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**FAR International Holdings Group Company Limited**

**泛遠國際控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2516)**

**ANNUAL RESULTS ANNOUNCEMENT FOR  
THE YEAR ENDED 31 DECEMBER 2025**

The board (the “**Board**”) of directors (the “**Director(s)**”) of FAR International Holdings Group Company Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (“**FY2025**” or the “**Reporting Period**”) together with the comparative figures for the year ended 31 December 2024 (“**FY2024**”) as follows:

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

	<i>Notes</i>	<b>FY2025</b> <b>RMB'000</b>	FY2024 RMB'000
Revenue	3	<b>1,992,648</b>	2,982,719
Cost of sales		<b>(1,838,337)</b>	(2,767,916)
Gross profit		<b>154,311</b>	214,803
Other income, gains and losses, net	5	<b>(6,821)</b>	(9,767)
Share of losses of associates		<b>(555)</b>	—
Selling expenses		<b>(14,714)</b>	(15,414)
Administrative and other expenses		<b>(66,414)</b>	(71,039)
Impairment loss on trade, deposits and other receivables		<b>(19,868)</b>	(18,441)
Impairment loss on goodwill		<b>(18,099)</b>	—
Finance costs	6	<b>(18,383)</b>	(19,354)
Profit before tax		<b>9,457</b>	80,788
Income tax expenses	7	<b>(6,431)</b>	(11,577)
Profit for the year	8	<b><u>3,026</u></b>	<u>69,211</u>
Other comprehensive (expense) income for the year:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference arising on translating foreign operations		<b>(1,127)</b>	1,441
Total comprehensive income for the year		<b><u>1,899</u></b>	<u>70,652</u>
Profit (loss) attributable to:			
— Owners of the Company		<b>5,115</b>	69,275
— Non-controlling interests		<b>(2,089)</b>	(64)
		<b><u>3,026</u></b>	<u>69,211</u>
Total comprehensive income (expense) attributable to:			
— Owners of the Company		<b>3,988</b>	70,716
— Non-controlling interests		<b>(2,089)</b>	(64)
		<b><u>1,899</u></b>	<u>70,652</u>
Earnings per share			
Basic and diluted ( <i>RMB cents</i> )	10	<b><u>0.65</u></b>	<u>8.88</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		21,243	23,592
Right-of-use assets		35,948	8,880
Goodwill		126,581	144,680
Deposits		56,287	5,754
Investments in associates		—	—
Deferred tax assets		11,769	7,865
		<b>251,828</b>	190,771
<b>Current assets</b>			
Trade and bills receivables	11	557,189	660,409
Deposits, prepayments and other receivables		139,057	112,632
Financial assets at fair value through profit or loss		3,617	60,030
Time deposit		61,405	249,856
Bank balances and cash		551,157	448,633
		<b>1,312,425</b>	1,531,560
<b>Current liabilities</b>			
Trade payables	12	92,770	83,252
Accruals and other payables		39,326	37,810
Contract liabilities		19,390	3,924
Income tax payables		5,752	8,316
Lease liabilities		10,846	5,607
Provision on litigation		2,500	—
Borrowings		592,482	857,391
		<b>763,066</b>	996,300
<b>Net current assets</b>		<b>549,359</b>	535,260
<b>Total assets less current liabilities</b>		<b>801,187</b>	726,031
<b>Non-current liabilities</b>			
Deferred tax liabilities		10	19
Lease liabilities		26,649	3,717
		<b>26,659</b>	3,736
<b>Net assets</b>		<b>774,528</b>	722,295

	<i>Notes</i>	<b>FY2025</b> <b>RMB'000</b>	FY2024 <i>RMB'000</i>
<b>Capital and reserves</b>			
Paid-in capital/share capital		<b>8,496</b>	7,075
Reserves		<b>768,195</b>	715,638
		<u>776,691</u>	<u>722,713</u>
Non-controlling interests		<b>(2,163)</b>	(418)
		<u>774,528</u>	<u>722,295</u>
<b>Total equity</b>		<b><u>774,528</u></b>	<b><u>722,295</u></b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

FAR International Holdings Group Company Limited (the “**Company**”) was incorporated in the Cayman Islands under the Companies Act (as revised) of the Cayman Islands as an exempted company with limited liability on 24 November 2022 and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its immediate and ultimate holding company is Zi Yue Holdings Limited (“**Zi Yue**”), a company with limited liability incorporated in the British Virgins Islands. Zi Yue is wholly and directly owned by Wang Quan (“**Mr. Wang**”), who is also a director of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company is an investment holding company. The Company and its subsidiaries (together referred to as the “**Group**”) are principally engaged in the provision of end-to-end cross-border delivery service, freight forwarding service and other logistics service.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

## 2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

In the current year, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) which are effective for the Group’s financial year beginning on 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

## **New and amendments to HKFRSs issued but not yet effective**

The Group has not early applied the following new and amendments to HKFRSs that have been issued but not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that, except as described below, the application of the other new and amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

## **HKFRS 18 Presentation and Disclosure in Financial Statements**

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of the HKFRS 18 is not expected to have material impact on the financial position of the Group. The directors are in the process of making an assessment of the impact of HKFRS 18, but is not yet in a position to state whether the adoption would have a material impact on the presentation and disclosures of consolidated financial statements of the Group.

