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## Hangzhou SF Intra-city Industrial Co., Ltd.

杭州順豐同城實業股份有限公司

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

**(Stock code: 9699)**

### INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “**Board**”) of Hangzhou SF Intra-City Industrial Co., Ltd. (the “**Company**”) hereby announces the results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), together with the comparative figures for the six months ended 30 June 2024. Unless otherwise defined, capitalised terms used herein shall have the same meanings as given to them in the prospectus dated 30 November 2021 issued by the Company (the “**Prospectus**”).

In this announcement, “we”, “us”, and “our” refer to the Company and where the context otherwise requires, the Group.

#### FINANCIAL HIGHLIGHTS

- Our revenue increased from RMB6,878.5 million for the six months ended 30 June 2024 to RMB10,236.0 million for the six months ended 30 June 2025, representing an increase of 48.8%.
- We have achieved a gross profit and a gross profit margin of RMB680.8 million and 6.7% respectively, in the six months ended 30 June 2025, compared with a gross profit of RMB473.3 million and a gross profit margin of 6.9% in the six months ended 30 June 2024.
- Our net profit and net profit margin for the six months ended 30 June 2025 were RMB137.0 million and 1.3%, respectively, compared with a net profit of RMB62.2 million and a net profit margin of 0.9% for the six months ended 30 June 2024. The net profit increased by 120.4% year-on-year.
- Our adjusted net profit and adjusted net profit margin<sup>1</sup> for the six months ended 30 June 2025 were RMB160.2 million and 1.6%, respectively, compared with an adjusted net profit of RMB67.0 million and an adjusted net profit margin of 1.0% for the six months ended 30 June 2024. The adjusted net profit increased by 139.0% year-on-year.
- The Board has resolved to propose not to distribute an interim dividend for the six months ended 30 June 2025 (the six months ended 30 June 2024: nil).

<sup>1</sup> See the section entitled “Non-IFRS Accounting Standards Measure: Adjusted Net profit” for more information about the adjusted net profit and adjusted net profit margin.

## FINANCIAL INFORMATION

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		<b>Six months ended 30 June</b>	
	<i>Notes</i>	<b>2025</b>	<b>2024</b>
		<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	3	<b>10,235,950</b>	6,878,470
Cost of revenue	4	<b>(9,555,153)</b>	(6,405,187)
<b>Gross profit</b>		<b>680,797</b>	473,283
Selling and marketing expenses	4	<b>(107,567)</b>	(101,610)
Research and development expenses	4	<b>(69,502)</b>	(51,240)
Administrative expenses	4	<b>(377,018)</b>	(277,630)
Other income		<b>4,014</b>	13,794
Other gains, net		<b>21,115</b>	9,870
Net impairment losses of financial assets		<b>(1,699)</b>	(3,835)
<b>Operating profit</b>		<b>150,140</b>	62,632
Finance income		<b>8,539</b>	18,737
Finance costs		<b>(331)</b>	(394)
Finance income, net		<b>8,208</b>	18,343
Share of loss of a joint venture accounted for using the equity method		<b>(505)</b>	(403)
<b>Profit before income tax</b>		<b>157,843</b>	80,572
Income tax expenses	5	<b>(20,794)</b>	(18,398)
<b>Profit for the period</b>		<b>137,049</b>	62,174
<b>Profit for the period attributable to</b>			
– Owners of the Company		<b>137,049</b>	62,174

		<b>Six months ended 30 June</b>	
	<i>Notes</i>	<b>2025</b>	<b>2024</b>
		<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)</b>			
– Basis earnings and diluted earnings per share (in RMB)	6	<u><b>0.15</b></u>	<u>0.07</u>
<b>Profit for the period</b>		<u><b>137,049</b></u>	<u>62,174</u>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		<b>(4,816)</b>	4,899
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income		<u><b>(4,150)</b></u>	<u>(16,581)</u>
<b>Other comprehensive income for the period, net of tax</b>		<u><b>(8,966)</b></u>	<u>(11,682)</u>
<b>Total comprehensive income for the period</b>		<u><b>128,083</b></u>	<u>50,492</u>
<b>Total comprehensive income for the period attributable to:</b>			
– Owners of the Company		<u><b>128,083</b></u>	<u>50,492</u>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		36,731	22,145
Intangible assets		114,765	122,600
Right-of-use assets		12,132	19,203
Investments accounted for using the equity method		26,971	27,476
Financial assets at fair value through other comprehensive income		22,435	26,585
Financial assets at fair value through profit or loss		35,933	30,000
Deferred income tax assets		129,530	149,912
Other non-current assets		214	163
<b>Total non-current assets</b>		<b>378,711</b>	<b>398,084</b>
<b>Current assets</b>			
Inventories		5,854	7,513
Trade receivables	7	2,202,044	1,660,432
Other receivables and prepayments		99,355	118,252
Financial assets at fair value through profit or loss		1,260,410	1,115,859
Cash and cash equivalents		1,135,438	1,369,593
<b>Total current assets</b>		<b>4,703,101</b>	<b>4,271,649</b>
<b>Total assets</b>		<b>5,081,812</b>	<b>4,669,733</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		917,376	917,376
Share premium		4,021,702	4,021,702
Treasury shares		(33,555)	(33,555)
Shares held for employee incentive scheme		(46,406)	(46,406)
Other reserves		836,660	822,483
Accumulated losses		(2,584,023)	(2,721,072)
<b>Total equity</b>		<b>3,111,754</b>	<b>2,960,528</b>

		As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
	<i>Notes</i>		
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		<u>6,438</u>	<u>9,140</u>
<b>Total non-current liabilities</b>		<u>6,438</u>	<u>9,140</u>
<b>Current liabilities</b>			
Trade payables	8	1,260,534	1,029,639
Other payables and accruals		696,402	571,577
Contract liabilities		1,195	88,342
Income tax payables		74	170
Lease liabilities		<u>5,415</u>	<u>10,337</u>
<b>Total current liabilities</b>		<u>1,963,620</u>	<u>1,700,065</u>
<b>Total liabilities</b>		<u>1,970,058</u>	<u>1,709,205</u>
<b>Total equity and liabilities</b>		<u><u>5,081,812</u></u>	<u><u>4,669,733</u></u>

# NOTES TO THE INTERIM FINANCIAL INFORMATION

## 1 GENERAL INFORMATION AND BASIS OF PREPARATION

### 1.1 General information

Hangzhou SF Intra-city Industrial Co., Ltd. (the “**Company**”) was a joint stock company incorporated in the People’s Republic of China (the “**PRC**”) on 21 June 2019 with limited liability. The address of the Company’s registered office and the principal place of business are respectively located at Room 1626, 16/F, Chenchuang Building, 198 Zhoushan East Road, Gongshu District, Hangzhou City, Zhejiang Province, PRC and Floor 21-22, Shunfeng Headquarters Building, No. 3076 Xinghai Road, Nanshan District, Shenzhen City, Guangdong Province, PRC.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in the intra-city on-demand delivery services in the PRC.

The ultimate holding company of the Company is Shenzhen Mingde Holding Development Co., Ltd. (“**Mingde Holding**”), which is incorporated in the PRC with limited liability. The intermediate holding company of the Company is S.F. Holding Co., Ltd. (“**SF Holding**”), which is incorporated in the PRC with limited liability, and the shares of SF Holding have been listed on Shenzhen Stock Exchange and the Stock Exchange of Hong Kong Limited. The parent company of the Company is Shenzhen S.F. Taisen Holding (Group) Co., Ltd. (“**SF Taisen**”) and the ultimate controlling party of the Group is Mr. Wang Wei.

