

December 31, 2024

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 December 31, 2024. 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 revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

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

Amendments to IAS 21	<i>Lack of Exchangeability¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
Annual Improvements to IFRS Accounting Standards — Volume 11	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7²</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity²</i>
IFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures³</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual/reporting periods beginning on or after 1 January 2027

⁴ 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 new and 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:

	2024 RMB'000	2023 RMB'000
Revenue from contracts with customers	7,541,904	5,616,192
Revenue from other sources		
Rental income	22	24
Total	<u>7,541,926</u>	<u>5,616,216</u>

Revenue from contracts with customers

(i) Disaggregated revenue information

	2024 RMB'000	2023 RMB'000
Types of goods or services		
Freight transportation services	7,174,460	5,318,544
Freight platform services*	344,716	278,925
Sale of goods	635	3,120
Other value-added services	22,093	15,603
Total revenue from contracts with customers	<u>7,541,904</u>	<u>5,616,192</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 RMB1,122,756,099 (2023: RMB1,052,754,242) for the year ended December 31, 2024.

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Timing of revenue recognition</i>		
Services transferred over time	7,174,460	5,318,544
Services and goods transferred at a point in time	367,444	297,648
	<hr/>	<hr/>
Total revenue from contracts with customers	<u>7,541,904</u>	<u>5,616,192</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.

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Revenue recognised that was included in contract liabilities at the beginning of the year:</i>		
Freight platform services	10,051	10,478
Freight transportation services	2,763	1,897
	<hr/>	<hr/>
Total	<u>12,814</u>	<u>12,375</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 December 31 are as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
<i>Amounts expected to be recognised as revenue:</i>		
Within one year	<u>8,760</u>	<u>12,814</u>
Total	<u><u>8,760</u></u>	<u><u>12,814</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:

	2024 RMB'000	2023 <i>RMB'000</i>
Other income and gains		
Bank interest income	7,512	8,138
Other government grants*—related to income	26,461	17,643
Others	<u>8,810</u>	<u>5,948</u>
Total other income and gains	<u><u>42,783</u></u>	<u><u>31,729</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/(LOSS) BEFORE TAX

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

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
Cost of freight transportation services	<i>(i)</i>	7,097,835	5,261,701
Cost of assistance from logistics cooperation partners	<i>(ii)</i>	4,702	6,293
Other costs of digital freight businesses	<i>(iii)</i>	40,869	31,768
Cost of inventories sold		571	3,190
		<hr/> 7,143,977	<hr/> 5,302,952
Cost of revenue			
Taxes and surcharges	<i>(iv)</i>	58,520	55,871
Depreciation of property, plant and equipment		5,730	9,057
Depreciation of right-of-use assets		3,525	2,930
Amortisation of intangible assets		585	440
Reversal of impairment of trade and notes receivables		(643)	(146)
Reversal of impairment of contract assets		(23)	(13)
Impairment of financial assets included in prepayments, other receivables and other assets		23,368	12,442
Impairment of associates		–	3,619
Impairment of inventories		41	–
Employee benefit expense (excluding directors', supervisors' and chief executive's remuneration):			
Salaries, bonuses, allowances and benefits in kind		156,239	149,771
Pension scheme contributions and social welfare	<i>(v)</i>	34,000	33,752
Equity-settled share-based payments expenses		8,337	22,001
Lease payments not included in the measurement of lease liabilities		880	985
Loss on disposal of items of property, plant and equipment		–	261
Auditor's remuneration		1,887	1,887

- (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 RMB294,259,666 (2023: RMB216,257,376) for the year ended December 31, 2024.
- (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 costs and costs incurred with third-party suppliers for the digital freight businesses, such as location service cost, short message service cost, and payment channels service costs.