### 3. REVENUE

Revenue mainly represents revenue arising from end-to-end cross-border delivery service, freight forwarding service and other logistics service for the year. An analysis of the Group's revenue is as follows:

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Disaggregated by major services lines		
— End-to-end cross-border delivery service	<b>982,970</b>	1,374,191
— Freight forwarding service	<b>404,568</b>	599,766
— Other logistics service	<b>605,110</b>	1,008,762
	<b>1,992,648</b>	2,982,719

#### Disaggregation of revenue from contracts with customers by timing of recognition

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
<b>Timing of revenue recognition</b>		
Overtime	<b>982,970</b>	1,374,191
At point in time	<b>1,009,678</b>	1,608,528
	<b>1,992,648</b>	2,982,719

#### Transaction price allocated to the remaining performance obligations

The sales contracts are with an original expected duration of less than one year. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price for the performance obligation that is unsatisfied (or partially unsatisfied) as of the end of the reporting period.

#### 4. SEGMENT INFORMATION

The executive directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in the provision of end-to-end cross-border delivery services, freight forwarding service and other logistics service. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available.

##### Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers and non-current assets. The geographical location of revenue from external customers is based on the location of the orders placed. Information about the Group's non-current assets is presented based on the geographic location of the assets.

Revenue from external customers:

	<b>FY2025</b> <b>RMB'000</b>	FY2024 <b>RMB'000</b>
Chinese Mainland	<b>1,596,489</b>	2,903,620
Hong Kong	<b>326,796</b>	43,093
The United States	<b>11,437</b>	15,049
Singapore	<b>51,430</b>	14,446
The United Kingdom	<b>4,237</b>	95
Other countries and regions	<b>2,259</b>	6,416
	<b><u>1,992,648</u></b>	<b><u>2,982,719</u></b>

Non-current assets:

	<b>FY2025</b> <b>RMB'000</b>	FY2024 <b>RMB'000</b>
Chinese Mainland	<b>156,793</b>	173,928
The United States	<b>25,138</b>	—
Hong Kong	<b>1,841</b>	3,224
	<b><u>183,772</u></b>	<b><u>177,152</u></b>

Non-current assets excluded financial instruments and deferred tax assets.

### Information about major customers

Revenue from customers contributed over 10% of the total revenue of the Group are as follows:

	<b>2025</b> <b>RMB'000</b>	2024 <b>RMB'000</b>
Customer Group A <sup>1</sup>	<b><u>780,719</u></b>	<b><u>1,468,340</u></b>

<sup>1</sup> Revenue from end-to-end cross-border delivery service, freight forwarding service and other logistic service rendered.

## 5. OTHER INCOME, GAINS AND LOSSES, NET

	<b>FY2025</b> <b>RMB'000</b>	FY2024 <b>RMB'000</b>
Bank interest income	<b>5,592</b>	5,652
Government grants ( <i>note (i)</i> )	<b>1,165</b>	7,434
Gain on disposal of an associate	<b>191</b>	—
Gain on deemed disposal of an associate	<b>386</b>	—
Gain arising from change in fair value of financial assets at FVTPL	<b>718</b>	1,412
Net loss on disposal of property, plant and equipment	<b>(140)</b>	(431)
Net (loss) gain on early termination of leases	<b>(25)</b>	6
Provision for litigation	<b>(2,500)</b>	—
Exchange difference	<b>(13,695)</b>	(24,374)
Sundry income	<b>1,487</b>	534
	<b><u>(6,821)</u></b>	<b><u>(9,767)</u></b>

*Note:*

- (i) The government grants were mainly incentives provided by local government authorities in the PRC for various forms of government financial incentives to reward the Group's support and contribution for the development of local economies. In addition, during the years ended 31 December 2024, the Group obtained a government grant, provided by local government authorities in the PRC, relating to the successful listing of its shares in Hong Kong. As of 31 December 2025 and 2024, there were no unfulfilled conditions or contingencies relating to these government grants.

## 6. FINANCE COSTS

	<b>FY2025</b> <b>RMB'000</b>	<b>FY2024</b> <b>RMB'000</b>
Interest on:		
Bank borrowings	<b>16,572</b>	18,621
Lease liabilities	<b>1,811</b>	733
	<u>          </u>	<u>          </u>
	<b>18,383</b>	<b>19,354</b>
	<u>          </u>	<u>          </u>

## 7. INCOME TAX EXPENSES

	<b>FY2025</b> <b>RMB'000</b>	<b>FY2024</b> <b>RMB'000</b>
Current income tax:		
— Hong Kong Profits Tax	<b>1,163</b>	297
— Corporate Income Tax	<b>9,646</b>	14,894
Over-provision of profit tax for prior years	<b>(465)</b>	—
Deferred taxation	<b>(3,913)</b>	(3,614)
	<u>          </u>	<u>          </u>
	<b>6,431</b>	<b>11,577</b>
	<u>          </u>	<u>          </u>

## 8. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	<b>FY2025</b> <b>RMB'000</b>	FY2024 <b>RMB'000</b>
Directors' emoluments	<b>3,115</b>	3,421
Salaries, allowances and other benefits (excluding directors' emoluments)	<b>69,200</b>	68,460
Contributions to retirement benefits scheme (excluding directors' emoluments)	<b>10,240</b>	9,292
	<hr/>	<hr/>
Total staff costs	<b>82,555</b>	81,173
	<hr/>	<hr/>
Auditor's remuneration	<b>1,099</b>	1,350
Research and development cost ( <i>note</i> )	<b>1,127</b>	1,503
Impairment loss on goodwill	<b>18,099</b>	—
Impairment loss on:		
— trade receivables	<b>16,365</b>	15,713
— deposits and other receivables	<b>3,503</b>	2,728
	<hr/>	<hr/>
	<b>19,868</b>	18,441
	<hr/>	<hr/>
Depreciation of property, plant and equipment	<b>4,535</b>	4,917
Depreciation of right-of-use assets	<b>10,902</b>	10,353
	<hr/> <hr/>	<hr/> <hr/>

*Note:* The item does not include depreciation, employee benefits and related expenses related to research and development.