The Company completed its listing on the main board of the Stock Exchange of Hong Kong Limited (“**the Listing**”) on 14 December 2021.

The interim financial information comprises the interim condensed consolidated statement of financial position as at 30 June 2025, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes (the “**Interim Financial Information**”).

The Interim Financial Information is presented in Renminbi (“**RMB**”) and rounded to nearest thousand yuan, unless otherwise stated.

### 1.2 Basis of preparation

The Interim Financial Information has been prepared in accordance with the International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting”. The interim report does not include all the notes of the type normally included in annual financial statements. Accordingly, the Interim Financial Information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards issued by International Accounting Standards Board (“**IFRS Accounting Standards**”), as set out in the 2024 annual report of the Company dated 28 March 2025 (the “**2024 Financial Statements**”).

## 2 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those followed in the preparation of the 2024 Financial Statements, except for the estimation of income tax and the adoption of new and amended standards as set out below.

Taxes on income for the interim period are accrued using the estimated tax rates that would be applicable to expected total annual assessable profit.

## 2.1 New and amended standards adopted by the Group

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2025:

Amendments to IAS 21

Lack of Exchangeability

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2.2 New standards and amendments to standards not yet adopted by the Group

Certain new or amended accounting standards and interpretations that have been published that are not mandatory for periods commencing on or after 1 January 2025 and have not been early adopted by the Group are as follows:

		Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new or amended standards and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the Group, no material impact on the financial performance and position of the Group in the current or future reporting period and on foreseeable future transactions is expected when they become effective, except for certain presentation adjustment might be raised due to the adoption of IFRS 18.

## 3 SEGMENT INFORMATION AND REVENUE

The chief operating decision-maker (“CODM”) identifies operating segments based on the internal organisation structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments. An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment. The CODM considers that the Group's operations are operated and managed as a single operating segment which is intra-city on-demand delivery service business under the requirements of IFRS 8 “Operating Segments” and therefore no segment information is presented.

**(a) Revenue by business line and nature**

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Intra-city on-demand delivery service revenue (i)	<b>10,235,950</b>	6,878,470

- (i) Revenue is recognised upon the delivery of the above service which is normally completed within one day.

**(b) Unsatisfied performance obligations**

For Intra-city on-demand delivery service, they are rendered normally in a single day and there is no unsatisfied performance obligation at the end of financial periods.

**(c) Geographical information**

Since the Group's revenue and operating profit were substantially generated in the PRC and the Group's identifiable assets and liabilities were substantially located in the PRC, no geographical information is presented.

**(d) Information about major customers**

The Group's revenue derived from major customers, which individually contributed 10% or more of the Group's total revenue was as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Subsidiaries of SF Holding	<b>4,653,419</b>	2,855,518
Customer A	<b>1,286,729</b>	556,829

**4 EXPENSES BY NATURE**

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Labour outsourcing costs	<b>9,482,785</b>	6,340,090
Employee benefit expenses	<b>400,124</b>	288,503
Information service expenses	<b>48,078</b>	36,495
Costs of materials	<b>36,823</b>	31,204
Marketing and promotion expenses	<b>26,628</b>	36,465
Amortization of intangible assets	<b>21,111</b>	21,516
Office and rental expenses	<b>15,700</b>	15,508
Call center service expenses	<b>12,213</b>	14,057
Professional service expenses	<b>9,362</b>	5,036
Insurance expenses	<b>8,359</b>	395
Other taxes and surcharges	<b>7,042</b>	2,304
Depreciation of right-of-use assets	<b>6,681</b>	8,252
Travelling expenses	<b>5,982</b>	5,182
Depreciation of property, plant and equipment	<b>4,359</b>	3,346
Auditor's remuneration		
– Audit and audit-related service	<b>473</b>	630
– Non-audit service	<b>–</b>	–
Others	<b>23,520</b>	26,684
	<b>10,109,240</b>	6,835,667



## 5 INCOME TAX EXPENSES

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Mainland China corporate income tax</b>		
Current income tax	412	1,413
Deferred income tax	20,382	16,985
	<hr/>	<hr/>
Income tax expenses	20,794	18,398
	<hr/> <hr/>	<hr/> <hr/>

The Group's principal applicable taxes and tax rates are as follows:

### (a) Mainland China corporate income tax ("CIT")

CIT was made on the taxable profit of the entities within the Group incorporated in the Mainland China and was calculated in accordance with the relevant tax rules and regulations of the Mainland China after considering the available tax refunds and allowances. The general CIT rate is 25% for the six months ended 30 June 2025 and 2024.

The Company's subsidiary, Beijing Shunda Tongxing Technology Co., Ltd. (the "Shunda Tongxing") is qualified as "high and new technology enterprises" and, accordingly, were eligible for a preferential income tax rate of 15% for the six months ended 30 June 2025 and 2024.

The Company's subsidiaries, Suzhou Fengpai Technology Co., Ltd., Tianjin Fengpai Technology Co., Ltd., Shenzhen Zhongplus Internet Technology Co., Ltd. and Ningbo Shunxiang Fengyi Commerce and Trade Service Co., Ltd. are subject to "small and thin profit enterprises" under the CIT Law, whose preferential income tax rate was 20% for the six months ended 30 June 2025 and 2024.

### (b) Hong Kong profits tax

Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profit for the six months ended 30 June 2025 and 2024.

### (c) Corporate income tax in other jurisdictions

Income tax on profits arising from other jurisdictions, including the United Kingdom, Netherlands, Germany and Singapore, had been calculated on the estimated assessable profits for the six months ended 30 June 2025 and 2024 at the respective rates prevailing in the relevant jurisdictions, which were typically around 19% but could be higher in certain jurisdictions.

### (d) OECD Pillar Two model rules

The Group is within the scope of the Pillar Two model rules released by the Organization for Economic Co-operation and Development ("OECD"). The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12. Under the Pillar Two legislation, the Group is liable to pay a top-up tax for difference between its Global Anti-Base Erosion ("GloBE") effective tax rate in each jurisdiction and the 15% minimum rate. The Group management's assessment indicates that the quantitative impact of the Pillar Two legislation is insignificant to the Group for the six months ended 30 June 2025.

### (e) Income tax credits are recognised based on management's best knowledge of the income tax rates that would be applicable to the full financial year.

## 6 EARNINGS PER SHARE

### (a) Basic earnings per share for profit attributable to owners of the Company

Basic earnings per share is calculated by dividing the profit for the periods attributable to ordinary shareholders by the weighted average number of outstanding shares in issue excluding the shares repurchased during the six months ended 30 June 2025 and 2024.

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit attributable to owners of the Company (RMB'000)	<b>137,049</b>	62,174
Weighted average number of shares in issue	<b>908,536,107</b>	914,655,385
Basic earnings per share (in RMB)	<b>0.15</b>	0.07

### (b) Diluted earnings per share for profit attributable to owners of the Company

The H Share Incentive Scheme have potential dilutive effect on the EPS. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from H Share Incentive Scheme (collectively forming the denominator for computing the diluted EPS).