- (iv) It mainly represents taxes and surcharges, net of the government grants related to digital freight businesses, the amount of which is RMB310,255,487 (2023: RMB273,930,050) for the year ended December 31, 2024.
- (v) As at December 31, 2024, 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:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest on bank loans and other borrowings	11,338	2,382
Interest on lease liabilities	941	69
	<hr/>	<hr/>
Total	12,279	2,451
	<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 year is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current	9,588	7,576
Deferred tax	13,183	(10,258)
	<hr/>	<hr/>
Total tax charge/(credit) for the year	22,771	(2,682)
	<hr/> <hr/>	<hr/> <hr/>

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

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Profit/(Loss) before tax	67,261	(32,305)
Tax at the statutory tax rate of 25% in Mainland China	16,815	(8,076)
Effect of tax rate differences in the Company and certain subsidiaries	(1,204)	6,199
Adjustments in respect of current and deferred tax of previous periods	3,768	806
Losses attributable to associates	138	345
Expenses not deductible for tax*	2,702	7,883
Additional deductible allowance for qualified research and development expenses	(16,426)	(15,795)
Unrecognised tax losses and temporary differences	16,978	5,956
	<u>22,771</u>	<u>(2,682)</u>
Tax charge/(credit) at the Group's effective tax rate	<u>22,771</u>	<u>(2,682)</u>

* 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 (2023: Nil).

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

The calculation of the basic earnings/(loss) per share amount is based on the profits/(loss) for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding 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).

	2024	2023
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company (RMB'000)	50,034	(29,564)
Shares		
Weighted average number of ordinary shares in issue during the year (in thousand)(shares)(i)	1,393,876	1,385,944
Earnings/(loss) per share attributable to ordinary equity holders of the Company (RMB yuan per share)		
—Basic and Diluted (ii)	<u>0.04</u>	<u>(0.02)</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

	2024	2023
	RMB'000	RMB'000
Trade receivables	168,164	143,376
Notes receivable	<u>10,144</u>	<u>—</u>
Subtotal	<u>178,308</u>	<u>143,376</u>
Less: ECLs	<u>(813)</u>	<u>(573)</u>
Total	<u>177,495</u>	<u>142,803</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 RMB4,137,693 (2023: nil), 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 (2023: 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:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 90 days	158,331	126,547
90 days to 1 year	17,980	16,253
1 to 2 years	1,184	3
Total	<u>177,495</u>	<u>142,803</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:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Collectively determined to be impaired	178,308	143,376
Less: ECLs	(813)	(573)
Total	<u>177,495</u>	<u>142,803</u>

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At the beginning of the year	573	1,406
ECLs	(643)	(146)
Recoveries of trade receivables previously written off	883	–
Amounts written off as uncollectible	–	(687)
At the end of the year	<u>813</u>	<u>573</u>

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 December 31, 2024

	<u>Ageing</u>			Total
	Within 1 year	1 to 2 years	Over 2 years	
Gross carrying amount (<i>RMB'000</i>)	166,868	1,296	–	168,164
Expected credit loss (<i>RMB'000</i>)	701	112	–	813
Expected credit loss rate	0.42%	8.64%	–	0.48%

As at December 31, 2023

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

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:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	<u>172,087</u>	<u>155,267</u>

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 Reporting Period, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

In addition, the balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-caliber individuals. As at the date of this announcement, the Board consists of three executive Directors, two non-executive Directors and three independent non-executive Directors. Therefore, we consider that the Board has a fairly strong independence element in its composition.

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, 2024, 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 Reporting Period. During the year ended December 31, 2024, 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 year ended December 31, 2024, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

MATERIAL LEGAL PROCEEDINGS

During the Reporting Period, 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 during the Reporting Period and up to the date of this announcement.

AUDIT COMMITTEE

The Board has established 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, 2024 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, 2024, consolidated statement of profit or loss and comprehensive income and the related notes thereto for the year ended December 31, 2024 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 2024 ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at 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:

“2024 AGM”	the forthcoming annual general meeting of the Company to be held on Tuesday, June 10, 2025
“Articles” or “Articles of Association”	the articles of association of our Company adopted on October 28, 2021, as amended from time to time
“AI”	Artificial Intelligence
“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 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, the Macau Special Administrative Region and Taiwan of China herein
“Company” or “our Company” or “the Company” or “Logory”	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 are 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
“IoT”	Internet of things

“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
“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 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
“R&D”	research and development
“Reporting Period”	for the year ended December 31, 2024
“RMB”	Renminbi, the lawful currency of the PRC
“SaaS”	software as a service, a cloud-based software licencing and delivery model in which software and associated data are centrally hosted
“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 including our Unlisted Shares and H Shares
“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
“Unlisted Shares”	ordinary share(s) in the registered share capital of the Company, with a nominal value of RMB0.0625 each, which are subscribed for and paid up in Renminbi by domestic investors, which are not listed in any stock exchange
“USD”	United States dollars
“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 28, 2025

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