## 9. DIVIDEND

No dividend has been paid or declared during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

## 10. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
<b>Earnings</b>		
Earnings for the purpose of basic and diluted earnings per share	<u>5,115</u>	<u>69,275</u>
	<b>FY2025</b> <i>'000</i>	FY2024 <i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>786,872</u>	<u>780,000</u>

For the year ended 31 December 2025, the weighted average number of ordinary shares had been adjusted for the effect of the repurchase of shares for share award scheme and placing offering.

The diluted earnings per share is same as the basic earnings per share as there were no dilutive potential ordinary shares outstanding for both years.

## 11. TRADE AND BILLS RECEIVABLES

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
Trade receivables	608,647	696,121
Bills receivable	200	—
Less: allowance for impairment loss of trade receivables	<u>(51,658)</u>	<u>(35,712)</u>
	<u>557,189</u>	<u>660,409</u>

As at 31 December 2025 trade receivables with approximately RMB174,766,000 (2024: RMB494,171,000) were pledged to secure the bank borrowings granted to the Group.

The following is an ageing analysis of trade and bill receivables, net of allowance for impairment loss of trade and bill receivables, presented based on invoice date at the end of the reporting period.

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
Within 3 months	<b>438,037</b>	527,224
4–12 months	<b>117,479</b>	128,561
1–2 years	<b>1,673</b>	4,624
	<u><b>557,189</b></u>	<u>660,409</u>

## 12. TRADE PAYABLES

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
Trade payables	<u><b>92,770</b></u>	<u>83,252</u>

The following is an ageing analysis of trade payables presented based on invoice date at the end of the reporting period:

	<b>FY2025</b> <i>RMB'000</i>	FY2024 <i>RMB'000</i>
Within 3 months	<b>84,949</b>	73,507
4–12 months	<b>4,646</b>	7,562
1–2 years	<b>1,165</b>	1,339
2–3 years	<b>2,010</b>	844
	<u><b>92,770</b></u>	<u>83,252</u>

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### *Market Overview*

Based on the data from the General Administration of Customs of the People's Republic of China (the "PRC"), the total import and export trade volume in the PRC reached approximately RMB45.47 trillion in 2025, representing a year-on-year growth of 3.8% and achieving nine consecutive years of growth. Of this, total exports amounted to approximately RMB26.99 trillion, representing a year-on-year growth of 6.1%. While global economic uncertainties, geopolitical tensions and evolving trade regulations posed certain challenges, resulting in adverse impact on the PRC's foreign trade industry to a certain extent, the PRC's foreign trade achieved growth under pressure in 2025 with numerous highlights. This fully demonstrates its resilience and vitality, while also making significant contributions to global economic and trade development.

Cross-border e-commerce is the digital bridge between manufacturers and consumers across countries and an important trend of international trade, which gradually becomes an indispensable part of people's daily lives. While the complex and changing external environment in 2025 impacted the cross-border e-commerce to a certain extent, it did not change the inherent advantages of cross-border e-commerce or the overall trend of development towards digitalisation of international trade. As the primary driver of foreign trade transformation and upgrading, cross-border e-commerce has made remarkable contributions to the robust growth of foreign trade in the PRC. In 2025, the import and export trade volume of cross-border e-commerce in the PRC was approximately RMB2.75 trillion, representing a growth of 69.7% as compared to 2020. There is no doubt that cross-border e-commerce has become the new driving force for the growth of foreign trade in the PRC. Meanwhile, cross-border e-commerce logistics, which forms the core component of cross-border e-commerce imports and exports, has also created more opportunities for development.

### *Performance Overview*

The Group is a renowned cross-border e-commerce logistics service provider in the PRC, with over 20 years of deep industry expertise. The Group operates more than 50 service outlets domestically and internationally with a service coverage spanning more than 220 countries and regions worldwide. It has established stable and deep collaborations with more than 1,100 suppliers, offering a variety of flexible, reliable, stable and compliant cross-border delivery options to its customers.

The Group's total revenue amounted to approximately RMB1.99 billion in 2025, while the revenue for the corresponding period in 2024 amounted to approximately RMB2.98 billion, representing a year-on-year decrease of approximately 33.2% as compared to 2024. Profit attributable to owners of the Company amounted to approximately RMB5.1 million in 2025, while profit attributable to owners of the Company amounted to approximately RMB69.3 million in the corresponding period in 2024. Notably, both revenue and profit of the Group improved significantly in the second half of 2025 as compared to the first half of 2025. This was attributable to the deepening synergistic collaboration with key long-term customers in logistics services and refined cost control.