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit attributable to owners of the Company (RMB'000)	<b>137,049</b>	62,174
Weighted average number of shares in issue	<b>908,536,107</b>	914,655,385
Adjustments for H Share Incentive Scheme	<b>7,088,506</b>	1,378,692
Weighted average number of ordinary shares for the calculation of diluted EPS	<b>915,624,613</b>	916,034,077
Diluted earnings per share (in RMB)	<b>0.15</b>	0.07

## 7 TRADE RECEIVABLES

	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Trade receivables		
– third parties	<b>1,156,971</b>	708,413
– related parties	<b>1,050,575</b>	955,568
	<b>2,207,546</b>	1,663,981
Impairment loss allowance	<b>(5,502)</b>	(3,549)
	<b>2,202,044</b>	1,660,432

(a) The following is the aging analysis of trade receivables presented based on the billing date:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Within 30 days	1,935,482	1,421,149
30 to 180 days	272,064	242,832
	<u>2,207,546</u>	<u>1,663,981</u>

(b) Movements on the Group's impairment loss allowance of trade receivables are as follows:

	Six months ended 30 June 2025 <i>RMB'000</i> (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
At the beginning of the period	(3,549)	(2,802)
Provision of impairment allowance	(1,717)	(3,783)
Written off as uncollectible	—	2,732
Recovery of previously written-off bad debts	(236)	—
At the end of the period	<u>(5,502)</u>	<u>(3,853)</u>

(c) The Group's trade receivables were substantially denominated in RMB.

## 8 TRADE PAYABLES

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Trade payables to third parties	1,239,081	1,009,595
Trade payables to related parties	21,453	20,044
	<u>1,260,534</u>	<u>1,029,639</u>

The aging analysis of the trade payables based on the recognition date are as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Within 3 months	1,216,892	984,253
3 months to 1 year	34,078	35,653
Over 1 year	9,564	9,733
	<u>1,260,534</u>	<u>1,029,639</u>

## 9 SHARE-BASED PAYMENTS

### (a) Employee Incentive Scheme

The Company adopted an employee incentive scheme (the “**Employee Incentive Scheme**”) on 19 April 2023. To implement the Employee Incentive Scheme, the Company has set up an employee incentive scheme trust (the “**Employee Incentive Scheme Trust**”) with an independent trustee appointed by the Company to administer and hold the Company’s shares acquired. The Employee Incentive Scheme Trust purchases the shares of the Company in the market out of the Company’s resources in accordance with the Employee Incentive Scheme Trust agreement and in accordance with the instructions of the Company and the relevant provisions of the Employee Incentive Scheme rules. Pursuant to the Employee Incentive Scheme, eligible participants are granted trust benefit units by the Company for no cash consideration, which correspond to a certain amount of the shares of the Company.

As the Employee Incentive Scheme Trust was set up for the employee incentive scheme which is designed by the Company, and the Company can derive benefits from the contributions of the eligible persons who are awarded with the trust benefit units by the scheme, the Employee Incentive Scheme Trust is controlled by the Group in accordance with *IFRS 10 – Consolidated financial statements*. The consideration paid by the Company for purchasing the Company’s shares through the Employee Incentive Scheme Trust from the market is presented as “Shares held for employee incentive scheme” and the amount is deducted from total equity.

Movement in the number of awarded trust benefit units for the six months ended 30 June 2025 is as follows:

	<b>Number of awarded trust benefit units</b>
<b>At the beginning of the period</b>	37,788,535
Forfeited during the period	<u>(1,408,513)</u>
<b>At the end of the period</b>	<u><u>36,380,022</u></u>

The fair value of the granted trust benefit units was assessed based on the market price of the Company’s shares at the grant date and the expected trustee administrative fee during the vesting period.

The vesting period of the Trust Benefit Units granted is as follows: 30% shall be vested on the first anniversary of the date of grant, 30% shall be vested on the second anniversary of the date of grant and 40% shall be vested on the third anniversary of the date of grant upon fulfilment of the assessment conditions including the Company’s performance indicators, personal performance target and any other applicable vesting conditions as set out in the award letter.

The expenses arising from the Employee Incentive Scheme recognised for the six months ended 30 June 2025 are RMB10,346,000.

**(b) H Share Incentive Scheme**

The Company amended the Employee Incentive Scheme in May 2025. The amended Employee Incentive Scheme has been renamed from “Employee Incentive Scheme” to “H Share Incentive Scheme”. To implement the H Share Incentive Scheme, the Company has appointed an independent trustee to administer and hold the Company’s shares acquired.

Movement in the number of awarded shares for the six months ended 30 June 2025 is as follows:

	<b>Number of awarded shares</b>
<b>At the beginning of the period</b>	–
Granted during the period	<u>22,100,561</u>
<b>At the end of the period</b>	<b><u>22,100,561</u></b>

The shares granted vest in tranches from the grant date over a certain service period. Once the vesting conditions, including the Company’s performance indicators, personal performance target, are met, the shares are considered duly and validly vested.

The fair value of the awarded shares was calculated based on the market price of the Company’s shares at the respective grant date, which was to be expensed over the vesting period.

The expenses arising from the H Share Incentive Scheme recognised for the six months ended 30 June 2025 are RMB12,797,000.

**10 DIVIDENDS**

No dividend has been paid or declared by the Group during the six months ended 30 June 2025 and 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### Overview

As the largest third-party on-demand delivery service provider in China<sup>1</sup>, we remain committed to offering our customers high-quality, efficient and professional third-party on-demand delivery services, and to building a leading comprehensive on-demand retail infrastructure platform.

In the first half of 2025, we adhered to the operating principle of “high-quality and sustainable growth” with vigor and determination. Leveraging our profound insights into the local lifestyle services industry, a nationwide flexible capacity network, and highly efficient digital and intelligent technology capabilities, we actively captured new growth and emerging trends in the catering, retail and service industries. This enabled us to deliver high-quality and cost-effective products and services to our customers. At the same time, through the continuous release of network economies of scale and our refined operational management capabilities, we further enhanced efficiency and optimized costs. Building on the strong business momentum from 2024, we continued to achieve steady revenue growth and doubled net profit in the first half of 2025 as compared with the same period in 2024, solidifying our differentiated competitive advantages that are centered on our positioning as a neutral and open platform, and providing full-scenario, high-quality on-demand delivery services.

During the Reporting Period, all business lines achieved balanced and high-quality revenue growth. Our revenue increased from RMB6,878.5 million in the first half of 2024 by 48.8% to RMB10,236.0 million in the first half of 2025. Revenue from intra-city delivery services increased from RMB4,038.0 million in the first half of 2024 by 43.1% to RMB5,778.7 million in the first half of 2025. Revenue from last-mile delivery services increased from RMB2,840.5 million in the first half of 2024 by 56.9% to RMB4,457.3 million in the first half of 2025. The table below provides a breakdown of our revenue:

	<b>Six Months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Intra-city on-demand delivery services</b>	<b>10,235,950</b>	6,878,470
Intra-city delivery services	<b>5,778,682</b>	4,037,955
(1) To merchants ( <i>i.e. to B</i> )	<b>4,466,927</b>	2,874,085
(2) To consumers ( <i>i.e. to C</i> )	<b>1,311,755</b>	1,163,870
Last-mile delivery services	<b>4,457,268</b>	2,840,515
<b>Total</b>	<b>10,235,950</b>	6,878,470

<sup>1</sup> Such ranking is based on the order volume of independent third party on-demand delivery service in China in 2024 from Frost & Sullivan. The calculation of order volume takes into account the order volume generated by independent market participants, but excludes the order volume generated by connected parties.