In 2025, the changes in tariff policies of the United States (“U.S.”) impacted the Group's export business to the U.S., resulting in a decline in both the revenue and profit of the Group. In response, the Group proactively implemented several measures to mitigate the adverse effects of tariff policies, safeguard the interests of the Company and all shareholders, and ensure stable business development:

1. Flexible service adjustments and cost-sharing negotiations. On one hand, we conducted an in-depth analysis of U.S. market demand and closely monitored tariff policy developments, making timely and targeted adjustments to our services, such as optimizing product portfolios and providing customized exclusive logistics solutions. On the other hand, we strengthened communication with customers, focusing on win-win cooperation to achieve reasonable cost sharing through various means, such as optimizing supply chain links to reduce overall costs. Based on market supply and demand and the actual impact of tariffs, we made moderate and reasonable adjustments to product prices while providing corresponding value-added services or preferential policies to balance the impact of price changes on customers.
2. Optimization of logistics routes and expansion into emerging markets. Our business team conducted a comprehensive review and analysis of our global logistics network coverage, designing multiple optimised logistics routes that effectively reduced transportation costs and tariff burdens. We vigorously implemented a strategy of diversifying revenue sources. Through in-depth market research, we accurately grasped local market demand characteristics and trends, expanding our layout and presence in emerging markets, such as Southeast Asia, South America, Europe, Japan, and South Korea.
3. Strengthen overseas infrastructure construction. The Group fully recognises the critical significance of robust overseas infrastructure in mitigating risks associated with tariff policy changes and ensuring stable business development. Accordingly, the Group has further enhanced its warehousing and last-mile delivery capabilities in the U.S., establishing a complete “end-to-end” local fulfillment system. This initiative not only deepens the Group's strategic footprint in the U.S. market but also effectively enhances

service capabilities and customer loyalty, mitigates policy risks, and enables the Group to better seize market opportunities. Beyond further deepening its presence in the North American market, the Group has also significantly accelerated infrastructure development in other regional markets over the past year, including South America, Japan and South Korea, and Southeast Asia. These efforts enable the Group to continuously provide customers with diversified, low-cost, and efficient one-stop cross-border logistics solutions, while laying the groundwork for future expansion across multiple regions.

The Group principally provides three main types of services, namely end-to-end cross-border delivery service, freight forwarding service and other logistics service.

Through coordinating its network of suppliers, the Group is capable of providing a variety of flexible and reliable delivery options to its customers based on their selection of express, standard or economy delivery options. Operating revenue from end-to-end cross-border delivery services amounted to approximately RMB983.0 million in 2025, accounting for approximately 49.33% of the Group's total revenue.

The Group offers freight forwarding services for the delivery of parcels from the port of the origin to the port of the final destination through various delivery methods, such as airborne, seaborne and land transportation. Operating revenue from freight forwarding services amounted to approximately RMB404.6 million in 2025, accounting for approximately 20.30% of the Group's total revenue.

Building on the Group's service outlets and supplier network, the Group offers value-added supply chain solutions that integrate its service offerings and fulfill the specific needs of its customers across various industry verticals. Operating revenue from other logistics services amounted to approximately RMB605.1 million in 2025, accounting for approximately 30.37% of the Group's total revenue.

The Group has always insisted on innovation-driven development, actively embraced digital and intelligent transformation and continuously enhanced our core corporate competitiveness. In 2025 and up to the present in 2026, the Group's business saw several breakthroughs and development:

1. On 20 January 2026, the Company announced its proposal to acquire 51% equity interest in COPE Services Incorporated (“**COPE**”) and Hyperlining LLC (“**Hyperlining**”). Through this strategic merger and acquisition, the Group will deepen its logistics infrastructure in North America, enhance synergistic capabilities across the entire chain including first-mile services, warehouse management, last-mile delivery, and supply chain finance, thereby further strengthening its core competitiveness.

2. Hangzhou FAR International Logistics Co., Ltd.\* (杭州泛遠國際物流有限公司) (“**Hangzhou FAR**”), an indirect wholly-owned subsidiary of the Group, passed the stringent screening process of Amazon and officially joined the service provider network of Amazon in 2025. It will provide compliant and professional cross-border logistics solutions to sellers on Amazon.
3. Leveraging its comprehensive capabilities in the cross-border logistics sector, Hangzhou FAR was recognized as the “5A-grade Logistics Enterprise” (5A級物流企業), “2025 Logistics Benchmark Enterprise of Hangzhou” (杭州市2025年度物流標桿企業), “Zhejiang International Supply Chain Leading Enterprise” (浙江省國際供應鏈領軍企業) and “2025 Zhejiang Service Industry Leading Enterprise” (2025年浙江省服務業領軍企業) in 2025.
4. In November 2025, the Company joined the International Federation of Freight Forwarders Associations (FIATA), becoming a corporate member of FIATA for 2026. This has broadened the Company’s channels for communication and cooperation with leading global logistics industry partners.

## **FINANCIAL OVERVIEW**

### ***Revenue***

The Group’s revenue for FY2025 was approximately RMB1.99 billion, representing a decrease of approximately 33.2% as compared to approximately RMB2.98 billion for FY2024. This decline was primarily attributable to changes in U.S. tariff policies, which led to a reduction in the Group’s shipments to the United States during the year. Consequently, the Group’s end-to-end cross-border delivery services, freight forwarding services, and other logistics services recorded revenue decreases of 28.5%, from approximately RMB1,374.2 million to RMB983.0 million; 32.5%, from approximately RMB599.8 million to RMB404.6 million; and 40.0%, from approximately RMB1,008.8 million to RMB605.1 million, respectively.

### ***Cost of sales***

The Group’s cost of sales decreased from approximately RMB2.77 billion for FY2024 to approximately RMB1.84 billion for FY2025, representing a decrease of approximately RMB930.0 million or 33.6%. The decrease was mainly due to the overall drop in logistic costs associated with the changes in revenue during the period as discussed above.

### ***Gross profit***

The Group's gross profit for FY2025 was approximately RMB154.3 million, representing a decrease of approximately 28.2% as compared to approximately RMB214.8 million for FY2024. The decrease was mainly due to the decline in total revenue for the reasons described above.

The Group's gross profit margin increased slightly from approximately 7.20% for FY2024 to approximately 7.74% for FY2025, primarily attributable to an improvement in gross profit margin of freight forwarding services and other logistics services but partially offset by a decrease in gross profit margin of end-to-end cross-border delivery services.

The increase in gross profit margin of freight forwarding services was mainly due to an improvement in gross profit margin of airborne freight forwarding while the increase in other logistics services resulted from a reduced proportion of last-mile delivery services which yield a relatively low profit margins.

The decrease in the gross profit margin for end-to-end cross-border delivery services was mainly due to a higher proportion of revenue generated from express delivery services which yield a relatively lower profit margin.

### ***Other income, gains and losses — net***

The Group recorded net losses of approximately RMB6.8 million from other income, gains and losses for FY2025, representing an improvement of approximately 30.2% compared to net losses of approximately RMB9.8 million for FY2024. The improvement was mainly attributable to a decrease in loss on exchange differences from RMB24.4 million for FY2024 to RMB13.7 million for FY2025; but partially offset by (i) a decrease in gain arising from change in fair value of financial assets at FVTPL; (ii) an increase in provision of litigation of approximately RMB2.5 million; and (iii) a decrease in government grants of approximately RMB6.3 million.

### ***Impairment loss on trade, deposits and other receivables***

The Group recorded impairment loss on trade, deposits and other receivables of approximately RMB19.9 million for FY2025 compared to an impairment loss of approximately RMB18.4 million for FY2024 mainly due to the increase in the gross carrying amount of the Group's trade receivables, deposits and other receivables.

### ***Impairment loss on goodwill***

The Group recorded an impairment loss on goodwill of approximately RMB18.1 million for FY2025, compared to nil in FY2024, mainly attributable to a major group customer changing its business from the Group's PRC wholly owned operating subsidiary, which carries the goodwill, to the Company's overseas subsidiaries.

### ***Finance costs***

The Group's finance costs decreased by approximately RMB1 million or 5% from approximately RMB19.4 million for FY2024 to approximately RMB18.4 million for FY2025. The decrease in finance costs was mainly due to the decrease in bank borrowings during FY2025.

### ***Income tax expenses***

Income tax expenses primarily consist of current and deferred income tax at the applicable tax rate in accordance with the relevant laws and regulations in the PRC and Hong Kong. The Group entities established in the Cayman Islands and the BVI are exempted from income tax in those jurisdictions.

The Group income tax expenses for FY2025 decreased by approximately 44.5% to RMB6.4 million from RMB11.58 million for FY2024. The decrease in income tax expenses was mainly due to a decrease in profit before tax for FY2025 as compared with FY2024.

### ***Profit for the year***

As a result of the forgoing, the Group recorded a profit for the year of approximately RMB3.0 million for FY2025, representing a decrease of approximately 95.6% as compared to approximately RMB69.2 million for FY2024. This was mainly due to (i) a decrease in the gross profit of approximately RMB60.5 million; (ii) the increase in impairment of goodwill of approximately RMB18.1 million during FY2025, partially offset by (i) an improvement in other income, gains and loss, net of approximately RMB2.9 million; and (ii) a decrease in administrative expenses of approximately RMB4.6 million and (iii) a decrease in profit tax of approximately 5.1 million.

### ***Trade and bill receivables***

The Group's trade and bill receivables were RMB557.2 million as at 31 December 2025, representing a decrease of 15.6% as compared to RMB660.4 million as at 31 December 2024, primarily attributable to a decrease in trade receivables from the Group's major group customer.

### ***Trade payables***

The Group's trade payables amounted to RMB92.8 million as at 31 December 2025, representing an increase of approximately 11.4% compared to RMB83.3 million as at 31 December 2024. The increase was mainly attributable to enhanced working capital control, under which payments to suppliers were made only upon the maturity of the respective payables.

### ***Liquidity, Financial Resources and Capital Structure***

The Group generally finances its operations primarily through a combination of cash generated from operations and bank borrowings. It is anticipated that the Group has sufficient working capital to fund its future working capital, capital expenditure and other cash requirements.

As at 31 December 2025, the Group's net current assets were approximately RMB549.4 million (31 December 2024: approximately RMB535.3 million). The Group's bank balances and cash as at 31 December 2025 were approximately RMB551.2 million (31 December 2024: approximately RMB448.6 million).

As at 31 December 2025, there were bank borrowings of approximately RMB592.5 million carried fixed interest rate from 0.66% to 4.05% per annum (31 December 2024: approximately RMB857.4 million carried fixed interest rate from 0.90% to 4.55% per annum). As at 31 December 2025, the Group had unutilized bank facilities of approximately RMB7.9 million.