During the Reporting Period, we delivered healthy financial growth, which was attributable to: (i) rapid growth in food delivery and on-demand retail industry, which drove up demand for on-demand delivery. During the Reporting Period, order volume for intra-city delivery services recorded a year-on-year increase of over 50%, which in turn drove rapid revenue growth; (ii) optimization of business structure, with higher contribution from premium customers; and (iii) enhancement of the operational foundation through technology empowerment and lean management, resulting in improved quality and efficiency, expansion of network economies of scale, and continued release of profitability. For the six months ended 30 June 2025, our gross profit amounted to RMB680.8 million, representing an increase of 43.8% compared with RMB473.3 million for the same period of last year, with a gross profit margin of 6.7%, which remained stable. For the six months ended 30 June 2025, profit attributable to owners of the Company and net profit margin amounted to RMB137.0 million and 1.3%, respectively, net profit increased by 120.4% year-on-year, surpassing the full-year net profit level of 2024, with the net profit margin reaching a record high. Our adjusted net profit for the period (non-IFRS Accounting Standards measure) reached RMB160.2 million, representing an increase of 139.0% compared with RMB67.0 million for the same period of last year. As of 30 June 2025, our cash and cash equivalents and short-term financial investments were RMB1,134.1 million and RMB1,260.4 million, respectively, reflecting a healthy cash flow and ample fund reserves.

### **Intra-city Delivery**

Our revenue from intra-city delivery services increased from RMB4,038.0 million in the first half of 2024 by 43.1% to RMB5,778.7 million in the first half of 2025. The robust business growth was mainly attributable to: (i) promotional activities held by merchants drove a rapid increase in demand for food delivery services, with food delivery revenue achieving strong year-on-year growth; (ii) sustained steady growth in non-food delivery scenarios<sup>2</sup>, with revenue in the first half of 2025 increasing by 28.6% year-on-year to RMB2,142.0 million, of which revenue from merchants increased by 35.3% year-on-year; (iii) our outstanding comprehensive logistics infrastructure which enabled us to provide reliable and high-quality on-demand delivery services to different types of merchants and consumers, with the scale of annual active merchants and consumers expanding; (iv) the deepening of multi-scenario business development in lower-tier cities and counties<sup>3</sup>, consolidating our competitive advantages in these markets; and (v) the adoption of proactive pricing strategies to enhance product competitiveness.

### ***Intra-city Delivery for Merchants***

We empower merchants with our open and flexible on-demand delivery network and professional, efficient, and comprehensive delivery solutions, and maintain extensive merchant cooperation. Through expansion of our cooperating merchant base and optimization of merchant structure, revenue from intra-city delivery services for merchants reached RMB4,466.9 million in the first half of 2025, representing a year-on-year increase of 55.4%.

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<sup>2</sup> “non-food delivery scenarios” refer to on-demand retail delivery and fulfilment service unrelated to food delivery scenarios.

<sup>3</sup> “lower-tier cities and counties” refer to cities, counties and towns in the third tier or below.



In terms of merchant cooperation, the scale of merchants served continued to grow with healthy customer structure. In the first half of 2025, we earned the trust of customers with our stable service quality, maintaining a leading market share in cooperation with multiple top-tier key customers. Our multi-scenario, full-category service capabilities, customized professional on-demand delivery solutions, and responsive high-quality service system have made us a preferred logistics provider for customers, and we maintain long-term and in-depth cooperation with key customers across various industries. For small and medium-sized merchants, through strategies such as merchant operations and intelligent marketing applications, we have continuously expanded the base of active merchants and enhanced merchant stickiness. In the first half of 2025, we seized the industry trend of traffic platforms actively deploying on-demand retail, working closely with major traffic platforms. This enabled us not only to provide flexible delivery services for food delivery and on-demand retail platforms during peak order periods, but also serve as the on-demand delivery logistics infrastructure for a wider and more diverse range of traffic platforms, providing efficient and cost-effective end-to-end solutions that cover a variety of local lifestyle to-home delivery scenarios such as live-streaming e-commerce, supermarket delivery within an hour and private domain retail etc. As of June 30, 2025, the number of active merchants<sup>4</sup> in the past 12 months on our platform reached 850,000, representing a year-on-year increase of 55%.

In terms of scenario coverage, leveraging our multi-scenario service capabilities, we continuously refined products and services centered on core advantageous industries and categories. For food and beverage sector, under the accelerating of decentralization of traffic and continuously increasing chain penetration rate, we provided chain catering customers with multi-channel centralized order management and delivery services, assisting merchants in providing stable and high-quality fulfilment services to better capture incremental opportunities brought by industry expansion. Our strong capacity infrastructure, refined business district operation capabilities and the unique and highly efficient capacity model of off-peak integration with the capacity of SF Group<sup>5</sup> enabled us to ensure fulfilment during peak order periods for chain catering merchants. During the Reporting Period, revenue from multiple top-tier chain catering brands and tea beverage brands achieved rapid growth. For retail sector, we continued to deepen cooperation with leading national chain supermarkets and department stores, providing customized services such as one-hour delivery from warehouse to store, long-distance urban connections across the city, counter-to-home direct delivery, and in-store returns and exchanges. During the Reporting Period, our cooperation share and revenue from top supermarket customers continued to grow, while we focused on operating regional supermarket chains and convenience store customers, achieving rapid revenue growth from multiple core local key customers. For pharmaceuticals sector, we deepened cooperation with national leading pharmacy chains, with order volume for multiple chain pharmacy customers reaching record highs. In the first half of 2025, revenue from tea beverage delivery increased by 105% year-on-year, while categories such as supermarket and convenience stores, pharmaceuticals, and maternal and baby products all achieved high double-digit growth.

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<sup>4</sup> “active merchant(s)” refers to the number of unique merchant accounts that purchase a particular service at least once during the prescribed period.

<sup>5</sup> “SF Group” refers to SF holding and its subsidiaries.



In terms of geographic coverage, we provided multi-scenario services to merchants in over 2,300 cities and counties nationwide, further consolidating our competitive advantages in lower-tier markets, from which revenue maintained high growth. In counties and cities already covered, we accelerated the development of operating network efficiency, with the average daily order volume in counties doubled during the Reporting Period. Building on a solid foundation in existing covered areas, we actively explored new incremental business, launching cooperation with a top-tier tea beverage key customer in Hong Kong to open new cross-border business scenarios. We also explored innovative solutions such as four-wheel vehicles and unmanned vehicles to address the needs and pain points of food and beverage key customers for group meal delivery and campus delivery, expanding business boundaries and diversifying revenue channels.

We rapidly expanded and increased the density of our nationwide delivery network, driving the continuous increases in business districts coverage and order density, with the proportion of profitable business districts continued to rise. In the first half of 2025, frequent promotional activities by merchants drove rapid order growth, and our highly flexible and elastic network was able to ensure order fulfilment during peak seasons, holidays, and adverse weather conditions. This demonstrated our commitment to service quality and stability, with fluctuations in the fulfilment in-time rate during holidays and poor weather conditions were no more than 3 percentage points. During the Reporting Period, our fulfilment in-time rate was approximately 95%, with an average delivery time of 23 minutes for orders within 3 kilometers.

We also strategically partnered with SF Group to offer an integrated supply chain solution comprising “warehousing + transport + intra-city on-demand delivery” for customers. Through resource synergies and capability integration with SF Group, customers can choose suitable logistics products more conveniently. The integrated solutions helped us jointly expand our customer base with SF Group and enhance customer loyalty. In the first half of 2025, the number of Credit Customers<sup>6</sup> placing orders using the intra-city on-demand delivery services continued to grow steadily. The external incremental revenue brought by the Credit Customers, who we served together with the SF Group, recorded a year-on-year growth of 29.5% to RMB208.0 million.