As at 31 December 2025, the Group has lease liabilities of approximately RMB37.5 million (31 December 2024: RMB9.3 million), of which approximately RMB10.8 million (31 December 2024: RMB5.6 million) is analyzed as current position, and approximately RMB26.6 million (31 December 2024: RMB3.7 million) is analyzed as non-current position.

### ***Gearing ratio***

As at 31 December 2025, the gearing ratio of the Group, based on the total debt (including interest-bearing borrowing and lease liabilities) to total equity of the Company was approximately 81.3% (31 December 2024: 120.0%). The decrease in gearing ratio is primarily attributable to the decrease in bank borrowings partially offset by an increase in lease liabilities.

### ***Exchange rate fluctuation risk***

RMB is the Group's functional currency while some of the Group's business transactions with its customers and suppliers are denominated in other currencies, including but not limited to US dollars and Hong Kong dollars. Therefore, the Group is exposed, to some extent, to foreign currency risks as a result of sales and purchases that are denominated in a currency other than RMB. In addition, the Group retains certain proceeds from the placing in Hong Kong dollars that are exposed to foreign exchange risk. The Group closely monitors the exchange rate fluctuation risk and will take appropriate measures such as hedging measures to control the exchange rate fluctuation risk when necessary. The Group has not experienced any material difficulty or liquidity problems resulting from foreign exchange fluctuations during FY2025.

### ***Contingent liabilities***

As at 31 December 2025, the Group had no material contingent liabilities.

### ***Pledge of assets***

As at 31 December 2025, the Group had pledged trade receivables with carry amounts of approximately RMB174.8 million and ownership interest in buildings with carrying amounts of approximately RMB2.2 million and time deposits with carrying amounts of approximately RMB55.0 million as collateral for secured bank borrowings granted to the Group.

As at 31 December 2024, the Group had pledged trade receivables with carry amounts of approximately RMB494.2 million and ownership interest in buildings with carrying amounts of approximately RMB2.6 million and time deposits with carrying amounts of approximately RMB245.0 million as collateral for secured bank borrowings granted to the Group.

## **FUTURE OUTLOOK AND PROSPECT**

### ***Market Outlook***

Advancements in automation, data analytics, artificial intelligence and other logistics technologies are expected to further enhance supply chain efficiency. In addition, continued trade globalization and steady growth of cross-border e-commerce will also promote the development of cross-border trade. Although the overall growth is expected to slowdown, driven by changes in global trade structure, evolving consumer demands and the market's continued attention on efficiency and sustainability, the global cross-border logistics industry is expected to maintain its upward trend.

Based on the information from the General Administration of Customs of the PRC and statistics from Frost & Sullivan, the market scale of cross-border e-commerce and logistics in the PRC increased from RMB1.9 trillion in 2019 to RMB4.0 trillion in 2024, representing a compound annual growth rate of 16.1%. Affected by the executive orders of the U.S. government to impose various tariffs, the growth of cross-border e-commerce and logistics in the PRC is expected to slow down in the short-term. By 2029, it is expected to reach RMB5.7 trillion, with a compound annual growth rate of 7.3% from 2024 to 2029.

### *Development Strategy*

The Group will always uphold the philosophy of “Customer First”, accelerating the implementation of its “Going Global” strategy through breakthrough practices, and focusing on resource expansion and global layout. Guided by the “One Core, Two Wings” strategy, with AI-driven digital fulfillment services as the core, and trade and financial services as the two wings, the Group will evolve from a traditional logistics company into a cross-border supply chain service platform based on the integration of logistics and trade.

1. Further deepen the strategic cooperation with major platforms. The Group will mainly focus on strengthening in-depth cooperation with leading cross-border e-commerce platforms, while maintaining the sustainable development of the existing platform, and strengthen the development of the marketing system to further extend its reach to small and medium direct corporate customers.
2. Expand the business scale and service capabilities. The Group will expand or upgrade its existing service outlets as required to raise its service carrying capacity.
3. Expand the overseas business layout. On the basis of its existing business, the Group will extend the foreign logistics network, improve the cross-border delivery and the performance ability of overseas localisation ancillary services, facilitate the construction and launch of overseas logistics infrastructure and team recruitment, and establish an international logistics supply chain network.
4. Increasing investment in technology. Amid the wave of AI revolution, the Group profoundly acknowledges the essentiality of AI technology to corporate digital transformation. Science is the key to refined management. Through upgrading the information technology system and deepening the integration with AI technology, the Group is able to raise its level of digitalisation and empower its corporate development. In this regard, we have been increasing our investments in AI-driven technology to fully facilitate corporate digital upgrades. We embrace the AI revolution and are committed to applying AI technology to all business aspects, optimising operational efficiency, improving decision-making quality to build an intelligent and data-driven corporate ecosystem.

## USE OF PROCEEDS FROM INITIAL GLOBAL PUBLIC OFFERING

Based on the offer price of HK\$0.9 per share under the Share Offer, after deducting the relevant listing expenses, the net proceeds from the Share Offer amounted to approximately RMB58.79 million (the “**Net Proceeds**”), which was lower than the RMB80.00 million as disclosed in the prospectus of the Company dated 12 December 2023 (the “**Prospectus**”). The difference of approximately RMB21.21 million has been adjusted in the same manner and in the same proportion to the use of proceeds as disclosed in the section headed “Future Plans And Use Of Proceeds” in the Prospectus.