### ***Intra-city Delivery For Consumers***

For consumers, we are committed to providing industry-leading professional on-demand fulfilment services. Our “deliver for me, fetch for me, purchase for me and solve for me” services cover personal life and work scenarios such as daily errands, medical healthcare, and business agency, reinforcing our brand image as “SF Intra-city, the first choice for urgent delivery of valuable items.” In the first half of 2025, the revenue from intra-city delivery for consumers amounted to RMB1,311.8 million, representing a year-on-year increase of 12.7%. This revenue growth was mainly attributable to: (i) continued expansion in the scale of active consumers<sup>7</sup>, increased order frequency, and strong repurchases from existing customers; (ii) continuous enhancement of consumer mindshare and brand awareness, and rapid growth in revenue from our proprietary intra-city business channels; (iii) product and service iteration and upgrade, with sustained growth in revenue from the high-quality one-on-one “Exclusive Delivery” service, and active expansion of consumer on-demand delivery scenarios in lower-tier markets; and (iv) synergies with the SF Group ecosystem, continuously penetrating the demand from individual users for accelerating timeliness for intra-city express delivery services.

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<sup>6</sup> “Credit Customers” refer to certain existing customers who have entered into Master Service Agreements with SF Group and/or its associates in respect of a variety of delivery and logistics solution service products provided by SF Group and/or its associates offers.

<sup>7</sup> “Active consumer(s)” refers to the number of unique consumer accounts that purchase a particular service at least once during the prescribed period.

During the Reporting Period, we further deepened our understanding of consumers and proactively captured new market opportunities. We explored the on-demand delivery needs of consumers in core CBD areas of first-tier cities, consolidating our brand image in high-end professional delivery, with revenue from business scenarios maintaining robust growth. During the Reporting Period, we continued to leverage the one-on-one “Exclusive Delivery” service to accurately meet consumers’ delivery needs for items with high value, time-sensitive, and high safety requirements, with revenue from this product tripling year-on-year. Through channel cooperation, we also increased the reach to intra-city express delivery users, enabling consumers to choose the “delivery within an hour” service directly on the order placement interface to meet their needs for accelerating timeliness. During the Reporting Period, the penetration rate of “delivery within an hour” services continued to rise, with revenue from mid-to-long-distance “delivery within an hour” services grew rapidly. In addition, we explored delivery service scenarios based on consumer demand, such as laundry services, luggage delivery, and Hanfu rentals, while also deepening our penetration of lower-tier markets, with revenue from intra-city delivery to consumers in lower-tier markets increasing rapidly during the Reporting Period.

We proactively optimized our brand promotion and channel marketing strategies, thereby continuously enhancing brand awareness and consumer mindshare. Through cooperation with multiple external channels, we extensively reached consumers and expanded our user base, while improving user retention and platform loyalty through refined operations based on user profiling, leading to rapid growth in revenue from our proprietary intra-city business channels during the Reporting Period. In terms of service quality, we continued to optimize the order fulfilment experience for consumers, driving positive reputation, improving customer satisfaction, and promoting repurchases. As of 30 June 2025, the number of active consumers in the past 12 months reached 24.77 million.

### **Last-Mile Delivery**

Our last-mile delivery service, as a flexible and scalable capacity provider, offers diverse services to logistics companies and is integrated into various stages of the logistics process. We have observed that there are increasing synergies between intra-city on-demand delivery and various forms of intra-city logistics, and that the flexible and scalable rider network for intra-city services can complement the traditional express networks, aligning with the trend of enhancing customers’ supply chain capabilities in multiple dimensions. On one hand, by deepening the integration and collaboration of both networks, we can assist our logistics customers in optimizing the efficiency of end-operation efficiency, achieve stronger network coverage and better service capabilities with a more cost-effective model, and improve the utilization efficiency of network resources. On the other hand, our intra-city terminal logistics capabilities can serve as an essential part of the end-to-end full-chain solution provided by logistics service enterprises to their customers, providing premium and convenient delivery experiences.

During the Reporting Period, revenue from our last-mile delivery service was RMB4,457.3 million, representing a year-on-year increase of 56.9%. This growth was mainly attributable to: (i) We improved our fulfilment capabilities, and deepened network and business collaboration with major customers, leading to rapid growth in all cooperative business products; (ii) The scale and proportion of services supporting the dispatch process steadily increased. It further promoted customers' last-mile operational efficiency and cost-effectiveness, and enabled customers to enhance their logistics capabilities to better cater to the business goal of developing e-commerce parcels service. The scale of e-commerce delivery orders we undertook has grown rapidly; (iii) In terms of parcel collection, we acted as supplementary flexible capacity to respond promptly to needs such as nighttime, public holidays, shopping peak seasons, and growing demands such as e-commerce consolidated collection, on-site collection of e-commerce return parcels etc., with the order volume for parcel collection support services increased by more than 150% year-on-year during the first half of 2025; and (iv) We offered local transfer service such as "delivery within half a day", which can effectively meets diverse delivery and timeliness requirement. We actively expanded our last-mile delivery customer base and undertook intra-city logistics services in scenarios such as fruit and fresh produce, corporate group meals, and company gift deliveries, driving our business growth.

## **Our Riders**

Riders are our closest partners, and we have a national and flexible rider network. During the 12 months ended 30 June 2025, the number of annual active riders on our platform further expanded to approximately 1.14 million. We strived to increase riders' income, offering diverse business scenarios to provide riders with more orders and income opportunities. Due to the rapid order growth and our internal operational optimization during the Reporting Period, riders' productivity<sup>8</sup> in June 2025 improved by 38% year-on-year, leading to continued improvement in riders' income. The number of riders with medium-to-high income levels increased by 65% year-on-year, and the number of riders with an average monthly income exceeding RMB10,000 increased by 107% year-on-year. We also strictly fulfil our platform responsibilities by continuously ensuring riders' rights and providing professional empowerment and comprehensive support for riders.

We care about riders' platform experience, welfare, and rights protection, and strive to build a comprehensive and multi-tiered welfare system for riders and to create a rider-friendly community. During the Reporting Period, we organized over 7,000 offline caring activities. In addition to routine initiatives such as rider stations, rider satisfaction surveys, adverse weather subsidies, and holiday care, we also launched a series of special initiatives. For example, the "Grievance Care Allowance" pays attention to the emotional well-being of riders, while the "Public Charity Fund" continues to provide support for riders and their families in areas including living expenses, education, and medical needs, such as hardship relief subsidies, scholarships for riders' children, and a summer assistance program for college student riders. We provide riders with free online training courses and personal development opportunities, enabling outstanding riders to be promoted to management positions within delivery teams and offering career opportunities within the platform to achieve personal growth. We continue to enrich the rider honor system to cultivate an atmosphere of "stepping up and continuously rising" enhancing riders' sense of identity and belonging to the platform, further increasing rider engagement and retention rates.

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<sup>8</sup> "Riders' productivity" refers to the average daily order completions per active rider during a given period.

We prioritize riders' safety and health. We regularly improve our safety policies, providing safety training, equipping protective gear and setting up safety reminders, antifatigue alerts, special weather warnings, and safety incident reporting services for riders, striving to enhance their overall safety experience on a daily basis. We always attach great importance to protecting riders' health rights, working with local traffic police to conduct traffic safety day promotions and training, organizing AED first aid training, traffic safety, and fire safety activities to improve riders' emergency response capabilities and strengthen safety awareness. We also offer various insurance services for riders and simplify the claims application process to reduce application difficulty, providing multiple safeguards for potential issues riders may encounter in their daily delivery work. During the Reporting Period, our safety accident rate decreased by 11% compared with last year.

## **Our Technologies**

Technology is at the core of our business and is crucial to efficiency improvement and cost reduction. We are committed to advancing digital operations and AI decision-making intelligence at various stages of our business. Our City Logistics System ("CLS") has achieved collaborative response in the three core processes, including intelligent business planning and marketing management, integrated rider dispatch and intelligent order distribution, and intelligent operational optimization. We are committed to organically integrating innovative technology services with diversified scenarios, optimizing order recommendation and rider scheduling models based on front-end user demand and operating models to achieve optimal matching between orders and riders across different industries, scenarios, and complex delivery networks.

Amid the industry trend of diversified traffic sources, as a neutral and open third-party platform, we enable merchants to integrate orders from different channels, platforms, and private domains, and to conduct intelligent distribution and planning, intelligent timeliness prediction, and real-time order monitoring, thereby better supporting merchants to improve operational efficiency and generate revenue. In the first half of 2025, we focused on strengthening the system's scheduling capabilities to manage peak order volumes and strived to ensure fulfilment and efficiency. For riders, we fully consider their time availability and actual road conditions. We optimized the rationality of rider dispatch and route planning, to improve the efficiency of matching riders with orders, to reduce delivery difficulty, and to help riders effectively increase productivity and personal income. Our system also enhances rider experiences in combination with rider incentive systems, considering factors such as rider delivery experience, adverse weather conditions, night shifts, and peak periods, offering personalized dispatch support to enhance the platform's care with technological backing. In addition, the system considers factors such as rider delivery duration and attendance to enhance scheduling care, to offer support from a technical standpoint.

During the Reporting Period, we actively promoted multi-scenario applications of AI large models, cooperating with a number of leading domestic large model vendors, and applying self-developed AI agent tools in areas such as rider management, local delivery outlet manager services, intelligent customer service, and merchant operations to assist in communication, information collection, operational analysis, and anomaly monitoring. The application of AI has effectively driven upgrades in experience and efficiency across the entire process.

We continue to explore the application of smart logistics and unmanned delivery technology in commercial scenarios. During the Reporting Period, we continued to promote the deployment of unmanned vehicles in daily operations, focusing on intra-city short-distance transfers and the delivery between transit hubs and local delivery outlets as part of our last-mile delivery service. Combined with the flexible rider network, this forms an efficient and stable delivery ecosystem, promoting the upgrade of intelligent logistics.

As of the end of June 2025, over 300 unmanned vehicles had been put into daily operation, covering more than 60 cities nationwide, with an average of approximately 20,000 active trips per month. Meanwhile, we developed relevant technological capabilities to strengthen functions such as vehicle scheduling, road condition monitoring, and operational supervision. Based on actual fulfilment situations and data analysis, we iterated operational strategies and strengthened real-time monitoring to improve the fulfilment efficiency and stability of unmanned vehicles to further reduce costs. We are committed to building and strengthening the “Rider + Unmanned Delivery” network operation capability, organically integrating unmanned delivery capabilities with the existing rider network to improve efficiency and solidify SF Intra-city’s differentiated competitive advantages.

## **Outlook**

In the first half of 2025, we continued to deepen our focus on the local life services industry, actively seizing market opportunities and service demands arising from the boom in on-demand retail. Leveraging our neutral and open market positioning and multi-scenario service capabilities, we continued to provide high-quality and convenient on-demand delivery services for merchants, consumers, and traffic platforms. We continue to invest in business scale growth, network efficiency optimization, and business synergy across various scenarios to consolidate our intra-city delivery infrastructure capabilities.

Looking ahead, we will remain committed to our operational goal of “high-quality and healthy growth.” We will embrace market opportunities arising from diversified traffic, continuous increase in penetration rates of food delivery and on-demand retail, accelerated intra-city logistics, and the ongoing expansion of third-party on-demand delivery services. We will steadfastly work to scale up, broaden scenarios, improve services, and strengthen networks. With the innovation of consumption models and industry expansion, we will continue to focus on our core value contribution within the local service ecosystem, increase investment in technological innovations such as unmanned delivery and AI, and join hands with more partners to safeguard the prosperity and development of new consumption, thereby better fulfilling our mission of “bringing enjoyable lifestyle to your fingertips”.

## FINANCIAL REVIEW

The following table sets forth the comparative figures for the six months ended 30 June 2024 and 2025.

### Interim Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue	10,235,950	6,878,470
Cost of revenue	(9,555,153)	(6,405,187)
<b>Gross profit</b>	<b>680,797</b>	473,283
Selling and marketing expenses	(107,567)	(101,610)
Research and development expenses	(69,502)	(51,240)
Administrative expenses	(377,018)	(277,630)
Other income	4,014	13,794
Other gains, net	21,115	9,870
Net impairment losses of financial assets	(1,699)	(3,835)
<b>Operating profit</b>	<b>150,140</b>	62,632
Finance income	8,539	18,737
Finance costs	(331)	(394)
Finance income, net	8,208	18,343
Share of loss of a joint venture accounted for using the equity method	(505)	(403)
<b>Profit before income tax</b>	<b>157,843</b>	80,572
Income tax expenses	(20,794)	(18,398)
<b>Profit for the period</b>	<b>137,049</b>	62,174
<b>Profit for the period attributable to</b>		
– Owners of the Company	137,049	62,174



	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)</b>		
– Basis earnings and diluted earnings per share (in RMB)	<b>0.15</b>	<b>0.07</b>
<b>Profit for the period</b>	<b>137,049</b>	<b>62,174</b>
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	<b>(4,816)</b>	<b>4,899</b>
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of equity investments at fair value through other comprehensive income	<b>(4,150)</b>	<b>(16,581)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>(8,966)</b>	<b>(11,682)</b>
<b>Total comprehensive income for the period</b>	<b>128,083</b>	<b>50,492</b>
<b>Total comprehensive income for the period attributable to:</b>		
– Owners of the Company	<b>128,083</b>	<b>50,492</b>

## Key Consolidated Statement of Financial Position Items

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Total non-current assets	378,711	398,084
Total current assets	4,703,101	4,271,649
<b>Total assets</b>	<b>5,081,812</b>	<b>4,669,733</b>
<b>Total equity</b>	<b>3,111,754</b>	<b>2,960,528</b>
Total non-current liabilities	6,438	9,140
Total current liabilities	1,963,620	1,700,065
<b>Total liabilities</b>	<b>1,970,058</b>	<b>1,709,205</b>
<b>Total equity and liabilities</b>	<b>5,081,812</b>	<b>4,669,733</b>
<b>Net current assets</b>	<b>2,739,481</b>	<b>2,571,584</b>

## Revenue

The following table sets forth our revenue by line of business for the six months ended 30 June 2024 and 2025 respectively.

	Six months ended 30 June 2025 <i>RMB'000</i> (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
<b>Intra-city on-demand delivery service</b>	<b>10,235,950</b>	6,878,470
Intra-city delivery service	5,778,682	4,037,955
(1) To Merchants ( <i>i.e. to B</i> )	4,466,927	2,874,085
(2) To Consumers ( <i>i.e. to C</i> )	1,311,755	1,163,870
Last-mile delivery service	4,457,268	2,840,515
<b>Total</b>	<b>10,235,950</b>	<b>6,878,470</b>



Revenue increased by 48.8% to RMB10,236.0 million for the six months ended 30 June 2025, compared to RMB6,878.5 million for the six months ended 30 June 2024, mainly due to (i) the steadfast execution of healthy and high-quality development, driving the continuous deepening of partnerships and improvement of the business structure; (ii) a rapid increase in order volume, driven by demand in the food delivery and on-demand retail industry; and (iii) enhanced penetration in lower-tier markets and an improved system in niche fulfilment networks to attract more high-quality customers.

### Cost of Revenue

The following table sets forth our cost of revenue by category for the six months ended 30 June 2024 and 2025 respectively.