Pursuant to the announcement of the Company dated 30 April 2025, the Company planned to change the use of the Net Proceeds. In order to provide higher flexibility for the Group to manage its assets and liability against the current market unstable business environment including the US-China tariffs trade war and enable the Group to capture other business opportunities for the Group’s revenue growth, the Company planned to reallocate RMB39.81 million from the original use of achieving greater scale and further the Group’s reach by setting up new service outlets and expanding and upgrading the Group’s existing service outlets in the PRC to: (i) RMB19.81 million for enhancing overseas logistics capabilities; (ii) RMB16.00 million for construction of a global intelligent operations command base; and (iii) RMB4.00 million for working capital and general corporate purposes. The Board considered that changing the use of the Net Proceeds was deemed the most effective for the Group to achieve sustainable development and was fair, reasonable and in the best interests of the Group and the Company’s shareholders as a whole. The Board confirmed that there were no material changes to the nature of the Group’s business as outlined in the Prospectus.

As at 31 December 2025, the Group had utilized the Net Proceeds in the manners as set out in the table below:

Planned use of Net Proceeds	Percentage of total Net Proceeds	Original	Adjusted	Net Proceeds	Unutilised	Adjusted	Net	Unutilised	Expected
		estimated amount available for utilisation	amount available for utilisation	utilised up to 31 March 2025	Net Proceeds as at 31 March 2025	use of the Net Proceeds	Proceeds utilised from 1 April 2025 to 31 December 2025	amount as at 31 December 2025	time for full utilisation of the remaining Net Proceeds
		RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	RMB million	
Achieving greater scale and further the Group's reach	81.9%	65.5	48.15	8.34	39.81	—	—	—	—
— Setting up new service outlets in the PRC	47.0%	37.6	27.63	0.51	27.12	—	—	—	—
— Expanding and upgrading the Group's existing service outlets in the PRC	34.9%	27.9	20.52	7.83	12.69	—	—	—	—
Enhancing overseas logistics capabilities	—	—	—	—	—	19.81	4.67	15.14	30 June 2027
Construction of a global intelligent operations command base	—	—	—	—	—	16.00	16.00	—	—
Investing in and upgrading the Group's information technology systems	18.0%	14.4	10.58	5.77	4.81	4.81	2.21	2.60	30 June 2027
Working capital and general corporate purposes	0.1%	0.1	0.06	0.06	—	4.00	4.00	—	—
<b>Total</b>	<b>100%</b>	<b>80.0</b>	<b>58.79</b>	<b>14.17</b>	<b>44.62</b>	<b>44.62</b>	<b>26.88</b>	<b>17.74</b>	

## USE OF PROCEEDS FROM PLACING OF NEW SHARES UNDER THE GENERAL MANDATE

On 12 November 2025, the Company entered into a placing agreement (the “**Placing Agreement**”) with DL Securities (Hong Kong) Limited (the “**Placing Agent**”) pursuant to which the Company appointed the Placing Agent as its agent to procure not less than six places to subscribe to 156,000,000 new shares (the “**Placing Share(s)**”) at a price of HK\$0.455 per placing share on a best effort basis on the terms and subject to the condition of the Placing Agreement (the “**Placing**”).

On 20 November 2025, the Company completed the Placing to allot and issue the Placing Shares at HK\$0.455 each in accordance with the terms and conditions of the Placing Agreement. The net proceeds from the Placing were approximately RMB63.7 million. The utilization of the proceeds from the Placing up to 31 December 2025 was as below:

<b>Planned use of net proceeds from the Placing</b>	<b>Net proceeds to be applied</b> <i>RMB million</i>	<b>Utilized net proceeds as of 31 December 2025</b> <i>RMB million</i>	<b>Unutilized net proceeds as of 31 December 2025</b> <i>RMB million</i>
Strengthening the development of existing logistic business (including but not limited to expanding warehouses)	54.7	0.4	54.3
General working capital	9.0	9.0	—
<b>Total</b>	<b>63.7</b>	<b>9.4</b>	<b>54.3</b>

#### **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

Other than the disclosure in the Prospectus, the Company had no other future plans for material investments and capital assets as of 31 December 2025.

#### **MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company did not make any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

#### **PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY**

As at 31 December 2025, the Company did not hold any treasury shares. During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares, if any).

## **SIGNIFICANT EVENT AFTER THE REPORTING PERIOD**

On 20 January 2026, the Company entered into transaction framework agreement with Mr. Qingguo Zheng, Ms. Wen An and the Zhenith Family Trust (collectively, the “**Sellers**”), pursuant to which the Company has conditionally agreed to acquire all shares in Colink First HK Limited (“**COPE Holding**”) from the Zhenith Family Trust and subscribe for 690 new common shares in COPE and acquire all shares in Hyperlining Holdings HK Limited (“**Hyperlining Holding**”) from Ms. Wen An (the “**Transactions**”). The total consideration for the Transactions shall be US\$15,777,006.

Immediately after the completion of the Transactions, the Company will become the sole shareholder of COPE Holding and Hyperlining Holding, will hold 44.55% of COPE through COPE Holding and Hyperlining Holding, and FAR Luxembourg Holdings Sarl, a wholly-owned subsidiary of the Company will hold 6.45% of COPE directly. In aggregate, the Company will hold 51% of COPE and 51% of Hyperlining through Hyperlining Holding. COPE and Hyperlining (collectively, the “**Target Companies**”) will become subsidiaries of the Company, and the financial results of the Target Companies will be consolidated into the Company’s consolidated financial statements.