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Labour outsourcing costs	<b>9,421,865</b>	6,293,403
Amortization of intangible assets	<b>18,286</b>	17,593
Cost of material	<b>36,176</b>	30,758
Employee benefit expenses	<b>28,633</b>	17,110
Depreciation of right-of-use assets	<b>724</b>	2,848
Depreciation of property, plant and equipment	<b>2,548</b>	1,051
Others	<b>46,921</b>	42,424
<b>Total</b>	<b><u>9,555,153</u></b>	<b><u>6,405,187</u></b>

Cost of revenue increased by 49.2% to RMB9,555.2 million for the six months ended 30 June 2025, compared to RMB6,405.2 million for the six months ended 30 June 2024, mainly due to an increase in business scale and order volume that led to an increase in costs for delivery by riders.

### Gross Profit and Margin

As a result of the foregoing, our gross profit and gross profit margin for the six months ended 30 June 2025, were RMB680.8 million and 6.7% respectively, compared to the gross profit and the gross profit margin of RMB473.3 million and 6.9% respectively for the six months ended 30 June 2024. The change in gross profit is mainly due to (i) further release of scale effects driven by revenue growth; (ii) continuous enhancement of the flexible capacity network; and (iii) enhanced operating quality and efficiency driven by digital and intelligent technology capabilities and lean management.

### Selling and Marketing Expenses

Our selling and marketing expenses increased by 5.9% to RMB107.6 million for the six months ended 30 June 2025, compared to RMB101.6 million for the six months ended 30 June 2024, mainly due to an increase in personnel compensation expenses.

## **Research and Development Expenses**

Our research and development expenses increased by 35.6% to RMB69.5 million for the six months ended 30 June 2025, compared to RMB51.2 million for the six months ended 30 June 2024, mainly due to an increase in research and development investment. See “Business Review – Our Technologies”.

## **Administrative Expenses**

Our administrative expenses increased by 35.8% to RMB377.0 million for the six months ended 30 June 2025, compared to RMB277.6 million for the six months ended 30 June 2024, mainly due to an increase in employee benefit expenses.

## **Other Income**

Our other income decreased by 70.9% to RMB4.0 million for the six months ended 30 June 2025, compared to RMB13.8 million for the six months ended 30 June 2024, mainly due to a decrease in government grants and a change in the policy on additional deductions for value added tax.

## **Finance Income, Net**

Our finance income, net decreased from RMB18.3 million for the six months ended 30 June 2024 to RMB8.2 million for the six months ended 30 June 2025, mainly due to a decrease in our cash and cash equivalents and in interest rates, resulting in a decrease in interest income.

## **Income Tax Expenses**

Our income tax expenses were RMB20.8 million for the six months ended 30 June 2025, mainly due to an increase of the profit for the period.

## **Profit for the Period and Net Profit Margin**

As a result of the foregoing, we recorded a net profit and a net profit margin of RMB137.0 million and 1.3% respectively for the six months ended 30 June 2025, compared to a net profit and a net profit margin of RMB62.2 million and 0.9% respectively in the six months ended 30 June 2024.

## **Non-IFRS Accounting Standards Measure: Adjusted Net profit**

To supplement our consolidated results which are prepared and presented in accordance with the International Financial Reporting Accounting Standards (“**IFRS Accounting Standards**”), we adopted the non-IFRS Accounting Standards of adjusted net profit as an additional financial measure. We believe that the presentation of non-IFRS Accounting Standards measures when shown in conjunction with the corresponding IFRS Accounting Standards measures provides useful information to investors and management.

We define adjusted net profit for the period as profit for the period adjusted by adding back share-based compensation expenses, while the adjusted net profit margin refers to the adjusted net profit divided by revenue. Share-based compensation expenses are non-operational expenses arising from granted award shares or trust benefit units, which correspond to a certain amount of the shares of the Company, to selected grantees, the amount of which may not directly correlate with the underlying performance of our business operations. Thus, these expenses are neither related to our ordinary course of business nor indicative of our ongoing core operating performance. Therefore, we believe that these items should be adjusted for when calculating our adjusted net profit in order to provide investors and management with a complete and fair understanding of our core operating results and financial performance, so that they can assess our underlying core operating results and financial performance undistorted by items unrelated to our ordinary course of business operations, especially in (i) making period-to-period comparisons of and assessing the profile of, our operating and financial performance; and (ii) making comparisons with other comparable companies with similar business operations.

Nonetheless, our presentation of such non-IFRS Accounting Standards measure may not be comparable to similar titled measures presented by other companies. Furthermore, the use of this non-IFRS Accounting Standards measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS Accounting Standards.

The following table sets forth reconciliations of our adjusted net profit (non-IFRS Accounting Standards measure) for the respective periods:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net profit for the period	<b>137,049</b>	62,174
Add:		
Share-based compensation expenses	<b>23,143</b>	4,860
<b>Adjusted net profit (non-IFRS Accounting Standards measure) (unaudited)</b>	<b><u>160,192</u></b>	<b><u>67,034</u></b>
<b>Adjusted net profit margin (non-IFRS Accounting Standards measure) (unaudited)</b>	<b><u>1.6%</u></b>	<b><u>1.0%</u></b>

## Liquidity and Financial Resources

Other than the funds raised through our Global Offering in December 2021, we have historically funded our cash requirements principally from capital contribution from shareholders/financing through borrowings from related party. We had cash and cash equivalents of RMB1,134.1 million as of 30 June 2025, compared to the balance of RMB1,452.7 million as of 30 June 2024. The following table sets forth our cash flows for the periods indicated:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Operating cash flows before changes in working capital	<b>177,587</b>	95,228
Changes in working capital	<b>(248,465)</b>	(10,069)
Interest received	<b>8,539</b>	18,737
Income tax paid	<b>(508)</b>	(4,704)
Net cash (used in)/generated from operating activities	<b>(62,847)</b>	99,192
Net cash used in investing activities	<b>(164,237)</b>	(411,040)
Net cash used in financing activities	<b>(7,449)</b>	(134,907)
Net decrease in cash and cash equivalents	<b>(234,533)</b>	(446,755)
Cash and cash equivalents at the beginning of the period	<b>1,368,835</b>	1,898,743
Effects of exchange rate changes on cash and cash equivalents	<b>(166)</b>	725
Cash and cash equivalents at the end of the period	<b><u>1,134,136</u></b>	<b><u>1,452,713</u></b>

### Net Cash Used in Operating Activities

Cash used in our operations primarily comprises our profit before income tax adjusted by non-cash items and changes in working capital.

For the six months ended 30 June 2025, net cash used in operating activities was RMB62.8 million, which was mainly attributable to our profit before income tax of approximately RMB157.8 million, as adjusted by: (i) non-cash and non-operating items, primarily comprising share-based compensation expenses, amortization and depreciation of assets and gain from fair value adjustments of financial assets of approximately RMB28.4 million; (ii) changes in working capital of approximately RMB248.5 million; and (iii) payment of income tax of approximately RMB0.5 million.

### Net Cash Used in Investing Activities

For the six months ended 30 June 2025, net cash used in investing activities was RMB164.2 million, which was mainly attributable to our purchase of structured deposit products.

### Net Cash Used in Financing Activities

For the six months ended 30 June 2025, net cash used in financing activities was RMB7.4 million, which was mainly attributable to our payments of long-term lease rentals.

## Gearing Ratio

Our gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents. As at 30 June 2025, given that the cash and cash equivalents exceed the aggregation of total borrowings and lease liabilities, gearing ratio is no longer calculated.

## Financial Assets at Fair Value through Profit or Loss

Our financial assets measured at fair value through profit or loss increased from RMB1,145.9 million as of 31 December 2024 to RMB1,296.3 million as of 30 June 2025, mainly due to an increase in our purchased structured deposit products.

## Borrowings

As of 30 June 2025, we did not have outstanding borrowing.

## Capital Commitments

The following table sets forth our capital commitments as of the dates indicated.

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Investments	<u>25,000</u>	<u>25,000</u>

## Capital Expenditure

The following table sets forth a breakdown of our capital expenditures for the periods indicated.

	For the six months ended 30 June 2025 <i>RMB'000</i> (Unaudited)	2024 <i>RMB'000</i> (Unaudited)
Payment for intangible assets	14,367	25,714
Payment for property, plant and equipment	<u>26,253</u>	<u>3,167</u>
Total	<u>40,620</u>	<u>28,881</u>

## Lease Commitments and Arrangements

Leases not yet commenced to which the Group is committed are as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Within 1 year	3,687	909
Between 1 to 2 years	723	—
Between 2 to 3 years	53	—
	<u>4,463</u>	<u>909</u>

## Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

For the six months ended 30 June 2025, we did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

## Pledge of Assets

As of 30 June 2025, we did not have any pledge of assets.

## Contingent Liabilities

The Group is subject to a number of legal proceedings that generally arise in the ordinary course of its business. The Group is of view that any currently pending legal proceeding to which the Group is a party will not have a material adverse effect on the consolidated financial statements.

## Significant Investments

There was no investment of which the carrying amount individually constituted 5% or more of our total assets as at 30 June 2025.

## Future Plans for Material Investments and Capital Assets

As of 30 June 2025, we did not have other plans for material investments and capital assets.

## MATERIAL EVENTS AFTER THE REPORTING PERIOD

On 28 July 2025, Shunda Tongxing, a wholly-owned subsidiary of the Company, entered into a capital increase agreement, pursuant to which Shunda Tongxing agreed to further make a cash capital contribution of RMB99.54 million to White Rhino Zhida (Beijing) Technology Co., Ltd. (the “**White Rhino Zhida**”). Upon completion of transaction, the shares of White Rhino Zhida held by the Group would increase from 6.77% to 15.81%.

Save as disclosed above, the Group had no other material events during the period from 1 July 2025 to the approval date of the condensed consolidated financial statements by the Board of Directors on 28 August 2025.

## EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had a total of 1,980 full-time employees.

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer competitive remuneration packages for our employees, which generally include salary and bonuses. We also provide benefits, including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and other national statutory insurances, housing provident fund schemes to our employees.

Furthermore, we have labour unions that protect employees' rights, help fulfil economic objectives and encourage employee participation in management decisions.

## OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As at 30 June 2025, the Company had not entered into any off-balance sheet arrangements.

## INTERIM DIVIDEND

The Board does not recommend the distribution of an interim dividend for the six months ended 30 June 2025.

## USE OF PROCEEDS FROM THE LISTING

During the Reporting Period, the Group has gradually used the proceeds from the initial public offering for the intended purposes set out in the Prospectus as well as in accordance with the change of allocation in use of proceeds (the “**Amendment**”) set out in the interim results announcement of the Company dated 28 August 2024.

See the table below for details regarding the amount of net proceeds that the Company has utilised up until 30 June 2025:

Purpose	Net proceeds from the Listing available after the Amendment (HK\$ million)	Unused net proceeds as at 1 January 2025 (HK\$ million)	Actual usage during the Reporting Period (HK\$ million)	Unused net proceeds as at 30 June 2025 (HK\$ million)	Expected timeline for utilising unutilised net amount
Research and development and technology infrastructure	718.0	–	–	–	N/A
Expand the Company's service coverage	793.7	383.4	383.4	–	N/A
Funding potential strategic acquisitions and investments in upstream and downstream businesses along the industry value chain	26.9	26.9	–	26.9	by end of 2026
Marketing and branding	307.7	–	–	–	N/A
Working capital and general corporate use	205.2	–	–	–	N/A
<b>Total</b>	<b>2,051.5</b>	<b>410.3</b>	<b>383.4</b>	<b>26.9</b>	



## **CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES**

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

## **OTHER INFORMATION**

### **Compliance with the Corporate Governance Code**

The Group is committed to maintaining and promoting stringent corporate governance to safeguard the interests of the Shareholders and to enhance our corporate value. The principle of the Group's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its business and operation are conducted in accordance with applicable laws and regulations, to enhance the transparency of the Board, and to strength accountability to all Shareholders. The Group's corporate governance practices are based on the principles and code provisions prescribed in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

During the Reporting Period and up to the date of this announcement, the Company has complied with all applicable principles of good corporate governance and code provisions of the CG Code, save and except the following in respect of code provision C.2.1 of the CG Code: during the Reporting Period, both the chairman of the Board and the Chief Executive Officer ("**CEO**") of the Company were held by Mr. Sun Haijin. Notwithstanding the deviation from code provision C.2.1, the Board believes that with the support of the management, vesting the roles of both Chairman and CEO by the same person can facilitate execution of the Group's business strategies and boost effectiveness of its operation. In addition, under the supervision by the Board which currently consists of three executive Directors, four non-executive Directors and four independent non-executive Directors, the interest of the Shareholders will be adequately and fairly represented.

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.

### **Compliance with the Model Code for Securities Transactions by Directors**

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors of the Group, all the Directors confirmed that they have strictly complied with the Model Code throughout the Reporting Period and up to the date of this announcement.

### **Purchase, Sale or Redemption of the Company's Listed Securities**

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities (including the sale of treasury shares) listed on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

As of 30 June 2025 the Company had 745,610,609 H Shares (including 3,120,800 treasury shares) and 171,764,898 domestic Shares, subject to compliance with the Listing Rules, the Company might consider using treasury shares for future resale or cancellation.



## **Sufficiency of Public Float**

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company has maintained the minimum public float required by the Stock Exchange throughout the Reporting Period.

## **Audit Committee and Review of Financial Information**

The Company has established an audit committee (the “**Audit Committee**”) in compliance with Rule 3.21 of the Listing Rules and the CG Code to monitor the implementation of our risk management policies across our Company on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Audit Committee comprises three members, including independent non-executive Directors Mr. Wong Hak Kun and Mr. Chan Kok Chung, Johnny and non-executive Director Mr. Li Qiuyu, with Mr. Wong Hak Kun (with the appropriate professional qualifications) as chairman of the Audit Committee.

The Audit Committee, together with PricewaterhouseCoopers, the auditor of the Company, has reviewed the Group’s unaudited Interim Financial Information for the Reporting Period. The Audit Committee has also reviewed the accounting policies adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters.

## **PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT**

This interim results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at <https://www.sf-cityrush.com/>. The interim report of the Group for the six months ended 30 June 2025 will be published on the aforesaid websites of the Stock Exchange and the Company in due course.

## **APPRECIATION**

The Board would like to express its gratitude to all of our customers, suppliers, riders and partners, and all Shareholders for their understanding, support and trust, with which all employees of the Group, will continue to work diligently as one in the long run.

By Order of the Board  
**Hangzhou SF Intra-city Industrial Co., Ltd.**  
**SUN Haijin**  
*Chairman of the Board and Chief Executive Officer*

PRC, 28 August 2025

*As at the date of this announcement, the Board comprises Mr. Sun Haijin, Mr. Chan Hey Man and Mr. Chen Lin, as executive Directors; Mr. Geng Yankun, Ms. Li Juhua, Mr. Li Qiuyu and Mr. Lei Yanqun, as non-executive Directors; and Mr. Chan Kok Chung, Johnny, Mr. Wong Hak Kun, Mr. Zhou Xiang and Ms. Huang Jing, as independent non-executive Directors.*