For details of the Transactions, please refer to the announcement dated 20 January 2026. As at the date of this announcement, completion of the Transactions has not taken place.

## **OTHER INFORMATION**

### **EMPLOYEES**

As at 31 December 2025, the total number of employees of the Group was 453 (as at 31 December 2024: 477). Salaries of employees are maintained at competitive level, with close reference to the qualifications, relevant experience, position and seniority, and performance of each individual employee, and are reviewed annually.

### **FINAL DIVIDENDS**

The Directors do not recommend the payment of a final dividend for FY2025 (FY2024: Nil).

## SHARE AWARD SCHEME

The Company adopted a share award scheme (the “**Share Award Scheme**”) on 9 April 2025 (the “**Adoption Date**”), under which the shares of the Company (the “**Awarded Shares**”) may be awarded to directors and employees of the Company, its holding companies, fellow subsidiaries and associated companies (the “**Eligible Participants**”) pursuant to the terms of the scheme. The purpose of the Share Award Scheme is to recognise and reward the contribution of the Eligible Participants to the growth and development of the Group and to give incentives to them in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Subject to any early termination as may be determined by the Board pursuant to the rules, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date. The maximum number of the Awarded Shares shall not exceed 78,000,000 shares of the Company, representing approximately 10% of the issued share capital of the Company as at the Adoption Date. The maximum number of Awarded Shares that may be granted to an Eligible Participant under the Share Award Scheme shall not exceed 1 per cent of the issued share capital of the Company from time to time. Details of the Share Award Scheme have been set out in the Company’s announcement dated 9 April 2025. Since the Adoption Date up to 31 December 2025, no Awarded Shares had been awarded.

## CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “**Shareholders**”) and to enhance corporate value and accountability.

The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance. Save as disclosed below, during the Reporting Period, the Company has complied with all applicable code provisions set out in part 2 of the CG Code and adopted most of the recommended best practices set out therein.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and performed by different individuals. The Company deviated from this code provision as Mr. Wang Quan performed these two roles of the Company after Ms. Zhang Min retired as an executive Director and ceased to be the Chief Executive Officer on 31 May 2024. On 1 March 2025, Mr. Wang Quan resigned as the Chief Executive Officer and Mr. Wang Tiantian was appointed as the Chief Executive Officer. Since then and up to the date of the results announcement, the roles of chairman and the chief executive officer are separate and performed by different individuals.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company 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 its own code of conduct regarding Directors’ securities transaction. Having made specific enquiries to all Directors, the Directors confirmed that they have complied with the required standards as set out in the Model Code during the Reporting Period.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”) has reviewed the Group’s audited consolidated financial statements for FY2025, including the accounting principles and policies adopted by the Group. The Audit Committee considered that the annual results for FY2025 had complied with all applicable accounting standards and the Listing Rules. The Audit Committee has also reviewed this results announcement.

## **SCOPE OF WORK OF SHINEWING (HK) CPA LIMITED**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes for the year ended 31 December 2025 as set out in this preliminary results announcement have been agreed by the Group’s independent auditor, SHINEWING (HK) CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 December 2025. The work performed by SHINEWING (HK) CPA Limited 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 SHINEWING (HK) CPA Limited on this preliminary results announcement.

## **ANNUAL GENERAL MEETING**

It is proposed that the annual general meeting of the Company (the “**AGM**”) will be held on Thursday, 7 May 2026.

## **CLOSURE OF REGISTER OF MEMBERS**

### **For Determining the Eligibility to Attend and Vote at the AGM**

The register of members of the Company will be closed from Monday, 4 May 2026 to Thursday, 7 May 2026 (both days inclusive) for the purpose of determining the Shareholders who are entitled to attend and vote at the AGM, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the AGM, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. for registration on Thursday, 30 April 2026.

## **SUFFICIENCY OF PUBLIC FLOAT**

According to the information that is publicly available to the Company and within the knowledge of the Directors, as at 31 December 2025, the Company has maintained a sufficient public float as required under the Listing Rules.

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

This results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.far800.com](http://www.far800.com), respectively. The annual report of the Company for FY2025 containing all the information required by the Listing Rules will be sent to its Shareholders and published on the above websites in due course.

## **PUBLICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT**

The environmental, social and governance report of the Group for FY2025 will be published on or before 30 April 2026 and will be available on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.far800.com](http://www.far800.com), respectively.

## **APPRECIATION**

On behalf of the Board, I would like to take this opportunity to extend our gratitude to the Group's management and staff who dedicated their endless efforts and devoted services, and to our Shareholders, suppliers, customers and bankers for their continuous support.

By order of the Board  
**FAR International Holdings Group Company Limited**  
**Wang Quan**  
*Chairman and Executive Director*

Hong Kong, 27 March 2026

*As at the date of this announcement, the executive Directors are Mr. Wang Quan, Mr. Yang Zhilong, Mr. Zhang Guanyang and Mr. Shi Dite; the non-executive Directors are Ms. Yi Yun and Mr. Yao Shenjie; and the independent non-executive Directors are Mr. Ye Xingyue, Mr. Ren Tiangan, and Ms. Wang Jiaofei.*